WORLD TRADE ORGANIZATION

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**Committee on Safeguards**

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

## NOTIFICATION PURSUANT TO ARTICLE 12.1(C) OF THE AGREEMENT ON SAFEGUARDS

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

EUROPEAN UNION

*Certain ferro-alloying elements*

The following communication, dated and received on 12 November 2025, is being circulated at the request of the delegation of the European Union.

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On December 19, 2024, the European Commission ('the Commission') initiated a safeguard investigation, to determine if safeguard measures are necessary to provide temporary relief for the Union producers of silicon and manganese-based alloying elements.[1]

The investigation was initiated with a scope of six alloying elements, namely (i) silicon, (ii)ferro-manganese, (iii) ferro-silicon, (iv) ferro-silico-manganese, (v) ferro-silico-magnesium and (vi) calcium-silicon.

### 1. Provide evidence, citing relevant data and the applicable period of investigation of serious injury or threat thereof caused by increased imports.

In order to determine as to whether there is evidence of serious injury to the Union producers of the product concerned, the Commission examined the trends of consumption, production, capacity utilisation, sales, market share, prices, profitability, stocks, return on capital employed (ROCE), cash flow and employment for the product concerned for the years 2019 to 2024. In order to obtain the most recent information for its further analysis and for the final determination, the Commission requested the Union producers to submit an updated supplementary questionnaire covering the period from 1 July 2024 to 30 June 2025, the most recent period or 'MRP'.

Table 1 – Union industry

| | **2019** | **2020** | **2021** | **2022** | **2023** | **2024** | **MRP** |
|---|---|---|---|---|---|---|---|
| Union consumption in tonnes | 1 845 132 | 1 602 735 | 2 075 077 | 1 874 156 | 1 758 562 | 1 754 412 | 1 709 235 |
| *index 2019 = 100* | *100* | *87* | *112* | *102* | *95* | *95* | *93* |
| Domestic sales in tonnes | 702 190 | 584 478 | 701 694 | 549 366 | 343 835 | 422 825 | 412 889 |
| *index 2019 = 100* | *100* | *83* | *100* | *78* | *49* | *60* | *59* |
| Domestic market share | 38% | 36% | 34% | 29% | 20% | 24% | 24% |
| Production volume in tonnes | 616 707 | 477 006 | 598 314 | 415 657 | 275 573 | 351 540 | 309 976 |

[1] G/SG/N/6/EU/2

| | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | MRP |
|---|---|---|---|---|---|---|---|
| *index 2019 = 100* | *100* | *77* | *97* | *67* | *45* | *57* | *50* |
| Production capacity in tonnes | 1 102 794 | 1 041 422 | 1 053 615 | 1 006 108 | 1 028 989 | 947 203 | 892 526 |
| *index 2019 = 100* | *100* | *94* | *96* | *91* | *93* | *86* | *81* |
| Import prices CIF + MFN EUR/tonne | 1 067 | 960 | 1 215 | 1 927 | 1 342 | 1 184 | 1 174 |
| *index 2019 = 100* | *100* | *90* | *114* | *181* | *126* | *111* | *110* |
| Union producers sales price EUR/tonne | 1 011 | 937 | 1 457 | 2 233 | 1 486 | 1 295 | 1 230 |
| *index 2019 = 100* | *100* | *93* | *144* | *221* | *147* | *128* | *122* |
| Price difference | -6% | -3% | 17% | 14% | 10% | 9% | 5% |
| Cost of domestic sales EUR/tonne | 1 112 | 1 043 | 1 354 | 2 145 | 1 633 | 1 449 | 1 482 |
| *index 2019 = 100* | *100* | *94* | *122* | *193* | *147* | *130* | *133* |
| Profitability (% turnover) | -10% | -11% | 7% | 4% | -7% | -12% | -20% |
| Capacity utilisation | 56% | 46% | 57% | 41% | 27% | 37% | 35% |
| Cash Flow (thousand EUR) | -21 616 | 8 100 | 40 278 | 94 206 | 27 558 | -34 678 | -37 255 |
| Return on capital employed (%) | -1,60% | -1,10% | 2,30% | 5,00% | 1,10% | 0,00% | -0,30% |
| Stocks (tonnes) | 69 373 | 47 198 | 55 861 | 37 349 | 47 175 | 45 120 | 40 149 |
| *index 2019 = 100* | *100* | *68* | *81* | *54* | *68* | *65* | *58* |
| Employment | 2 252 | 2 077 | 1 977 | 1 866 | 1 686 | 1 819 | 1 705 |
| *index 2019 = 100* | *100* | *92* | *88* | *83* | *75* | *81* | *76* |
| *Source: Industry data and questionnaire replies* | | | | | | | |

