

**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**

THE EUROPEAN COMMISSION,

Having regard to Regulation (EU) 2015/478 of the European Parliament and of the Council of 11 March 2015 on common rules for imports <sup>(1)</sup> and in particular Article 19 thereof,

Having regard to Regulation (EU) 2015/755 of the European Parliament and of the Council of 29 April 2015 on common rules for imports from certain third countries <sup>(2)</sup>, and in particular Article 16 thereof

Whereas:

**1. BACKGROUND**

- (1) By Commission Implementing Regulation (EU) 2019/159 <sup>(3)</sup>, the European Commission imposed a definitive safeguard measure on certain steel products ('the safeguard'), which consists of tariff-rate quotas ('TRQs') with respect to certain steel products ('the product concerned') encompassing 26 steel product categories, set at levels preserving traditional trade flows on a per-product-category basis. A 25 % tariff duty applies only if the quantitative thresholds of these TRQs are exceeded. The safeguard measure was imposed for an initial period of three years, that is to say, until 30 June 2021.
- (2) On 15 January 2021, the Commission received a substantiated request by twelve EU Member States to examine, pursuant to Article 19 of Regulation (EU) 2015/478 of the European Parliament and of the Council and Article 16 of Regulation (EU) 2015/755, whether the existing safeguard measure should be prolonged.
- (3) The Commission considered that the request contained sufficient evidence to initiate an expiry/prolongation review investigation. Accordingly, it published a Notice of Initiation <sup>(4)</sup> ('the Notice of Initiation') in the Official Journal of the European Union on 26 February 2021.

**2. PROCEDURE**

- (4) In order to carry out a proper assessment as to whether the safeguard measure continues to be necessary to prevent or remedy serious injury, whether the Union steel industry is adjusting, and whether such prolongation is in line with the wider Union interest, the Commission collected specific data from the Union industry by means of questionnaires <sup>(5)</sup>. These data included, inter alia, the evolution of key economic and financial indicators for the product concerned during the period 2018-2020 ('the period considered'), as well as evidence that the industry is adjusting.
- (5) The Commission also sought the position of other interested parties on a potential prolongation. To this end, the Notice of Initiation invited interested parties to participate in the investigation by submitting their observations and supporting evidence.

<sup>(1)</sup> Regulation (EU) 2015/478 of the European Parliament and of the Council of 11 March 2015 on common rules for imports, (OJ L 83, 27.3.2015, p. 16).

<sup>(2)</sup> Regulation (EU) 2015/755 of the European Parliament and of the Council of 29 April 2015 on common rules for imports from certain third countries, (OJ L 123, 19.5.2015, p. 33).

<sup>(3)</sup> Commission Implementing Regulation (EU) 2019/159 of 31 January 2019 imposing definitive safeguard measures against imports of certain steel products ("Definitive Safeguard Regulation") (OJ L 31, 1.2.2019, p. 27).

<sup>(4)</sup> Notice of initiation concerning the possible extension of the safeguard measure applicable to imports of certain steel products (OJ C 66, 26.2.2021, p.50).

<sup>(5)</sup> The open versions of questionnaire replies are available for inspection of interested parties in the open file of the investigation: <https://tron.trade.ec.europa.eu/tron/TDI> (accessible to registered interested parties).

- (6) In terms of due process, the prolongation review investigation comprised a two-stage written procedure, under which interested parties, first, submitted their observations and, subsequently, were given the possibility to rebut the other parties' observations and submit comments on the questionnaire replies. Overall, the Commission received more than 150 individual questionnaire replies and over 160 submissions from interested parties within the established deadlines. The Commission also offered interested parties the possibility of hearings, if duly justified. Only the Government of the Russian Federation made use of this possibility <sup>(6)</sup>.
- (7) In its prolongation review investigation, the Commission assessed, first, whether the requirements of necessity and adjustment, mandatory under the rules of both the Agreement establishing the World Trade Organization (WTO Agreement) and Union legislation, were satisfied (see Section 3). Second, it also assessed what length and liberalisation terms for the prolongation would be justified (see Sections 3.3 and 3.4 respectively). Finally, the Commission assessed whether such prolongation would be in line with the interest of the Union (See Section 5). In its assessment, the Commission took due account of the observations and evidence received from interested parties, as well as any other publicly available information, in relation to the above questions. The Commission specifically addressed the relevant claims made by interested parties that deviate from the Commission's assessment in a dedicated Section (see Section 7).

### 3. LEGAL REQUIREMENTS

#### 3.1. Necessity

- (8) According to Article 7.1 of the WTO Agreement on Safeguards and Article 19(2) of EU Regulation (EU) 2015/478 on common rules for imports <sup>(7)</sup>, the period of application of a safeguard measure may be extended "provided that (...) the safeguard measure continues to be necessary (...) and that there is evidence that the industry is adjusting".
- (9) The Commission first examined and described the economic situation of the Union industry based on the questionnaire replies received (Section 3.1.1). Subsequently, the Commission assessed whether, and to what extent, import pressure existed or continued during the period considered (Section 3.1.2.). This assessment included a detailed analysis of the evolution of imports and TRQs use over the period of application of the safeguard, as well as a detailed assessment of several other relevant factors to determine the likely behaviour of imports into the Union, if the safeguard measure lapses ('counterfactual analysis').

##### 3.1.1. *Economic situation of the Union steel industry*

- (10) In order to assess the economic situation of the Union steel industry, the Commission issued questionnaires to the known Union steel producers to collect information regarding injury indicators about the product concerned during the period 2018-2020 ('the period considered'). The Commission also requested the known Union industry associations (EUROFER, ESTA and CET) to distribute the questionnaires among their individual members. In addition, the Commission notified the known Union producers, through the open file system (TRON) <sup>(8)</sup>, of the request to fill in questionnaires, which were also made available on the website of the Directorate-General for Trade <sup>(9)</sup>.
- (11) The Commission received over 150 individual questionnaire replies. The Commission also received consolidated data submissions from the industry associations known to the Commission. In addition, the Commission received individual questionnaire replies from each producer that had supplied the data to the industry associations individually and by producers that did not belong to any association. The Commission then processed the data received. It first consolidated the data directly received from members of associations, and later crosschecked their accuracy and the consolidation methodology with the dataset submitted by the industry associations in dedicated remote crosscheck sessions that took place on 14 June 2021. The Commission then merged the association members' replies together with the individual replies received by producers not belonging to any association into a single consolidated dataset. This dataset constitutes the basis for the assessment of the economic situation of the Union industry. The assessment of this dataset (in Tables 1 to 4) showed the following:

<sup>(6)</sup> A virtual hearing between the Commission and the Russian Government took place on 8 April 2021.

<sup>(7)</sup> Regulation (EU) 2015/478 of the European Parliament and of the Council of 11 March 2015 on common rules for imports (OJ L83 of 27.3.2015).

<sup>(8)</sup> <https://tron.trade.ec.europa.eu/tron/TDI> (accessible only by registered interested parties).

<sup>(9)</sup> Available at DG TRADE's dedicated website to the investigation (publicly accessible).

## (a) Production, production capacity, capacity utilisation, stocks

Table 1

**Production, production capacity, capacity utilization, stocks**

in 000 tonnes	2018	2019	2020
Production volume of the product concerned	200 416	189 459	168 675
<i>index 2018 = 100</i>	100	95	84
Production capacity for the product concerned	252 367	252 461	251 864
<i>index 2018 = 100</i>	100	100	100
Capacity utilisation	79,41 %	75,04 %	66,97 %
Stocks	21 464	20 000	18 251
<i>index 2018 = 100</i>	100	93	85

Source: Questionnaire replies.

- (12) Over the period considered production volume steadily decreased year-on-year, with -5 % decrease in 2019 and a sharper reduction -16 % in 2020, when compared to 2018 figures. The 2020 quarterly breakdown <sup>(10)</sup> shows that this decrease was driven largely by the performance in the second and third quarters, which were the most heavily affected by the effects of the COVID-19 pandemic. Production capacity remained stable throughout the period and, thus, capacity utilisation followed a declining trend in line with the reduction in production (See Table 1). Lastly, stocks went down by 7 % in 2019 and by 15 % in 2020 as compared to the year 2018.

(b) Union consumption, domestic sales and market share <sup>(11)</sup>

Table 2

**Union consumption, domestic sales and market share**

	2018	2019	2020
Consumption in 000 tonnes	167 140	157 120	139 955
<i>index 2018 = 100</i>	100	94	84
Domestic sales in 000 tonnes	132 960	127 448	114 936
<i>index 2018 = 100</i>	100	96	86
Market share in %	79,6 %	81,1 %	82,1 %

Source: Industry data and questionnaire replies

- (13) Consumption in the Union market started declining in 2019 (-6 %), and this trend continued in 2020 (-16 %) when compared to the year 2018. The evolution of domestic sales volume by Union producers followed a very similar trend during the period considered (-4 % in 2019 and -14 % in 2020). During the period considered, the Union industry increased its market share by more than 2 percentage points.

<sup>(10)</sup> Data on a quarterly basis for the year 2020 is included in the questionnaire replies.

<sup>(11)</sup> Given that the questionnaire replies do not include every steel producer in the Union, market share of the Union industry has been calculated based on the consumption data, import data and data from questionnaire replies.

(c) Unit sales price, profitability, cash flow and return on capital employed

Table 3

**Unit sales price, profitability <sup>(12)</sup>, cash flow and return on capital employed**

	2018	2019	2020
Unit sales price (EUR/tonne)	763	725	666
<i>index 2018 = 100</i>	100	95	87
Profitability ( % turnover)	5,7 %	-0,4 %	-3,7 %
Cash flow (million EUR)	7 456	6 798	6 386
<i>index 2018 = 100</i>	100	91	86
Return on capital employed ( % )	8,6 %	-2,6 %	-19,4 %

Source: Industry data and questionnaire replies

- (14) Injury indicators related to sales volume (see Table 2) and value saw a continuous decline over the period considered. Unit sales prices went steadily down by 5 % in 2019 and by 12 % in 2020 when compared to 2018. Cash flow and return on capital employed also deteriorated year-on-year during the period considered, the latter reaching negative figures in both 2019 (-2,6 %) and (-19,4 %) in 2020.
- (15) The decrease in prices, coupled with the reduction in production and sales volumes described in Tables 1 and 2, turned the Union industry into a loss-making situation already in 2019 (-0,4 %) and the situation further deteriorated in 2020, reaching -3,7 % losses.

(d) Employment

Table 4

**Employment**

(FTE)	2018	2019	2020
Employment	215 359	215 620	202 331
<i>index 2018 = 100</i>	100	100	94

Source: Questionnaire replies

- (16) Employment remained stable in 2019, but decreased by 6 % in 2020 when compared to 2018.

**Conclusion**

- (17) The data in Section 3.1.1. showed that the economic situation of the Union industry had deteriorated significantly already in the year 2019, when the Union industry already became lossmaking, with virtually all injury indicators showing a sharp negative trend. It should be noted that from 2018 to 2019 the profitability experienced a slump by 6,1 percentage points to reach -0,4 % at the end of 2019. This serious worsening thus took place well before the unexpected onset of the COVID-19 pandemic and its ensuing effects on the market. The financial position of the Union industry further deteriorated in the course of 2020, when the economic effects of the COVID-19 pandemic further complemented the weakening of the Union industry's financial position produced by the continuation during 2020 of the import pressure exerted by exporters to the Union. The effects of the COVID-19 pandemic came on top of the continuous jeopardy to the financial position of the Union industry caused by import pressure. Imports together with to some extent the COVID-19 pandemic plunged the Union industry into a serious financial situation with losses of -4 %. It should be emphasized that the additional impact of the pandemic-induced crisis on the financial position of the Union industry, which deepened the already undergoing import-induced deterioration,

<sup>(12)</sup> Calculated over sales to unrelated customers in the Union.

was comparatively smaller. From 2019 to 2020 the profitability decreased 3,3 percentage points to reach the bottom losses of almost -4 %. Therefore, the COVID-19 pandemic has thus amplified a pre-existing and continuing source of serious injury for the Union industry, which is mainly driven by imports.

- (18) In conclusion, the Commission therefore found that, during the period of application of the safeguard measure the economic situation of the Union industry continued worsening as a result of import pressure during a period where the important adjustments made by the Union industry have not yet produced positive effects.

#### **Additional analysis per product family**

- (19) The Commission concluded on the basis of the economic situation and development of injury indicators for the product concerned in Tables 1 to 4 that the Union industry continued worsening between 2018 and 2020 and it is currently in a fragile situation.
- (20) In addition to this finding, and in accordance with the approach followed in the original investigation, <sup>(13)</sup> the Commission also confirmed its findings on the basis of three product families, this is flat products, long products and tubes <sup>(14)</sup>.

Table 5

#### **Production, production capacity, capacity utilization, stocks**

in 000 tonnes	2018	2019	2020
Production volume of the product concerned (flat)	150 598	143 287	126 795
<i>index 2018 = 100</i>	100	95	84
Production volume of the product concerned (long)	41 395	38 879	35 769
<i>index 2018 = 100</i>	100	94	86
Production volume of the product concerned (tubes)	8 423	7 293	6 111
<i>index 2018 = 100</i>	100	87	73
Production capacity for the product concerned (flat)	184 802	184 682	183 924
<i>index 2018 = 100</i>	100	100	100
Production capacity for the product concerned (long)	54 755	55 013	55 278
<i>index 2018 = 100</i>	100	100	101
Production capacity for the product concerned (tubes)	12 810	12 767	12 661
<i>index 2018 = 100</i>	100	100	99
Capacity utilisation (flat)	81,49 %	77,59 %	68,94 %
Capacity utilisation (long)	75,60 %	70,67 %	64,71 %
Capacity utilisation (tubes)	65,75 %	57,12 %	48,27 %

<sup>(13)</sup> Definitive Safeguard Regulation, recital (47).

<sup>(14)</sup> For a full description of the product families, see recital (21) of the Definitive Safeguards Regulation.

Stocks (flat)	13 712	13 549	12 354
<i>index 2018 = 100</i>	100	99	90
Stocks (long)	4 859	4 469	4 146
<i>index 2018 = 100</i>	100	92	85
Stocks (tubes)	2 893	1 982	1 751
<i>index 2018 = 100</i>	100	69	61

*Source: Industry data and questionnaire replies*

Table 6

**The Union consumption, domestic sales and market share**

	2018	2019	2020
Consumption in 000 tonnes (flat)	108 661	103 357	91 373
<i>index 2018 = 100</i>	100	95	84
Consumption in 000 tonnes (long)	48 226	44 495	40 521
<i>index 2018 = 100</i>	100	92	84
Consumption in 000 tonnes (tubes)	10 253	9 269	8 060
<i>index 2018 = 100</i>	100	90	79
Domestic sales in 000 tonnes (flat)	86 585	83 533	74 504
<i>index 2018 = 100</i>	100	96	86
Domestic sales in 000 tonnes (long)	38 714	36 918	34 252
<i>index 2018 = 100</i>	100	95	88
Domestic sales in 000 tonnes (tubes)	7 661	6 998	6 180
<i>index 2018 = 100</i>	100	91	81
Market share in % (flat)	79,7 %	80,8 %	81,5 %
Market share in % (long)	80,3 %	83,0 %	84,5 %
Market share in % (tubes)	74,7 %	75,5 %	76,7 %

*Source: Industry data and questionnaire replies*

Table 7

**Unit sales price, profitability, cash flow and return on capital employed**

	2018	2019	2020
Unit sales price (EUR/tonne) (flat)	775	741	689
<i>index 2018 = 100</i>	100	96	89
Unit sales price (EUR/tonne) (long)	674	623	556
<i>index 2018 = 100</i>	100	92	82

Unit sales price (EUR/tonne) (tubes)	1 065	1 070	999
<i>index 2018 = 100</i>	100	100	94
Profitability ( % turnover) (flat)	6,0 %	-1,0 %	-4,6 %
Profitability ( % turnover) (long)	6,0 %	0,4 %	-2,8 %
Profitability ( % turnover) (tubes)	3,3 %	0,9 %	-0,5 %
Cash flow (million EUR) (flat)	5 652	3 609	4 402
<i>index 2018 = 100</i>	100	64	78
Cash flow (million EUR) (long)	1 411	2 300	879
<i>index 2018 = 100</i>	100	163	62
Cash flow (million EUR) (tubes)	394	889	1 106
<i>index 2018 = 100</i>	100	226	281
Return on capital employed ( % ) (flat)	7,68 %	-3,75 %	-28,47 %
Return on capital employed ( % ) (long)	10,13 %	-1,59 %	-4,76 %
Return on capital employed ( % ) (tubes)	8,58 %	3,05 %	-3,16 %

Source: Industry data and questionnaire replies

Table 8

### Employment

(FTE)	2018	2019	2020
Employment (flat)	134 788	137 719	128 837
<i>index 2018 = 100</i>	100	102	96
Employment (long)	49 116	47 314	45 487
<i>index 2018 = 100</i>	100	96	93
Employment (tubes)	31 455	30 587	28 007
<i>index 2018 = 100</i>	100	97	89

Source: Industry data and questionnaire replies

- (21) Tables 5 to 8 showed the evolution of the injury indicators per product family during the period considered. In particular, they confirmed that the economic and financial situation of the Union industry followed, for each of the product families individually, comparable deteriorating trends as those established for the product concerned as a whole. By means of example, injury indicators such as production volume, domestic sales volume, unit sales price and profitability, consistently deteriorated in 2019 and this trend continued in 2020, showing a negative economic and financial situation. The only exception, in terms of diverging trend when compared to those of the product concerned, has to do with development of cash flow in the tubes family during the period considered.

- (22) In view of this, the supplementary analysis undertaken per product family thus corroborates the findings reached for the product concerned, namely that even when assessed on a product family basis, the Union industry's economic situation significantly worsened over the period considered and that it is currently in a fragile situation.

### 3.1.2. Import pressure

#### (a) Evolution of imports

- (23) To determine whether imports exerted pressure on the Union steel industry during the period considered and to what extent, the Commission assessed, first, the evolution of imports <sup>(15)</sup> of the product concerned in overall terms and, second, with respect to the level of consumption. In addition, the Commission assessed the evolution of TRQs used under the safeguard (See section 3.1.2(b)).

Table 9

#### Evolution of imports in tonnes

	2018	2019	2020
Volume of imports	34 180 000	29 672 000	25 019 000
<i>index 2018 = 100</i>	100	87	73

Source: EUROSTAT

- (24) In overall terms, the volume of imports of the product concerned decreased by 13 % in 2019 and by 27 % in 2020 when compared to the 2018 level <sup>(16)</sup>.

