

DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

NOTICE 563 OF 2021

**INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF
SOUTH AFRICA****INVESTIGATION FOR REMEDIAL ACTION IN THE FORM OF SAFEGUARD
MEASURES AGAINST INCREASED IMPORTS OF U, I, H, L AND T SECTIONS OF
IRON OR NON-ALLOY STEEL, NOT FURTHER WORKED THAN HOT-ROLLED,
HOT-DRAWN OR EXTRUDED, OF A HEIGHT OF 80 MM OR MORE AND OTHER
ANGLES, SHAPES AND SECTIONS OF IRON OR NON-ALLOY STEEL, NOT
FURTHER WORKED THAN HOT-ROLLED, HOT-DRAWN OR EXTRUDED STEEL
PRODUCTS (STRUCTURAL STEEL): FINAL DETERMINATION**

On 19 June 2020, the International Trade Administration Commission of South Africa (the Commission) initiated an investigation for remedial action in the form of a safeguard against the increased imports of structural steel products through Notice No. 335 of *Government Gazette* No. 43447 dated 19 June 2020.

The application was lodged by Evraz Highveld Steel and Vanadium Corporation Limited (Highveld), Highveld Structural Mill (Pty) Ltd (Highveld Structural Mill) and ArcelorMittal South Africa Ltd (AMSA) (The three companies, namely, Highveld, Highveld Structural Steel and AMSA are hereafter collectively referred to as the "Applicant"). The Applicant is the only producer of structural steel in the Southern African Custom Union (SACU).

The investigation was initiated after the Commission considered that there was *prima facie* evidence to show that events cited by the Applicant can be regarded as unforeseen developments, which resulted in a surge in imports of the subject product, causing serious injury to the SACU industry.

On initiation of the investigation, the World Trade Organisation (WTO), and the countries with a significant interest in the exports of the subject product were notified of the initiation of the investigation.

The Commission made a preliminary determination that the events cited by the Applicant can be regarded as unforeseen developments. The Commission made a preliminary determination that a reversal in the trend of import volumes has taken place, with the volume of imports decreasing significantly in recent years. The requirements set out by the WTO and the Amended Safeguard Regulations (SGR) with regard to a surge in imports, are therefore not met.

The Commission further made a preliminary determination that although the SACU industry experienced serious injury during the period of investigation, the injury experienced by the Applicant can be attributed to factors other than the increase in imports and these factors sufficiently detracted from the causal link between the imports and the injury experienced by the industry.

The Commission issued Report No. 639 containing its preliminary determination and invited interested parties to comment on its preliminary determination.

On 02 December 2020, a public interest hearing was held where interested parties addressed the Commission on whether the imposition of a safeguard measure would be in the public interest.

Taking all the information available to it into account, including all comments received during the investigation, the Commission made a final determination that the events cited by the Applicant can be regarded as unforeseen developments; that a reversal in the trend of import volumes has taken place, with the volume of imports decreasing significantly in recent years and that the requirements set out by the WTO and the SGR with regard to a surge in imports, are therefore not met; that although the SACU industry experienced serious injury during the period of investigation, the injury experienced by the Applicant can be attributed to factors other than the increase in imports and these factors sufficiently detracted from the causal link between the imports and the injury experienced by the industry.

The Commission therefore made a final determination to recommend to the Minister of Trade, Industry and Competition that the investigation be terminated. The Minister approved the Commission's recommendations.

Based on this, the Commission made a final determination to recommend to the Minister of Trade, Industry and Competition that this investigation be terminated. The Commission's detailed reasons for its final determination are set out in Commission Report No. 656 (final determination report).

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