



HM Revenue
& Customs

| **Borders and Trade**

Freeports

Sector-specific guidance: Steel Imports

A summary of key information on the import of steel for Freeport operators and potential businesses.



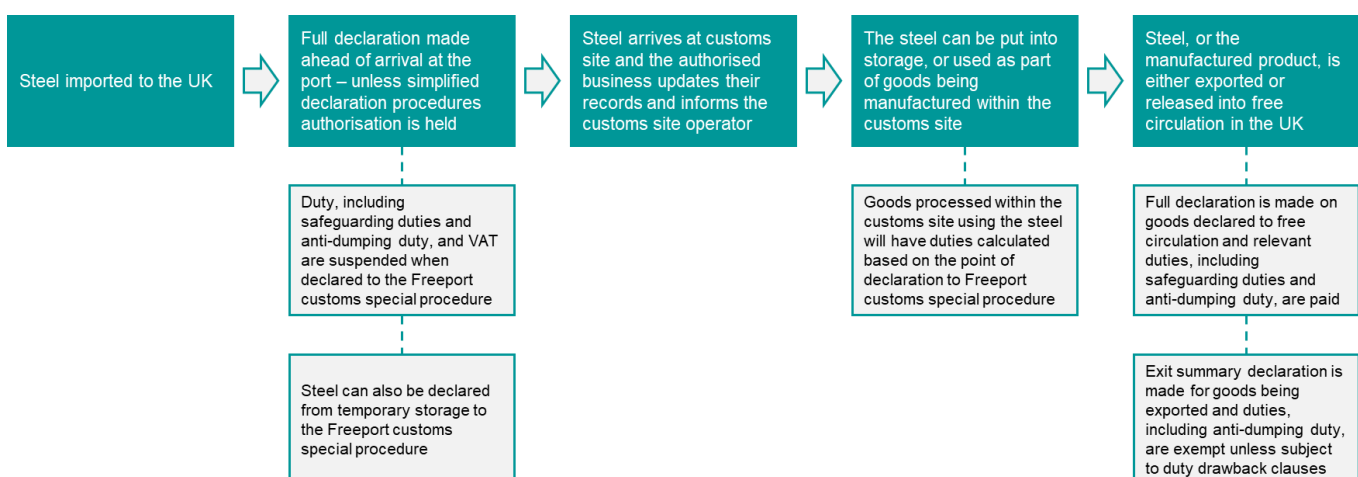
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Overview

It is possible to import goods subject to steel safeguards and declare them to the Freeport customs special procedure for processing with relevant safeguard measures suspended.

The importation of some metals, steel and alloys are subject to safeguard measures and potentially additional customs duties, such as anti-dumping duty or countervailing duty, dependant on the country of origin.



Steel Safeguarding Duty

Safeguarding duties apply at the point of import, however these duties are suspended for goods declared to the Freeport customs special procedure. The safeguarding duties will become due when these goods are declared from the Freeport customs special procedure to free circulation within the UK.

Import duty, including any anti-dumping duty, would only be due once the goods enter free circulation and would therefore not be due on goods that are exported from the Freeport customs special procedure and do not enter free circulation in the UK.

Where the goods are processed while under Freeport customs special procedure before being declared to free circulation, the calculation of duties must be on the goods as they stood at the time of the declaration to the Freeport customs special procedure i.e., in their pre-processed state.

Customs Declarations

A business will need to apply to HMRC for authorisation as a Freeport business in order to declare goods (in this case, steel) to the Freeport customs procedure for the purposes of storage or processing in the customs site.

[Apply to use the Freeport customs special procedure](#)

Goods subject to safeguards measures are “controlled goods” for the purposes of the Freeport customs procedure. Controlled goods are not eligible for a declaration by conduct to the Freeport customs procedure.

Businesses authorised to use simplified customs declaration procedures – ‘SCDP’ (alongside holding a Freeport business authorisation) will be able to make a simplified frontier declaration to the Freeport customs procedure in respect of controlled goods. Alternatively, where a Freeport business is not authorised to use SCDP it can ask a customs agent/intermediary that is authorised for SCDP to make a simplified frontier declaration on its behalf. The customs agent/ intermediary must act as a direct representative in these circumstances.

Note - The ‘Entry in Declarant’s Records/EIDR’ form of SCDP is not permitted for a declaration of controlled goods to the Freeport customs procedure.

There will be no requirement to provide supplementary declarations.

Otherwise, the Freeport business will be required to make a full declaration, in order to declare controlled goods to the Freeport customs procedure.

The authorised Freeport business must also keep records relating to the goods that have been declared to the Freeport procedure.

