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**Committee on Safeguards** 

3) OF THE AGREEMENT ON

# NOTIFICATION UNDER ARTICLE 12.1(B) OF THE AGREEMENT ON SAFEGUARDS ON FINDING A SERIOUS INJURY OR THREAT THEREOF CAUSED BY INCREASED IMPORTS

### **NOTIFICATION OF A PROPOSAL TO IMPOSE A MEASURE**

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

**EUROPEAN UNION** 

(Certain steel products)

The following communication, dated 2 January 2019, is being circulated at the request of the Delegation of the European Union.

Pursuant to Articles 12.1(b) of the Agreement on Safeguards, the European Union submits a notification on finding serious injury or threat thereof, to the domestic industries producing certain steel products and a notification on proposed safeguard measures. This notification contains all pertinent information relating to the proposed safeguard measures in accordance with Article 12.2 of the Agreement on Safeguards and an offer of consultations pursuant to Article 12.3 of the Agreement on Safeguards.

- (1) The investigation was initiated on 26 March 2018 pursuant to Article 5 of Regulation (EU) 2015/478 of the European Parliament and of the Council and Article 3 of Regulation (EU) 2015/755 of the European Parliament and of the Council. [G/SG/N/6/EU/1]
- (2) On 18 July 2018, Commission implementing regulation (EU) 2018/1013¹ imposed provisional safeguard measures with regard to imports of certain steel products [G/SG/N/7/EU/1 and G/SG/N/11/EU/1].

### 1. Provide evidence of serious injury or threat thereof caused by increased imports

- (3) The injury assessment has been conducted on a global basis, namely for the product concerned under assessment, thereby including the 26 product categories where the Commission found an increase in imports. The Commission supplemented its analysis with an assessment for three product families regrouping these product categories, i.e. flat products, long products and tubes. This injury analysis below is based on the questionnaire replies submitted by the Union industry.
- (4) The relevant figures for each of the economic indicators concerning both the global development of the situation of the Union steel industry and the situation of the Union steel industry for the three above product families is presented in the Annex I.

 $<sup>^1</sup>$  Commission implementing regulation (EU) 2018/1013 of 17 July 2018 imposing provisional safeguard measures with regard to imports of certain steel products (OJ L181,18.7.2018, p. 39).

- (5) The analysis showed that the Union industry both globally and for each of the three product families was in a difficult economic situation until 2016, and only partially recovered in 2017. The industry is thus still in a vulnerable position.
- (6) Indeed, despite a temporary improvement, the EU steel industry was still in a fragile situation and under the threat of serious injury if the increasing trend in imports continued with the ensuing price depression and profitability drop below sustainable levels. The injury analysis showed that this expected trend is already underway as the most updated set of data show.
- (7) The Commission has carried out a more accurate analysis of the likelihood of further increased exports based on an analysis of the most recent data available, namely the period January-September 2018. This updated set of data allowed the Commission to confirm the findings of a risk of trade diversion.
- (8) Overall, imports of the product under assessment have, on an annual basis further increased. The increase in imports in the period July 2017 June 2018 as compared to January 2017 December 2017 is explained by the relatively high level of imports in the first semester of 2018, when the total volume of imports of the product under assessment amounted to 17,4 million MT as compared to 15,4 million MT during the first semester of 2017 and 14,5 million MT during the second semester of 2017.
- (9) For each and every month in 2018, import volumes into the Union in 2018 were higher than import volumes in 2017. In particular imports increased significantly from March 2018. The differences with 2017 were more substantial in June and July 2018, a few months after the imposition of the US Section 232 measures. In August and September 2018, the increase was still significant but less pronounced than in the preceding two months, possibly in view of the provisional safeguard measures that were imposed on 18 July 2018.
- (10) During the same period, imports into the USA of the 26 products under assessment have sharply decreased, in particular since the imposition of the US Section 232 measures. In September 2018, the level of imports was 35% below the level of imports in April 2018. Overall, the decrease in imports from January to September 2018 was 19%.
- (11) The trend of increased imports in the Union, which is driven in part by the impact of the US Section 232 measures, is expected to be even more pronounced in the near future if no measures are taken. This is based on the fact that a high number of US producers of products covered by the US Section 232 measures have announced important production expansion plans and consequently, the US market will no longer be able to absorb an increased domestic production and the same level of imports as before. Consequently, exporting producers will have to look for alternative markets and the Union market is then, in view of its size, an ideal substitute market.
- (12) The Commission therefore concluded that the Union steel industry is in a situation of threat of serious injury for the product concerned, including the 26 product categories under assessment. The Commission also concluded that there was a causal link between increased imports of the product under assessment and the vulnerable situation of and threat of serious injury to the Union industry as the steel product categories produced by the Union producers are like or directly competing with the steel product categories concerned.

