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Committee on Safeguards

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NOTIFICATION UNDER ARTICLE 12.1(C), 12.2, 12.3 OF THE AGREEMENT ON SAFEGUARDS

NOTIFICATION PURSUANT TO ARTICLE 9, FOOTNOTE 2 OF THE AGREEMENT ON SAFEGUARDS

EUROPEAN UNION

Certain Steel Products

The following communication, dated and received on 2 June 2023, is being circulated at the request of the delegation of the European Union.

Pursuant to Articles 12.1(c) of the Agreement on Safeguards, the European Union ('the Union') submits a notification of proposed adjustments to safeguard measures following a Review investigation. This notification contains all pertinent information relating to the proposed adjustments to safeguard measures in accordance with Article 12.2 of the Agreement on Safeguards and an offer of consultations pursuant to Article 12.3 of the Agreement on Safeguards.

1. Provide precise description of the product involved

(1) The product concerned is certain steel products belonging to the 26 steel product categories listed in **Annex I** to this Notification.

2. Provide precise description of the proposed measure

Legal basis and procedure

(2) By Commission Implementing Regulation (EU) 2021/1029[1] ('the Prolongation Regulation'), the Commission prolonged the safeguard measure until 30 June 2024.

(3) In recital (85) of the Prolongation Regulation, the Commission stated "with a view to guaranteeing that the safeguard measure remains in place only to the extent that it is necessary, the Commission will carry out a review to determine whether, on the basis of the circumstances at that time, the safeguard measure should be terminated by 30 June 2023 namely after two years of prolongation".

(4) In the Prolongation Review Regulation, the Commission further noted that, in addition to assessing the possible termination of the measure by 30 June 2023 in view of the circumstances present at that time, it may also use this review, in case of no early termination of the measure, to update the list of developing countries subject to and excluded from the measure based on 2022 import data and to assess whether the level of liberalisation continued to be appropriate.

[1] Commission Implementing Regulation (EU) 2021/1029 of 24 June 2021 amending Commission Implementing Regulation (EU) 2019/159 to prolong the safeguard measure on imports of certain steel products, (OJ L 225 I, 25.6.2021, p.1).

(5) The Commission thus initiated a review investigation by means of a Notice of Initiation ('the Notice') published in the Official Journal of the European Union on 2 December 2022.[2] The Notice invited interested parties to provide evidence and data to determine whether it would be justified to terminate the measure by 30 June 2023. The Commission sought specific information from Union producers and users via questionnaires, which were made available to interested parties on the public file ('TRON')[3] as well as on the European Commission's (DG TRADE) website.[4]

(6) As in previous review investigations, the Commission devised a two-stage written procedure. First, parties had the possibility to send their submissions and where applicable, a reply to the questionnaires by 13 January 2023. The Commission made this information available on the public file and interested parties had the possibility to make comments (rebuttals phase). The Commission subsequently made the rebuttals available in TRON.

(7) At a later stage of the proceeding the Commission uploaded on TRON the updated set of questionnaire replies from Union producers to include the most recent data available, namely economic indicators of the last quarter of 2022. Interested parties were given the opportunity to comment on the updated information.

<u>Findings of the Review investigation</u>

(8) As per the Prolongation Review Regulation, the safeguard measure was set to be in place until 30 June 2024. At that time, the Commission concluded that an increased in the volume of imports should the measure be terminated as originally expected, could undermine significantly any meaningful economic recovery and the efforts being made by the Union steel industry in its process of adjustment to a higher level of imports.

(9) Therefore, the measure could be terminated on 30 June 2023 only if the Commission concluded in view of the circumstances following the Prolongation review, and on the basis of the evidence available (including the submissions and rebuttals received from interested parties in the ongoing review investigation) that such early termination would be justified.

(10) Conversely, in the absence of positive evidence justifying an early termination, the measure would automatically continue to be in place until 30 June 2024.

(11) In order to carry out its assessment, the Commission examined the comments and evidence received from interested parties, including the questionnaire replies, and where necessary crosschecked the information against any other available sources that it gathered through its own research as part of the investigation.

