



Department for Business, Energy & Industrial Strategy

The Rt Hon Kwasi Kwarteng MP
Secretary of State
Department for Business, Energy & Industrial Strategy

1 Victoria Street
London
SW1H 0ET

Darren Jones MP
Chair of Business, Energy and Industrial Strategy Committee
House of Commons
London
SW1A 0AA



Department for International Trade

The Rt Hon Elizabeth Truss MP
Secretary of State for International Trade
Department for International Trade

Old Admiralty Building
London
SW1A 2DY

T +44 (0) 20 7215 5000
E truss.correspondence@trade.gov.uk
W www.gov.uk/dit

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Dear Darren,

We are writing to inform you that the Government has made new regulations to help defend the UK steel industry from unforeseen surges in imports.

The move follows a review by the Trade Remedies Authority (TRA) last year on defensive tariff rate quotas (TRQs) on 19 product categories of steel imports retained from when the UK was a member of the European Union.

This review concluded that TRQs should be extended in 10 of the categories and revoked in nine others.

Under the legislation the Government only had two choices: either to accept the TRA recommendation in full or reject it entirely – leaving all 19 categories of UK steel products at risk from tariff-free imports.

The Government has accepted the TRA's recommendation to maintain the safeguard on 10 steel product categories for a further three years. Yesterday the Government also made new regulations to further defend the UK steel industry by extending the safeguard by public notice. The public notice set out the details of the temporary extension on a further five product categories of the 19 to allow time for the TRA to reconsider evidence as well as any appeal. Imports outside the quotas will face a tariff of 25%.

The wider steel sector supports the jobs of over 80,000 people across the UK, including some 35,000 well-paid jobs in the steel sector, and a further 44,000 jobs supported in wider supply chains.

Current disruption to the steel industry caused by the COVID-19 pandemic, threats of dumping and unfair subsidies, and continued trade restrictions in third countries all put UK steel products at an unacceptable disadvantage.

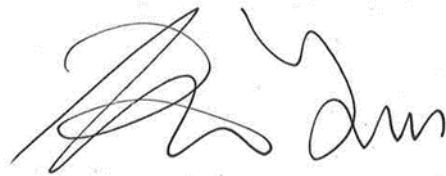
That is why the Government has taken decisive action by making new regulations to defend jobs in the UK steel industry and ensure our world-leading manufacturers are able to compete on a level playing field. This action will give an opportunity for the industry to appeal the recommendation made by the TRA so they may be able to reconsider evidence in the context of the unique global market conditions which currently prevail. This includes assessing the risk of injury arising from the EU safeguard which was published after the TRA made their decision.

The UK Government will also review the Trade Remedies framework, established by the previous Government, as an urgent priority to ensure it is up-to-date, champions WTO rules and is fit for purpose in the post-COVID world. This will help to ensure British industries are defended against unfair competition and unforeseen surges in imports.

Best wishes,



THE RT HON KWASI KWARTENG
Secretary of State for Business,
Energy and Industrial Strategy



THE RT HON ELIZABETH TRUSS MP
Secretary of State for International Trade
& President of the Board of Trade