# 2. Provide information on whether there is an absolute increase in imports or an increase in imports relative to domestic production

- (13) The Commission made an overall analysis of the increase in imports for the 26 product categories concerned over the period 2013-2017. This global analysis excluded product categories that did not show an increase at individual level. The development of imports for each of the three product families identified above was also examined in order to confirm the soundness of the conclusions reached on a global basis.
- (14) The Commission used in its analysis the most recent statistics, namely import data covering the first half of 2018. For ensuring data comparability with previous full-year periods, the Commission established an additional ad-hoc 12-month period made of the last 6 months

of 2017 and the first 6 months of 2018 ('the most recent period' or 'MRP'). The Commission also corrected some minor clerical errors in the data used at provisional stage.

(15) As to the global imports' analysis, the imports of the 26 remaining product categories under assessment show the following developments:

Table 1

Import volume and market share after exclusion of certain countries and products

	2013	2014	2015	2016	2017	MRP
Imports (000 tonnes)	18 329	21 868	26 552	29 141	30 094	31 314
index 2013=100	100	119	145	159	164	171
Market share	12,4%	14,1%	16,6%	17,6%	17,8%	18,6%

Source: Eurostat and Union Industry questionnaire replies

(16) For each of the three product families identified above: flat products, long products and tubes the import volumes and corresponding market shares developed as follows:

Table 2

Import volume and market share after exclusion of certain countries and products – by product family

	2013	2014	2015	2016	2017	MRP
Flat products						
imports (000 tonnes)	12 327	14 215	18 391	20 281	20 299	20 202
index 2013=100	100	115	149	164	164	164
Market share	14,1%	15,7%	19,3%	20,6%	20,7%	20,7%
Long products						
imports (000 tonnes)	4 001	5 258	6 028	6 550	6 465	7 901
index 2013=100	100	131	151	164	162	197
Market share	7,9%	9,9%	11,2%	11,8%	11,2%	13,5%
Tubes						
imports (000 tonnes)	2 001	2 396	2 134	2 310	3 330	3 212
index 2013=100	100	120	107	115	166	160
Market share	20,2%	20,6%	19,5%	19,8%	25,1%	25,5%

Source: Eurostat and Union Industry questionnaire replies

(17) Accordingly, the Commission concludes that there has been a sudden, steep, and significant increase of imports both in absolute and relative terms for the product concerned under assessment. This finding is also confirmed by the data at the level of each of the three product families assessed.

### 3. Provide precise description of the product involved

(18) The product concerned is certain steel products belonging to the 26 steel product categories listed in Annex II.

### 4. Provide precise description of the proposed measure

(19) It is proposed that the definitive safeguard measure takes the form of a tariff-rate quota in order to prevent serious injury, but at the same time preserve traditional trade flows as much as possible. This level of tariff-rate quota shall be set at the average level of imports over the last three representative years. The Commission considered it necessary to modulate the tariff-rate quota level above the average import level for the last three years to take account of the competing interests between users and importers, on the one hand, and the Union industry, on the other hand. On this basis, the Commission considers that the quantitative level of the tariff-rate quota should be based on the average imports in the period 2015-2017 plus 5%.

- (20) The additional duties to be paid above the quota shall be 25%.
- The Commission considers that a country-specific tariff-rate quota system is the most (21)appropriate system to ensure traditional trade flows. It has however some limitations. First, the number of supplying countries is significant for each product category. It is not reasonably practicable to allocate a tariff-rate quota to each of them. Second, the Commission considers that it is necessary, for an adequate tariff-rate quota allocation, to take into account special factors that will affect the trade in the products concerned. Indeed, for a number of products falling within the scope of this investigation, the Union has recently imposed anti-dumping/countervailing duty measures on certain exporting countries. This has often resulted in a significant decrease of imports from these countries in the most recent year, and will continue to do so during the period of imposition of these measures. A countryspecific tariff-rate quota for these countries will therefore more than likely be used only marginally since the level of the tariff-rate quota is based on the average level of imports in the years 2015-2017, i.e. including a period when anti-dumping/countervailing duty measures were not yet in place and the level of import was significant due to unfair trade practices. It would, therefore, not be in the Union interest to allocate a country specific tariffrate quota in these circumstances since the level of future imports would unavoidably be below their traditional trade levels.
- (22) The Commission concluded that, given the above circumstances, a mixed approach would be the most appropriate. First, a country specific tariff-rate quota should be allocated to countries having a significant supplying interest, based on their imports over the last 3 years. A global tariff-rate quota ('the residual quota') based on the average of the remaining imports over the last three years should be allocated to all other supplying countries. This residual tariff-rate quota should be divided quarterly in order to ensure that imports are evenly distributed over the year and prevent that significant imports of standard products are stockpiled at the beginning of the period in order to avoid possible duties. Unused quarterly tariff-rate quota allocations would also be automatically transferred to the next period.
- (23) A country specific tariff-rate quota should however not be allocated to those countries whose export level for each product category concerned has substantially diminished in the recent past because of anti-dumping/countervailing duty measures in place for the above reasons. These countries should fall within the residual tariff-rate quota.
- (24) In the specific case of product category 1 (hot rolled coils), since close to 60% of imports are currently covered by anti-dumping measures, the Commission considers that a global tariff-rate quota and no country-specific allocation is the most appropriate.
- (25) Finally, the Commission considers that it is in the Union interest that when a supplying country has exhausted its specific tariff-rate quota, it should be allowed to have access to the residual tariff-rate quota. This possibility should however only be applied during the last quarter of the period, in order to strike a balance between the interests of the countries endowed with a country specific tariff-rate quota and the countries drawing on the global tariff-rate quota. This would not only ensure the maintenance of traditional trade flows but also avoid that, as the case may be, parts of the residual tariff-rate quota would remain unused.
- (26) The tariff-rate quota and the allocation of quotas among supplying countries is set out in Annex II.