Union consumption fluctuated in the first half of the period concerned, it has since then been on a downward trend. Domestic sales of the Union producers decreased between 2019 and the MRP by 41%, resulting in a loss of 14% market share. Over the same period, imports increased by 13% in absolute terms. The market share of the Union industry declined markedly throughout the period concerned and only recovered slightly in 2024 when the Union industry was selling at a loss to compete with the increased imports at low prices. Production capacity decreased by 19% during the period 2019-MRP, and the Union production decreased by 50% during the same period. As a result, the capacity utilisation rate also decreased from 56% to 35%. Production recovered slightly in 2024 but was still much lower than in the previous years, with the exception of 2023. In the MRP the production declined again.

A significant increase in imports has led to sustained downward pressure on Union sales prices. This has resulted in a substantial price difference of up to 17% in 2021 and continuing during the period concerned, adversely affecting the profitability of the Union industry.

The Union producers were suffering 10% and 11% losses in 2019 and 2020, respectively. In the recovery year 2021 (after COVID-19), profits reached 7% but in 2022 decreased to 4%, followed by 7% losses in 2023 and 12% losses in 2024, when import prices were below the Union industry's costs of production. The trend deteriorated in the MRP when losses peaked at 20%.

During the period from 2019 to the MRP, the Union producers faced decreasing sales and incurred losses due to increased imports. Over the period concerned cash flow and return on capital employed followed a similar trend, fluctuating significantly but returning to a negative value in the MRP. Stocks decreased in the period concerned.

During the period concerned, Union producers faced a significant setback, resulting in a 19% reduction in jobs. When compared to the MRP, this represents a 24% reduction relative to the base year 2019.

**2. Provide information on whether there is an absolute increase in imports or an increase in imports relative to domestic production (please see also Article 2.1 for the context).**

The Commission has carried out an analysis of the increase in imports of the product concerned over the period 2019-2024 (the period concerned). The Commission decided to start the period concerned in 2019 so that the findings are not tainted by possible market disturbances caused by the COVID-19 pandemic. The analysis led to a categorisation of the product concerned into three distinct groups, based on the primary raw material and their intended applications. A further detailed examination of import trends was conducted for each product group: (a) silicon, (b) ferro-alloys, and (c) calcium-silicon. The analysis revealed that imports of silicon have not increased, and calcium-silicon is no longer produced in the Union. As a result, these two groups were excluded from the further investigation.

Table 2 – Imports of silicon

| **Year** | **2019** | **2020** | **2021** | **2022** | **2023** | **2024** | **MRP** |
|---|---|---|---|---|---|---|---|
| Imports of Silicon in tonnes | 335 415 | 326 218 | 365 278 | 381 499 | 336 808 | 334 861 | 326 372 |
| *index 2019 = 100* | *100* | *97* | *109* | *114* | *100* | *100* | *97* |
| *Source: EUROSTAT* | | | | | | | |

Table 3 - Import volume and prices, production, consumption and imports relative to production and consumption