[Declaring goods and paying tax when using a Freeport customs site](#)

Freeport Procedure Codes

Full details on making a declaration to the Freeport customs procedure, including procedure codes, can be found in the [declaration completion requirements for Great Britain](#)

Steel Quotas and Tariffs

The safeguard regime is set up to manage steel imports. A 25% duty rate is applicable on most commodity codes within chapter 72 of the tariff. This duty does not apply where the steel safeguard quota is claimed and allocated in full. Where quota is not granted or not granted in full, due to lack of remaining capacity, safeguard duty is due on the above quota portion of the import.

The [Trade remedies notice 2024/06: safeguard measure: tariff-rate quota on steel goods](#) confirms the steel safeguard measure will be extended for a further 2 years (from 1 July 2024 until 30 June 2026) with effect on the following 15 product categories:

- 1 – Non-alloy and other alloy hot-rolled sheet and strip
- 2 – Non-alloy and other alloy cold-rolled sheet
- 4 – Metallic coated sheet
- 5 – Organic coated sheet
- 6 – Tin mill products
- 7 – Non-alloy and other alloy quarto plates
- 12 – Merchant bars and light sections (split into categories 12A (alloy merchant bars and light sections), and 12B (non-alloy merchant bars and light sections))
- 13 – Rebar
- 16 – Non-alloy and other alloy wire rod
- 17 – Angles, shapes, and sections of iron or non-alloy steel
- 19 – Railway material
- 20 – Gas pipe
- 21 – Hollow section
- 25 – Large welded tube (split into categories 25A (large welded tube (1)) and 25B (large welded tube (2)))
- 26 – Other welded tube

In order also to address suspension of the measure with respect to Ukraine, the Secretary of State rejected the TRA's recommendation and varied the safeguard measure.

The application of the safeguard measure will continue to be suspended for a further 2 years (from 1 July 2024 until 30 June 2026) with respect to goods originating in Ukraine.

Commodity Codes

You can check the [UK Integrated Online Tariff: Look up commodity codes, duty and VAT rates](#) to see what quota is applicable. This also shows the status of the quota; open, critical or exhausted.

Anti-Dumping Duty

Under [Freeport guidance](#), goods subject to safeguarding, anti-dumping or countervailing duties are classed as controlled goods.

An Anti-Dumping Duty (ADD) is a customs duty on imports providing a protection against the dumping of goods in the UK at prices substantially lower than their normal market value. In most cases, this is the price which the foreign producer charges for comparable sales in the producer's own country. Each ADD covers specified goods, originating in or exported from, named countries or exporters.

ADD is usually chargeable in addition to, and independent of, most other duties to which the imported goods are liable. If, when a safeguard charge is applied, the existing rate of ADD is equal to or less than 25%, no ADD will be due. If the existing rate of ADD is above 25% the portion of ADD above this amount will be due in addition to the safeguard duty.

Countervailing Duty

A countervailing duty is a customs duty on goods which have received countervailable subsidies in the originating or exporting country. For customs purposes, it's treated in the same way as ADD. It's possible to have both ADD and countervailing duty on a product.

Provisional Anti-Dumping Duty

Provisional anti-dumping duty may be imposed for up to 9 months during the investigation of an alleged case of dumping.

When provisional anti-dumping duty is imposed, importers must provide a security to cover the provisional anti-dumping duty amount that will be will incurred if the measures are made definitive at the end of the investigation.

Provisional anti-dumping duty must be secured by one of the following:

- cash deposit
- bond
- bank guarantee

The security is not charged until the final duty is imposed.

If the definitive anti-dumping duty rate is less than the provisional duty rate or is cancelled, a repayment claim for repayment can be made on form C285. See [Notice 376: Anti-dumping and countervailing duties](#) for further details.

Circumvention

Circumvention occurs when ADD and/or CVD imposed on products manufactured in, or exported from (or both), a country of non-preferential origin are sent to a different country to undergo uneconomically justified processes to confer origin in that country and avoid ADD/CVD. For example, goods may be sent to another country to be re-packaged, then exported to the UK, to make it seem as though the goods came from the re-packaging country.

Where this type of circumvention is identified, either anti-dumping or countervailing measures (or both) may be extended to imports of affected goods from the ‘transit’ country. This is regardless of their country of origin.

Registration

The Department for Business and Trade may require HMRC to register imports of products subject to a TRA investigation or when ADD is suspended during a new exporter investigation. This is to ensure any applicable duties can be collected at the end of the investigation.

Importers of goods subject to registration are told by HMRC and by public notice on gov.uk. The UK Global tariff also shows the commodity codes subject to registration.

Freeport Example – Steel Import

Customer information:

A business is a manufacturer of steel components used in wind turbines and other renewable energy projects.