Table 10

#### Import share evolution

	2018	2019	2020
Consumption in 000 tonnes	167 140	157 120	139 955
<i>index 2018 = 100</i>	100	94	84
Volume of imports in 000 tonnes	34 180	29 672	25 019
<i>index 2018 = 100</i>	100	87	73
Market share	20,4 %	18,9 %	17,9 %

Source: EUROSTAT, Industry data and questionnaire replies

Table 11

#### Market share of imports per product family

	2018	2019	2020
Consumption in 000 tonnes (flat)	108 661	103 357	91 373
<i>index 2018 = 100</i>	100	95	84

<sup>(15)</sup> The import data used in the investigation does not include imports from those countries that were excluded unconditionally from the safeguard measure. For these exclusions, see Article 6.1 of the Definitive Safeguards Regulation for European Economic Area ('EEA') countries, and Commission Implementing Regulation (EU) 2018/1712 of 13 November 2018 amending Implementing Regulation (EU) 2018/1013 imposing provisional safeguard measures with regard to imports of certain steel products, OJ L 286, 14.11.2018, p. 17, for South Africa and certain other African countries with whom the EU had Economic Partnership Agreements ('EPAs') in place. This means that all findings throughout this investigation refer to worldwide imports except imports from those origins. Likewise, all findings regarding the effects of imports – both existing imports during the period considered and expected imports in the event of a lapsing of the safeguard measure – pertain to worldwide imports minus imports from those origins.

<sup>(16)</sup> For a broader picture on import evolution in previous years, see Table 2 of the Definitive Regulation.



Consumption in 000 tonnes (long)	48 226	44 495	40 521
<i>index 2018 = 100</i>	100	92	84
Consumption in 000 tonnes (tubes)	10 253	9 269	8 060
<i>index 2018 = 100</i>	100	90	79
Imports in 000 tonnes (flat)	22 076	19 824	16 869
<i>index 2018 = 100</i>	100	90	76
Imports in 000 tonnes (long)	9 513	7 577	6 270
<i>index 2018 = 100</i>	100	80	66
Imports in 000 tonnes (tubes)	2 592	2 271	1 880
<i>index 2018 = 100</i>	100	88	73
Market share in % (flat)	20,3 %	19,2 %	18,5 %
Market share in % (long)	19,7 %	17,0 %	15,5 %
Market share in % (tubes)	25,3 %	24,5 %	23,3 %

Source: EUROSTAT and Industry data

- (25) When the decrease in the volume of imports shown in Table 9 is assessed against the evolution of consumption in the Union market, the Commission noted that although the market share of imports gradually decreased over the period concerned, the market share of imports nevertheless remained at the same level in 2020 when compared to 2017, that is to say, the year just prior to the imposition of the safeguard measure <sup>(17)</sup>. Furthermore, the average market share of imports during the period under the safeguard was higher than in the years prior to its imposition (whether individual years, or averaged). This shows that, despite the safeguard, the presence of imports on the Union steel market has not diminished. Rather, it has increased in relative terms compared to the period prior to the imposition of the safeguard <sup>(18)</sup>.

(b) Evolution of TRQ Use

- (26) The Commission also undertook a closer look on import pressure by assessing the evolution of TRQ use under the safeguard <sup>(19)</sup>.
- (27) This analysis shows that the main steel exporting countries have exhausted a large number of the country-specific quotas allocated to them and, quite often, in a rather short time frame within the relevant periods of application of the safeguard measure. In some extreme cases, large volumes of annual quotas were exhausted within the first day of the period or within a few weeks. This trend continued under the quarterly administration of country-specific quotas introduced on 1 July 2020. The analysis also showed that some of those countries also exhausted extremely quickly some residual quotas in several categories after previously exhausting their own, thus crowding out other historical suppliers. This is a consistent pattern, which can be observed across product categories and origins, and in large volumes.

<sup>(17)</sup> The Commission recalls that in Provisional Safeguard Regulation it had concluded that up to end of 2017, there had been a significant increase in imports into the Union market.

Furthermore, the share of imports compared with the production of the Union industry considerably increased under the safeguard measure (average of 16 % during the period considered) as compared to the years prior to the imposition of the measure (2013-2017, whether individually (maximum of 12 % in one year) or averaged (10 %)). Data regarding production for the period 2018-2020 can be found in Table 1 and for the period 2013-2017 in table 5 of the Definitive Safeguards Regulation.

<sup>(18)</sup> See table 2 of Definitive Safeguard Regulation.

<sup>(19)</sup> Data extracted from the Commission's dedicated website providing information on every TRQ use, which is updated on a daily basis. The underlying data used for this analysis is publicly available at: [https://ec.europa.eu/taxation\\_customs/dds2/taric/quota/quota\\_consultation.jsp](https://ec.europa.eu/taxation_customs/dds2/taric/quota/quota_consultation.jsp)

(28) The main exporting countries not only demonstrate capacity to supply large volumes within a short period of time, creating significant disturbances on the market, but also appear ready to increase their presence on the Union market further, whenever the design of the measure gives them an opportunity to do so (for instance, through the exceptional access to the residual quota). Therefore, as found during the second functioning review of the safeguard measure <sup>(20)</sup>, the exporters of the main exporting countries clearly show an opportunistic behaviour seeking to maximise their market presence under the safeguard measure, by all possible means.

(c) Evolution of worldwide exports by main steel exporting countries and of consumption in their domestic markets

(29) Before the adoption of the US tariff measures under Section 232 of the Trade Expansion Act of 1962 ('Section 232 measures') measure on certain steel products in March 2018, the US was the largest steel importing market. After imposing a 25 % upfront duty on imports, the US lost this position to the Union, which is at present the world's largest steel importing country, followed by the US <sup>(21)</sup>. In order to shield the Union market from the ensuing trade diversion, the Union imposed its safeguard, provisionally in July 2018 and in its definitive shape in February 2019, by means of TRQs on the product concerned that, unlike the US measure, preserve historical trade flows and deter additional imports, including diverted trade.

(30) Imports into the Union decreased by 13 % in 2019 and by 27 % in 2020 with respect to their peak in 2018 (See Table 5). At the same time, during the same period, imports into the US market followed a parallel even steeper declining trend after the imposition of the Section 232 measures, as shown in Table 11.

Table 11

**Imports into United States in tonnes <sup>(22)</sup>**

Year	Year 2017	Year 2018	Year 2019	Year 2020
Total Third countries (excluding EU)	21 933 440	18 472 301	15 052 561	12 143 791

(31) Therefore, these data prove a close and significant correlation between the strong reduction in import volumes into the US after the imposition of the US Section 232 measures and the parallel increase of imports into the Union, partially cushioned by the safeguard measure. This correlation is confirmed for all safeguard periods up to the impact of the COVID-19 pandemic.

(32) After having identified these import trends into the two largest importing markets of steel (the Union and the USA), the Commission turned to assess the export performance in other third markets of the main steel supplying countries to the Union <sup>(23)</sup>.

Table 12

**Evolution of exports of the product concerned from main steel supplying countries to the EU to third markets (other than EU and US)**

Year	2018	2019	2020	% variation	volume variation
Volume in tonnes	126 541 868	125 633 907	117 579 311	-7 %	-8 962 557

<sup>(20)</sup> Commission Implementing Regulation (EU) 2020/894 of 29 June 2020 amending Implementing Regulation (EU) 2019/159 imposing definitive safeguard measures against imports of certain steel products (OJ L 206, 30.6.2020, p. 27). See e.g. recitals (35), (36), (80).

<sup>(21)</sup> World Steel Report: 'World Steel in Figures, 2020', p. 25. Available at: World Steel Report. See also OECD's Steel Market Developments, Q4 2019, p. 24 and table 3. Available at: <https://www.oecd.org/industry/ind/steel-market-developments-Q4-2020.pdf>

<sup>(22)</sup> Source: United States International Trade Commission - <https://dataweb.usitc.gov/>

<sup>(23)</sup> These countries are (alphabetically listed): China, India, Korea (Republic of), Russia, Taiwan, Turkey, and Ukraine. The United Kingdom is also amongst the major exporting countries. However, since during the period considered it was still a member of the European Union, it has not been included when carrying out a backward looking assessment of import data of third countries.

- (33) The Commission undertook a statistical analysis of the exporting trends of the product concerned for the main steel exporting countries based on data from the Global Trade Atlas <sup>(24)</sup>. Table 8 shows that, overall, the main exporting countries to the Union of the product concerned substantially decreased their export volumes to other third markets over the period considered. An individual assessment of these countries' export performance confirmed that most of these countries also experienced a decline in their export volumes for every country (other than the Union and the US). Therefore, this means that during a period where the world's two main largest steel importing countries (the Union and the USA) saw a significant decline in imports when their respective measures were in place, the main exporting countries to the Union also decreased their export volumes to other third markets.
- (34) The Commission further supplemented its own assessment with the analysis carried out by the OECD. The OECD data confirmed the Commission's own assessment that the export performance of the main steel exporting countries had overall consistently decreased over the period considered <sup>(25)</sup>.
- (35) The Commission then assessed the evolution in the domestic consumption in the main steel exporting countries <sup>(26)</sup> over the period considered.

Table 13

**Consumption evolution in the main steel-making markets (including the main exporting countries to the EU) <sup>(27)</sup>**

Year/ Product	HR coil and coil plate	CR coil	HDG + EZ coil	Tin- plate	Reversing mill plate	Rebar + wire rod	Merchant bar + Structural Sections	Rail	All - incl. China	China	Without China
<b>2018</b>	501 093,59	172 655,53	87 021,82	8 539,49	110 692,33	495 876,36	190 878,27	8 136,93	1 574 894,32	964 829,00	610 065,32
<b>2019</b>	505 032,94	167 800,90	90 303,02	8 819,83	113 426,32	531 934,21	197 669,27	8 709,86	1 623 696,35	1 024 140,84	599 555,50
<b>2020</b>	518 795,17	176 848,77	91 167,34	8 371,03	121 358,51	552 591,72	211 094,72	8 110,75	1 688 338,02	1 141 388,71	546 949,31

- (36) Table 13 shows that, overall over the period considered, consumption <sup>(28)</sup> in the domestic market of the major steelmaking countries (encompassing the main steel supplying countries to the Union) increased. However, this overall trend is driven by the exceptional consumption surge experienced in China, by far the largest steel-making market in the world. With this exception, all the other countries saw a continuous decline in domestic consumption.

<sup>(24)</sup> This database gathers statistical information supplied by the national customs statistical offices from each country.

<sup>(25)</sup> The OECD also confirmed this generally declining exporting trend on a wider level, i.e. covering also steel products outside the product concerned. See: OECD's Steel Market Developments, Q4 2020, tables 3, 4 and 5. This general trend is also confirmed by tables 6 and 7 in the same document, showing the import evolution into the largest steel importing economies (table 6) and imports into other major steelmaking economies (table 7), and figure 8 (p.32). Available at: <https://www.oecd.org/industry/ind/steel-market-developments-Q4-2020.pdf>

<sup>(26)</sup> Main steel exporting countries of the product concerned to the Union.

<sup>(27)</sup> Source: CRU database. Data available for the main steel-making countries: Belarus, Bosnia and Herzegovina, Brazil, Canada, China, Egypt, India, Iran, Japan, North Macedonia, Mexico, Moldova, Russia, Serbia, South Korea, Switzerland, Taiwan, Turkey, Ukraine and Vietnam, and for the following group of product categories: Hot-Rolled coil and coil plate CR coil, Hot-Dipped Galvanized (HDG), EZ coil, Tinplate, Reversing mill plate, Rebar, wire rod, Merchant bar, Structural Sections and Rail.

<sup>(28)</sup> This table is meant to give a general overview of consumption trends of some of the main product categories in the Union and in the main steel markets worldwide. As it is clear from the table, the data does not cover the product concerned as a whole.

(37) Therefore, the simultaneous decrease of exports and domestic consumption over the period considered in the majority of the main steel-making countries unequivocally witnesses to the increasing difficulties they experience to find outlets for their traditional export operations. These difficulties strongly enhance competitive tension and induce a forceful conduct of exporters in third markets.

(d) Overcapacity

(38) The Commission also assessed the most recent developments related to global overcapacity in the steel sector that it had already considered in its Provisional and Definitive Safeguard Regulations.

(39) An analysis of various authoritative sources referred to in this Regulation show that the situation of overcapacity in the global steel market has worsened over the period considered. The OECD noted that *“the latest available information (as of December 2020) suggests that global steelmaking capacity increased in 2020 for the second year in a row (Figure 10). The net capacity change in 2020, taking into account new capacity additions and closures, brings current global steelmaking capacity up to 2 453,2 mmt, representing a 1,6 % increase from the level at the end of 2019”* <sup>(29)</sup>.

(40) Furthermore, the OECD added that *“Global steelmaking capacity rose to 2 453,2 mmt in 2020, while crude steel production declined to 1 827,8 mmt, with the gap between the two increasing to 625,4 mmt from 568,7 mmt in 2019. Global steel production as a share of capacity, as a rough indicator of the global utilisation rate, declined from 76,5 % in 2019 to 74,5 % in 2020”* <sup>(30)</sup>.

(41) The conclusions of the 2020 Global Forum on Steel Excess Capacity (‘GFSEC’) Ministerial Report, based on data up to 2019, had already pointed that developments in the sector could follow this direction. The report noted that *“two particular concerns at the close of 2019 were the reversing trend being observed in Chinese steelmaking capacity, with several very large greenfield projects being initiated particularly in southern and eastern coastal areas supported by the government-led capacity swaps scheme, and Chinese support for or participation in capacity expansion in third countries. Rapid capacity growth was also taking place in Southeast Asia and the Middle East”* <sup>(31)</sup>.

(42) The Report added that *“the immediate implication of the demand outlook is that the global capacity-demand gap, an indicator of over-supply risks for the steel market, is going to increase significantly to at least 606 mmt in 2020”* <sup>(32)</sup>. It also noted *“this reversal in excess capacity can lead to trade disturbances, trigger sharply lower steel prices and hurt the economic sustainability of the steel industry”*. <sup>(33)</sup>

(43) Therefore, the Commission considered it evident that the problem of global overcapacity in the steel sector has worsened in the period considered, resulting in an even larger gap between production, consumption and installed capacity. The Commission further confirmed this information with its own assessment of the data from the CRU database for the main steel-making countries worldwide, which include the main steel-exporting countries to the Union market <sup>(34)</sup>.

(e) US Section 232 measures

(44) In its regulations imposing a provisional and a definitive safeguard measure, the Commission found that the US Section 232 measures on certain steel products were likely to cause considerable trade diversion to the Union market of exports originally destined to the US market, if no remedial action was taken by the Union. In its definitive regulation, the Commission concluded that there was evidence that the first signs of trade diversion were already taking place in 2018 <sup>(35)</sup>.

<sup>(29)</sup> See OECD’s Steel Market developments Q2 2021, of 1 March 2021, p.28, recital 53.

<sup>(30)</sup> *Ibid.* at recital 55.

<sup>(31)</sup> Global Steel Forum on Steel Excess Capacity, 2020 Ministerial Report, recital 17.

<sup>(32)</sup> *Ibid.* at recital 23.

<sup>(33)</sup> *Ibid.* at recital 24 (including figure 5).

<sup>(34)</sup> Source: CRU database for years 2018-2020, in particular overcapacity figures compared to consumption and production. <https://www.crugroup.com/analysis/steel/> (access under subscription)

<sup>(35)</sup> See recitals (99) to (110) of Definitive Safeguard Regulation

- (45) The Commission has already shown in Table 11 that, since the adoption of the US Section 232 measures on steel, the level of imports into the US market had significantly declined. In fact, over the period considered, the imports formerly directed to the US do not appear to have found other outlets worldwide, as overall exports to other countries, including the Union market, decreased in a situation of declining domestic consumption for the main steel exporting countries to the Union.
- (46) To date, the US Section 232 measures continue and there is no indication by the US authorities foreseeing its repeal. Accordingly, the risk of trade diversion, of both goods currently shipped to the US and those that used to be imported into the US market but which, as a result of the US Section 232 measures, are not being imported anymore, fully remains if the Union safeguard measure were to lapse.

(f) Situation of trade defence and trade restrictive measures in third countries

- (47) Over the period considered, in addition to the US Section 232 measures, which remain in place, the Commission observed the continuous imposition of new measures across different jurisdictions that largely affect the main steel exporting countries to the Union in a wide variety of steel products, including several of those falling under the safeguard measure <sup>(36)</sup>. This includes the recently announced notice to prolong the safeguard measure on certain steel products by the United Kingdom <sup>(37)</sup>.
- (48) This observed trend of continuous increase in the scope of steel categories subject to anti-dumping and countervailing duties, without signs of reversal in the foreseeable future, reinforce the above-mentioned difficulties for exporting countries to find outlets for their exports, which enhances competitive tension and makes more forceful the conduct of exporters

(g) Attractiveness of the Union market

- (49) The Union is at present the largest steel importing market in the world in terms of volumes. <sup>(38)</sup> In terms of price levels, import prices into the Union from its main supplying countries are consistently higher than their export prices to other third markets for a large majority of their steel exports (in 53 % to 73 % of the total codes affected the export values to the Union are higher than to other third markets) <sup>(39)</sup>.
- (50) This means that exporters have an interest in penetrating the Union market by all means and sometimes incurring in unfair pricing conduct. In fact, in recent years the Commission has imposed a series of anti-dumping and countervailing measures on imports of steel, including on product categories covered by the safeguard.
- (51) The statistical trends of imports into the EU (see Table 9) confirm the attractiveness of the Union market for exporters. Imports into the Union have, on average, even increased their market share during the period considered as compared to the period prior to the imposition of the safeguard, in a context of decreasing consumption and despite a safeguard in place.
- (52) In view of these elements, the Commission concluded that the Union steel market remains attractive for exporting countries.

3.1.3. Conclusions

- (53) Based on the foregoing evidence and considerations, the Commission found that the Union steel industry, after the first three years of the safeguard measure, still finds itself in a fragile economic situation.
- (54) The Commission also found that imports from the main steel exporting countries have exerted and still continue exerting very high import pressure on the Union's steel market, with an aggressive and opportunistic pattern of commercial behaviour, that is to say, using any margin to increase market presence.

<sup>(36)</sup> OECD, Steel trade and trade policy developments, 24 February 2021, Annex A.

<sup>(37)</sup> Notice of determination 2020/06: safeguard measures on certain steel products – application of tariff rate quotas - GOV.UK ([www.gov.uk](http://www.gov.uk))

<sup>(38)</sup> See Section 3.1.2.c. of this Regulation.

<sup>(39)</sup> Source of raw data: Global Trade Atlas 'GTA'. <https://www.gtis.com/gta/>. Figures pertaining to the period 2015-2020, for exports from the main steel exporting countries to the EU, namely China, India, Russia, South Korea, Taiwan, Turkey and Ukraine. (United Kingdom was not included because, despite being one of the top 8 exporting countries to the Union, in the period assessed it was still an EU Member State).