### 5. Provide proposed date of introduction of the measure

(27) The definitive measures should be introduced before the end of 200 days period of application of provisional measures, i.e. before 4<sup>th</sup> February 2019.

### 6. Provide expected duration of the measure

(28) The Commission considers that the measures should be in place for a period of three years (including the period of imposition of the provisional measures), expiring on 16 July 2021. A tariff-rate quota should be open for the period 2 February 2019 to 16 July 2019, thereafter,

for the period of 17 July 2019 to 16 July 2020, and, thereafter, for the period 17 July 2020 to July 2021.

- 7. For a measure with a duration of more than three years, provide the proposed date for the review (under Article 7.4) to be held not later than the mid-term of the measure, if such a date for the review has already been scheduled
- (29) Not applicable
- 8. If the expected duration is over one year, provide expected timetable for progressive liberalisation of the measure
- (30) The level of the tariff-rate quota should be increased by 5% in each year during which the measures are in force.
- 9. Provide information relating to the extension of a safeguard measure
- (31) Not applicable
- 10. Exclusion of certain countries from the scope of the definitive measures
- (32) The final determination made by the Commission shows that the product categories concerned originating in certain developing countries meet the requirements of Article 9 of the WTO Agreement on Safeguards and should therefore be excluded, as set out in Annex III.
- (33) On account of the close integration of markets with European Economic Area members, the Commission considers that the products under assessment originating in Norway, Iceland, and Liechtenstein should be excluded from the application of this Regulation. Furthermore, in order to comply with bilateral obligations, certain countries with which the Union has signed an Economic Partnership Agreement that is currently in force<sup>2</sup> should also be excluded from the scope of measures.
- 11. Procedures relevant to the decision to apply the measures and information regarding procedures for prior consultations with those Members having a substantial interest as exporters of the product concerned
- (34) Members having a substantial interest as exporters of the product subject to the investigation that wish to consult with the European Union may make a request through the EU Mission in Geneva. These consultations shall be held preferably during the week of 7-11 January 2019.

<sup>&</sup>lt;sup>2</sup> Botswana, Cameroon, Fiji, Ghana, Ivory Coast, Lesotho, Mozambique, Namibia, South Africa, Swaziland.

### **ANNEX I - ECONOMIC SITUATION OF THE EU STEEL INDUSTRY**

### 1. Global situation of the EU steel industry

a. Consumption, domestic sales and market shares

Table 3 – The Union consumption, domestic sales and market share

(000 tonnes)	2013	2014	2015	2016	2017
Consumption (all)	147 921	155 153	160 128	165 727	168 730
index 2013=100	100	105	108	112	114
Domestic sales (all)	129 592	133 285	133 575	136 586	138 636
index 2013=100	100	103	103	105	107
Market share (all)	87,6%	85,9%	83,4%	82,4%	82,2%

Source: Eurostat and industry data

b. Production, production capacity, capacity utilisation rate and stocks

Table 4 - Production, production capacity, capacity utilisation, stocks

(000 tonnes)	2013	2014	2015	2016	2017
Production (all)	243 945	249 855	248 763	249 204	254 925
index 2013=100	100	102	102	102	105
Production capacity (all)	337 010	334 545	332 427	333 179	335 358
index 2013=100	100	99	99	99	100
Capacity utilisation (all)	72%	75%	75%	75%	76%
Stocks (all)	11,883	12,734	13,159	12,974	14,140
index 2013=100	100	107	111	109	119

Source: Industry data and questionnaire replies

c. Unit sales prices, profitability and cash flow

Table 5 - Unit sales price, profitability, cash flow

	2013	2014	2015	2016	2017
Unit sales price (€/tonne)	693.6	673.4	636.6	591.0	697.7
index 2013=100	100	97	92	85	101
Profitability (% turnover)	-0.9%	0.8%	0.6%	2.1%	5.6%
Cash flow (million €)	3,721	4,975	6,461	5,508	6,201
index 2013=100	100	134	174	148	167