(12) As will be explained below, the Commission concluded that, under current circumstances, the early termination of the safeguard measure would not be justified.

TRQ use

(13) The Commission observed that, like it had been the case since the imposition of the definitive safeguard measure in February 2019, certain origins exhausted TRQs in some product categories in the early days of a quarter also in the period assessed in this review investigation. However, as confirmed in previous investigations, this fact cannot lead to the conclusion that the safeguard measure creates a shortage of steel for users in general. In this respect, the Commission noted that the claims by some interested parties referred to the exhaustion of some specific TRQs in isolation, without referring to the overall availability of steel outside a specific origin that may have exhausted its country-specific TRQ quickly. Thus, the Commission confirmed that, whilst some specific origins were exhausted at a given moment in time in certain product categories, in general terms access to other origins remained largely available for those product categories.

(14) The Commission also assessed the TRQ use and availability on a per product category basis to confirm the overall trend of TRQ use rates. The combined assessment unequivocally showed that Union users had the possibility to source free-of-duty steel from several sources

[2] OJ C 459, 2.12.2022, p.6.
[3] https://tron.trade.ec.europa.eu/tron/TDI
[4] https://tron.trade.ec.europa.eu/investigations/case-history?caseId=2645

quarter after quarter across virtually all product categories, and that the available free-of-duty volumes were increasing (in some cases substantially) quarter after quarter.

(15) In view of these facts, the Commission concluded that the claims regarding shortage of imported steel[5] did not correspond to the data assessed. The analysis also showed an increasing volume of TRQs unused across categories. Relevant data regarding the evolution of the market, e.g. consumption in the Union market, showed a progressive slowing down in the second half of 2022. Moreover, no evidence was provided showing that, with respect to the products under those exhausted TRQs, there was insufficient supply from Union producers.

(16) For these reasons, the Commission disagreed with the claims that the quick exhaustion of some TRQs (from some origins) in certain categories would have led to a shortage of steel in the Union market.

Changes to the US Section 232 measure

(17) The Commission had assessed the evolution of the US Section 232 measure in previous reviews and concluded that past changes in the US Section 232 measure did not alter the basis underpinning the assessment regarding the risk of trade diversion.[6] In the context of this investigation, the Commission looked into the latest developments of the US measure. In the first place, the Commission observed that the US Administration did not appear to have intentions to remove the measure in the near future, noting that "*[t]he Biden Administration is committed to preserving U.S. national security by ensuring the long-term viability of our steel and aluminum industries, and we do not intend to remove the Section 232 duties as a result of these disputes*".[7]

(18) Secondly, in light of the information presented by interested parties and its own analysis, the Commission established that the following changes to the US 232 measure had taken place since the Commission last assessed this argument in the Third Review Regulation of June 2022[8]: first, as of 1 June 2022, the US established a TRQ for the UK whereby certain volume of in-quota imports are exempted from the measure, while out-of-quota imports remain subject to the additional 25% duty. Second, as of 1 June 2022, the US suspended the measure for Ukraine temporarily.

(19) The analysis showed that the scope of the US Section 232 measure barely changed since the Commission last assessed it in the Third Review Regulation, which showed that the US market continues to be heavily shielded from steel imports.

(20) The Commission further assessed the evolution of imports into the US market[9], and confirmed that in overall terms, they had gone down by -10% in 2022 as compared to 2017, the year prior to the imposition of the US Section 232 measure.[10] As regards imports into the US market from those countries that are the main steel supplying countries into the Union, the trend is much steeper, as their combined imports fell by -27%, representing a reduction of over 2 million tonnes.

(21) Therefore, the Commission confirmed that imports into the US market continued to be significantly below pre-Section 232 measure levels. With the US market still affected by the Section 232 measures, the Union market remains the largest steel importing market worldwide.