- (55) Furthermore, given the prevailing downward trends in worldwide exports and domestic consumption by the main steel exporting countries over the period considered, which were already underway prior to the COVID-19 pandemic, and in an overall context of significant overcapacity, the Commission then noted that exporters are in need to increase their sales on any possible market to continue operating.
- (56) The investigation also confirmed that other significant steel markets, including the second largest importing country, the US, continue having trade restrictions in place affecting the ability of exporting countries to sell thereto, in a general context of continuous decline in steel consumption.
- (57) The investigation further confirmed that the Union market is comparatively more attractive for imports in terms of size and price levels, thereby becoming a market where large volumes of steel could be directed.
- (58) The counterfactual analysis undertaken in the light of the set of factors described in Section 3.1.2. to determine what would happen if the safeguard is removed clearly shows at this moment a high likelihood that very substantial volumes of steel unsold in other parts of the world could end up being directed towards in the Union market.
- (59) These additional imports, together with the currently existing ones, would overall lead to a very serious further deterioration of the economic situation of the Union industry, and could seriously endanger its viability. It is therefore established that the lapsing of the safeguard measure would result in serious injury to the Union industry caused by increased imports. This conclusion is not affected by the current effects of the COVID-19 pandemic on the Union industry. Whilst the economic situation of the Union industry was further aggravated in 2020 because of the COVID-19 pandemic, the Commission established that the likely increase in imports should the safeguard measure lapse would result in serious injury to the Union industry.
- (60) The Commission concluded that such increased volumes 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, which are described in the following section. Therefore, the Commission considered that the safeguard measure continues to be necessary to prevent serious injury.
- (61) This necessity exists also because the Union does not have the possibility under WTO rules to increase import duties on the product concerned without taking a safeguard measure. Indeed, in the WTO the Union has bound its import tariffs at the level of zero for the tariff lines included in the product concerned. For this reason, just as in 2018 the increase in imports evidently was the result of the effect of these obligations (namely zero-duty tariff concessions) incurred by the Union under the GATT, so would these obligations also now permit imports to increase again, resulting in serious injury to the Union industry, should the safeguard lapse.

### 3.2. Adjustment

- (62) When the Commission introduced the provisional steel safeguard in July 2018, the Union steel industry had already started a process of adjustment to the serious crisis experienced by the steel sector since mid-2010, when world steel demand slowed down and capacity nonetheless continued expanding. This imbalance, aggravated by State intervention supporting capacity increases and preventing closures of uneconomic facilities in some third countries, distorted market dynamics and constrained producers to turn increasingly to export markets, which fuelled trade defence cases, many of them involving China where the largest overcapacity lays.
- (63) The Union reacted swiftly to this challenge. In 2013, with its “Action Plan for a competitive and sustainable steel industry in Europe”<sup>(40)</sup>, the Commission set out an ambitious plan of targeted actions, both at Union and Member State level, to enhance the competitiveness of the Union steel industry and make it sustainable and able to compete globally, as well as to develop the next generation of steel products vital for other key European industries.

<sup>(40)</sup> Commission Communication of 11 June 2013 (COM/2013/0407 final).

- (64) The McKinsey consulting firm, in its Report *“The current capacity shake-up in steel and how the industry is adapting”* <sup>(41)</sup> published in January 2018, saw the 2016-2025 decade volatile and ripe for further restructuring, in view that the consolidation and adjustment efforts in some parts of the world, notably in Europe, had been *“largely offset by continuing expansion elsewhere”*. The Report also explained how companies, *“especially in Europe, South Korea and Japan, are adjusting to global overcapacity “by pursuing new products and business model extensions that enable them to move up the value chain”*. The Report further explained that, *“in addition, innovation in steel also encompasses the core production processes, aiming at solutions to reduce production costs, improve functionality products, or reduce the environmental burden”*. The Report finally expected *“more leading players to experiment with radical innovation in production processes, breaking the long-held belief that steel production technology has matured and thus has limited room for further productivity gains”*.
- (65) In this context, in March 2016, the Commission took stock of the actions implemented under the 2013 Steel Action Plan and, by means of its Communication *“Steel: Preserving sustainable jobs and growth in Europe”* <sup>(42)</sup>, strengthened the actions in order to promote investment and create a more favourable business that should assist the Union steel industry in its adaptation efforts. In particular, the Commission refocussed all its Union strategic initiatives to the fullest extent and in an accelerated manner in order to step up the efforts that the EU steel industry was making to modernise and implement innovations that guarantee its long-term competitiveness and sustainability.
- (66) As explained in Section 3.1.e), the adoption by the US of its Section 232 measures on steel, which entered into force in June 2018, deepened the chronic imbalance between steel capacity and demand. The closure of the, at the time, largest steel importing market has exacerbated the aggressive conduct by the steel exporting countries in their desperate search for outlets to place their output excess.
- (67) In these circumstances, the proportionate reaction by the Commission with the introduction of its safeguard measure in TRQ shaped to deter trade diversion, provisionally in July 2018 and in their definitive form in February 2019, prevented that the sudden and sharp steel imports surge that the EU steel market was already experiencing got reinforced. In the absence of this action, the adjustments efforts the Union steel industry was undertaking to adapt to the increasing global overcapacity and the progressively integrated steel markets would have been thwarted.
- (68) Under the Union safeguard, the adjustments efforts of the Union steel industry continued. In their submissions and questionnaire replies, the Union steel industry has documented that it has been adjusting during the first three years of application of the safeguard. The confidential information submitted, complemented with press releases, company reports, and other publically available information, showed that the Union steel industry has been adopting adjustment actions to reduce costs, improve performance, innovate, and undertake its environmental transformation in line with the EU commitments to fight climate change. The adjustments documented concern the product categories covered by the EU steel safeguard. These adjustments are preparing the EU steel industry for remaining financially and environmentally sustainable in the long-run.
- (69) On the one hand, the Union steel industry has reported performance-enhancing measures to save costs and optimize value chain, such as job cuts, closing of less efficient or underutilised facilities, coupled with investments in new machinery and production processes <sup>(43)</sup>. On the other hand, the Union steel industry has also documented more forward-looking adjustments to reinforce competitiveness in the longer run, such as investments in new sustainable

<sup>(41)</sup> ©McKinsey & Company, Metals and Mining Practice, January 2018. Available at: <https://www.mckinsey.com/~media/mckinsey/industries/metals%20and%20mining/our%20insights/the%20current%20capacity%20shake%20up%20in%20steel%20and%20how%20the%20industry%20is%20adapting/the-current-capacity-shake-up-in-steel-and-how-the-industry-is-adapting.pdf>

<sup>(42)</sup> Commission Communication of 16 March 2016 (COM/2016/0155 final).

<sup>(43)</sup> See, for instance, ArcelorMittal’s announcement to permanently close Krakow furnace and steel plant in Poland, 8 October 2020, available at: <https://www.spglobal.com/platts/en/market-insights/latest-news/metals/100820-arcelmittal-to-permanently-close-krakow-furnace-and-steel-plant-in-poland>.

Also see Bekaert’s announcement at: <https://www.bekaert.com/en/about-us/news-room/news/bekaert-announces-restructuring-plans-belgium>, Productos Tubulares’ job reduction in its open questionnaire reply and Outokumpu’s announcement to reduce its total employee headcount in Annex 32 of EUROFER’s submission.

technologies (including environmental tech), production processes, and product innovation. Among others, some steel producers, such as Aperam<sup>(44)</sup>, Thyssenkrupp<sup>(45)</sup> or ArcelorMittal<sup>(46)</sup>, have adopted the latest technological innovations and increased automation and digitalization in their processes. Others, such as Voestalpine<sup>(47)</sup> or Salzgitter<sup>(48)</sup>, have pursued the differentiation of their products by investing on premium end-use sectors (such as automotive, energy) and collaborating closely with customers on new steel grades and solutions. All these adjustments help the Union steel industry adapt to a more competitive market with higher import pressure.

- (70) It is to be noted that these adjustment efforts did not cease with the onset of the economic crisis caused by the COVID-19 pandemic, though the ensuing shocks and adverse economic effects of the crisis have increased the complexity and the burden for the Union industry to pursue its adaptation process.
- (71) The principles that are at present guiding the adjustments efforts of the Union steel industry were established by the Commission in its Communication “A New Industrial Strategy for Europe”, published in March 2020<sup>(49)</sup>, in which it laid the foundations for an industrial policy that would support the twin transition to a green and digital economy, make EU industry more competitive globally, and enhance Europe’s open strategic autonomy.
- (72) As this strategy was adopted just when the COVID-19 pandemic started, the Commission has recently updated it in May 2021 by means of its Communication “Building a stronger Single Market for Europe’s recovery”<sup>(50)</sup>, which takes stock of the emergency and recovery measures the EU implemented in the meantime, in the wider EU industrial policy context. In this update of the EU industrial policy, the Commission highlights the “need for more speed in the transition towards a cleaner, more digital, and more resilient economic and industrial model, in order to maintain and enhance Europe’s drive towards sustainable competitiveness”.
- (73) On account of its key importance, one of the three Staff Working Documents (‘SWD’) accompanying the update of the 2020 Industrial Strategy concerns the steel industry: “Towards competitive and clean European steel”<sup>(51)</sup>. This SWD describes the challenges and opportunities for the Union steel industry, as well as the EU policy toolbox available to support the future efforts of the Union steel industry in leading the twin transition.
- (74) Accordingly, the Commission concluded that the EU steel industry is and will continue adjusting to a situation of higher imports during the application of the safeguard.

### 3.3. Length of the prolongation

- (75) The Commission found that the EU steel safeguard continues to be necessary to prevent a serious injury and that there is evidence that the EU industry continues implementing measures to adjust to a market situation characterised by a higher import pressure. However, according to Article 19 of Regulation (EU) 2015/478, transposing Article 7.2 of the WTO Agreement on Safeguards, the duration of a safeguard measure “must be limited to the period of time necessary to prevent or remedy serious injury and to facilitate adjustment on the part of Union producers”.
- (76) The Union safeguard measure was initially set to last three years until 30 June 2021. However, the Commission noted that, during the second year of application of the safeguard, the economic crisis resulting from the COVID-19 pandemic has lengthened the adaption process of the Union steel industry, with part of the available resources devoted to keep the steel companies going during the most critical phases of the COVID-19 pandemic.

<sup>(44)</sup> See Interim Financial Report, Half year ending 30 June 2020, pages 12-14, Aperam Leadership Journey® available at: [https://www.aperam.com/sites/default/files/documents/Aperam %20Half %20Year %202020.pdf](https://www.aperam.com/sites/default/files/documents/Aperam%20Half%20Year%202020.pdf)

<sup>(45)</sup> See, for instance, Thyssenkrupp’s open questionnaire reply and annexes.

<sup>(46)</sup> For detailed description of ArcelorMittal’s projects and related press releases, see ANNEX 18 of EUROFER’s submission.

<sup>(47)</sup> See, for instance Voestalpine’s open questionnaire reply.

<sup>(48)</sup> See Salzgitter’s comprehensive restructuring program available at: <https://www.salzgitter-ag.com/en/company/strategy.html> and also Salzgitter Mannesman Precision Tubes’ investment at: <https://www.ndt.net/search/docs.php?id=24381>

<sup>(49)</sup> Commission Communication of 10.3.2020 (COM(2020) 102 final).

<sup>(50)</sup> Commission Communication of 5.5.2021 (COM(2021) 350 final).

<sup>(51)</sup> Commission Staff Working Document of 5.5.2021 (SWD(2021) 353 final).



- (77) The Commission also found that a prolongation for only one year would be disproportionately short. In this respect, the Commission noted that the Union steel industry is at present, as its industrial and financial indicators for 2020 show, in a fragile situation and remains vulnerable to import shocks if the safeguard measure lapses at this stage, which could jeopardise the adjustment efforts made so far. Moreover, the Commission also noted that there is still a weak general and economic trade situation, which has not yet fully recovered from the pandemic recession.
- (78) In this latter respect, the Commission observed that, although GDP growth outlooks for 2021 are being gradually upgraded by the majority of forecasts, due to the positive results of the vaccination roll-out in the majority of western countries, at this time confidence still remains fragile because of uncertainties in the vaccination process and the difficulties to control the pandemic in important trading countries like Brazil and India. Oxford Economics in its latest Outlook May/June 2021 has raised its world GDP forecast and now expects it to grow 6,3 % this year and 4,6 % in 2022, respectively 0,4 and 0,2 percentage points higher than in its previous forecast, as economies regain ground lost during the worst phases of the pandemic. As to the Eurozone, Oxford Economics expects GDP to grow 4,2 % in 2021 and 4,7 % in 2022, with a return to its pre-crisis level only until the start of 2022. For its part, the Commission in its Spring 2021 Economic forecast has also upgraded its forecast for the EU economy and expects it to expand by 4,2 % in 2021 and by 4,4 in 2022. In terms of recovery, growth rates vary importantly between Member States and the Commission expects that all Member States should see their economies return to pre-crisis levels only by the end of 2022.
- (79) In these current circumstances, in order to prevent that the Union industry suffers an undue serious injury if the safeguard measure lapses at this stage, the Commission considers it necessary to prolong the measure for three additional years until 30 June 2024.
- (80) However, in order to guarantee that the prolongation remains limited to the strict minimum necessary, the prolongation will be subject to the review regime provided for in Section 4, which, among others, foresees a review to determine whether the safeguard should not be terminated by 30 June 2023 after two years of prolongation.

#### 3.4. Level of Liberalisation

- (81) The current liberalisation rate of the safeguard was set at an annual rate of 3 %. The Commission assessed, based on evidence available, whether this level of liberalisation continued to be appropriate and commensurate to the market developments and outlooks. In addition to the general economic forecasts and industry specific recovery indicators described in the previous section for the assessment of the prolongation length, the Commission has also considered trade recovery indicators.
- (82) In this respect, IHS Markit, in its GTA Forecast of trade flows of April, has predicted important year-on-year rises in the real value of global trade with increases of 6,5 % and 4,3 % respectively in 2021 and 2022 that will allow to already reach the pre-COVID-19 pandemic level by the end of 2021. However, global trade will continue being depressed with respect to its long-term pre-COVID 2011-2019 trend, which will not be reached than until 2025/2026. Moreover, IHS Markit predicts that in the longer run global trade will grow at a lower average Compound Annual Growth Rate of just 2,9 % over the period 2021-2030.
- (83) In these circumstances, as the current forecasts foresee, pre-pandemic economic and trade conditions are not expected to be soundly re-established within the Union until the end of the first half of 2022, and in line with the growth rate predicted over the current trade flows trend, the Commission does not see any reasons to alter at this stage the liberalisation rate of 3 % for the first year of prolongation.
- (84) Furthermore, maintaining 3 % at least until 30 June 2022 will keep imports at maximum 32,5 million tonnes, still slightly below the historical 2018 record. The historical record could be achieved a year later, once economic and trade conditions are by that time recovered.

#### 4. REVIEW REGIME DURING PROLONGATION

- (85) 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. In addition, in

order to keep in the meantime the operation of the safeguard adapted to market evolution and in line with the interest of all stakeholders, the Commission will undertake a functioning review, like those conducted in 2019 and 2020. Such functioning review will be initiated sufficiently in advance to introduce any needed changes from 1 July 2022, after the first year of prolongation. An immediate review of the safeguard measure will also be triggered if the US introduces changes to its Section 232 measure on steel that may have a significant impact on the unduly diverted trade flows it currently generates.

- (86) The Commission also decided that the liberalisation pace of 3 % could nevertheless be reviewed and if necessary changed during the functioning review to be completed by 30 June 2022, if the circumstances justify it.

## 5. UNION INTEREST

- (87) The Commission has also examined whether any compelling economic reasons exist which could lead to the conclusion that it is not in the Union interest to prolong the existing safeguard.
- (88) For this purpose, the Commission assessed the impact of possible measures on Union producers, importers and users. The assessment of the evidence available is structured as follows: i) the economic situation of Union steel producers and the possible effect of a removal of the measure (see Section 5.1); and ii) the interest of users and importers, in the light of the alleged shortages of supply, the high level of steel prices, and the supply delays claimed by some interested parties, as well as the potential causal link between these alleged effects and the Union steel safeguard (see Section 5.2). In its assessment, the Commission particularly looked into the TRQ use evolution under the safeguard and the overall availability of imports in the supply to the Union market.

### 5.1. Interest of Union producers

- (89) The Union steel industry has more than 500 production sites operating across 23 EU Member States. The industry directly employs 330 000 people, and when including indirect and induced jobs in other sectors, creates 2,6 million jobs throughout the Union <sup>(52)</sup>.
- (90) The Commission described in Section 3.1.1 the economic situation of the Union steel producers and concluded that it was necessary to prolong the measure to prevent or remedy serious injury. If the measure is not prolonged, the investigation has established that the Union industry would likely face a significant wave of imports that would seriously undermine any efforts to adjust to the import pressure in an overall still uncertain economic situation in the Union.
- (91) Therefore, it would be in the interest of the Union steel producers to prolong the measure.

### 5.2. Interest of users and importers

- (92) The Commission noted that the safeguard measure has allowed historical trade volumes to continue entering the Union market free-of-duty, and that it has been liberalised regularly (by increasing the TRQ volumes by 3 % in July 2019 and July 2020 respectively) <sup>(53)</sup>. Therefore, the traditional trade volumes have gradually increased under the safeguard measure. Furthermore, during its prolongation, the safeguard measure will continue being liberalised further.

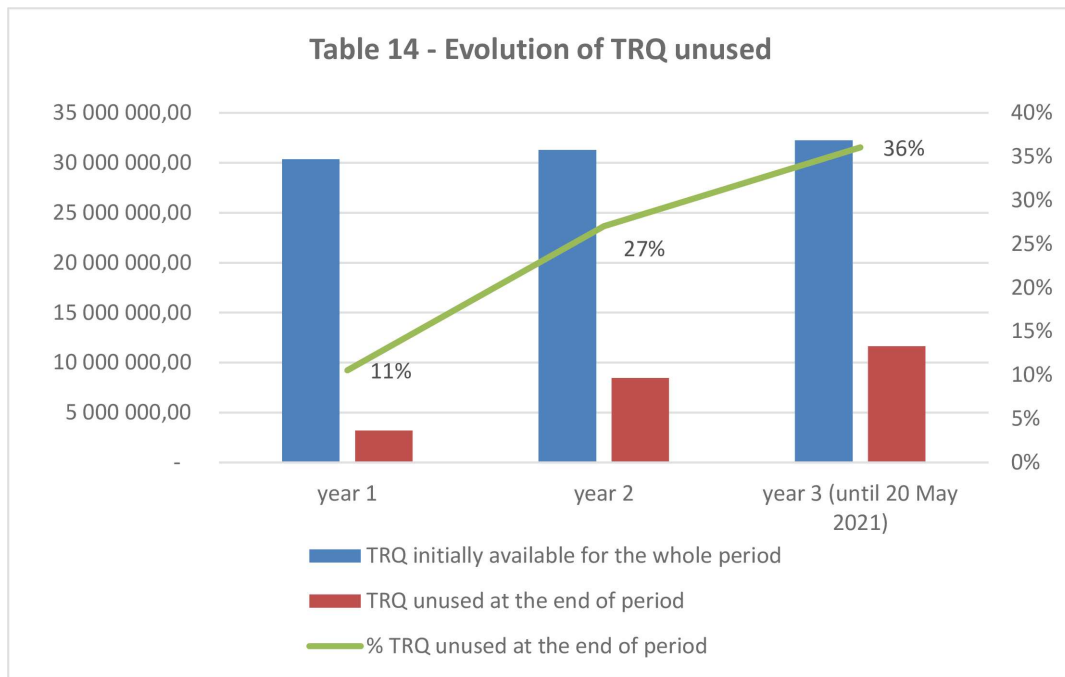
#### 5.2.1. TRQ use under the measure and the alleged supply shortage

- (93) When assessing the TRQ use, the Commission noted that, during the first three years of application of the safeguard, there have been consistently (and increasingly) free-of-duty TRQ volumes available at the end of each relevant period in virtually all product categories, often with more than one country-specific quota available, and in many instances also part of the residual quota. The Commission also noted that, since the second year of application of measures, this is, 1 July 2019, the trend in TRQ use experienced a steep decline. This was thus the case even before the COVID-19 pandemic.