Source: Questionnaire replies

d. Employment

**Table 6 - Employment** 

(FTE)	2013	2014	2015	2016	2017
Employment (all)	225,607	220,429	218,010	217,460	216,399
index 2013=100	100	98	97	96	96

Source: Industry data and questionnaire replies

### 2. Analysis of the situation of the Union steel industry for the three product families

a. Consumption, domestic sales and market shares

Table 7 - Consumption, domestic sales, market share per product family

(000 tonnes)	2013	2014	2015	2016	2017
Consumption (flat)	87 539	90 579	95 411	98 555	97 900
index 2013=100	100	103	109	113	112
Consumption (long)	50 462	52 937	53 784	55 485	57 560
index 2013=100	100	105	107	110	114
Consumption (tubes)	9 921	11 637	10 933	11 687	13 270
index 2013=100	100	117	110	118	134
Domestic sales (flat)	75 212	76 365	77 020	78 274	77 601
index 2013=100	100	102	102	104	103
Domestic sales (long)	46 461	47 679	47 757	48 935	51 095
index 2013=100	100	103	103	105	110
Domestic sales (tubes)	7 920	9 241	8 799	9 377	9 940
index 2013=100	100	117	111	118	126
Market share (flat)	86%	84%	81%	79%	79%
Market share (long)	92%	90%	89%	88%	89%
Market share (tubes)	80%	79%	80%	80%	75%

Source: Eurostat and industry data

b. Production, production capacity, capacity utilisation rate and stocks

Table 8 - Production, production capacity, capacity utilisation, stocks per product family

(000 tonnes)	2013	2014	2015	2016	2017
Production (flat)	172 873	177 224	176 567	177 247	180 986
index 2013=100	100	103	102	103	105
Production (long)	59 082	59 535	60 079	59 706	60 572
index 2013=100	100	101	102	101	103
Production (tubes)	11 991	13 096	12 116	12 251	13 366
index 2013=100	100	109	101	102	111
Production capacity (flat)	234 615	233 689	230 216	230 921	232 220
index 2013=100	100	100	98	98	99
Production capacity (long)	80 833	78 244	79 455	79 736	81 806
index 2013=100	100	97	98	99	101
Production capacity (tubes)	24 053	25 482	27 721	27 255	24 224
index 2013=100	100	106	115	113	101
Capacity utilisation (flat)	74%	76%	77%	77%	78%
Capacity utilisation (long)	73%	76%	76%	75%	74%
Capacity utilisation (tubes)	50%	51%	44%	45%	55%
Stocks (flat)	7,573	8,171	8,386	8,098	8,623
index 2013=100	100	108	111	107	114
Stocks (long)	3,449	3,430	3,722	3,740	3,877
index 2013=100	100	99	108	108	112
Stocks (tubes)	861	1,132	1,050	1,137	1,639
index 2013=100	100	132	122	132	190

Source: Industry data and questionnaire replies

### c. Unit sales prices, profitability and cash flow

Table 9 - Unit sales price, profitability, cash flow per product family

(EUR / tonne)	2013	2014	2015	2016	2017
Unit sales price (€/tonne, flat)	711.3	689.3	659.8	612.8	744.3
index 2013=100	100	97	93	86	105
Unit sales price (€/tonne, long)	607.0	591.3	546.4	509.1	584.4
index 2013=100	100	97	90	84	96
Unit sales price (€/tonne, tubes)	1,093.9	1,063.5	1,013.9	913.2	949.3
index 2013=100	100	97	93	83	87
Profitability (% turnover, flat)	-1.9%	0.2%	0.5%	2.5%	7.7%
Profitability (% turnover, long)	0.7%	2.1%	1.7%	2.1%	3.1%
Profitability (% turnover, tubes)	1.3%	0.4%	-3.4%	-1.2%	-1.7%
Cash flow (million €, flat)	2,309	3,997	5,209	4,235	5,177
index 2013=100	100	173	226	183	224
Cash flow (million €, long)	820	1,156	1,534	1,473	1,159
index 2013=100	100	141	187	180	141
Cash flow (million €, tubes)	592	-178	-283	-200	-135
index 2013=100	100	-30	-48	-34	-23

Source: Questionnaire replies

### d. Employment

Table 10 - Employment per product family

(FTE)	2013	2014	2015	2016	2017
Employment (flat)	134,720	129,256	127,743	126,300	126,124
index 2013=100	100	96	95	94	94
Employment (long)	49,545	49,662	51,288	53,946	53,943
index 2013=100	100	100	104	109	109
Employment (tubes)	41,342	41,511	38,978	37,214	36,333
index 2013=100	100	100	94	90	88