| **Year** | **2019** | **2020** | **2021** | **2022** | **2023** | **2024** | **MRP** |
|---|---|---|---|---|---|---|---|
| Imports of Ferro-alloys in tonnes | 1 142 942 | 1 018 257 | 1 373 383 | 1 324 790 | 1 414 728 | 1 331 588 | 1 296 347 |
| *index 2019 = 100* | *100* | *89* | *120* | *116* | *124* | *117* | *113* |
| Import prices CIF + MFN EUR/tonne | 1 067 | 960 | 1 215 | 1 927 | 1 342 | 1 184 | 1 174 |
| *index 2019 = 100* | *100* | *90* | *114* | *181* | *126* | *111* | *110* |
| Production in tonnes | 616 707 | 477 006 | 598 314 | 415 657 | 275 573 | 351 540 | 309 976 |
| *index 2019 = 100* | *100* | *77* | *97* | *67* | *45* | *57* | *50* |
| Imports over production (ratio) | 1,85 | 2,13 | 2,3 | 3,19 | 5,13 | 3,79 | 4,18 |
| *index 2019 = 100* | *100* | *115* | *124* | *172* | *277* | *204* | *226* |
| Consumption in tonnes | 1 845 132 | 1 602 735 | 2 075 077 | 1 874 156 | 1 758 562 | 1 754 412 | 1 709 235 |
| *index 2019 = 100* | *100* | *87* | *112* | *102* | *95* | *95* | *93* |
| Imports over consumption (ratio) | 0,62 | 0,64 | 0,66 | 0,71 | 0,8 | 0,76 | 0,76 |
| *index 2019 = 100* | *100* | *103* | *107* | *114* | *130* | *123* | *122* |
| *Source: EUROSTAT, Industry data and questionnaire replies* | | | | | | | |

The investigation confirmed that imports of ferro-alloys into the Union have increased during the period concerned. Specifically, total imports of the product concerned increased in absolute terms by 17% over the period 2019-2024 with some fluctuation between the various years. When comparing to the MRP, the imports increased by 13% since 2019. In addition, imports increased significantly in relation to the Union production, rising by 104% between 2019 and 2024 and by 126% when compared to the MRP. Imports also increased in relation to the Union consumption rising by 23% between 2019 and 2024 and by 22% when compared to the MRP.

**Unforeseen developments**

The Commission has determined that the recent and significant increase in ferro-alloy imports into the Union is a direct result of *unforeseen developments* that have disrupted the balance of international trade in this sector. In 2023, global ferro-alloys production capacity was estimated at approximately 46 million tonnes, while global consumption amounted to only 27.6 million tonnes, creating an existing overcapacity of around 18 million tonnes. Projections indicate an additional 9 million tonnes of capacity will become operational in the coming years, resulting in a total potential overcapacity of 27 million tonnes, equivalent to roughly 16 times the EU's total demand. This substantial global overcapacity has caused a downward trend in global ferro-alloy prices since 2020, albeit with intermittent fluctuations. EU prices, however, remain influenced by price levels set by major exporters, notably China and India. Despite the global price decline, the EU continues to represent an attractive export destination due to its relatively high price levels and large market size. During 2023–2024, the average delivered price of ferro-alloys in the EU was approximately 35% higher than in China and 20% higher than in India, with only the United States registering higher average prices. Consequently, surplus production generated by global overcapacity has been increasingly directed toward the EU market. The situation has been exacerbated by trade-restrictive measures introduced by third countries. In particular, the United States imposed new trade defence measures in March 2025 on ferro-silicon imports from Brazil, Kazakhstan, and Malaysia. These three countries were among the major suppliers of ferro-silicon to the EU. The closure of the US market to these origins is expected to divert an additional 73 000 tonnes of ferro-silicon to the EU, equivalent to 21% of total EU production in 2024, thereby intensifying the injury to Union producers and further eroding their market share. The Commission concluded that the combined effect of global overcapacity, third-country trade defence measures, and increased tariffs in the United States has not only contributed to the surge in ferro-alloy imports into the EU but is also likely to sustain and aggravate this trend in the foreseeable future.

**Causal link**

The Commission conducted a thorough assessment to determine whether the surge in imports caused serious injury to Union producers and whether other factors might have contributed to that injury. It was confirmed that any injury resulting from factors other than imports, such as increased production costs due to high energy prices, the export performance of Union producers, and imports from Ukraine and Kenya, which are excluded from this investigation (as explained below), was not attributed to the increase in imports. (Kenya did not export the product concerned to the Union during the period considered)

It has been established that the product manufactured by Union producers is like or directly competes with the imported product, sharing the same fundamental characteristics, uses, and sales channels.