<sup>(52)</sup> Commission Staff Working Document “Towards competitive and clean European steel”, SWD (2021) 353 final, 5.5.2021.

<sup>(53)</sup> The Commission recalled that it had already increased the historical trade flows (average of imports in 2015 to 2017) by 5 % upon entry into force of the Definitive Safeguards Regulation.

(94) This evolution is clearly shown in Table 14 <sup>(54)</sup>:



(95) The Commission therefore concluded that, while the safeguard has met its objective to deter trade diversion towards the Union market, there has been sufficient free-of-duty TRQ volumes available for importers and users in the Union, commensurate to demand, and exceeding generously historical trade volumes.

#### 5.2.2. High steel prices

- (96) The Commission has also assessed the evidence available with regard to the price increases observed in the steel sector in the first months of 2021 and part of the second half of 2020. The Commission looked, in particular, at whether these increases in the Union and worldwide markets had any link with the EU steel safeguard measure, and the impact this increase is having and/or would have on the Union market if the safeguard measure is prolonged.
- (97) In this respect, the Commission first noted that it is an undisputed <sup>(55)</sup> fact that steel prices, including those of some product categories within the product concerned, have experienced a sharp increase worldwide during the last months (starting in the course of the second half of 2020) <sup>(56)</sup>. This trend and scope is also clearly depicted in the charts contained in Graphs 1-3 <sup>(57)</sup> which show the price evolution of three product categories (categories 1, 4 and 13) <sup>(58)</sup>:

<sup>(54)</sup> Based on a compilation of the data available in the database at the end of the respective period.

<sup>(55)</sup> See EUROFER's rebuttal, p.37-39.

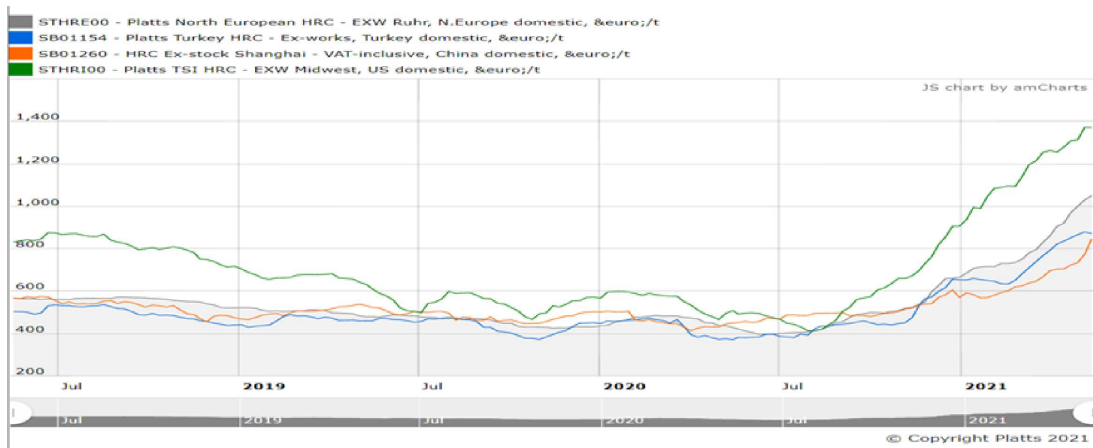
<sup>(56)</sup> See OECD's Steel Market developments Q2 2021, of 1 March 2021, figures 3, 4 and 5.

<sup>(57)</sup> Source: S&P Global Platts, ©2021 by S&P Global, Inc. – data until 11 May 2021.

<sup>(58)</sup> The choice of these categories is not meant to be exhaustive in scope, but it is nevertheless relevant to corroborate the price trends referred to by several interested parties (mostly users) because these categories are amongst the most relevant in terms of import volumes and they also concern two product families (flats (categories 1 and 4) and longs (category 13)).

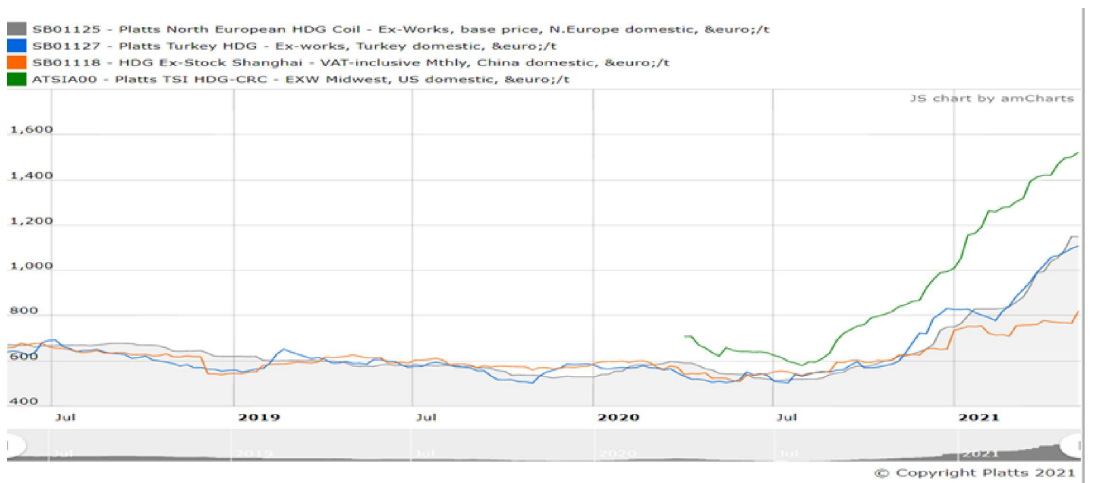
Graph 1

Prices of hot-rolled steel in some of the main steelmaking countries



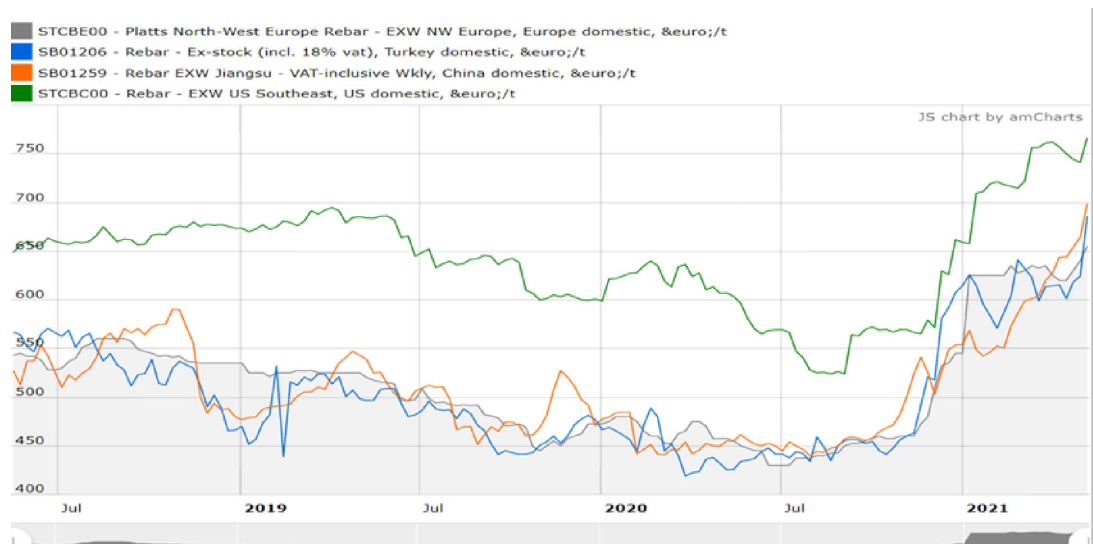
Graph 2

Prices of hot-dipped galvanised in some of the main steelmaking countries



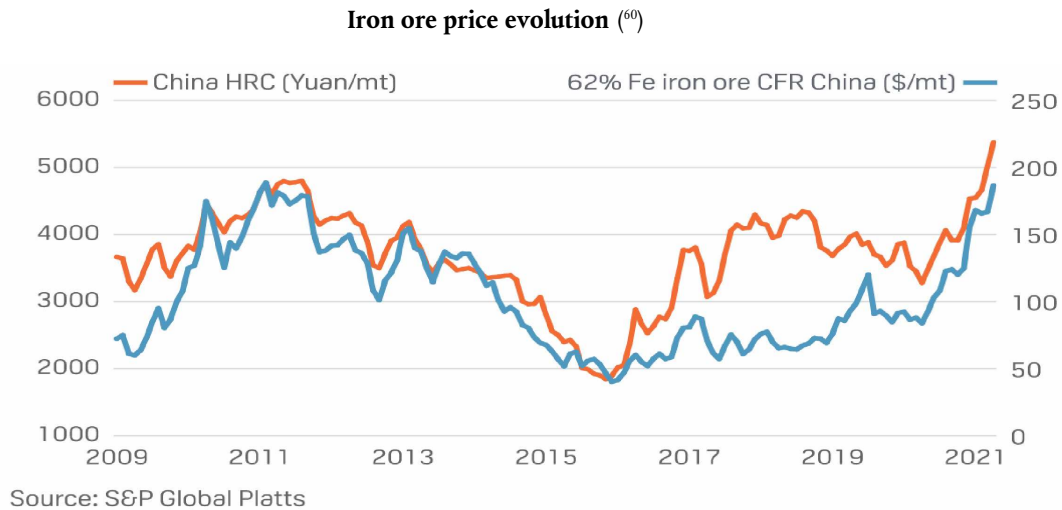
Graph 3

Prices of rebar in some of the main steelmaking countries



- (98) Furthermore, the Commission noted that steelmaking raw material prices notably iron ore and scrap have also been experiencing a drastic increase over the same period when steel prices started increasing, as explained in recital (91) (see Graph 4) <sup>(59)</sup>.

Graph 4



- (99) The OECD Report explained that “prices of the main steelmaking raw materials increased dramatically during the second half of 2020, and as of February 2021 benchmark prices for iron ore, coking coal and scrap were up 97 %, 53 % and 56 %, y-o-y, respectively.” <sup>(61)</sup>
- (100) This information confirms the picture outlined by the evolution of the injury indicators in Tables 1 to 4. In particular, that the increase in prices in the second half of 2020, coupled with signs of recovery in demand, contributed to the improvement in the situation of the Union industry from a previous very negative situation. However, such price increase did not allow the Union industry to return to profitable margins by the end of 2020. This fact is attributable, at least partially, to the parallel surge in prices experienced in the main steelmaking raw materials.
- (101) In this regard the OECD noted that and “spite of the sharp increase in steel prices, the steel-raw material price margin, measured by the difference between the price of steel and a basket of steel inputs, has not increased, due to the upswing in raw material prices (Figure 9). Indeed, the basket of raw material prices used to compute the margins was 97 % higher in February 2021, y-o-y” <sup>(62)</sup>.
- (102) As shown in Graphs 1-3, the Commission also noted that the rise in steel prices is not a phenomenon tied to the Union market, but a widespread trend across the main steel markets worldwide.

<sup>(59)</sup> *Ibid.* p.24, section 6.2. See also: Steel Platts Global ‘Fundamentals support strong iron ore prices in 2021: Platts Analytics’, 4 May 2021: <https://www.spglobal.com/platts/en/market-insights/latest-news/metals/050421-fundamentals-support-strong-iron-ore-prices-in-2021-platts-analytics> (last accessed 12 May 2021); Financial Times ‘Iron ore price leaps 10 % on hopes of global economic recovery’, 10 May 2021: <https://www.ft.com/content/e4c5d29b-51c2-4e8c-b87a-ad6cac924476> (last accessed 12 May 2021); Argus Media ‘Australia extends forecasts for iron ore price strength’ 11 May 2021, <https://www.argusmedia.com/en/news/2213766-australia-extends-forecasts-for-iron-ore-price-strength?backToResults=true> (last accessed 12 May 2021), Kallanish ‘Scrap exceeds \$500 in Turkey’ 12 May 2021, <https://www.kallanish.com/en/steel-news/market-reports/article-details/scrap-price-exceeds-dollar500t-in-turkey-0521/> (last accessed 12 May 2021). See also the sharp increase in transportation costs, S&P Global Platts (25 March 2021) ‘High container freight rates leave commodity traders scrambling for alternatives: <https://www.spglobal.com/platts/en/market-insights/latest-news/shipping/032521-high-container-freight-rates-leave-commodity-traders-scrambling-for-alternatives>

<sup>(60)</sup> Extracted from Steel Platts Global ‘Fundamentals support strong iron ore prices in 2021: Platts Analytics’, 4 May 2021, available at: <https://www.spglobal.com/platts/en/market-insights/latest-news/metals/050421-fundamentals-support-strong-iron-ore-prices-in-2021-platts-analytics> (last accessed 15 May 2021).

<sup>(61)</sup> See OECD’s Steel Market developments Q2 2021, of 1 March 2021 at p.24.

<sup>(62)</sup> *Ibid.* at p.27.

- (103) Despite this, however, as shown in table 14, the Commission noted that there has been ample availability of free-of-duty quotas from several sources in virtually all product categories in the last period of the measure, i.e. starting on 1 July 2020 <sup>(63)</sup>. Consequently, the safeguard did not limit Union users to purchasing steel exclusively from Union producers at the prices these would have set, thus leaving them without any other realistic (and free-of-duty) alternative of supply. On the contrary, Union users had the possibility to import from other origins under the relevant volumes of free-of-duty TRQ available for every product category.
- (104) The Commission also observed that the submissions of certain users alleged that they were prevented from importing larger free-of-duty volumes from certain specific origins (these origins would vary depending on the product category at issue). However, the Commission noted that one of the enforcement conditions of a safeguard is to preserve that traditional trade flows in terms of both volumes and origins continue being available on the Union market. The fact that a given country may have exhausted its country-specific TRQ in a specific product category, while there are multiple volumes and origins with free-of-duty TRQ available in that same category, does not mean that the safeguard measure is creating an undue shortage in the market.
- (105) These facts thus strongly suggest that the safeguard measure is not the cause of the observed steel price increase, and that it did not create an overall shortage of steel on the Union market. The Commission thus concluded there is not a direct connection between the safeguard measure and the recent evolution in steel price levels. Furthermore, it is not evident that the currently high prices will be sustained in the longer term, once the market adjusts to a post-COVID-19 pandemic situation. <sup>(64)</sup>

### 5.2.3. Alleged supply delays

- (106) The Commission then turned to assess the alleged delays incurred by the Union steel industry in supplying the Union market <sup>(65)</sup>. It became apparent from the investigation that in the last part of the period considered, there had been a transitory mismatch between demand and supply in the Union (as well as in other third markets) when the economy started to rebound from the bottom of the COVID-19 pandemic recession. <sup>(66)</sup> In this regard, the Commission noted that the steel producers had to react to the sudden and drastic reduction in demand that took place in 2020 because of the COVID-19 pandemic <sup>(67)</sup>. The Union industry idled some of its capacity to reduce as much as possible its fixed costs and to align the available capacity to the existing demand. Subsequently, later in 2020 and in early 2021, demand in some steel using sectors experienced a quick and sudden recovery, e.g. automotive <sup>(68)</sup>.
- (107) This situation has occurred also across several markets worldwide. In this regard, according to the OECD latest Report “Vast steelmaking capacity idled during the heights of the pandemic could not be brought online quickly enough to meet recovering steel demand and restocking, leading to the rapid rise in global steel prices” <sup>(69)</sup>.
- (108) In the same vein, S&P Platts Global noted “China aside, crude steel production has been slow to ramp up post lockdowns in key countries and regions. Europe’s output fell 7,1 % on year in March, North America’s by 8,9 % and India’s by 8,6 %, according to the World Steel Association. In the US, mill capacity utilization rates are still only around 77 %, compared with

<sup>(63)</sup> See also S&P Global Platts, 14 May 2021, ‘Galvanized sheet supply squeeze, short imports leave EU buyers stranded Galvanized sheet supply squeeze, short imports leave EU buyers stranded - EUROMETAL (last accessed 15 May 2021).

<sup>(64)</sup> See Fitch Ratings ‘Global Steel Price Rally Will Be Short-Lived’ (2 February 2021) <https://www.fitchratings.com/research/corporate-finance/global-steel-price-rally-will-be-short-lived-02-02-2021> (last accessed 12 May 2021). See also IHS Markit, Steel Price Forecast and Market Outlook: <https://ihsmarkit.com/solutions/steel-forecast.html> (last accessed 25 May 2021)

<sup>(65)</sup> Allegations made by several interested parties.

<sup>(66)</sup> See Global Market Outlook of December 2020 and Global Market Outlook of April 2021, S&P Global Platts (last accessed 18 May 2021).

<sup>(67)</sup> See consumption figures in table 2.

<sup>(68)</sup> See European Manufacturers Automobile Association (ACEA) statements of 3 February 2020 <https://www.acea.be/press-releases/article/covid-stakes-are-high-for-european-automotive-recovery-new-facts-and-figure>, and of 30 July 2020 <https://www.acea.be/press-releases/article/eu-car-sales-covid-recovery-expected-to-start-in-2021-auto-industry-says>

<sup>(69)</sup> OECD’s Steel Market developments Q2 2021, of 1 March 2021, p.21.

80 % in March last year before the pandemic took hold. Japan's METI forecasts the country's crude steel production at 23,24 million mt in Q2, down from 23,67 million mt in Q1" <sup>(70)</sup>. IHS Markit also noted that "furnace restarts and sharply increasing imports are starting to alleviate the supply crunch" <sup>(71)</sup>.