(22) The Commission also noted that interested parties did not provide any evidence in this investigation that would put into question the Commission's findings in previous

[5] In addition to free-of-duty steel available from other third country sources Union users may have had the possibility, at least in some situations, of resorting also to steel available from Union producers.
[6] See, for instance, Section 3.5 of the Third Review Regulation.
[7] See Statement from USTR Spokesperson Adam Hodge of 9 December 2022: https://ustr.gov/about-us/policy-offices/press-office/press-releases/2022/december/statement-ustr-spokesperson-adam-hodge
[8] See recitals (54) to (59) of Commission Implementing Regulation (EU) 2022/978 of 23 June 2022 amending Implementing Regulation (EU) 2019/159 imposing a definitive safeguard measure on imports of certain steel products; OJ L 167, 24.6.2022, p. 58.
[9] Source: https://dataweb.usitc.gov/
[10] This calculation does not take into account imports into the US from the EU, as the analysis under this section is focused on assessing the possible trade diversion from third countries into the Union market.

investigations and thus, did not alter the findings of those investigations with regard to the risk of trade diversion into the Union market stemming from the US Section 232 measure.

Alleged obstacles posed by the safeguard to imports

(23) In this regard the Commission noted that the safeguard measure was designed in a way to ensure that historical trade flows would continue to enter the Union market free-of-duty. Such historical volumes have furthermore been progressively liberalised year after year. The Commission, in previous reviews of the measure, explained that interested parties active in the steel sector needed to adapt to the existing regulatory framework (in this case, the existence of a safeguard measure) when conducting their business. The data analysed in this review clearly showed that there has been an increasing volume of TRQs unused quarter after quarter across product categories and that Union producers had generally additional capacity available. Therefore, the fact that imports from one specific origin in a given category may have exhausted the relevant TRQ before the end of a quarter, does not mean that the safeguard measure has unduly restricted the ability of interested parties to source steel free-of-duty from other sources, including other third countries or the Union.

(24) Regarding delivery times, the Commission noted that the views among some interested parties appeared to differ regarding whether the Union delivery times were standard or whether they were abnormally long. In view of the contradictory claims on this subject among users, and the fact that no evidence was received showing that longer than usual delivery times was currently a common phenomenon in the Union, the Commission considered that delivery times could not be currently regarded as a supply issue.

(25) Regarding steel prices, the Commission assessed the evolution of prices in the Union and in other major steel markets and noted that in the first quarter of 2023 prices had drastically decreased when compared to the peak reached in 2022. Such a decrease in prices took place in a context of increasing energy costs for, among others, Union steel producers. The Commission considered that the evolution of prices in the Union market could thus not be directly linked to the safeguard measure, as a comparable trend which also coincided in time was observed in other major steel markets. In addition, the Commission noted that the availability of free-of-duty TRQs throughout the period ensured that users had generally alternative options to paying the 25% duty or sourcing from Union producers, thus not preventing relevant additional free-of-duty imports from entering the Union market.

(26) Therefore, the Commission concluded that the evolution of prices was showing a downwards trend towards the end of 2022, and that they had substantially decreased when compared to their peak earlier in 2022. Moreover, the Commission confirmed that these trends were also observed in other major steel markets, thus indicating that this was a rather global phenomenon not linked to the Union market and the safeguard measure.

(27) In view of the above elements, the Commission considered that interested parties did not demonstrate that the safeguard measure would have overall limited their ability to source steel free-of-duty in light of existing demand, nor have they shown how in the future that would be the case if the measure continued to be in place in light of forecasted demand and future TRQ levels.

Import pressure

(28) The rate of TRQ use went down quarter on quarter in the period assessed. In this regard, the Commission considered that conclusions cannot be drawn by assessing this fact in isolation. This fact should be put into a context of decreasing consumption. In this respect, the Commission assessed in further detail the extent of import pressure by looking at the total volume of imports and their share over total consumption in the same period, and by focusing on the TRQ use, notably those instances where country-specific TRQs by some origins were rapidly exhausted.

