



10 September 2025

(25-5657)

Page: 1/3

Committee on Safeguards

Original: English

**NOTIFICATION UNDER ARTICLE 12.1(A) OF THE AGREEMENT ON
SAFEGUARDS ON INITIATION OF AN INVESTIGATION
AND THE REASONS FOR IT**

**NOTIFICATION UNDER ARTICLE 12.4 OF THE AGREEMENT ON SAFEGUARDS
BEFORE TAKING A PROVISIONAL SAFEGUARD MEASURE
REFERRED TO IN ARTICLE 6**

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

EGYPT

Semi-Finished Products of Iron or Non-Alloy Steel (Billets)

The following communication, dated and received on 10 September 2025, is being circulated at the request of the delegation of Egypt.

Pursuant to Article 12.1(a), Article 12.4 and Article 6 of the WTO Agreement on Safeguards (Safeguards Agreement), Egypt hereby notifies that a safeguard investigation has been initiated as follows:

1. Date of initiation and application of provisional measures

The Trade Remedies Sector of Egypt (TRS), initiated the investigation on 10/9/2025.

The Notice of Initiation of the investigation was published in the *Official Gazette of Egypt* on 11 September 2025.

The TRS determined that the conditions to initiate and to impose provisional measures are met pursuant to Article 12.1(a), Article 12.4 and Article 6 of the of the Safeguards Agreement, as any delay would cause damage which it would be difficult to repair.

2. Product under investigation

The product concerned is semi-finished products of iron or non-alloy steel (billets), classified under HS code 72 07 of the Harmonized Customs Tariff. This HS code is given for information purposes only.

3. The Reasons for the initiation of the investigation and for the proposed provisional safeguard measure

TRS has received a request to initiate a safeguard investigation. The analysis of the information shows that Imports surged by 643% in 2022 compared to 2021, decreased slightly by 14% in 2023 compared to 2022, and then increased again by 227% in 2024 compared to 2023. From 2021 to 2024, cumulative imports increased by 1,976%. Relative to domestic production, imports increased by 612% in 2022 compared to 2021 and by decreased slightly by 14% in 2023 compared to 2022, and then increased by 227% in 2024 compared to 2023. These increases are recent, sudden, sharp, and significant whether in absolute or relative to domestic production.

In particular, the evidence shows that imports of the product concerned have had, among other consequences, a negative impact on the domestic industry, including: declining sales volumes, rising unutilized capacity, deterioration in productivity, significant financial losses incurred in 2024 compared to 2023, and a loss of market share of Egypt's producers.

These factors demonstrate that the domestic industry has suffered serious injury within the meaning of Article 4 of the Agreement on Safeguards.

The increase in imports appears to be the result of unforeseen developments as following:

- (i) the persistent global oversupply of billets, exacerbated by slowing consumption in major world markets, which created significant excess export capacity that was diverted to more open markets such as Egypt;
- (ii) The unprecedented wave of imposition of trade remedies and higher tariffs by many major steel-importing countries, which restricted traditional export destinations for the product;
- (iii) As a direct consequence, trade flows were diverted towards more open markets with lower tariff protection, including Egypt, which experienced a sudden and significant surge of imports.

4. Serious injury and causation

The preliminary determination indicated that the surge in imports coincided with, and was the cause of, the serious injury suffered by the domestic industry. Other possible factors, such as demand fluctuations, technological changes, and exports, were examined and found not to be the cause of injury.

5. Critical circumstances

Critical circumstances exist as a result of a preliminary determination that there is clear evidence that imports have caused serious injury to the domestic industry, as follows:

- i. The surge of imports in 2024 is 227% compared to 2023,
- ii. Domestic industry has incurred losses significantly in 2024 compared by 2023,
- iii. Moreover, the closure policies currently followed by many countries and the low Egyptian customs duties on the product concerned compared to other countries.

If no provisional measure is taken immediately, delay would cause damage to the domestic industry that would be difficult to repair.

6. Provisional safeguard measure

It is proposed to impose a provisional safeguard duty of 16.2% *ad valorem* of the CIF value, with a minimum specific duty of 4,613 EGP per ton.

This measure is considered necessary to prevent further injury to the domestic industry.

7. Proposed date of imposition and duration of Provisional Safeguard measure

The provisional safeguard measure is proposed to enter into force on 14 September 2025 upon the ministerial decree which will be published in the Official Gazette, and will remain in force for a period of 200 days.

The choice of the maximum duration is justified by the urgent need to stabilize the domestic industry, and complete the investigation.

8. Offer of consultations

Egypt offers consultations under Article 12.4 with Members having a substantial interest as exporters of the product concerned.

9. Developing country Members exempted

In accordance with Article 9 of the Agreement on Safeguards, developing country Members are exempted as long as each accounts individually for less than 3% of Egypt's imports, and collectively not more than 9%.

10. Deadlines and procedures to present evidence and views by interested parties

All interested parties are invited to make themselves known, submit their views in writing, and provide supporting evidence. Representations should preferably be submitted by e-mail within 30 days from the date of publication of the Notice of Initiation in the Official Gazette. Submissions after the deadline may be disregarded.

11. Point of contact for the investigation

Ministry of Investment and Foreign Trade
Trade Remedies Sector
Attention: Mrs. Yomna Elshabrawy
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