- (109) To reach a conclusion, the Commission analysed the evidence available on the file regarding the resumption of operations in the production lines that had been idled by the Union industry during the pandemic.
- (110) The evidence in the file points to a steady increase of capacity available in the market from furnaces that were idled in 2020 <sup>(72)</sup>. The Commission considered that this evidence shows that the Union industry is responding to the economic recovery in certain downstream sectors in 2021, which should result in it being able to supply larger volumes of steel in a shorter period, and hence restoring a balance in the market <sup>(73)</sup>.
- (111) The OECD Report further observed in this respect that "steel supply is widely expected to catch up with orders by the end of the first quarter of 2021" <sup>(74)</sup>. Similar forecasts are echoed by several specialised publications <sup>(75)</sup>.
- (112) The Commission therefore found that the problems of supply experienced after demand the rebounded were transitory and that the return to operation of idled facilities by the Union industry, which is underway, should thus help ensuring that normal pre-pandemic steel supply conditions are re-established in a reasonably short timeframe.

### 5.3. Conclusions

- (113) A recent Commission Staff Working Document has confirmed the importance of having a strong and competitive steel sector in the Union. In this respect, it noted that the EU's Industrial Strategy also recognised that "energy-intensive industries are indispensable to Europe's economy and that other sectors rely on them" and that "the steel sector and other energy-intensive industries play a vital role in providing products and services to a wide-range of Europe's industrial ecosystems" <sup>(76)</sup>.
- (114) The same Staff Working Document also observed that "steel is a crucial input to several downstream ecosystems, such as construction, mobility and automotive, or for mechanical engineering companies. Data on steel consumption per sector shows that construction account for 35 % steel use in the EU, automotive for 19 %, mechanical engineering and metal ware by 15 % each and tubes for 10 %. Companies active in these sectors, many of which are small and medium-sized enterprises (SMEs), employ millions of workers in Europe and depend on EU steel production" <sup>(77)</sup>. In a similar vein, in 2016, a Commission

<sup>(70)</sup> See S&P Global Platts, 16 April 2021, 'Trade Review: Global steel imbalances present export opportunities in Q2' <https://www.spglobal.com/platts/en/market-insights/latest-news/metals/041621-trade-review-global-steel-imbalances-present-export-opportunities-in-q2> (last accessed 21 May 2021).

<sup>(71)</sup> See IHS Markit, Steel Price Forecast and Market Outlook: <https://ihsmarkit.com/solutions/steel-forecast.html> (last accessed 25 May 2021)

<sup>(72)</sup> See Exhibit 6 of EUROFER's rebuttal, containing information from external sources confirming the restart of several furnaces by various Union producers in recent months.

<sup>(73)</sup> See also Global Market Outlook of December 2020 and of April 2021, S&P Global Platts (last accessed 18 May 2021).

<sup>(74)</sup> See OECD's Steel Market developments Q2 2021, of 1 March 2021, at p.22.

<sup>(75)</sup> See S&P Global Platts "Steel supply should start to ease toward mid-year as production is restored", 16 April 2021, 'Trade Review: Global steel imbalances present export opportunities in Q2' <https://www.spglobal.com/platts/en/market-insights/latest-news/metals/041621-trade-review-global-steel-imbalances-present-export-opportunities-in-q2> (last accessed 21 May 2021). See also Fitch Ratings 'High EU Carbon Prices to Weigh on Steelmakers' Profitability', 12 May 2021, <https://www.fitchratings.com/research/corporate-finance/high-eu-carbon-prices-to-weigh-on-steelmakers-profitability-12-05-2021> (last accessed 23 May 2021).

<sup>(76)</sup> Commission Staff Working Document "Towards competitive and clean European steel", SWD(2021) 353 final, 5.5.2021, p. 2.

<sup>(77)</sup> *Ibid.* at p. 3.

Communication had already underlined that “a robust industrial base is essential for Europe’s economic growth, preservation of sustainable jobs and our competitiveness on global markets, and that “a strong steel sector forms the basis of many industrial value chains” <sup>(78)</sup>.

- (115) The Commission has established that the legal requirements of necessity and adjustment required to prolong a safeguard measure are met.
- (116) Furthermore, the Commission has also found that a removal at this stage of the safeguard measure is liable to cause a sudden import wave that will severely worsen the current still fragile financial situation of the Union steel industry. Such removal would jeopardise the Union industry’s recovery, just when the Union and world economy and trade are rebounding after the COVID-19 pandemic recession, and have not yet returned to pre-pandemic conditions. This import shock, in turn, risks negating the adjustment efforts the Union steel industry is making to adapt to stronger import pressure coming from market dynamics seriously distorted by increasing global overcapacity, and State intervention.
- (117) Moreover, the Commission has also found that the steel prices increases recently observed on the Union steel market cannot be imputable to, or be the result of, the Union steel safeguard because similar such high prices also prevail on worldwide markets and large volumes of free-of-duty TRQs remain nevertheless unused available under the safeguard.
- (118) In this regard, the Commission also noted that, less than a month and a half to reach the end of the third year of the measure, around 11 million tonnes of free-of-duty TRQ remained unused, this is, 36 % of the total TRQ available <sup>(79)</sup>. Thus showing that users, across product categories, have had the possibility to source sufficient free-of-duty steel from multiple sources, and that the safeguard measure has not unduly limited effective supply, neither in terms of volume, nor in terms of origins.
- (119) In sum, the Commission found that the downsides of letting the safeguard lapse on 30 June 2021 would clearly outweigh any potential benefits its termination could bring about.
- (120) Accordingly, the Commission thus concluded that it is in the overall Union interest to prolong the safeguard measure.

## 6. DEVELOPING COUNTRIES SUBJECT TO THE SAFEGUARD MEASURE

- (121) The list of developing countries that will continue being subject to the safeguard measure remains the same as that included in Annex II to Commission Implementing Regulation (EU) 2020/2037. <sup>(80)</sup>

## 7. COMMENTS FROM INTERESTED PARTIES

- (122) The Commission received over 160 submissions of observations and rebuttals from interested parties, including Union steel producers, Union steel users and importers, exporting producers and third country governments. In this section, the Commission will address the claims made by these interested parties. For the sake of administrative economy, the Commission grouped the claims by nature and content. Where appropriate, the Commission referred to previous findings in this Regulation that already addressed in detail most of the claims made by interested parties.

<sup>(78)</sup> Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank, “Steel: Preserving sustainable jobs and growth in Europe”, COM(2016) 155 final, 16.3.2016, p. 2.

<sup>(79)</sup> This situation of large unused TRQ volumes across categories has taken place, to different degrees, throughout each period since the imposition of a provisional safeguard measure on 18 July 2018. A ‘period’ or ‘year’ under the safeguard measure has comprised the following: Period/year 1: 18 July 2018 – 30 June 2019, period/year 2: 1 July 2019 - 30 June 2020 and period/year 3: 1 July 2020 – 30 June 2021.

<sup>(80)</sup> Commission Implementing Regulation (EU) 2020/2037 of 10 December 2020 amending Implementing Regulation (EU) 2019/159 imposing definitive safeguard measures against imports of certain steel products, OJ L 416, 11.12.2020, p.32.



### 7.1. Legal requirements to prolong a measure

- (123) Several interested parties argued that the legal requirement of import surge was not met, since, over the period considered, the overall level of imports had decreased; in these circumstances, they contended that the Commission is not entitled to prolong the safeguard. Furthermore, some parties argued that any injurious situation of the Union industry would not have been the result of an increase in imports. Other parties claimed that the effects derived from the COVID-19 pandemic, including a decrease in demand, do not justify an extension of the measure. Lastly, other parties claimed that the legal requirements to prolong a measure are the same as for imposing an original measure, including increased imports, causal link and unforeseen developments.
- (124) In this respect, the Commission notes that the requirements to prolong a safeguard measure under Article 7.1 of the WTO Agreement on Safeguards and Article 19(2) of Regulation (EU) 2015/478, namely necessity to prevent or remedy serious injury and ongoing adjustment, do not require that an increase in imports takes place during the period considered. The Commission established that there is a likelihood that, should the safeguard lapse, imports would increase resulting in serious injury to the Union interest. Therefore, the Commission rejected these claims.

### 7.2. The Union industry is not adjusting

- (125) Several interested parties challenged the fact that the Union steel industry is adjusting and therefore claimed that this legal requirement is not met.
- (126) The Commission refers to the adjustments described in Section 3.2. The measures and the examples listed within this section illustrate that the Union steel industry is adjusting by means of numerous actions aimed at efficiency and innovation. Consequently, the Commission rejected these claims.
- (127) Several interested parties argued that the adjusting measures of the Union industry were restructuring actions carried out during the Covid-19 pandemic or just regular investment, partially driven by the EU policies, such as European Green Deal, rather than measures adopted in the context of improving the Union steel industry competitiveness vis-à-vis foreign competition. In this respect, the Commission found that the adjustment measures adopted by companies in whatever context normally respond to many different reasons and are at the same time multi-objective. In the safeguard case, indeed, as stated under the adjustment section, some of the adjustments undertaken by the Union steel industry also aimed, among other objectives, at mitigating the shocks and adverse economic effects of the pandemic or meeting EU environmental commitments. However, these types of adjustments are in any event also measures that adapt the activities of the Union steel industry to a situation with higher level of imports and import pressure, in line with the EU industrial policy guidelines and objectives described in the same section. By way of example, Arvedi's installation <sup>(81)</sup> of a new highly efficient electrical furnace in its production line aimed at becoming more cost efficient while reducing its carbon emissions. Therefore, the Commission considers that there was not sufficient evidence to justify these claims and rejected them.

### 7.3. No risk of trade diversion from the US Section 232 measures

- (128) Some interested parties claimed that the US Section 232 measures on steel no longer pose a risk of trade diversion, as the market would have adjusted in the last three years. In addition, some parties claim that the exemptions in place under that measure would in any event largely reduce the risk of any trade diversion into the Union market. Furthermore, some parties also claimed that the level of prices in the US is substantially higher than other markets and hence, making trade diversion less likely.
- (129) With respect to the US Section 232 measures, the Commission refers to Table 7, showing that imports into the US were drastically reduced after their imposition and that other markets have not absorbed that excess volume. Regarding the exemptions in place, the Commission noted that in certain cases, for instance Canada and Mexico (which are amongst the largest exporting countries to the US), these exemptions have no bearing on the risk of trade diversion, as these countries have negligible steel export volumes into the Union market. The main steel exporting countries to the EU continue to be subject to the US Section 232 measures and have sufficient capacity to increase their exports to the EU. The individual analysis of their export performance since the imposition of the US Section 232 measures shows a steady decline <sup>(82)</sup>. Therefore, any exemption that may be in place does not diminish

<sup>(81)</sup> For detailed description of this project see file "Start-up of the new Tenova Consteel® EAF at Arvedi Plant, Cremona, Italy - TENOVA.pdf" under Annex 19 in EUROFER's submission.

<sup>(82)</sup> See evolution of imports in Table 9.

the risk of trade diversion. Lastly, the fact that prices in the US are higher does not invalidate the finding that a risk of trade diversion continues. In fact, the Commission points to the import trends into the US since 2018. Such massive reduction in imports is linked in time with the imposition of the US Section 232 measures. Therefore, the fact that the US may have higher domestic prices than other markets did not prevent imports from decreasing substantially over the period considered.

#### **7.4. Overcapacity developments and link with trade diversion**

- (130) Several interested parties claimed that overcapacity was decreasing and that even if overcapacity continued in the steel sector, as such it did not automatically mean that it would lead to trade diversion into the Union market.
- (131) The Commission considered that the evolution of overcapacity in the recent years is clear, and it refers to Section 3.1.2.d. Therefore, the claims that it is being reduced is clearly contradicted by evidence. Second, in the context described, namely, a decrease in exports to third countries, decline in domestic consumption, higher prices achieved in exports to the Union as compared to other markets, the EU being the largest importing market, and thus capable of absorbing large volumes, export behavior under the TRQ system, it would defy any economic logic to deny that exporting countries would have a clear incentive to increase their production and production capacity in order to sell larger volumes to the Union market. Therefore, the Commission noted that the findings of this investigation, in a context of an established significant global overcapacity (including amongst the main steel exporting countries to the Union), create a strong likelihood that imports into the Union would increase substantially if the safeguard measure expires.

#### **7.5. Claims pertaining to specific product categories**

- (132) Several interested parties requested that a given product category be excluded from the measure, or be granted a special treatment within the measure if this were to be prolonged. The arguments in support of these claims were diverse.
- (133) The Commission, however, noted that the scope of this investigation was limited to assess whether the measure, in its current form, should be extended in time or not. The investigation therefore did not cover any potential modification to the functioning of the measure affecting individual product categories. These claims were thus rejected, as they are not pertinent under the framework of this investigation.

#### **7.6. Imports from a given country or in a given product category are not responsible for increased imports/injury/overcapacity**

- (134) Some interested parties claim that certain product categories, *i.a.* 1, 2, 3B, 4B, 6, 16, 18, 20, 21, 22, 24 and 25A, should be excluded from the scope of the measure in case of prolongation, given that either TRQs are allegedly too narrow, that TRQs remained unused, or that import volumes of the category concerned recently decreased.
- (135) The Commission recalls that the safeguard measure is not adopted against one particular country of origin or against one product category. Rather, the measure is in place on imports of the product concerned (certain steel products) from multiple origins. Therefore, any claim founded on individual country or product-category basis is against the principle of the measure. Like in the context of the original safeguard, and as explained in section 3.1.1., the Commission examined the situation on the basis of the product concerned as a whole (that is to say the 26 steel product categories) and confirmed its analysis on the basis of three product families.

#### **7.7. Some countries claimed exclusion if the measure was prolonged on account of bilateral trade agreements in place with the European Union**

- (136) Some third countries, including some with whom the Union has bilateral trade agreements in place, requested the Commission to exclude them from the measure, should it be prolonged. Some of these countries referred to specific provisions in their respective bilateral agreements as an argument for the exclusion.

- (137) The Commission noted that none of these agreements provide for the exclusion of a multilateral safeguard measure such as the one at hand. Therefore, the Commission confirmed that under these bilateral agreements, it is under no legal obligation to exclude any of these countries from the measure and it rejected these claims accordingly.

#### 7.8. Risk of rebalancing

- (138) Some interested parties claimed that because exporting countries would be entitled to seek compensation and in the absence of an agreement, rebalancing against the Union and that for this reason, the Commission should not prolong the safeguard measure.
- (139) In this respect, the Commission is aware of the applicable legal framework in those cases where a measure lasts more than three years. However, the Commission recalls that the WTO Agreement on Safeguards and Regulation (EU) 2015/478 allow for a measure to last more than three years if the legal conditions are met. Thus, the Commission, by prolonging the measure beyond three years when the relevant conditions are met, is exercising its legal right under WTO and EU rules.

#### 7.9. Illegal to extend the measure on an EU27 basis

- (140) Some interested parties claimed that because the original measure was based on EU28 data, extending it on an EU27 basis would be illegal.
- (141) The Commission considered that the current review investigation is based on EU27. No interested party contested that the original safeguard measure, adopted on the basis of the at the time EU28, was illegal. The scope of the safeguard measure in view of the UK's withdrawal of the Union already took place by means of Regulation (EU) 2020/2037 <sup>(83)</sup>. Thus, the Commission rejected this claim.

#### 7.10. The protection granted through anti-dumping and countervailing duties is sufficient for the Union steel industry

- (142) Some interested parties submitted that anti-dumping and anti-subsidy measures already sufficiently protect the Union Industry against unfair imports and safeguards would allegedly provide for an exaggerated protection, giving the Union industry additional advantage in their dominant position in the Union market.
- (143) The Commission recalls that anti-dumping and countervailing duties address unfair trade practices, while safeguards rather deal with an issue of increased volumes. The Commission has the so-called 'double remedy regulation' in place for those imports subject to both safeguards and anti-dumping and/or countervailing duties <sup>(84)</sup>. Such regulation ensures that when imports under the safeguard exceed the volume of free-of-duty TRQ, then the 25 % is not cumulated to the applicable anti-dumping and/or countervailing duty so that it does not lead to an effect on trade greater than desirable. On these grounds, the Commission rejected the double-remedy claims.
- (144) Furthermore, the alleged protection granted through EU trade defence measures (anti-dumping and countervailing duties) is insufficient for the purposes of the current safeguard investigation as shown in Section 3.1. The majority of injury factors significantly worsened during the period considered.
- (145) The measures provided for in this Regulation are in accordance with the opinion of the Committee on Safeguards established under Article 3(3) of Regulation (EU) 2015/478 and Article 22(3) of Regulation (EU) 2015/755 respectively,

<sup>(83)</sup> Commission Implementing Regulation (EU) 2020/2037 of 10 December 2020 amending Implementing Regulation (EU) 2019/159 imposing definitive safeguard measures against imports of certain steel products, OJ L 416, 11.12.2020, p.32.

<sup>(84)</sup> Commission Implementing Regulation (EU) 2019/1382 of 2 September 2019 amending certain Regulations imposing anti-dumping or anti-subsidy measures on certain steel products subject to safeguard measures (OJ L 227, 3.9.2021, p. 1).

HAS ADOPTED THIS REGULATION:

*Article 1*

Regulation (EU) 2019/159 is amended as follows:

(1) In Article 10, the following second subparagraph is added:

“It shall apply until 30 June 2024”;

(2) Annex IV is replaced by the Annex to this Regulation

*Article 2*

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*. It shall apply from 1 July 2021.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 24 June 2021.