Source: Industry data and questionnaire replies

# $G/SG/N/8/EU/1 \cdot G/SG/N/10/EU/1 \cdot G/SG/N/11/EU/1/Suppl.1$

### ANNEX II. - PRODUCT CONCERNED AND TARIFF-RATE QUOTAS

Product Number	Product category	CN Codes	Allocation by country (Where Applicable)	From 2.2.2019 From 1.7.2019 From 1.7.2020 to 30.6.2019 to 30.6.2020 to 30.6.2021
				Volume of tariff-rate quota (net tonnes)  Volume of tariff-rate quota (net tonnes)  Volume of tariff-rate 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	All third countries	3.359.532,08 8.641.212,54 9.073.273,1

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Product Number	Product category	CN Codes	Allocation by country (Where Applicable)	From 2.2.2019 to 30.6.2019	From 1.7.2019 to 30.6.2020	From 1.7.2020 to 30.6.2021
				Volume of tariff-rate quota (net tonnes)	Volume of tariff-rate quota (net tonnes)	Volume of tariff-rate quota (net tonnes)
2	Non Alloy and 7209 15 00, 7209 16 90, 7209 17 90, 7209 18 91, Other Alloy 7209 25 00, 7209 26 90, 7209 27 90, 7209 28 90, Cold Rolled 7209 90 20, 7209 90 80, 7211 23 20, 7211 23 30, Sheets 7211 23 80, 7211 29 00, 7211 90 20, 7211 90 80,		India	234.714,39	603.720,07	633.906,07
		7225 50 20, 7225 50 80, 7226 20 00, 7226 92 00	Korea (Republic of)	144.402,99	371.425,82	389.997,11
			Ukraine	102.325,83	263.197,14	276.357,00
		Brazil	65.398,61	168.214,89	176.625,64	
			Serbia	56.480,21	145.275,43	152.539,20
			Other countries	430.048,96	1.106.149,42	1.161.456,89
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	Korea (Republic of)	1.923,96	4.948,72	5.196,15
			China	822,98	2.116,84	2.222,68
			Russia	519,69	1.336,71	1.403,54
			Iran (Islamic Republic of)	227,52	585,21	614,47
			Other countries	306,34	787,96	827,35
3.B		7225 19 90, 7226 19 80	Russia	51.426,29	132.276,00	138.889,80
			Korea (Republic of)	31.380,40	80.715,02	84.750,77
			China	24.187,01	62.212,57	65.323,20
			Chinese Taipei	18.144,97	46.671,54	49.005,12
			Other countries	8.395,39	21.594,19	22.673,90

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Product Number	Product category	CN Codes	Allocation by country (Where Applicable)	From 2.2.2019 to 30.6.2019	From 1.7.2019 to 30.6.2020	From 1.7.2020 to 30.6.2021
				Volume of tariff-rate quota (net tonnes)	Volume of tariff-rate quota (net tonnes)	Volume of tariff-rate quota (net tonnes)
4.A	Metallic Coated Sheets	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	Korea (Republic of)	190.115,04	489.003,95	513.454,15
		TARIC Codes: 7210 41 00 20, 7210 49 00 20 7210 61 00 20, 7210 69 00 20, 7212 30 00 20, 7212 50 61 20, 7212 50 69 20, 7225 92 00 20, 7225 92 0				
	7	7225 99 00 11, 7225 99 00 22, 7225 99 00 40, 7225 99 00 91, 7225 99 00 92, 7226 99 30 10,	India	141.294,30	363.429,79	381.601,28
		7226 99 70 11, 7226 99 70 91, 7226 99 70 94	Other countries	840.112,17	2.160.892,54	2.268.937,17
4.B		CN Codes : 7210 30 00, 7212 20 00, 7212 50 20	China	197.619,78	508.307,26	533.722,62
		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,	Korea (Republic of)	128.989,32	331.779,59	348.368,57
		7226 99 70 19, 7226 99 70 96	India	60.360,37	155.255,78	163.018,57
			Chinese Taipei	32.690,68	84.085,25	88.289,51
			Other countries	70.884,28	182.324,84	191.441,08
5	Organic Coated Sheets	7210 70 80, 7212 40 80	India	108.042,36	277.900,89	291.795,94
			Korea (Republic of)	103.354,11	265.842,04	279.134,14
			Chinese Taipei	31.975,79	82.246,46	86.358,79
			Turkey	21.834,45	56.161,42	58.969,49
			Former Yugoslav Republic of Macedonia	16.331,15	42.006,13	44.106,44
			Other countries	43.114,71	110.897,39	116.442,26