Import volumes increased significantly, by 13% during the MRP compared to 2019 levels, with a marked rise beginning in 2021. During 2019 and 2020, Union producers suffered losses of around 10%, largely due to the general economic downturn and a sharp decline in steel production, which fell by 6% for crude steel and 8.1% for stainless steel compared to 2018 ([2]). This in turn led to a decrease in demand of ferro-alloys, falling prices and reduced profitability for Union ferro-alloy producers.

Although imports temporarily decreased by 11 percentage points in 2020 due to the COVID-19 pandemic, their market share still increased slightly (by 2%) during this period of overall consumption decline. With the economic recovery in 2021, imports rose sharply and remained high despite a 19 percentage points decrease in consumption during the MRP compared with 2021 levels. Furthermore, from 2021 onwards, import prices were consistently 5% to 17% lower than Union producers' sales prices. This increase in imports at lower prices since 2021 coincided with a significant, 10 percentage points loss of market share by the Union producers and with the continuous downward trend in profitability resulted in a loss of 20% in the MRP. The post-pandemic period thus witnessed a substantial influx of lower-priced imports that exerted both direct and indirect pressure on Union producers, eroding their market share and profitability. From the financial performance of the Union producers, it is evident that the issue was not just a resumption of global supply chains. Instead, there was a significant influx of imports into the Union market, at increased levels, and under price conditions that suppressed the Union sales prices, thereby undermining the viability of the Union industry. The Commission therefore concluded that there is a direct causal link between the increase in imports and the serious injury suffered by Union producers.

([2]) Eurofer Annual Report 2020, https://www.eurofer.eu/publications/archive/annual-report-2020 and World Steel Statistical Yearbook 2024, https://worldsteel.org/media/publications/.

To ensure that the serious injury is not attributed to factors other than increased imports, the Commission examined whether other factors may have contributed to the serious injury suffered by the Union producers.

The Commission assessed whether Union producers are suffering from high energy prices within the Union rather than from increased imports. Indeed, energy prices are generally higher in the Union than in some other parts of the world. However, under normal market conditions, manufacturers can reflect cost increases in their sales prices in order to maintain reasonable profits. The increased level of imports has prevented the Union producers from increasing their sales price sufficiently to cover for the increase in the electricity price. Union producers are compelled to accept the price terms dictated by major global producers. In particular, China and India remain the dominant global price setters, primarily due to their substantial production capacity, significant output volumes, and extensive reserves of critical raw materials essential for the manufacturing of the product concerned. Consequently, Union producers have been unable to increase their prices despite a marked rise in production costs. The injury suffered by the Union producers therefore stems not merely from the increase in costs itself, but from their inability to adequately reflect these rising costs in their sales prices due to the price pressure exercised by increased imports.

The Commission also examined the impact of imports of the product concerned originating in Ukraine, noting that such imports were excluded from the scope of the current investigation. In 2019, imports from Ukraine represented approximately 21% of total EU imports of the product concerned, but their share declined substantially to around 4% by 2024. Consequently, imports from Ukraine did not contribute to the serious injury and their exclusion from the investigation and measure is in compliance with the conditions for the application of a safeguard measure (parallelism).

The Commission also assessed the export performance of the Union producers based on data of the questionnaire replies received. Exports have declined by 52% during the period concerned. When assessed against the MRP, the decrease is even more pronounced, amounting to 72% since 2019. Given the worldwide overcapacity and the price setting power of global players such as China and India, Union producers were under pressure also on the export markets.

The Commission has not identified any other factors that would attenuate the causal link between the increase in imports and the serious injury to the Union producers.

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

Products subject to the provisional safeguard measure is certain ferro-alloying elements falling under the CN codes 7202 11; 7202 19; 7202 21; 7202 29; 7202 30; 7202 99 30. Those CN codes are given for information purposes only and are hereinafter referred to as 'the product concerned'.

**Obligations whose effect resulted in the increase in imports**

The product concerned comprises several tariff lines and on all of these tariff lines, the European Union has, as a result of tariff concessions made in past rounds of multilateral trade negotiations, the tariff commitments ([3]) of:

| | |
|---|---|
| 7202 11 | 2,7% *ad valorem* |
| 7202 19 | 2,7% *ad valorem* |
| 7202 21 | 5,7% *ad valorem* |
| 7202 29 | 5,7% *ad valorem* |
| 7202 30 | 3,7% *ad valorem* |
| 7202 99 30 | 2,7% *ad valorem* |

([3]) Commission Implementing Regulation (EU) 2024/2522 of 23 September 2024 amending Annex I to Council Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff, ELI: http://data.europa.eu/eli/reg_impl/2024/2522/oj

These concessions are inscribed, at the time of the determination, in Part I, Section II of the European Union's Schedule of Concessions and Commitments, certified as Schedule EU CLXXIII – European Union on 1 December 2016 ([4]), as amended.