*For the Commission*  
*The President*  
Ursula VON DER LEYEN

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## ANNEX

## “ANNEX IV

## IV.1 – Volumes of tariff–rate quotas

Product Number	Product category	CN Codes	Allocation by country (Where Applicable)	Year 1				Year 2				Year 3				Additional duty rate	Order numbers
				From 1.7.2021 to 30.9.2021	From 1.10.2021 to 31.12.2021	From 1.1.2022 to 31.3.2022	From 1.4.2022 to 30.6.2022	From 1.7.2022 to 30.9.2022	From 1.10.2022 to 31.12.2022	From 1.1.2023 to 31.3.2023	From 1.4.2023 to 30.6.2023	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)					
1	Non Alloy and Other Alloy Hot Rolled Sheets and Strips	7208 10 00, 7208 25 00, 7208 26 00, 7208 27 00, 7208 36 00, 7208 37 00, 7208 38 00, 7208 39 00, 7208 40 00, 7208 52 99, 7208 53 90, 7208 54 00, 7211 14 00, 7211 19 00, 7212 60 00, 7225 19 10, 7225 30 10, 7225 30 30, 7225 30 90, 7225 40 15, 7225 40 90, 7226 19 10, 7226 91 20, 7226 91 91, 7226 91 99	Russian Federation	416 848,18	416 848,18	407 786,27	412 317,22	429 353,63	429 353,63	420 019,85	424 686,74	442 234,24	442 234,24	432 620,45	437 427,34	25 %	09 8966
		Turkey	330 387,67	330 387,67	323 205,33	326 796,50	340 299,30	340 299,30	332 901,49	336 600,40	350 508,28	350 508,28	342 888,54	346 698,41	25 %	09 8967	
		India	169 717,08	169 717,08	166 027,58	167 872,33	174 808,60	174 808,60	171 008,41	172 908,50	180 052,85	180 052,85	176 138,66	178 095,76	25 %	09 8968	
		Korea, Republic of	135 867,52	135 867,52	132 913,87	134 390,70	139 943,54	139 943,54	136 901,29	138 422,42	144 141,85	144 141,85	141 008,33	142 575,09	25 %	09 8969	
		United Kingdom	120 514,16	120 514,16	117 894,29	119 204,23	124 129,59	124 129,59	121 431,12	122 780,35	127 853,48	127 853,48	125 074,05	126 463,76	25 %	09 8976	
		Serbia	119 634,36	119 634,36	117 033,62	118 333,99	123 223,40	123 223,40	120 544,63	121 884,01	126 920,10	126 920,10	124 160,96	125 540,53	25 %	09 8970	
		Other countries	1 020 975,90	1 020 975,90	998 780,77	1 009 878,34	1 051 605,18	1 051 605,18	1 028 744,20	1 040 174,69	1 083 153,33	1 083 153,33	1 059 606,52	1 071 379,93	25 %	( <sup>1</sup> )	
2	Non Alloy and Other Alloy Cold Rolled Sheets	7209 15 00, 7209 16 90, 7209 17 90, 7209 18 91, 7209 25 00, 7209 26 90, 7209 27 90, 7209 28 90, 7209 90 20, 7209 90 80, 7211 23 20, 7211 23 30, 7211 23 80, 7211 29 00, 7211 90 20, 7211 90 80, 7225 50 20, 7225 50 80, 7226 20 00, 7226 92 00	India	150 937,31	150 937,31	147 656,06	149 296,69	155 465,43	155 465,43	152 085,74	153 775,59	160 129,39	160 129,39	156 648,32	158 388,85	25 %	09 8801
		Korea, Republic of	87 540,62	87 540,62	85 637,56	86 589,09	90 166,83	90 166,83	88 206,69	89 186,76	92 871,84	92 871,84	90 852,89	91 862,36	25 %	09 8802	
		United Kingdom	80 906,72	80 906,72	79 147,88	80 027,30	83 333,92	83 333,92	81 522,32	82 428,12	85 833,94	85 833,94	83 967,99	84 900,96	25 %	09 8977	
		Ukraine	67 209,91	67 209,91	65 748,82	66 479,37	69 226,21	69 226,21	67 721,29	68 473,75	71 302,99	71 302,99	69 752,93	70 527,96	25 %	09 8803	
		Brazil	43 002,88	43 002,88	42 068,04	42 535,46	44 292,97	44 292,97	43 330,08	43 811,52	45 621,76	45 621,76	44 629,98	45 125,87	25 %	09 8804	
		Serbia	38 107,42	38 107,42	37 279,00	37 693,21	39 250,64	39 250,64	38 397,37	38 824,00	40 428,16	40 428,16	39 549,29	39 988,72	25 %	09 8805	
		Other countries	265 739,79	265 739,79	259 962,84	262 851,32	273 711,99	273 711,99	267 761,73	270 736,86	281 923,35	281 923,35	275 794,58	278 858,96	25 %	( <sup>1</sup> )	

3.A	Electrical Sheets (other than GOES)	7209 16 10, 7209 17 10, 7209 18 10, 7209 26 10, 7209 27 10, 7209 28 10	Russian Federation	350,64	350,64	343,02	346,83	361,16	361,16	353,31	357,24	372,00	372,00	363,91	367,95	25 %	09 8808
			United Kingdom	300,46	300,46	293,93	297,19	309,47	309,47	302,74	306,11	318,76	318,76	311,83	315,29	25 %	09 8978
			Iran, Islamic Republic of	153,51	153,51	150,17	151,84	158,11	158,11	154,67	156,39	162,86	162,86	159,31	161,08	25 %	09 8809
			Korea, Republic of	124,95	124,95	122,24	123,59	128,70	128,70	125,90	127,30	132,56	132,56	129,68	131,12	25 %	09 8806
			Other countries	757,52	757,52	741,05	749,28	780,24	780,24	763,28	771,76	803,65	803,65	786,18	794,91	25 %	( <sup>1</sup> )
3.B	Electrical Sheets (other than GOES)	7225 19 90, 7226 19 80	Russian Federation	35 467,36	35 467,36	34 696,33	35 081,85	36 531,38	36 531,38	35 737,22	36 134,30	37 627,33	37 627,33	36 809,34	37 218,33	25 %	09 8811
			Korea, Republic of	21 197,70	21 197,70	20 736,88	20 967,29	21 833,63	21 833,63	21 358,98	21 596,30	22 488,64	22 488,64	21 999,75	22 244,19	25 %	09 8812
			China	16 317,74	16 317,74	15 963,01	16 140,38	16 807,27	16 807,27	16 441,90	16 624,59	17 311,49	17 311,49	16 935,16	17 123,32	25 %	09 8813
			Taiwan	12 242,39	12 242,39	11 976,25	12 109,32	12 609,66	12 609,66	12 335,54	12 472,60	12 987,95	12 987,95	12 705,60	12 846,77	25 %	09 8814
			Other countries	6 343,40	6 343,40	6 205,50	6 274,45	6 533,71	6 533,71	6 391,67	6 462,69	6 729,72	6 729,72	6 583,42	6 656,57	25 %	( <sup>1</sup> )
4.A	Metallic Coated Sheets	TARIC Codes: 7210 41 00 20, 7210 41 00 30, 7210 49 00 20, 7210 49 00 30, 7210 61 00 20, 7210 61 00 30, 7210 69 00 20, 7210 69 00 30, 7212 30 00 20, 7212 30 00 30, 7212 50 61 20, 7212 50 61 30, 7212 50 69 20, 7212 50 69 30, 7225 92 00 20, 7225 92 00 30, 7225 99 00 11, 7225 99 00 22, 7225 99 00 23, 7225 99 00 41, 7225 99 00 45, 7225 99 00 91, 7225 99 00 92, 7225 99 00 93, 7226 99 30 10, 7226 99 30 30, 7226 99 70 11, 7226 99 70 13, 7226 99 70 91, 7226 99 70 93, 7226 99 70 94	Korea (Republic of)	41 143,14	41 143,14	40 248,72	40 695,93	42 377,43	42 377,43	41 456,18	41 916,81	43 648,76	43 648,76	42 699,87	43 174,31	25 %	09 8816
			India	49 651,09	49 651,09	48 571,72	49 111,41	51 140,63	51 140,63	50 028,87	50 584,75	52 674,84	52 674,84	51 529,74	52 102,29	25 %	09 8817
			United Kingdom	32 719,57	32 719,57	32 008,27	32 363,92	33 701,16	33 701,16	32 968,52	33 334,84	34 712,19	34 712,19	33 957,58	34 334,88	25 %	09 8979
			Other countries	515 437,29	515 437,29	504 232,13	509 834,71	530 900,41	530 900,41	519 359,09	525 129,75	546 827,42	546 827,42	534 939,87	540 883,64	25 %	( <sup>1</sup> )

4.B		CN Codes: 7210 20 00, 7210 30 00, 7210 90 80, 7212 20 00, 7212 50 20, 7212 50 30, 7212 50 40, 7212 50 90, 7225 91 00, 7226 99 10 TARIC codes: 7210 41 00 80, 7210 49 00 80, 7210 61 00 80, 7210 69 00 80, 7212 30 00 80, 7212 50 61 80, 7212 50 69 80, 7225 92 00 80, 7225 99 00 25, 7225 99 00 95, 7226 99 30 90, 7226 99 70 19, 7226 99 70 96	China	118 740,90	118 740,90	116 159,58	117 450,24	122 303,13	122 303,13	119 644,36	120 973,74	125 972,22	125 972,22	123 233,69	124 602,96	25 %	09 8821
			Korea (Republic of)	147 586,85	147 586,85	144 378,44	145 982,65	152 014,46	152 014,46	148 709,80	150 362,13	156 574,89	156 574,89	153 171,09	154 872,99	25 %	09 8822
			India	70 861,27	70 861,27	69 320,81	70 091,04	72 987,11	72 987,11	71 400,43	72 193,77	75 176,72	75 176,72	73 542,44	74 359,58	25 %	09 8823
			United Kingdom	32 719,57	32 719,57	32 008,27	32 363,92	33 701,16	33 701,16	32 968,52	33 334,84	34 712,19	34 712,19	33 957,58	34 334,88	25 %	09 8980
			Other countries	23 414,67	23 414,67	22 905,65	23 160,16	24 117,11	24 117,11	23 592,82	23 854,97	24 840,62	24 840,62	24 300,61	24 570,61	25 %	( <sup>9</sup> )
5	Organic Coated Sheets	7210 70 80, 7212 40 80	India	72 733,52	72 733,52	71 152,36	71 942,94	74 915,53	74 915,53	73 286,93	74 101,23	77 162,99	77 162,99	75 485,54	76 324,26	25 %	09 8826
			Korea, Republic of	65 734,04	65 734,04	64 305,04	65 019,54	67 706,06	67 706,06	66 234,19	66 970,13	69 737,25	69 737,25	68 221,22	68 979,23	25 %	09 8827
			United Kingdom	32 273,02	32 273,02	31 571,43	31 922,23	33 241,21	33 241,21	32 518,58	32 879,90	34 238,45	34 238,45	33 494,13	33 866,29	25 %	09 8981
			Taiwan	21 067,46	21 067,46	20 609,47	20 838,47	21 699,48	21 699,48	21 227,76	21 463,62	22 350,47	22 350,47	21 864,59	22 107,53	25 %	09 8828
			Turkey	14 544,98	14 544,98	14 228,79	14 386,89	14 981,33	14 981,33	14 655,65	14 818,49	15 430,77	15 430,77	15 095,32	15 263,05	25 %	09 8829
			Other countries	39 845,48	39 845,48	38 979,27	39 412,38	41 040,85	41 040,85	40 148,65	40 594,75	42 272,07	42 272,07	41 353,11	41 812,59	25 %	( <sup>9</sup> )
6	Tin Mill products	7209 18 99, 7210 11 00, 7210 12 20, 7210 12 80, 7210 50 00, 7210 70 10, 7210 90 40, 7212 10 10, 7212 10 90, 7212 40 20	China	102 651,92	102 651,92	100 420,36	101 536,14	105 731,48	105 731,48	103 432,97	104 582,22	108 903,42	108 903,42	106 535,96	107 719,69	25 %	09 8831
			United Kingdom	37 442,67	37 442,67	36 628,69	37 035,68	38 565,95	38 565,95	37 727,56	38 146,75	39 722,92	39 722,92	38 859,38	39 291,15	25 %	09 8982
			Serbia	20 605,18	20 605,18	20 157,24	20 381,21	21 223,33	21 223,33	20 761,95	20 992,64	21 860,03	21 860,03	21 384,81	21 622,42	25 %	09 8832
			Korea, Republic of	14 904,85	14 904,85	14 580,83	14 742,84	15 352,00	15 352,00	15 018,26	15 185,13	15 812,56	15 812,56	15 468,81	15 640,68	25 %	09 8833
			Taiwan	12 392,30	12 392,30	12 122,90	12 257,60	12 764,07	12 764,07	12 486,59	12 625,33	13 146,99	13 146,99	12 861,18	13 004,09	25 %	09 8834
			Other countries	34 348,50	34 348,50	33 601,80	33 975,15	35 378,96	35 378,96	34 609,85	34 994,40	36 440,33	36 440,33	35 648,15	36 044,24	25 %	( <sup>9</sup> )

7	7Non Alloy and Other Alloy Quarto Plates	7208 51 20, 7208 51 91, 7208 51 98, 7208 52 91, 7208 90 20, 7208 90 80, 7210 90 30, 7225 40 12, 7225 40 40, 7225 40 60,	Ukraine	220 959,54	220 959,54	216 156,07	218 557,80	227 588,32	227 588,32	222 640,75	225 114,54	234 415,97	234 415,97	229 319,97	231 867,97	25 %	09 8836
			Korea, Republic of	90 484,11	90 484,11	88 517,06	89 500,58	93 198,63	93 198,63	91 172,57	92 185,60	95 994,59	95 994,59	93 907,75	94 951,17	25 %	09 8837
			Russian Federation	76 413,23	76 413,23	74 752,08	75 582,66	78 705,63	78 705,63	76 994,64	77 850,14	81 066,80	81 066,80	79 304,48	80 185,64	25 %	09 8838
			India	50 218,77	50 218,77	49 127,06	49 672,91	51 725,33	51 725,33	50 600,87	51 163,10	53 277,09	53 277,09	52 118,89	52 697,99	25 %	09 8839
			United Kingdom	50 201,69	50 201,69	49 110,35	49 656,02	51 707,74	51 707,74	50 583,66	51 145,70	53 258,97	53 258,97	52 101,17	52 680,07	25 %	09 8983
			Other countries	304 534,67	304 534,67	297 914,36	301 224,52	313 670,71	313 670,71	306 851,79	310 261,25	323 080,84	323 080,84	316 057,34	319 569,09	25 %	(*)
8	Stainless Hot Rolled Sheets and Strips	7219 11 00, 7219 12 10, 7219 12 90, 7219 13 10, 7219 13 90, 7219 14 10, 7219 14 90, 7219 22 10, 7219 22 90, 7219 23 00, 7219 24 00, 7220 11 00, 7220 12 00	Other countries	95 423,22	95 423,22	93 348,80	94 386,01	98 285,92	98 285,92	96 149,27	97 217,59	101 234,50	101 234,50	99 033,75	100 134,12	25 %	(*)
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	45 936,49	45 936,49	44 937,87	45 437,18	47 314,59	47 314,59	46 286,01	46 800,30	48 734,02	48 734,02	47 674,59	48 204,31	25 %	09 8846
			Taiwan	42 598,45	42 598,45	41 672,39	42 135,42	43 876,40	43 876,40	42 922,57	43 399,48	45 192,69	45 192,69	44 210,24	44 701,47	25 %	09 8847
			India	28 471,37	28 471,37	27 852,43	28 161,90	29 325,51	29 325,51	28 688,00	29 006,76	30 205,28	30 205,28	29 548,64	29 876,96	25 %	09 8848
			United States	23 164,35	23 164,35	22 660,78	22 912,56	23 859,28	23 859,28	23 340,60	23 599,94	24 575,06	24 575,06	24 040,82	24 307,94	25 %	09 8849
			Turkey	19 275,63	19 275,63	18 856,60	19 066,12	19 853,90	19 853,90	19 422,30	19 638,10	20 449,52	20 449,52	20 004,97	20 227,24	25 %	09 8850
			Malaysia	12 211,97	12 211,97	11 946,49	12 079,23	12 578,33	12 578,33	12 304,89	12 441,61	12 955,68	12 955,68	12 674,04	12 814,86	25 %	09 8851
			Other countries	48 986,92	48 986,92	47 921,98	48 454,45	50 456,53	50 456,53	49 359,64	49 908,08	51 970,22	51 970,22	50 840,43	51 405,33	25 %	(1)
10	Stainless Hot Rolled Quarto Plates	7219 21 10, 7219 21 90	China	4 549,32	4 549,32	4 450,42	4 499,87	4 685,80	4 685,80	4 583,94	4 634,87	4 826,38	4 826,38	4 721,46	4 773,92	25 %	09 8856
			India	1 929,86	1 929,86	1 887,91	1 908,88	1 987,76	1 987,76	1 944,54	1 966,15	2 047,39	2 047,39	2 002,88	2 025,13	25 %	09 8857
			United Kingdom	796,12	796,12	778,81	787,46	820,00	820,00	802,17	811,09	844,60	844,60	826,24	835,42	25 %	09 8984
			Taiwan	735,01	735,01	719,03	727,02	757,06	757,06	740,60	748,83	779,77	779,77	762,82	771,29	25 %	09 8858
			Other countries	964,37	964,37	943,41	953,89	993,30	993,30	971,71	982,51	1 023,10	1 023,10	1 000,86	1 011,98	25 %	(2)



12	Non Alloy and Other Alloy Merchant Bars and Light Sections	7214 30 00, 7214 91 10, 7214 91 90, 7214 99 31, 7214 99 39, 7214 99 50, 7214 99 71, 7214 99 79, 7214 99 95, 7215 90 00, 7216 10 00, 7216 21 00, 7216 22 00, 7216 40 10, 7216 40 90, 7216 50 10, 7216 50 91, 7216 50 99, 7216 99 00, 7228 10 20, 7228 20 10, 7228 20 91, 7228 30 20, 7228 30 41, 7228 30 49, 7228 30 61, 7228 30 69, 7228 30 70, 7228 30 89, 7228 60 20, 7228 60 80, 7228 70 10, 7228 70 90, 7228 80 00	China	109 081,26	109 081,26	106 709,93	107 895,60	112 353,70	112 353,70	109 911,23	111 132,46	115 724,31	115 724,31	113 208,57	114 466,44	25 %	09 8861		
		United Kingdom	91 256,44	91 256,44	89 272,60	90 264,52	93 994,13	93 994,13	91 950,78	92 972,46	96 813,96	96 813,96	94 709,31	95 761,63	25 %	09 8985			
		Turkey	65 582,60	65 582,60	64 156,89	64 869,74	67 550,08	67 550,08	66 081,60	66 815,84	69 576,58	69 576,58	68 064,04	68 820,31	25 %	09 8862			
		Russian Federation	60 883,89	60 883,89	59 560,32	60 222,10	62 710,40	62 710,40	61 347,13	62 028,77	64 591,71	64 591,71	63 187,55	63 889,63	25 %	09 8863			
		Switzerland	48 810,77	48 810,77	47 749,66	48 280,22	50 275,09	50 275,09	49 182,15	49 728,62	51 783,34	51 783,34	50 657,62	51 220,48	25 %	09 8864			
		Belarus	39 066,48	39 066,48	38 217,21	38 641,84	40 238,47	40 238,47	39 363,72	39 801,10	41 445,62	41 445,62	40 544,63	40 995,13	25 %	09 8865			
		Other countries	49 635,42	49 635,42	48 556,39	49 095,90	51 124,48	51 124,48	50 013,08	50 568,78	52 658,21	52 658,21	51 513,47	52 085,84	25 %	( <sup>1</sup> )			
		13	Rebars	7214 20 00, 7214 99 10	Turkey	61 938,03	61 938,03	60 591,55	61 264,79	63 796,17	63 796,17	62 409,30	63 102,74	65 710,06	65 710,06	64 281,58	64 995,82	25 %	09 8866
				Russian Federation	59 963,19	59 963,19	58 659,65	59 311,42	61 762,09	61 762,09	60 419,44	61 090,76	63 614,95	63 614,95	62 232,02	62 923,49	25 %	09 8867	
				Ukraine	30 321,98	30 321,98	29 662,81	29 992,40	31 231,64	31 231,64	30 552,69	30 892,17	32 168,59	32 168,59	31 469,27	31 818,93	25 %	09 8868	
				Bosnia and Herzegovina	26 553,72	26 553,72	25 976,46	26 265,09	27 350,33	27 350,33	26 755,76	27 053,04	28 170,84	28 170,84	27 558,43	27 864,63	25 %	09 8869	
				Moldova, Republic of	19 083,72	19 083,72	18 668,86	18 876,29	19 656,23	19 656,23	19 228,92	19 442,58	20 245,92	20 245,92	19 805,79	20 025,86	25 %	09 8870	
				Other countries	115 435,69	115 435,69	112 926,22	114 180,96	118 898,77	118 898,77	116 314,01	117 606,39	122 465,73	122 465,73	119 803,43	121 134,58	25 %	( <sup>1</sup> )	
		14	Stainless Bars and Light Sections	7222 11 11, 7222 11 19, 7222 11 81, 7222 11 89, 7222 19 10, 7222 19 90, 7222 20 11, 7222 20 19, 7222 20 21, 7222 20 29, 7222 20 31, 7222 20 39, 7222 20 81, 7222 20 89, 7222 30 51, 7222 30 91, 7222 30 97, 7222 40 10, 7222 40 50, 7222 40 90	India	29 368,19	29 368,19	28 729,75	29 048,97	30 249,23	30 249,23	29 591,64	29 920,44	31 156,71	31 156,71	30 479,39	30 818,05	25 %	09 8871
				United Kingdom	4 291,80	4 291,80	4 198,50	4 245,15	4 420,56	4 420,56	4 324,46	4 372,51	4 553,17	4 553,17	4 454,19	4 503,68	25 %	09 8986	
				Switzerland	4 224,49	4 224,49	4 132,65	4 178,57	4 351,22	4 351,22	4 256,63	4 303,92	4 481,76	4 481,76	4 384,33	4 433,04	25 %	09 8872	
				Ukraine	3 262,79	3 262,79	3 191,86	3 227,33	3 360,68	3 360,68	3 287,62	3 324,15	3 461,50	3 461,50	3 386,25	3 423,87	25 %	09 8873	
Other countries	4 760,96			4 760,96	4 657,46	4 709,21	4 903,79	4 903,79	4 797,18	4 850,48	5 050,90	5 050,90	4 941,10	4 996,00	25 %	( <sup>1</sup> )			