(29) First, regarding the overall volume of imports, the Commission noted that despite a slowdown in Union consumption notably in the second half of 2022, which impacted the level of TRQ use, imports in the year 2022 totalled 31.1 million tonnes. This constitutes the third highest level of imports in the last decade. In terms of market share, imports reached 19%, with an upwards increase towards the end of 2022 (reaching 21% in the last quarter

of 2022). This is the second highest market share achieved by imports in the last decade[11], only exceeded by the share of imports in the year 2018, which also constituted the peak volume of imports in the last decade. Therefore, despite a reduction in the level of TRQ use in a situation of lower consumption, data shows that import pressure increased and remained, in terms of market share, close to the historically high levels reached just before the adoption of a definitive safeguard measure in early 2019.

(30) Secondly, in every quarter there were several country-specific TRQs which indeed were fully used in the early stages of a quarter. This phenomenon, which was addressed by the Commission in previous regulations, showed that there continued to be import pressure from certain origins in some product categories despite the overall availability of TRQ volumes, thus contributing to the increase in market share of imports in a context of decreasing demand.

(31) Lastly, and although interested parties arguing in favour of termination did not generally refer to it, the Commission considers that the assessment regarding existing and future import pressure on the Union market cannot be done in isolation, e.g., by looking only at the TRQ use. Rather, it needs to be done by looking at the several existing parameters in the sector, also including the evolution of overcapacity. In this regard, the Commission observed that global overcapacity in the steel sector had further increased.

(32) The most recent estimates by the OECD point to additional global capacity being added. The OECD noted in February 2023: '*The risk of a global excess capacity crisis has increased. Despite declining steel demand, and a weak outlook, capacity expansions continue at a robust pace, often in pursuit of export markets. The gap between global capacity and crude steel production surged to 632.0 mmt in 2022 from 516.9 mmt in 2021. The recent rise in excess capacity poses risks for the long-term health and viability of the steel industry, and its ability to enable economic growth and prosperity*.'[12]

(33) The OECD further added: '*In 2022 alone, global steelmaking capacity increased by 32.0 million metric tonnes (mmt) to 2463.4 mmt. To give a sense of the actual magnitudes involved, the increases seen in global capacity are larger than the existing capacity levels of some large steel-producing economies*'.[13]

(34) Therefore, the Commission considers that the lower use of TRQs does not necessarily imply a reduction in the import pressure which could justify the termination of the measure by 30 June 2023

Market outlook

(35) The Commission analysed multiple sources[14] to obtain a good understanding of the market outlooks. All sources analysed presented a rather gloomy forecast for the global steel sector, including the Union market, for 2023-24, pointing to high uncertainty, in particular triggered by Russia's unprovoked and unjustified military aggression against Ukraine, inflation, the increased energy prices[15], and an economic slowdown, among other factors. Most of the forecasts analysed also highlight a likely worse situation for the Union market.

(36) Therefore, the Commission did not consider that the current outlooks for the Union steel market could justify the termination of the measure by 30 June 2023.

Analysis of questionnaire replies – Users

(37) To establish a balanced and comprehensive picture of the market situation, the Commission sought proactively input from users and their associations. To this end, the Commission sent specific questionnaires to 154 Union steel users and 19 user associations that had

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[11] For import share in the period 2013-2017 see Table 2 of Definitive Regulation. For import share in the period 2018-2020, see Table 10 of Prolongation Regulation. The share of imports in 2021 was 18.1%. Source: Eurostat for imports, and industry data and questionnaire replies for consumption.

[12] OECD, Latest Developments in Steelmaking Capacity (17 February 2023).

[13] *Ibid*

[14] These sources include: OECD, World Steel Association, S&P Platts, Fitch Ratings.

[15] Regarding the evolution of energy prices and their expected price levels in the Union compared with historical data, see Economist Intelligence Unit: Commodities Outlook 2023, page 3 (available upon subscription); and Trading Economics: https://tradingeconomics.com/commodity/eu-natural-gas. Both sources show that the current energy prices in the Union, while far below the peak reached in 2022, continue to be at a substantially higher level than in previous years.

participated in previous reviews of the measure and were thus registered in the case file. Other users and associations also had the possibility to respond to these questionnaires which were available on the European Commission's (DG TRADE) website.