Current position:

The business imports steel from China with materials arriving by sea. The steel is processed into parts for wind turbines. They are then sent by sea to global offshore wind projects with the relevant export declarations made, where they will be assembled into wind turbines.

The business currently make use of the Inward Processing customs procedure, making a simplified declaration when the goods arrive at the port, followed by a supplementary declaration and final supplementary declaration.

Note – Certain steel products are subject to safeguard measures when imported to free circulation into UK. Safeguards are due unless you correctly claim the appropriate quotas for their products, (unless there is a country exemption).

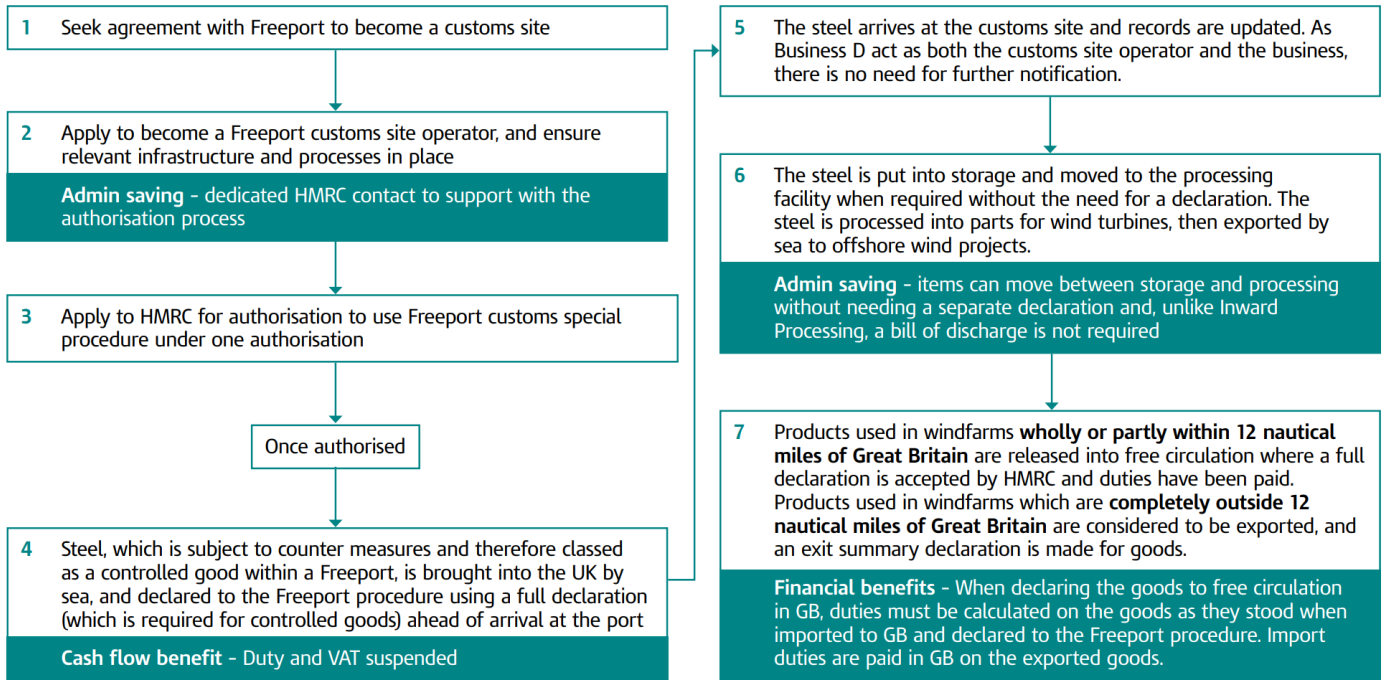
[Trade remedies notice 2024/06: safeguard measure: tariff-rate quota on steel goods](#)

Future position:

The business are looking to establish themselves as a global key player in the fast-growing renewable energy sector. Building on their work on offshore UK projects, which has seen their reputation grow, they are shifting their focus to the global market. In order to keep up with anticipated global demand over the next decade they are looking to establish a new manufacturing facility within a Freeport tax site.

As there is no existing customs site at the location, they will need to apply for authorisation to act as the customs site operator, as well as a separate authorisation to use the Freeport customs special procedure.

Customs User journey:



*Where goods subject to safeguards are manufactured into another good whilst under the Freeport special procedure, and then declared to free circulation in GB, import duty liability must be calculated on the goods as they stood at the time of the declaration to the Freeport customs special procedure (input) rather than as they stood when declared to free circulation (output). This is to ensure the safeguard is not circumvented by virtue of processing in the Freeport customs site.