15	Stainless Wire Rod	7221 00 10, 7221 00 90	India	6 830,52	6 830,52	6 682,03	6 756,28	7 035,44	7 035,44	6 882,49	6 958,96	7 246,50	7 246,50	7 088,97	7 167,73	25 %	09 8876
			Taiwan	4 404,05	4 404,05	4 308,31	4 356,18	4 536,17	4 536,17	4 437,56	4 486,86	4 672,26	4 672,26	4 570,68	4 621,47	25 %	09 8877
			United Kingdom	3 538,16	3 538,16	3 461,24	3 499,70	3 644,30	3 644,30	3 565,08	3 604,69	3 753,63	3 753,63	3 672,03	3 712,83	25 %	09 8987
			Korea, Republic of	2 198,79	2 198,79	2 150,99	2 174,89	2 264,75	2 264,75	2 215,52	2 240,13	2 332,69	2 332,69	2 281,98	2 307,34	25 %	09 8878
			China	1 489,17	1 489,17	1 456,80	1 472,98	1 533,84	1 533,84	1 500,50	1 517,17	1 579,86	1 579,86	1 545,52	1 562,69	25 %	09 8879
			Japan	1 477,87	1 477,87	1 445,74	1 461,81	1 522,21	1 522,21	1 489,12	1 505,66	1 567,87	1 567,87	1 533,79	1 550,83	25 %	09 8880
			Other countries	735,02	735,02	719,04	727,03	757,07	757,07	740,61	748,84	779,78	779,78	762,83	771,30	25 %	( <sup>4</sup> )
16	Non Alloy and Other Alloy Wire Rod	7213 10 00, 7213 20 00, 7213 91 10, 7213 91 20, 7213 91 41, 7213 91 49, 7213 91 70, 7213 91 90, 7213 99 10, 7213 99 90, 7227 10 00, 7227 20 00, 7227 90 10, 7227 90 50, 7227 90 95	United Kingdom	140 152,62	140 152,62	137 105,82	138 629,22	144 357,20	144 357,20	141 219,00	142 788,10	148 687,91	148 687,91	145 455,57	147 071,74	25 %	09 8988
			Ukraine	98 057,92	98 057,92	95 926,23	96 992,08	100 999,66	100 999,66	98 804,02	99 901,84	104 029,65	104 029,65	101 768,14	102 898,90	25 %	09 8881
			Switzerland	95 792,44	95 792,44	93 710,00	94 751,22	98 666,21	98 666,21	96 521,30	97 593,76	101 626,20	101 626,20	99 416,94	100 521,57	25 %	09 8882
			Russian Federation	82 910,07	82 910,07	81 107,67	82 008,87	85 397,37	85 397,37	83 540,90	84 469,14	87 959,29	87 959,29	86 047,13	87 003,21	25 %	09 8883
			Turkey	80 401,71	80 401,71	78 653,85	79 527,78	82 813,77	82 813,77	81 013,47	81 913,62	85 298,18	85 298,18	83 443,87	84 371,02	25 %	09 8884
			Belarus	65 740,76	65 740,76	64 311,61	65 026,19	67 712,98	67 712,98	66 240,96	66 976,97	69 744,37	69 744,37	68 228,19	68 986,28	25 %	09 8885
			Moldova, Republic of	49 274,74	49 274,74	48 203,55	48 739,14	50 752,98	50 752,98	49 649,65	50 201,32	52 275,57	52 275,57	51 139,14	51 707,36	25 %	09 8886
			Other countries	82 000,79	82 000,79	80 218,16	81 109,48	84 460,81	84 460,81	82 624,71	83 542,76	86 994,64	86 994,64	85 103,45	86 049,04	25 %	( <sup>4</sup> )
17	Angles, Shapes and Sections of Iron or Non Alloy Steel	7216 31 10, 7216 31 90, 7216 32 11, 7216 32 19, 7216 32 91, 7216 32 99, 7216 33 10, 7216 33 90	Ukraine	28 955,05	28 955,05	28 325,59	28 640,32	29 823,70	29 823,70	29 175,36	29 499,53	30 718,41	30 718,41	30 050,62	30 384,52	25 %	09 8891
			United Kingdom	25 154,41	25 154,41	24 607,58	24 880,99	25 909,04	25 909,04	25 345,80	25 627,42	26 686,32	26 686,32	26 106,18	26 396,25	25 %	09 8989
			Turkey	20 934,69	20 934,69	20 479,59	20 707,14	21 562,73	21 562,73	21 093,97	21 328,35	22 209,61	22 209,61	21 726,79	21 968,20	25 %	09 8892
			Korea, Republic of	4 878,93	4 878,93	4 772,87	4 825,90	5 025,30	5 025,30	4 916,05	4 970,68	5 176,06	5 176,06	5 063,54	5 119,80	25 %	09 8893
			Other countries	11 481,79	11 481,79	11 232,18	11 356,98	11 826,24	11 826,24	11 569,15	11 697,69	12 181,03	12 181,03	11 916,22	12 048,62	25 %	( <sup>4</sup> )
18	Sheet Piling	7301 10 00	China	6 477,35	6 477,35	6 336,54	6 406,94	6 671,67	6 671,67	6 526,64	6 599,15	6 871,82	6 871,82	6 722,43	6 797,13	25 %	09 8901
			United Arab Emirates	3 205,68	3 205,68	3 135,99	3 170,83	3 301,85	3 301,85	3 230,07	3 265,96	3 400,90	3 400,90	3 326,97	3 363,94	25 %	09 8902
			United Kingdom	831,30	831,30	813,23	822,27	856,24	856,24	837,63	846,93	881,93	881,93	862,75	872,34	25 %	09 8990
			Other countries	235,91	235,91	230,78	233,34	242,99	242,99	237,70	240,34	250,28	250,28	244,83	247,56	25 %	( <sup>4</sup> )

19	Railway Material	7302 10 22, 7302 10 28, 7302 10 40, 7302 10 50, 7302 40 00	United Kingdom	3 989,09	3 989,09	3 902,37	3 945,73	4 108,76	4 108,76	4 019,44	4 064,10	4 232,02	4 232,02	4 140,02	4 186,02	25 %	09 8991
			Russian Federation	1 448,72	1 448,72	1 417,23	1 432,97	1 492,18	1 492,18	1 459,74	1 475,96	1 536,95	1 536,95	1 503,54	1 520,24	25 %	09 8906
			Turkey	1 176,71	1 176,71	1 151,13	1 163,92	1 212,01	1 212,01	1 185,66	1 198,84	1 248,37	1 248,37	1 221,23	1 234,80	25 %	09 8908
			China	1 042,28	1 042,28	1 019,62	1 030,95	1 073,55	1 073,55	1 050,21	1 061,88	1 105,76	1 105,76	1 081,72	1 093,74	25 %	09 8907
			Other countries	1 078,85	1 078,85	1 055,39	1 067,12	1 111,21	1 111,21	1 087,05	1 099,13	1 144,55	1 144,55	1 119,67	1 132,11	25 %	( <sup>20</sup> )
20	Gas pipes	7306 30 41, 7306 30 49, 7306 30 72, 7306 30 77	Turkey	45 748,21	45 748,21	44 753,69	45 250,95	47 120,66	47 120,66	46 096,30	46 608,48	48 534,28	48 534,28	47 479,19	48 006,73	25 %	09 8911
			India	17 605,35	17 605,35	17 222,62	17 413,99	18 133,51	18 133,51	17 739,30	17 936,41	18 677,52	18 677,52	18 271,48	18 474,50	25 %	09 8912
			North Macedonia	6 502,44	6 502,44	6 361,09	6 431,76	6 697,52	6 697,52	6 551,92	6 624,72	6 898,44	6 898,44	6 748,48	6 823,46	25 %	09 8913
			United Kingdom	6 185,53	6 185,53	6 051,06	6 118,30	6 371,10	6 371,10	6 232,59	6 301,85	6 562,23	6 562,23	6 419,57	6 490,90	25 %	09 8992
			Other countries	13 303,52	13 303,52	13 014,32	13 158,92	13 702,63	13 702,63	13 404,75	13 553,69	14 113,71	14 113,71	13 806,89	13 960,30	25 %	( <sup>21</sup> )
21	Hollow sections	7306 61 10, 7306 61 92, 7306 61 99	Turkey	70 099,15	70 099,15	68 575,25	69 337,20	72 202,12	72 202,12	70 632,51	71 417,31	74 368,18	74 368,18	72 751,48	73 559,83	25 %	09 8916
			United Kingdom	42 117,25	42 117,25	41 201,66	41 659,45	43 380,77	43 380,77	42 437,71	42 909,24	44 682,19	44 682,19	43 710,84	44 196,51	25 %	09 8993
			Russian Federation	23 863,04	23 863,04	23 344,27	23 603,65	24 578,93	24 578,93	24 044,60	24 311,76	25 316,29	25 316,29	24 765,94	25 041,12	25 %	09 8917
			North Macedonia	22 765,25	22 765,25	22 270,35	22 517,80	23 448,21	23 448,21	22 938,46	23 193,33	24 151,65	24 151,65	23 626,62	23 889,13	25 %	09 8918
			Ukraine	17 030,03	17 030,03	16 659,81	16 844,92	17 540,93	17 540,93	17 159,60	17 350,27	18 067,16	18 067,16	17 674,39	17 870,77	25 %	09 8919
			Switzerland	14 319,90	14 319,90	14 008,60	14 164,25	14 749,50	14 749,50	14 428,86	14 589,18	15 191,98	15 191,98	14 861,72	15 026,85	25 %	09 8920
			Belarus	14 100,50	14 100,50	13 793,96	13 947,23	14 523,51	14 523,51	14 207,78	14 365,65	14 959,22	14 959,22	14 634,02	14 796,62	25 %	09 8921
			Other countries	16 035,94	16 035,94	15 687,33	15 861,63	16 517,02	16 517,02	16 157,95	16 337,48	17 012,53	17 012,53	16 642,69	16 827,61	25 %	( <sup>22</sup> )

22	Seamless Stainless Tubes and Pipes	7304 11 00, 7304 22 00, 7304 24 00, 7304 41 00, 7304 49 10, 7304 49 93, 7304 49 95, 7304 49 99	India	5 442,11	5 442,11	5 323,80	5 382,95	5 605,37	5 605,37	5 483,51	5 544,44	5 773,53	5 773,53	5 648,02	5 710,78	25 %	09 8926
			Ukraine	3 407,64	3 407,64	3 333,57	3 370,60	3 509,87	3 509,87	3 433,57	3 471,72	3 615,17	3 615,17	3 536,58	3 575,87	25 %	09 8927
			United Kingdom	1 729,72	1 729,72	1 692,11	1 710,91	1 781,61	1 781,61	1 742,88	1 762,24	1 835,05	1 835,05	1 795,16	1 815,11	25 %	09 8994
			Korea, Republic of	1 071,22	1 071,22	1 047,93	1 059,58	1 103,36	1 103,36	1 079,37	1 091,36	1 136,46	1 136,46	1 111,75	1 124,10	25 %	09 8928
			Japan	996,18	996,18	974,53	985,35	1 026,07	1 026,07	1 003,76	1 014,92	1 056,85	1 056,85	1 033,88	1 045,36	25 %	09 8929
			China	854,71	854,71	836,13	845,42	880,35	880,35	861,21	870,78	906,76	906,76	887,05	896,90	25 %	09 8931
			Other countries	2 485,71	2 485,71	2 431,67	2 458,69	2 560,28	2 560,28	2 504,62	2 532,45	2 637,09	2 637,09	2 579,76	2 608,42	25 %	( <sup>2</sup> )
24	Other Seamless Tubes	7304 19 10, 7304 19 30, 7304 19 90, 7304 23 00, 7304 29 10, 7304 29 30, 7304 29 90, 7304 31 20, 7304 31 80, 7304 39 10, 7304 39 52, 7304 39 58, 7304 39 92, 7304 39 93, 7304 39 98, 7304 51 81, 7304 51 89, 7304 59 10, 7304 59 92, 7304 59 93, 7304 59 99, 7304 90 00	China	31 746,88	31 746,88	31 056,73	31 401,81	32 699,29	32 699,29	31 988,44	32 343,86	33 680,27	33 680,27	32 948,09	33 314,18	25 %	09 8936
			Ukraine	24 786,28	24 786,28	24 247,45	24 516,87	25 529,87	25 529,87	24 974,87	25 252,37	26 295,77	26 295,77	25 724,12	26 009,94	25 %	09 8937
			Belarus	13 261,51	13 261,51	12 973,22	13 117,37	13 659,36	13 659,36	13 362,42	13 510,89	14 069,14	14 069,14	13 763,29	13 916,21	25 %	09 8938
			United Kingdom	10 062,86	10 062,86	9 844,10	9 953,48	10 364,75	10 364,75	10 139,43	10 252,09	10 675,69	10 675,69	10 443,61	10 559,65	25 %	09 8995
			United States	7 069,32	7 069,32	6 915,64	6 992,48	7 281,40	7 281,40	7 123,11	7 202,25	7 499,84	7 499,84	7 336,80	7 418,32	25 %	09 8940
			Other countries	37 336,95	37 336,95	36 525,28	36 931,12	38 457,06	38 457,06	37 621,04	38 039,05	39 610,77	39 610,77	38 749,67	39 180,22	25 %	( <sup>2</sup> )
			25.A	Large welded tubes	7305 11 00, 7305 12 00	Other countries	111 953,87	111 953,87	109 520,09	110 736,98	115 312,49	115 312,49	112 805,69	114 059,09	118 771,86	118 771,86	116 189,86
25.B	Large welded tubes	7305 19 00, 7305 20 00, 7305 31 00, 7305 39 00, 7305 90 00	Turkey	9 842,08	9 842,08	9 628,12	9 735,10	10 137,34	10 137,34	9 916,96	10 027,15	10 441,46	10 441,46	10 214,47	10 327,97	25 %	09 8971
			China	6 657,70	6 657,70	6 512,97	6 585,34	6 857,44	6 857,44	6 708,36	6 782,90	7 063,16	7 063,16	6 909,61	6 986,39	25 %	09 8972
			Russian Federation	6 610,11	6 610,11	6 466,41	6 538,26	6 808,42	6 808,42	6 660,41	6 734,41	7 012,67	7 012,67	6 860,22	6 936,44	25 %	09 8973
			United Kingdom	4 473,70	4 473,70	4 376,44	4 425,07	4 607,91	4 607,91	4 507,74	4 557,82	4 746,15	4 746,15	4 642,97	4 694,56	25 %	09 8996
			Korea, Republic of	2 620,00	2 620,00	2 563,05	2 591,52	2 698,60	2 698,60	2 639,94	2 669,27	2 779,56	2 779,56	2 719,14	2 749,35	25 %	09 8974
			Other countries	6 076,79	6 076,79	5 944,69	6 010,74	6 259,10	6 259,10	6 123,03	6 191,06	6 446,87	6 446,87	6 306,72	6 376,79	25 %	( <sup>2</sup> )