(38) The Commission analysed the users' questionnaire replies in light of other key parameters, notably the TRQ use and the market outlook. The investigation confirmed that users are benefitting from an ever-increasing level of duty-free TRQs (+20% increase of TRQ volumes since 2019) which remain consistently unused across product categories. Furthermore, as of 1 July 2023 the TRQs will be further increased by 4% (in compliance with WTO obligations to liberalize the measure progressively), thus benefitting those users who want to increase further their volume of imports from specific origins.

(39) In this regard, users have not provided any evidence that the volume of TRQs (including the increased volumes due to liberalisation that will be added to the TRQs as of 1 July 2023) together with the availability of Union-produced steel would not be adequate to fulfil their needs in light of existing and forecasted demand.

Analysis of questionnaire replies – Producers

(40) In the investigation the Commission also sought to assess the evolution of the economic situation of the Union steel producers through questionnaires. The Commission received questionnaire replies from the three main Union steel producer associations (EUROFER, ESTA and CTA)[16] in addition to a few additional individual replies from Union producers. The period for which data was provided comprised the years 2021 and 2022.

(41) The questionnaire replies from Union producers showed that the Union industry experienced an overall positive situation in 2021, driven notably by the post-COVID rebound in demand and abnormally high steel prices. The situation continued to be overall very positive in early 2022.

(42) However, throughout the rest of 2022 the economic performance of the Union industry deteriorated rapidly. This was due to several factors. In particular, the breakout of Russia's unprovoked and unjustified military aggression against Ukraine lead to disruptions in several sectors, also affecting the steel market. Moreover, a spike in energy prices led to higher costs of production for steelmakers, but in a context of slowing down in demand where steel prices decreased to face an import pressure which remained at high levels in several important product categories.

(43) The evolution of the economic indicators showed that Union steel consumption in 2022 (166.1 million tonnes) decreased by more than 20 million tonnes (-11.4%) when compared to 2021 (187.4 million tonnes).

(44) For its part, production of the Union industry decreased by -10.8% from 2021 (167.7 million tonnes) to 2022 (149.6 million tonnes). The level of production went down in particular in the second half of 2022 compared to the first half of 2022 (-20.8%).

(45) Moreover, production capacity utilisation was at 76% in 2021 and it remained almost the same (75%) in the Q1 (January-March) of 2022. However, as of Q2 (April-June) 2022 it started to decrease, reaching a very low figure of 58% in Q4 (October-December) 2022. Overall, production capacity utilisation decreased by 10 percentage points from 2021 to 2022, standing at 65.6%.

(46) Furthermore, the volume of sales of Union producers in the Union market followed a decreasing trend from 2021 continuously until the last quarter (October-December) of 2022. The volume of sales decreased year-on-year by -6.4% from 68.4 million tonnes in 2021 to 64.1 million tonnes. In relative terms, the Union producers' market share dropped from 81,9% in 2021 to 81,3% in 2022.

(47) Lastly, profitability of those sales was at 9% in 2021 and it kept increasing until 14.2% in Q2 (April-June) of 2022. However, this positive trend reversed as of Q3 (July-September) 2022, dropping to 3.9% and subsequently reaching a loss-making situation of -0.2% in Q4 (October-December) of 2022. In 2022, overall, the Union industry made less than 1% profit.

[16] The questionnaire replies from these associations also included the individual questionnaire replies of their members participating in the proceeding. Both sets of data were available in the case file (TRON).

(48) Consequently, the situation of the Union industry worsened towards the end of the period considered, in particular due to some factors which took place in 2022, together with the remaining import pressure, which led the Union industry to lower its prices, and reduce its market share to remain breakeven.

Forward-looking analysis

(49) Having assessed the comments from interested parties and having described the questionnaire replies from users and producers, including the evolution of the Union producers' economic indicators, the Commission complemented this analysis with a forward-looking assessment of the likely developments of some elements, should the measure be terminated by 30 June 2023. In particular, the Commission examined whether an increase in the volume of imports could be expected, should the measure be terminated before as originally expected.