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Product Number	Product category	CN Codes		Allocation by country (Where Applicable)	From 2.2.2019 to 30.6.2019	From 1.7.2019 to 30.6.2020	From 1.7.2020 to 30.6.2021
					Volume of tariff-rate quota (net tonnes)	Volume of tariff-rate quota (net tonnes)	Volume of tariff-rate quota (net tonnes)
6	Tin Mill products	7209 18 99, 7210 11 00, 7210 12 20, 7210 50 00, 7210 70 10, 7210 90 40, 7212 10 90, 7212 40 20	7210 12 80, 7212 10 10,	China	158.139,17	406.757,31	427.095,17
				Serbia	30.545,88	78.568,52	82.496,95
				Korea (Republic of)	23.885,70	61.437,55	64.509,42
				Chinese Taipei	21.167,00	54.444,65	57.166,88
				Brazil	19.730,03	50.748,55	53.285,98
				Other countries	33.167,30	85.311,19	89.576,75
7	Non Alloy and Other Alloy Quarto Plates	7208 51 20, 7208 51 91, 7208 51 98, 7208 90 20, 7208 90 80, 7210 90 30, 7225 40 40, 7225 40 60, 7225 99 00	7208 52 91, 7225 40 12,	Ukraine	339.678,24	873.702,59	917.387,71
	Quarto Flates	7223 10 10, 7223 10 00, 7223 33 00					
				Korea (Republic of)	140.011,38	360.129,93	378.136,43
				Russia	115.485,12	297.044,77	311.897,01
				India	74.811,09	192.425,17	202.046,43
				Other countries	466.980,80	1.201.143,58	1.261.200,76
8	Stainless Hot Rolled Sheets and Strips	7219 11 00, 7219 12 10, 7219 12 90, 7219 13 90, 7219 14 10, 7219 14 90, 7219 22 90, 7219 23 00, 7219 24 00, 7220 12 00	7219 13 10, 7219 22 10, 7220 11 00,	China	87.328,82	224.622,62	235.853,75
				Korea (Republic of)	18.082,33	46.510,43	48.835,95
				Chinese Taipei	12.831,07	33.003,41	34.653,58
				United States of America	11.810,30	30.377,84	31.896,74
				Other countries	10.196,61	26.227,19	27.538,55

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Product Number	Product category	CN Codes	Allocation by country (Where Applicable)	From 2.2.2019 to 30.6.2019	From 1.7.2019 to 30.6.2020	From 1.7.2020 to 30.6.2021
				Volume of tariff-rate quota (net tonnes)	Volume of tariff-rate quota (net tonnes)	Volume of tariff-rate quota (net tonnes)
9	Stainless Cold Rolled Sheets and Strips	7219 31 00, 7219 32 10, 7219 32 90, 7219 33 10, 7219 33 90, 7219 34 10, 7219 34 90, 7219 35 10, 7219 35 90, 7219 90 20, 7219 90 80, 7220 20 21, 7220 20 29, 7220 20 41, 7220 20 49, 7220 20 81,	Korea (Republic of)	70.813,18	182.141,97	191.249,07
		7220 20 89, 7220 90 20, 7220 90 80	Chinese Taipei	65.579,14	168.679,23	177.113,19
			India	42.720,54	109.883,53	115.377,71
			United States of America	35.609,52	91.592,94	96.172,59
			Turkey	29.310,69	75.391,41	79.160,98
			Malaysia	19.799,24	50.926,57	53.472,90
			Vietnam	16.832,28	43.295,10	45.459,86
			Other countries	50.746,86	130.528,43	137.054,85
10	Stainless Hot Rolled Quarto Plates	7219 21 10, 7219 21 90	China	6.765,50	17.401,86	18.271,95
			India	2.860,33	7.357,20	7.725,06
			Chinese Taipei	1.119,34	2.879,11	3.023,06
			Other countries	1.440,07	3.704,07	3.889,27
12	Non Alloy and Other Alloy Merchant Bars and Light	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,	China	166.217,87	427.536,89	448.913,74
	Sections	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,	Turkey	114.807,87	295.302,79	310.067,93
		7228 30 70, 7228 30 89, 7228 60 20, 7228 60 80, 7228 70 10, 7228 70 90, 7228 80 00	Russia	94.792,44	243.820,15	256.011,16
			Switzerland	73.380,52	188.745,54	198.182,81
			Belarus	57.907,73	148.947,24	156.394,60
			Other countries	76.245,19	196.113,88	205.919,57

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Product Number	Product category	CN Codes	Allocation by country (Where Applicable)	From 2.2.2019 to 30.6.2019	From 1.7.2019 to 30.6.2020	From 1.7.2020 to 30.6.2021
				Volume of tariff-rate quota (net tonnes)	Volume of tariff-rate quota (net tonnes)	Volume of tariff-rate quota (net tonnes)
13	Rebars	7214 20 00, 7214 99 10	Turkey	117.231,80	301.537,50	316.614,37
			Russia	94.084,20	241.998,46	254.098,38
			Ukraine	62.534,65	160.848,36	168.890,77
			Bosnia and Herzegovina	39.356,10	101.229,71	106.291,20
			Moldova	28.284,59	72.752,14	76.389,74
			Other countries	217.775,50	560.150,74	588.158,28
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	India	44.433,00	114.288,24	120.002,65
		50, 7222 40 90	Switzerland	6.502,75	16.726,03	17.562,33
			Ukraine	5.733,50	14.747,41	15.484,78
			Other countries	8.533,24	21.948,75	23.046,19
15	Stainless Wire Rod	7221 00 10, 7221 00 90	India	10.135,23	26.069,31	27.372,78
			Chinese Taipei	6.619,68	17.026,79	17.878,13
			Korea (Republic of)	3.300,07	8.488,26	8.912,67
			China	2.216,86	5.702,09	5.987,20
			Japan	2.190,40	5.634,03	5.915,73
			Other countries	1.144,43	2.943,64	3.090,82