26	Other Welded Pipes	7306 11 10, 7306 11 90, 7306 19 10, 7306 19 90, 7306 21 00, 7306 29 00, 7306 30 11, 7306 30 19, 7306 30 80, 7306 40 20, 7306 40 80, 7306 50 20, 7306 50 80, 7306 69 10, 7306 69 90, 7306 90 00	Switzerland	42 818,92	42 818,92	41 888,08	42 353,50	44 103,49	44 103,49	43 144,72	43 624,10	45 426,59	45 426,59	44 439,06	44 932,83	25 %	09 8946
			Turkey	32 772,41	32 772,41	32 059,97	32 416,19	33 755,58	33 755,58	33 021,77	33 388,67	34 768,25	34 768,25	34 012,42	34 390,33	25 %	09 8947
			United Kingdom	10 166,27	10 166,27	9 945,26	10 055,77	10 471,26	10 471,26	10 243,62	10 357,44	10 785,40	10 785,40	10 550,93	10 668,16	25 %	09 8997
			Taiwan	7 907,35	7 907,35	7 735,45	7 821,40	8 144,57	8 144,57	7 967,51	8 056,04	8 388,91	8 388,91	8 206,54	8 297,72	25 %	09 8950
			China	6 886,62	6 886,62	6 736,92	6 811,77	7 093,22	7 093,22	6 939,02	7 016,12	7 306,02	7 306,02	7 147,19	7 226,61	25 %	09 8949
			Russian Federation	6 741,47	6 741,47	6 594,91	6 668,19	6 943,71	6 943,71	6 792,76	6 868,23	7 152,02	7 152,02	6 996,54	7 074,28	25 %	09 8952
			Other countries	21 951,80	21 951,80	21 474,59	21 713,19	22 610,35	22 610,35	22 118,82	22 364,59	23 288,66	23 288,66	22 782,39	23 035,53	25 %	( <sup>2</sup> )
27	Non-alloy and other alloy cold finished bars	7215 10 00, 7215 50 11, 7215 50 19, 7215 50 80, 7228 10 90, 7228 20 99, 7228 50 20, 7228 50 40, 7228 50 61, 7228 50 69, 7228 50 80	Russian Federation	78 539,32	78 539,32	76 831,94	77 685,63	80 895,49	80 895,49	79 136,90	80 016,20	83 322,36	83 322,36	81 511,00	82 416,68	25 %	09 8956
			Switzerland	18 320,25	18 320,25	17 921,98	18 121,12	18 869,86	18 869,86	18 459,64	18 664,75	19 435,95	19 435,95	19 013,43	19 224,69	25 %	09 8957
			United Kingdom	13 700,68	13 700,68	13 402,84	13 551,76	14 111,70	14 111,70	13 804,92	13 958,31	14 535,05	14 535,05	14 219,07	14 377,06	25 %	09 8998
			China	13 225,35	13 225,35	12 937,85	13 081,60	13 622,11	13 622,11	13 325,98	13 474,05	14 030,78	14 030,78	13 725,76	13 878,27	25 %	09 8958
			Ukraine	10 774,36	10 774,36	10 540,13	10 657,24	11 097,59	11 097,59	10 856,34	10 976,96	11 430,52	11 430,52	11 182,03	11 306,27	25 %	09 8959
			Other countries	10 215,52	10 215,52	9 993,44	10 104,48	10 521,99	10 521,99	10 293,25	10 407,62	10 837,65	10 837,65	10 602,04	10 719,84	25 %	( <sup>2</sup> )
			28	Non Alloy Wire	7217 10 10, 7217 10 31, 7217 10 39, 7217 10 50, 7217 10 90, 7217 20 10, 7217 20 30, 7217 20 50, 7217 20 90, 7217 30 41, 7217 30 49, 7217 30 50, 7217 30 90, 7217 90 20, 7217 90 50, 7217 90 90	Belarus	59 572,65	59 572,65	58 277,59	58 925,12	61 359,83	61 359,83	60 025,92	60 692,88	63 200,62	63 200,62	61 826,70
China	41 943,92	41 943,92				41 032,10	41 488,01	43 202,24	43 202,24	42 263,06	42 732,65	44 498,31	44 498,31	43 530,95	44 014,63	25 %	09 8962
Russian Federation	28 067,23	28 067,23				27 457,07	27 762,15	28 909,25	28 909,25	28 280,78	28 595,01	29 776,52	29 776,52	29 129,21	29 452,86	25 %	09 8963
Turkey	22 626,68	22 626,68				22 134,80	22 380,74	23 305,48	23 305,48	22 798,84	23 052,16	24 004,65	24 004,65	23 482,81	23 743,73	25 %	09 8964
Ukraine	18 051,77	18 051,77				17 659,34	17 855,55	18 593,32	18 593,32	18 189,12	18 391,22	19 151,12	19 151,12	18 734,79	18 942,95	25 %	09 8965
Other countries	31 324,59	31 324,59				30 643,62	30 984,10	32 264,32	32 264,32	31 562,93	31 913,62	33 232,25	33 232,25	32 509,81	32 871,03	25 %	( <sup>2</sup> )

- (f) From 1.7 to 31.3: 09.8601  
From 1.4 to 30.6: 09.8602  
From 1.4 to 30.6: For Russia\*: 09.8571, for Turkey\*: 09.8572, for India\*: 09.8573, for Korea (Republic of)\*: 09.8574, for Serbia\*: 09.8575 and for United Kingdom\*: 09.8599 \*In case of exhaustion of their specific quotas in accordance with Article 1.5
- (g) From 1.7 to 31.3: 09.8603  
From 1.4 to 30.6: 09.8604  
From 1.4 to 30.6: For India\*, Korea (Republic of)\*, Ukraine\*, Brazil\*, Serbia\* and United Kingdom\*: 09.8567 \*In case of exhaustion of their specific quotas in accordance with Article 1.5
- (h) From 1.7 to 31.3: 09.8605  
From 1.4 to 30.6: 09.8606  
From 1.4 to 30.6: For Korea (Republic of)\*, Russia\*, Iran (Islamic republic of)\* and United Kingdom\*: 09.8568 \*In case of exhaustion of their specific quotas in accordance with Article 1.5
- (i) From 1.7 to 31.3: 09.8607  
From 1.4 to 30.6: 09.8608  
From 1.4 to 30.6: For Russia\*, Korea (Republic of)\*, China\* and Taiwan\*: 09.8569 \*In case of exhaustion of their specific quotas in accordance with Article 1.5
- (j) From 1.7 to 31.3: 09.8609  
From 1.4 to 30.6: 09.8610  
From 1.4 to 30.6: For India\*, Korea (Republic of)\* and United Kingdom\*: 09.8570 \*In case of exhaustion of their specific quotas in accordance with Article 1.5
- (k) From 1.7 to 31.3: 09.8611  
From 1.4 to 30.6: 09.8612  
From 1.4 to 30.6: For China\*: 09.8581, for Korea (Republic of)\*: 09.8582, for India\*: 09.8583, for United Kingdom\*: 09.8584 \*In case of exhaustion of their specific quotas in accordance with Article 1.5
- (l) From 1.7 to 31.3: 09.8613  
From 1.4 to 30.6: 09.8614
- (m) From 1.7 to 31.3: 09.8615  
From 1.4 to 30.6: 09.8616  
From 1.4 to 30.6: For China\*, Korea (Republic of)\*, Taiwan\*, Serbia\* and United Kingdom\*: 09.8576 \*In case of exhaustion of their specific quotas in accordance with Article 1.5
- (n) From 1.7 to 31.3: 09.8617  
From 1.4 to 30.6: 09.8618  
From 1.4 to 30.6: For Ukraine\*, Korea (Republic of)\*, Russia\*, India\* and United Kingdom\*: 09.8577 \*In case of exhaustion of their specific quotas in accordance with Article 1.5
- (o) From 1.7 to 31.3: 09.8619  
From 1.4 to 30.6: 09.8620
- (p) From 1.7 to 31.3: 09.8621  
From 1.4 to 30.6: 09.8622  
From 1.4 to 30.6: For Korea (Republic of)\*, Taiwan\*, India\*, United States of America\*, Turkey\* and Malaysia\*: 09.8578 \*In case of exhaustion of their specific quotas in accordance with Article 1.5
- (q) From 1.7 to 31.3: 09.8623  
From 1.4 to 30.6: 09.8624  
From 1.4 to 30.6: For China\*, India\*, Taiwan\* and United Kingdom\*: 09.8591 \*In case of exhaustion of their specific quotas in accordance with Article 1.5
- (r) From 1.7 to 31.3: 09.8625  
From 1.4 to 30.6: 09.8626  
From 1.4 to 30.6: For China\*, Turkey\*, Russia\*, Switzerland\*, Belarus\* and United Kingdom\*: 09.8592 \*In case of exhaustion of their specific quotas in accordance with Article 1.5
- (s) From 1.7 to 31.3: 09.8627  
From 1.4 to 30.6: 09.8628  
From 1.4 to 30.6: For Turkey\*, Russia\*, Ukraine\*, Bosnia and Herzegovina\* and Moldova\*: 09.8593 \*In case of exhaustion of their specific quotas in accordance with Article 1.5
- (t) From 1.7 to 31.3: 09.8629  
From 1.4 to 30.6: 09.8630  
From 1.4 to 30.6: For India\*, Switzerland\*, Ukraine\* and United Kingdom\*: 09.8594 \*In case of exhaustion of their specific quotas in accordance with Article 1.5
- (u) From 1.7 to 31.3: 09.8631  
From 1.4 to 30.6: 09.8632  
From 1.4 to 30.6: For India\*, Taiwan\*, Korea (Republic of)\*, China\*, Japan\* and United Kingdom\*: 09.8595 \*In case of exhaustion of their specific quotas in accordance with Article 1.5
- (v) From 1.7 to 31.3: 09.8633  
From 1.4 to 30.6: 09.8634
- (w) From 1.7 to 31.3: 09.8635  
From 1.4 to 30.6: 09.8636  
From 1.4 to 30.6: For Turkey\*, Ukraine\*, Korea (Republic of)\* and United Kingdom\*: 09.8579 \*In case of exhaustion of their specific quotas in accordance with Article 1.5
- (x) From 1.7 to 31.3: 09.8637  
From 1.4 to 30.6: 09.8638  
From 1.4 to 30.6: For China\*, United Arab Emirates\* and United Kingdom\*: 09.8580 \*In case of exhaustion of their specific quotas in accordance with Article 1.5
- (y) From 1.7 to 31.3: 09.8639  
From 1.4 to 30.6: 09.8640  
From 1.4 to 30.6: For Russia\*, China\*, Turkey\* and United Kingdom\*: 09.8585 \*In case of exhaustion of their specific quotas in accordance with Article 1.5
- (z) From 1.7 to 31.3: 09.8641  
From 1.4 to 30.6: 09.8642  
From 1.7 to 31.3: 09.8643  
From 1.4 to 30.6: 09.8644  
From 1.4 to 30.6: For Turkey\*, Russia\*, Ukraine\*, North Macedonia\*, Switzerland\*, Belarus\* and United Kingdom\*: 09.8596 \*In case of exhaustion of their specific quotas in accordance with Article 1.5
- (aa) From 1.7 to 31.3: 09.8645  
From 1.4 to 30.6: 09.8646  
From 1.4 to 30.6: For India\*, Ukraine\*, Korea (Republic of)\*, Japan\*, China\* and United Kingdom\*: 09.8597 \*In case of exhaustion of their specific quotas in accordance with Article 1.5
- (ab) From 1.7 to 31.3: 09.8647  
From 1.4 to 30.6: 09.8648  
From 1.4 to 30.6: For China\*, Ukraine\*, Belarus\*, United States of America\* and United Kingdom\*: 09.8586 \*In case of exhaustion of their specific quotas in accordance with Article 1.5
- (ac) From 1.7 to 31.3: 09.8657  
From 1.4 to 30.6: 09.8658
- (ad) From 1.7 to 31.3: 09.8659  
From 1.4 to 30.6: 09.8660  
From 1.4 to 30.6: For Turkey\*, China\*, Russia\*, Korea (Republic of)\* and United Kingdom\*: 09.8587 \*In case of exhaustion of their specific quotas in accordance with Article 1.5
- (ae) From 1.7 to 31.3: 09.8651  
From 1.4 to 30.6: 09.8652  
From 1.4 to 30.6: For Switzerland\*, Turkey\*, Taiwan\*, China\*, Russia\* and United Kingdom\*: 09.8588 \*In case of exhaustion of their specific quotas in accordance with Article 1.5
- (af) From 1.7 to 31.3: 09.8653  
From 1.4 to 30.6: 09.8654
- (ag) From 1.7 to 31.3: 09.8655  
From 1.4 to 30.6: 09.8656  
From 1.4 to 30.6: For Turkey\*, Russia\*, Ukraine\*, China\* and Belarus\*: 09.8598 \*In case of exhaustion of their specific quotas in accordance with Article 1.5

## IV.2 – Volumes of global tariff–rate quotas per trimester

Product Number	Allocation by country (Where Applicable)	Year 1				Year 2				Year 3			
		From 1.7.2021 to 30.9.2021	From 1.10.2021 to 31.12.2021	From 1.1.2022 to 31.3.2022	From 1.4.2022 to 30.6.2022	From 1.7.2022 to 30.9.2022	From 1.10.2022 to 31.12.2022	From 1.1.2023 to 31.3.2023	From 1.4.2023 to 30.6.2023	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)	Volume of tariff quota (net tonnes)	Volume of tariff quota (net tonnes)	Volume of tariff quota (net tonnes)	Volume of tariff quota (net tonnes)	Volume of tariff quota (net tonnes)	Volume of tariff quota (net tonnes)	Volume of tariff quota (net tonnes)	Volume of tariff quota (net tonnes)
1	Other countries	1 020 975,90	1 020 975,90	998 780,77	1 009 878,34	1 051 605,18	1 051 605,18	1 028 744,20	1 040 174,69	1 083 153,33	1 083 153,33	1 059 606,52	1 071 379,93
2	Other countries	265 739,79	265 739,79	259 962,84	262 851,32	273 711,99	273 711,99	267 761,73	270 736,86	281 923,35	281 923,35	275 794,58	278 858,96
3A	Other countries	757,52	757,52	741,05	749,28	780,24	780,24	763,28	771,76	803,65	803,65	786,18	794,91
3B	Other countries	6 343,40	6 343,40	6 205,50	6 274,45	6 533,71	6 533,71	6 391,67	6 462,69	6 729,72	6 729,72	6 583,42	6 656,57
4A	Other countries	515 437,29	515 437,29	504 232,13	509 834,71	530 900,41	530 900,41	519 359,09	525 129,75	546 827,42	546 827,42	534 939,87	540 883,64
4B	Other countries	23 414,67	23 414,67	22 905,65	23 160,16	24 117,11	24 117,11	23 592,82	23 854,97	24 840,62	24 840,62	24 300,61	24 570,61
5	Other countries	39 845,48	39 845,48	38 979,27	39 412,38	41 040,85	41 040,85	40 148,65	40 594,75	42 272,07	42 272,07	41 353,11	41 812,59
6	Other countries	34 348,50	34 348,50	33 601,80	33 975,15	35 378,96	35 378,96	34 609,85	34 994,40	36 440,33	36 440,33	35 648,15	36 044,24
7	Other countries	304 534,67	304 534,67	297 914,36	301 224,52	313 670,71	313 670,71	306 851,79	310 261,25	323 080,84	323 080,84	316 057,34	319 569,09
8	Other countries	95 423,22	95 423,22	93 348,80	94 386,01	98 285,92	98 285,92	96 149,27	97 217,59	101 234,50	101 234,50	99 033,75	100 134,12
9	Other countries	48 986,92	48 986,92	47 921,98	48 454,45	50 456,53	50 456,53	49 359,64	49 908,08	51 970,22	51 970,22	50 840,43	51 405,33
10	Other countries	964,37	964,37	943,41	953,89	993,30	993,30	971,71	982,51	1 023,10	1 023,10	1 000,86	1 011,98
12	Other countries	49 635,42	49 635,42	48 556,39	49 095,90	51 124,48	51 124,48	50 013,08	50 568,78	52 658,21	52 658,21	51 513,47	52 085,84
13	Other countries	115 435,69	115 435,69	112 926,22	114 180,96	118 898,77	118 898,77	116 314,01	117 606,39	122 465,73	122 465,73	119 803,43	121 134,58

14	Other countries	4 760,96	4 760,96	4 657,46	4 709,21	4 903,79	4 903,79	4 797,18	4 850,48	5 050,90	5 050,90	4 941,10	4 996,00
15	Other countries	735,02	735,02	719,04	727,03	757,07	757,07	740,61	748,84	779,78	779,78	762,83	771,30
16	Other countries	82 000,79	82 000,79	80 218,16	81 109,48	84 460,81	84 460,81	82 624,71	83 542,76	86 994,64	86 994,64	85 103,45	86 049,04
17	Other countries	11 481,79	11 481,79	11 232,18	11 356,98	11 826,24	11 826,24	11 569,15	11 697,69	12 181,03	12 181,03	11 916,22	12 048,62
18	Other countries	235,91	235,91	230,78	233,34	242,99	242,99	237,70	240,34	250,28	250,28	244,83	247,56
19	Other countries	1 078,85	1 078,85	1 055,39	1 067,12	1 111,21	1 111,21	1 087,05	1 099,13	1 144,55	1 144,55	1 119,67	1 132,11
20	Other countries	13 303,52	13 303,52	13 014,32	13 158,92	13 702,63	13 702,63	13 404,75	13 553,69	14 113,71	14 113,71	13 806,89	13 960,30
21	Other countries	16 035,94	16 035,94	15 687,33	15 861,63	16 517,02	16 517,02	16 157,95	16 337,48	17 012,53	17 012,53	16 642,69	16 827,61
22	Other countries	2 485,71	2 485,71	2 431,67	2 458,69	2 560,28	2 560,28	2 504,62	2 532,45	2 637,09	2 637,09	2 579,76	2 608,42
24	Other countries	37 336,95	37 336,95	36 525,28	36 931,12	38 457,06	38 457,06	37 621,04	38 039,05	39 610,77	39 610,77	38 749,67	39 180,22
25A	Other countries	111 953,87	111 953,87	109 520,09	110 736,98	115 312,49	115 312,49	112 805,69	114 059,09	118 771,86	118 771,86	116 189,86	117 480,86
25B	Other countries	6 076,79	6 076,79	5 944,69	6 010,74	6 259,10	6 259,10	6 123,03	6 191,06	6 446,87	6 446,87	6 306,72	6 376,79
26	Other countries	21 951,80	21 951,80	21 474,59	21 713,19	22 610,35	22 610,35	22 118,82	22 364,59	23 288,66	23 288,66	22 782,39	23 035,53
27	Other countries	10 215,52	10 215,52	9 993,44	10 104,48	10 521,99	10 521,99	10 293,25	10 407,62	10 837,65	10 837,65	10 602,04	10 719,84
28	Other countries	31 324,59	31 324,59	30 643,62	30 984,10	32 264,32	32 264,32	31 562,93	31 913,62	33 232,25	33 232,25	32 509,81	32 871,03



IV.3 – Maximum volume of residual quota accessible in last quarters to countries with a country specific quota

Product category	New allocated quota in tonnes		
	From 1.4.2022 to 30.6.2022	From 1.4.2023 to 30.6.2023	From 1.4.2024 to 30.6.2024
1	Special regime	Special regime	Special regime
2	262 851,31	270 736,85	278 858,96
3.A	749,28	771,76	794,92
3.B	6 274,45	6 462,68	6 656,57
4.A	434 850,45	447 895,96	461 332,84
4.B	Special regime	Special regime	Special regime
5	No access to the residual quota in Q4	No access to the residual quota in Q4	No access to the residual quota in Q4
6	33 975,15	34 994,40	36 044,23
7	301 224,52	310 261,26	319 569,09
8	Not applicable	Not applicable	Not applicable
9	48 454,45	49 908,09	51 405,33
10	286,16	294,75	303,59
12	29 457,54	30 341,26	31 251,50
13	29 687,05	30 577,66	31 494,99
14	2 590,07	2 667,77	2 747,80
15	538,00	554,14	570,76
16	No access to the residual quota in Q4	No access to the residual quota in Q4	No access to the residual quota in Q4
17	11 356,99	11 697,70	12 048,63
18	233,35	240,35	247,56
19	1 067,12	1 099,13	1 132,11
20	No access to the residual quota in Q4	No access to the residual quota in Q4	No access to the residual quota in Q4
21	3 330,95	3 430,88	3 533,80
22	1 991,54	2 051,28	2 112,82
24	36 931,11	38 039,05	39 180,22

25.A	Not applicable	Not applicable	Not applicable
25.B	6 010,74	6 191,06	6 376,79
26	21 713,19	22 364,59	23 035,53
27	No access to the residual quota in Q4	No access to the residual quota in Q4	No access to the residual quota in Q4
28	21 998,71	22 658,67	23 338,43”