(50) In the first place, the Commission assessed whether, as it had found in previous review investigations, the Union market continued to be attractive. The information assessed by the Commission showed that the Union continued to be the largest steel importing market worldwide. In fact, its share over total world imports in 2022 increased by more than three percentage points when compared to the year 2021.[17] This demonstrated that not only in overall terms the Union market continued to be the largest importing market but also that its leading position strengthened further in 2022.

(51) The Commission then assessed the attractiveness of the Union market in terms of prices. The assessment showed that in terms of price levels, import prices into the Union from its main supplying countries were consistently higher than their export prices to other third markets for a large majority of their steel exports (in 50% to 81% of the total customs codes subject to the measure the export values to the Union were higher than to other third markets; on average, 69% of the customs codes concerned were sold at a higher price in the Union than on other third markets).[18] Furthermore, the assessment revealed that the Union market constituted an important relevant exporting market for these countries.[19] The main steel supplying countries to the Union were those predominantly exhausting TRQs.

(52) Therefore, the Commission concluded that the Union market continued to be attractive for exporting countries both in terms of volume and prices.

(53) Then, the Commission noted that the volume of imports into the Union remained at high levels when compared to historical figures (last decade). The share of imports was also high when compared to previous levels, and close to the peak reached in 2018 prior to the imposition of a definitive safeguard measure.[20] Furthermore, when compared to the consumption in the Union market in the period 2021-2022, which decreased by -11% (-21.3 million tonnes), imports went down by -8% (from 33.8 million tonnes to 31.1 million tonnes), while domestic sales also went down but at a higher pace, -12%. Therefore, the market share of imports increased despite a double-digit decrease in consumption in the Union market. The Commission therefore concluded that the level of import penetration in the Union market continued to be at high levels and that it even increased in 2022 when compared to 2021 despite a reduction in consumption.

(54) The Commission also confirmed that the situation in 2022 regarding global overcapacity in the steel sector continued to follow the same upwards trend. Therefore, and also in the absence of any evidence from interested parties that would demonstrate the contrary, the Commission concluded that its previous findings with regards to the effects of overcapacity on the market and performance of steel producers remain valid.

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[17] See OECD Steel Market Developments, Q4 (December 2022), p. 22, table 4. Available at: https://www.oecd.org/industry/ind/steel-market-developments-Q4-2022.pdf

[18] Source of raw data: Global Trade Atlas 'GTA'. https://www.gtis.com/gta/. Figures pertaining to the year 2022, for exports from the main steel exporting countries to the Union, namely China, India, South Korea, Chinese Taipei, Türkiye (their combined exports of steel to the Union in 2022 represented 52% of total imports). Figures from Russia, formerly the second largest steel exporting country to the Union, have not been considered since its steel exports to certain jurisdictions, including the Union market, are currently banned as a result of sanctions imposed because of its unprovoked and unjustified military aggression against Ukraine.

[19] For most of these origins the Union market represented a double-digit share of its total exports, reaching up to 27%.

[20] Imports into the Union went down by -9% in 2022 when compared to the peak reached in 2018, representing a reduction of – 3,2 million tonnes.

(55) Likewise, the Commission concluded that in overall terms, exporting countries had not been able to find other outlets to compensate for the trade volumes lost in the US and Union market since 2018. In fact, their total exports to other markets were generally lower than they were in 2018.

(56) In light of the above, the Commission concluded that imports into the Union would increase if the safeguard measure was terminated by 30 June 2023. Indeed, the evolution of imports, TRQ used and imports' market share in the recent period considered confirmed the attractiveness of the Union market and the willingness of the largest steel exporters to obtain better access to the Union market, especially on some product categories.

Conclusion

(57) Based on a careful analysis of the submissions and rebuttals received from interested parties requesting the termination of the safeguard measure by 30 June 2023, as well as of the questionnaire replies, as well as the conclusion reached in its forward-looking assessment the Commission concluded that on the basis of the current circumstances and information available the termination of the measure by 30 June 2023 is not justified. Should the measure be terminated at this stage, the likely increase in the volume of imports could undermine the situation of the Union industry.