As a result of these concessions inscribed in the European Union's Schedule of Concessions and Commitments, annexed to the GATT and incorporated pursuant to Article II:7 of the GATT 1994 and as a result of other parts of the GATT 1994, the European Union has obligations incurred under the GATT 1994 notably as follows: Article XI:1, prohibiting non-tariff restrictions on the importation of the above-listed products, and, importantly, Article II:1(a) and Article II:1(b), first and second sentences, of the GATT 1994. Under Article II:1(b), first sentence, the EU is not allowed, absent an applicable exception, to impose ordinary customs duties on the product in question in excess of those set forth and provided in the relevant part of the EU's Schedule of Concessions and Commitments, i.e. the rate pointed out above for each of the tariff lines covered. Furthermore, the EU's applied import tariff on the product concerned, also known as the most-favoured-nation tariffs, at the time of the investigation, was at the maximum levels allowed under the tariff commitments indicated above.

The product concerned was being imported in increased quantities as a result of the above obligations undertaken under the GATT 1994 (Article XI:1, Article II:1(a) and II:1(b), first and second sentences, of the GATT 1994), because those obligations, combined with the tariff concessions which the European Union made in the successive rounds of multilateral trade negotiations, enhanced and secured the conditions of market access for imports of the product concerned to the market of the European Union. The above-mentioned tariff commitments of the European Union thus resulted in the increase in imports and gave no leeway for the EU to increase ordinary customs duties in lieu of introducing a safeguard measure. This simultaneously explains how the obligations in question resulted in the increase in imports that cause serious injury.

The GATT obligations specified simultaneously prevented the EU from increasing the applied import duties on the product at issue. These were, thus, the European Union's 'obligations of the GATT 1994 [which] constrain[ed] its ability to prevent or remedy injury from an increase in imports'. Concomitantly, the European Union 'suspend[ed] those obligations as a result' of its safeguard measure.

**Union interest**

The Commission evaluated whether compelling reasons existed against adopting a safeguard measure and concluded that it is in the Union's interest to do so. The assessment considered the interests of Union producers, importers, and users.

The Union ferro-alloys industry, consisting of seven producers across various Member States with over 1 800 employees in 2024, was found to be suffering serious injury due to increased imports. Given the critical role of ferro-alloys in producing high-quality steel and metal alloys for key sectors such as automotive, aerospace, construction, and electronics, maintaining a strong and competitive Union industry is essential for industrial productivity, competitiveness, and strategic autonomy, particularly amid global supply chain disruptions. It is important that, while users and importers benefit from low prices, they can also depend on a viable domestic industry as a stable supply source.

To balance the interests of producers and users, the Commission proposed a safeguard measure in the form of specific tariff rate quotas (TRQ) per product type. This approach would permit substantial duty-free imports within the quota limits while applying an out-of-quota duty, calculated based on a price threshold, to prevent market distortions, support fair competition, and avoid shortages. The measure is intended to help Union producers recover, strengthen production capacity, and enhance long-term competitiveness and sustainability. Accordingly, the Commission concluded that adopting the safeguard measure is in the Union's overall economic and strategic interest.

**Exclusions of certain countries from the scope of the measure**

In accordance with Article 18 of Regulation (EU) 2015/478 and international obligations of the Union, the measure must not apply to any product originating in a developing country WTO member or

([4]) WTO doc. WT/Let/1220

Algeria (5) as long as the share of imports into the Union of that product does not exceed 3%, provided that developing country members of the WTO with less than a 3% import share, collectively, do not account for more than 9% of total Union imports of the product concerned.

Unless specifically set out in Table 4, the Commission has determined that the imports of the product concerned originating in developing-country Members of the WTO and Algeria meet the requirements to benefit from the abovementioned derogation.