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Product Number	Product category	CN Codes	Allocation by country (Where Applicable)	From 2.2.2019 to 30.6.2019	From 1.7.2019 to 30.6.2020	From 1.7.2020 to 30.6.2021
				Volume of tariff-rate quota (net tonnes)	Volume of tariff-rate quota (net tonnes)	Volume of tariff-rate quota (net tonnes)
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	Ukraine	149.009,10	383.273,39	402.437,06
			Switzerland	141.995,22	365.232,67	383.494,31
			Russia	122.883,63	316.074,84	331.878,59
			Turkey	121.331,08	312.081,44	327.685,51
			Belarus	97.436,46	250.620,96	263.152,01
			Moldova	73.031,65	187.848,18	197.240,59
			Other countries	122.013,20	313.835,96	329.527,76
17	Angles, Shapes and Sections of Iron or Non	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	42.915,19	110.384,21	115.903,42
	Alloy Steel		Turkey	38.465,03	98.937,73	103.884,61
			Korea (Republic of)	10.366,76	26.664,84	27.998,09
			Russia	9.424,08	24.240,12	25.452,12
			Brazil	8.577,95	22.063,74	23.166,93
			Switzerland	6.648,01	17.099,66	17.954,65
			Other countries	14.759,92	37.964,70	39.862,93
18	Sheet Piling	7301 10 00	China	12.198,24	31.375,68	32.944,46
			United Arab Emirates	6.650,41	17.105,84	17.961,13
			Other countries	480,04	1.234,73	1.296,46

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Product Number	Product category	CN Codes	Allocation by country (Where Applicable)	From 2.2.2019 to 30.6.2019	From 1.7.2019 to 30.6.2020	From 1.7.2020 to 30.6.2021
				Volume of tariff-rate quota (net tonnes)	Volume of tariff-rate quota (net tonnes)	Volume of tariff-rate quota (net tonnes)
19	Railway Material	7302 10 22, 7302 10 28, 7302 10 40, 7302 10 50, 7302 40 00	Russia	2.147,19	5.522,90	5.799,05
			China	2.145,07	5.517,42	5.793,30
			Turkey	1.744,68	4.487,58	4.711,96
			Ukraine	657,60	1.691,46	1.776,03
			Other countries	1.010,85	2.600,06	2.730,07
20	Gas pipes	7306 30 41, 7306 30 49, 7306 30 72, 7306 30 77	Turkey	88.914,68	228.701,68	240.136,77
			India	32.317,40	83.125,12	87.281,37
			Former Yugoslav Republic of Macedonia	9.637,48	24.789,01	26.028,46
			Other countries	22.028,87	56.661,52	59.494,59
21	Hollow sections	7306 61 10, 7306 61 92, 7306 61 99	Turkey	154.436,15	397.232,59	417.094,22
			Russia	35.406,28	91.070,18	95.623,68
			Former Yugoslav Republic of Macedonia	34.028,95	87.527,48	91.903,85
			Ukraine	25.240,74	64.922,92	68.169,06
			Switzerland	25.265,29	57.369,40	60.237,87
			Belarus	20.898,79	53.754,78	56.442,52
			Other countries	25.265,29	64.986,05	68.235,36

Product Number	Product category	CN Codes	Allocation by country (Where Applicable)	From 2.2.2019 to 30.6.2019	From 1.7.2019 to 30.6.2020	From 1.7.2020 to 30.6.2021
				Volume of tariff-rate quota (net tonnes)	Volume of tariff-rate quota (net tonnes)	Volume of tariff-rate quota (net tonnes)
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	8.315,90	21.389,71	22.459,20
			Ukraine	5.224,94	13.439,33	14.111,29
			Korea (Republic of)	1.649,31	4.242,27	4.454,39
			Japan	1.590,45	4.090,86	4.295,41
			United States of America	1.393,26	3.583,68	3.762,86
			China	1.299,98	3.343,74	3.510,92
			Other countries	2.838,17	7.300,20	7.665,21
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	China	49.483,75	127.279,51	133.643,48
		92, 7304 59 93, 7304 59 99, 7304 90 00	Ukraine	36.779,89	94.603,32	99.333,49
			Belarus	19.655,31	50.556,35	53.084,17
			Japan	13.766,04	35.408,29	37.178,71
			United States of America	12.109,53	31.147,50	32.704,87
			Other countries	55.345,57	142.356,97	149.474,82
25	Large welded tubes	7305 11 00, 7305 12 00, 7305 19 00, 7305 20 00, 7305 31 00, 7305 39 00, 7305 90 00	Russia	140.602,32	361.649,91	379.732,41
			Turkey	17.543,40	45.124,22	47.380,43
			China	14.213,63	36.559,56	38.387,54
			Other countries	34.011,86	87.483,52	91.857,70