Level of liberalisation

(58) The current liberalisation rate of the safeguard was set at an annual rate of 4%. The Commission assessed in this Review investigation whether this level of liberalisation continued to be appropriate.

(59) In view of the recent negative trends in the Union steel market, the uncertainty surrounding the economic forecasts for the near future in particular for the Union, and the fact that there were TRQs generally available throughout the period across product categories, the Commission considered that an increase in the level of liberalisation beyond its current rate was not justified.

(60) Therefore, the TRQs will continue to increase by 4% as of 1 July 2023 for all product categories. The specific volumes for the period 1 July 2023 – 30 June 2024 (on a quarterly basis) are set out in Annex II to Commission Implementing Regulation (EU) 2022/978 of 23 June 2022.[21]

(61) In **Annex II** to this Notification, the European Union included only those instances where a change to those volumes takes place. The only change is the result of Malaysia being subject to the measure in product category 9. Since Malaysia qualified for a country-specific TRQ in this category due to its historical imports in the reference period of the definitive measure, the volume of residual TRQ is reduced by the amount of the country-specific TRQ allocated to Malaysia.

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3. Provide proposed date of introduction of the measure

(62) The proposed date for the entry into force of the adjustments to the measure is 1 July 2023.

4. Provide expected duration of the measure

(63) The measure is expected to be in place until 30 June 2024, as foreseen by recital (85) of the Prolongation Regulation.

5. For a measure with a duration of more than three years, provide the proposed date for the review (under Article 7.4) to be held not later than the mid-term of the measure, if such a date for the review has already been scheduled

(64) Not applicable

[21] OJ L 167, 24.6.2022, p.58.
Link: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022R0978&from=EN

6. If the expected duration is over one year, provide expected timetable for progressive liberalisation of the measure

(65) The definitive measures will be liberalised by increasing the level of the TRQ for all product categories by 4% for the period 1 July 2023 – 30 June 2024.

7. Provide information relating to the extension of a safeguard measure

(66) Not applicable

8. Exclusion of certain countries from the scope of the definitive measure

(67) The Review of the definitive measure shows that imports of certain product categories originating in several developing countries, based on import data of the **year 2022**, meet the requirements of Article 9 of the WTO Agreement on Safeguards and should therefore be excluded (See **Annex III**).

9. Procedures relevant to the decision to apply the measure and information regarding procedures for prior consultations with those Members having a substantial interest as exporters of the product concerned

(68) Members having a substantial interest as exporters of the product subject to the investigation that wish to consult with the European Union may make a request through the EU Mission in Geneva or via the case functional mailbox:

TRADE-SAFE009-REVIEW@ec.europa.eu

(69) These consultations shall be held with the European Commission services, either in person in Brussels, or via video-conference, during the period **5 June - 13 June 2023**. The European Union would advise that in their request for consultations WTO Members provide at least with two possible dates, and preferred time slots.

ANNEX I

List of product categories subject to the Review investigation

Product Number	Product category
1	Non Alloy and Other Alloy Hot Rolled Sheets and Strips
2	Non Alloy and Other Alloy Cold Rolled Sheets
3.A	Electrical Sheets (other than GOES)
3.B	
4.A	Metallic Coated Sheets
4.B	
5	Organic Coated Sheets
6	Tin Mill products
7	Non Alloy and Other Alloy Quarto Plates
8	Stainless Hot Rolled Sheets and Strips
9	Stainless Cold Rolled Sheets and Strips
10	Stainless Hot Rolled Quarto Plates
12	Non Alloy and Other Alloy Merchant Bars and Light Sections
13	Rebars
14	Stainless Bars and Light Sections
15	Stainless Wire Rod
16	Non Alloy and Other Alloy Wire Rod
17	Angles, Shapes and Sections of Iron or Non Alloy Steel
18	Sheet Piling
19	Railway Material
20	Gas pipes
21	Hollow sections
22	Seamless Stainless Tubes and Pipes
24	Other Seamless Tubes
25A	Large welded Tubes
25B	Large welded Tubes: others
26	Other Welded Pipes
27	Non-alloy and other alloy cold finished bars
28	Non Alloy Wire

