# UK reviews steel trade tariff exemptions

Press release

The TRA has initiated a Tariff Rate Quota review of steel products imported from developing countries and which are subject to safeguard trade remedy measures.



The Trade Remedies Authority (TRA) has today <u>initiated a Tariff Rate Quota (TRQ) review</u> looking at all categories of steel products which are imported into the UK and which are subject to the safeguard trade remedy measure. The TRA will assess whether the exceptions for imports from developing countries need to be amended based on updated import data. The TRA's assessment will consider imports from all developing countries, including countries which are currently excepted from the measure and those which are not.

# Imports from some developing countries may be exceeding 3% of total UK imports

Tariff rate quotas (TRQs) are part of the World Trade Organization (WTO) framework. They specify how much of a product can be imported from a country before its imports are subject to higher tariffs. Imports from developing countries are given exceptions to these TRQs if the goods imported are less than 3% of the total imports of that product and if, collectively, these low volume exporters account for no more than 9% of the total imports of that product. Members of the WTO are responsible for managing their own developing country exceptions to TRQs and need to review these exceptions regularly to check whether any countries need to be added to or removed from the exception.

## A trade remedy framework to protect UK industries

The UK's trade remedies system follows WTO rules and is designed to make sure UK industries are not damaged by unfair trade practices or unexpected surges in imports. The TRA has the power to investigate imports if it thinks they

may need to be countered using a trade remedy measure applied at the border. Safeguard measures temporarily restrict imports of specified goods to help domestic industries adapt to changes in market conditions.

### How the TRO review works

The TRA will review the goods imported to the UK from each of the developing countries which are subject to the steel safeguard measure. If the TRA establishes that imports from a developing country have increased, taking the country's imports above the 3% threshold for exception from the measure, it can recommend that imports from that country are now subject to the measure. This will mean that imports from that country will be subject to the TRQ residual quota which defines how much importers can bring in before paying higher tariffs, or to a quota specific to that country.

The TRA can also recommend that a developing country which was previously within scope of the safeguard measure should now be excluded if its imports have dropped below 3% of total imports of the product entering the UK.

The Secretary of State for International Trade will make the final decision based on the TRA's recommendation. If revisions to the TRQs are required, these will be provided in a notice published by the Department for International Trade.

Businesses which think they may be affected by a change in quotas for products coming from developing countries (for example, importers of these products) can visit the TRA's <u>public file</u> to find more information. You can also check the <u>list of product codes affected and the UK's list of developing countries</u>. Companies can register their interest on the <u>TRA's online case platform</u> within seven days and comment by Tuesday 15 March 2022.

#### Notes To Editors

- Safeguard measures are one of the three types of trade remedies along with anti-dumping measures which counter goods being dumped in countries at prices below their normal price in their country of origin and countervailing measures against countervailable subsidies that are allowed under World Trade Organisation (WTO) rules.
- The Trade Remedies Authority is the UK body that investigates whether trade remedies measures are needed to counter unfair international trade practices and unforeseen surges of imports.
- Trade remedy investigations were carried out by the EU Commission on the UK's behalf until the UK left the EU. Forty-four EU trade remedies measures of interest to UK producers were carried across into UK law when the UK left the EU and the TRA needs to review each one to check if it is suitable for UK needs.