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Product Number	Product category	CN Codes	Allocation by country (Where Applicable)	From 2.2.2019 to 30.6.2019	From 1.7.2019 to 30.6.2020	From 1.7.2020 to 30.6.2021
				Volume of tariff-rate quota (net tonnes)	Volume of tariff-rate quota (net tonnes)	Volume of tariff-rate quota (net tonnes)
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	64.797,98	166.669,96	175.003,46
		·	Turkey	60.693,64	156.113,01	163.918,66
			United Arab Emirates	18.676,40	48.038,46	50.440,38
			China	18.010,22	46.324,96	48.641,20
			Chinese Taipei	14.374,20	36.972,56	38.821,19
			India	11.358,87	29.216,69	30.677,53
			Other countries	36.898,57	94.908,57	99.653,99
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	Russia	117.519,41	302.277,28	317.391,14
			Switzerland	27.173,22	69.893,54	73.388,22
			China	20.273,26	52.145,82	54.753,12
			Ukraine	15.969,02	41.074,67	43.128,40
			Other countries	17.540,47	45.116,69	47.372,52
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	88.294,51	227.106,51	238.461,84
			China	66.719,82	171.613,24	180.193,90
			Russia	41.609,21	107.025,04	112.376,29
			Turkey	40.302,46	103.663,89	108.847,08
			Ukraine	26.755,09	68.818,05	72.258,95
			Other countries	39.770,29	102.295,06	107.409,81

### ANNEX III.1 - LIST OF DEVELOPING COUNTRIES, MEMBERS OF THE WTO

Afghanistan, Albania, Angola, Antigua and Barbuda, Argentina, Armenia, Bahrain, Bangladesh, Barbados, Belize, Benin, Bolivia, Botswana, Brazil, Brunei Darussalam, Burkina Faso, Burundi, Cabo Verde, Cambodia, Cameroon, Central African Republic, Chad, Chile, China, Colombia, Congo, Costa Rica, Côte d'Ivoire, Cuba, Democratic Republic of the Congo, Djibouti, Dominica, Dominican Republic, Ecuador, Egypt, El Salvador, Fiji, Gabon, Gambia, Georgia, Ghana, Grenada, Guatemala, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Hong Kong, India, Indonesia, Jamaica, Jordan, Kazakhstan, Kenya, Kuwait, Kyrgyz Republic, Lao People's Democratic Republic, Lesotho, Liberia, Macao, Madagascar, Malawi, Malaysia, Maldives, Mali, Mauritania, Mauritius, Mexico, Moldova, Mongolia, Montenegro, Morocco, Mozambique, Myanmar, Namibia, Nepal, Nicaragua, Niger, Nigeria, Oman, Pakistan, Panama, Papua New Guinea, Paraguay, Peru, Philippines, Qatar, Rwanda, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Samoa, Saudi Arabia, Senegal, Seychelles, Sierra Leone, Solomon Islands, South Africa, Sri Lanka, Suriname, Swaziland, Tajikistan, Tanzania, Thailand, Former Yugoslav Republic of Macedonia, Togo, Tonga, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukraine, United Arab Emirates, Uruguay, Vanuatu, Venezuela, Vietnam, Yemen, Zambia, Zimbabwe

# ANNEX III.2 – LIST OF PRODUCT CATEGORIES ORIGINATING IN DEVELOPING COUNTRIES TO WHICH THE DEFINITIVE MEASURES APPLY

Country / Product group	1	2	3	4	5	6	7	8	9	10	12	13	14	15	16	17	10	19	20	21	22	24	25	26	27	28
Country / Product group	1	_	3	4	Э	ь	/	ŏ	9	10	12	13	14	15	10	1/	18	19	20	21	22	24	25	26	2/	28
Brazil	х	х				х	х	х								Х						Х				
China			х	х		х		х		х	х			х			х	х		х	х	х	х	х	х	х
Egypt	х										Х															
Former Yugoslav Republic of Macedonia					x		x												x	x						
India	х	х	х	х	х	х	x	х	х	х			х	х					х		х			х		
Indonesia							х																			
Malaysia									х																	
Mexico																						х				
Moldova												х			х											
Thailand									х																	
Turkey	х	х		х	х				х	Х	Х	Х			Х	х		Х	х	Х			Х	Х	Х	х
Ukraine	х	х					х					Х	Х		Х	Х		Х	Х	Х	Х	Х			Х	х
United Arab Emirates																х	Х		х					Х		
Vietnam		х		х					Х																	