ANNEX II

Volumes of tariff–rate quotas

Product Number	Product category	CN Codes	Allocation by country (Where Applicable)	Year 6				Additional duty rate
				From 1.7.2023 to 30.9.2023	From 1.10.2023 to 31.12.2023	From 1.1.2024 to 31.3.2024	From 1.4.2024 to 30.6.2024	
				Volume of tariff quota (net tonnes)				
9	Stainless Cold Rolled Sheets and Strips	7219 31 00, 7219 32 10, 7219 32 90, 7219 33 10, 7219 33 90, 7219 34 10, 7219 34 90, 7219 35 10, 7219 35 90, 7219 90 20, 7219 90 80, 7220 20 21, 7220 20 29, 7220 20 41, 7220 20 49, 7220 20 81, 7220 20 89, 7220 90 20, 7220 90 80	Korea, Republic of	49 549,16	49 549,16	49 010,58	49 010,58	25%
			Chinese Taipei	45 948,59	45 948,59	45 449,15	45 449,15	25%
			India	30 710,50	30 710,50	30 376,69	30 376,69	25%
			South Africa	26 723,10	26 723,10	26 432,63	26 432,63	25%
			United States	24 986,11	24 986,11	24 714,52	24 714,52	25%
			Türkiye	20 791,56	20 791,56	20 565,57	20 565,57	25%
			Malaysia	**13 172,38**	**13 172,38**	**13 029,20**	**13 029,20**	**25%**
			Other countries	52 837,87	52 837,87	52 263,55	52 263,55	25%

Volumes of global and residual tariff–rate quotas per trimester

Product Number	Allocation by country (Where Applicable)	Year 6			
		From 1.7.2023 to 30.9.2023	From 1.10.2023 to 31.12.2023	From 1.1.2024 to 31.3.2024	From 1.4.2024 to 30.6.2024
		Volume of tariff quota (net tonnes)	Volume of tariff quota (net tonnes)	Volume of tariff quota (net tonnes)	Volume of tariff quota (net tonnes)
9	**Other countries**	**52 837,87**	**52 837,87**	**52 263,55**	**52 263,55**

ANNEX III

List of product categories originating in developing countries to which the definitive measures apply

List of product categories originating in developing countries to which the definitive measures apply																													
Country / Product group	**1**	**2**	**3A**	**3B**	**4A**	**4B**	**5**	**6**	**7**	**8**	**9**	**10**	**12**	**13**	**14**	**15**	**16**	**17**	**18**	**19**	**20**	**21**	**22**	**24**	**25A**	**25B**	**26**	**27**	**28**
Argentina						X	X																	X		X			
Brazil	X	X				X	X																	X		X			
China		X	X	X		X	X	X	X	X	X	X	X		X	X			X	X		X	X	X	X	X	X	X	X
Egypt	X					X	X							X			X									X			
India	X	X		X	X	X	X	X	X	X	X	X	X		X	X	X	X			X		X	X		X	X		
Indonesia						X	X		X	X	X						X									X			
Kazakhstan						X	X													X						X			
Malaysia						X	X				X						X									X			
Mexico						X	X																	X		X			
Moldova						X	X							X			X									X			
North Macedonia						X	X		X				X								X	X				X	X		
Oman						X	X							X												X			
Türkiye	X	X	X		X	X	X	X		X	X		X	X			X	X		X	X	X			X	X	X	X	X
Ukraine[22]	X	X				X	X		X					X			X				X	X	X	X		X		X	X
United Arab Emirates						X	X											X	X		X			X		X			
Vietnam	X			X	X	X	X				X															X	X		
All other developing countries						X	X																			X			

[22] These TRQs are not applicable to Ukraine. Please see recital (9) of Third Review Regulation.