Table 4 - List of product types originating in developing countries to which the definitive measures apply

| **List of product types originating in developing countries to which the definitive measures apply** | | | | |
|---|---|---|---|---|
| **Country / Product group** | **Ferro-Manganese** | **Ferro-Silicon** | **Ferro-Silico-Magnesium** | **Ferro-Silico-Manganese** |
| Brazil | | X | X | |
| China | | X | X | |
| Georgia | | X | | X |
| India | X | X | X | X |
| Malaysia | X | X | | |
| South Africa | X | X | | X |
| Thailand | | X | X | |
| Zambia | | X | | X |
| All other developing countries | | X | | |

In addition, based on existing Union legislation it is required to exempt imports from Ukraine from the application of the safeguard measure. The Union adopted Regulation (EU) 2025/1153 (6) suspending the application of certain provisions of Regulation (EU) 2015/478 insofar as they pertain to imports from Ukraine. In line with said regulation, and in line with the WTO requirement of parallelism, imports from Ukraine have been excluded from the scope of this safeguard investigation (7).

**Obligations arising from certain bilateral agreements between the Union and third countries**

The Commission ensured that this measure is compatible with the Union's obligations under bilateral or regional trade agreements with third countries.

With respect to imports from Norway and Iceland (there are no imports from Liechtenstein), the measure satisfies the requirements of Articles 112 and 113 of the Agreement on the European Economic Area (the EEA Agreement). In particular, the Commission has ascertained that serious economic difficulties of a sectorial nature are liable to persist with respect to the Union's ferro-alloy producers.

First, the Commission established that economic injury is inflicted upon Union producers of ferro-alloys and that these producers represent a distinct sector within the meaning of Article 112 of the EEA Agreement. These producers are engaged in the same or similar types of economic activity, namely the production of the product concerned. Their output is intended for the same type of downstream industries, and they employ comparable sales channels. Accordingly, the production of

(5) 2005/690/EC: Council Decision of 18 July 2005 on the conclusion of the Euro-Mediterranean Agreement establishing an Association between the European Community and its Member States, of the one part, and the People's Democratic Republic of Algeria, of the other part, OJ L 265, 10.10.2005, p. 1–1 ELI: http://data.europa.eu/eli/dec/2005/690/oj

(6) Regulation (EU) 2025/1153 of the European Parliament and of the Council of 5 June 2025 suspending certain provisions of Regulation (EU) 2015/478 as regards imports of Ukrainian products into the Union, *OJ L, 2025/1153, 5.6.2025*, ELI: http://data.europa.eu/eli/reg/2025/1153/oj

(7) The present measure accords also to non-WTO members the treatment afforded to WTO members.

ferro-alloys qualifies as a distinct "sector," such that the serious difficulties experienced by these producers may be regarded as "sectoral" in nature.

Second, the Commission concluded on the basis of the sector specific economic and financial indicators, that the Union producers suffered serious injury. The same indicators prove the serious economic difficulties within the meaning of Article 112 of the EEA Agreement in the most recent years of the period concerned, i.e. in 2023 and 2024. Moreover, in its assessment the Commission also examined the volume and prices of imports from the EFTA States that are parties to the EEA Agreement. In 2024, Norway and Iceland accounted for 47.4% of total Union imports of the product concerned into the Union and were exporting to the Union at prices around the same level as those of the Union producers and at a higher level of prices than imports from other origins. However, imports from Norway and Iceland were also entering the Union market at prices below the Union industry's costs of production. Despite being priced above other imported products, imports from Norway and Iceland exerted competitive pressure on Union producers, resulting in price suppression. As a consequence, Union producers were unable to raise their prices to levels sufficient to cover their increasing costs.

Third, the conditions for the serious economic difficulties having been in place for a protracted period of two years and there being no indication pointing in the direction of a likely improvement in the near future, the continuation is likely and thus the serious economic difficulties are liable to persist in the sense of Article 112 of the EEA Agreement.

The Commission decided to impose a measure in the form of specific tariff rate quotas per product type, combined with an out-of-quota tariff increase determined by reference to the difference between the established price threshold and the actual import price. The Commission considered that this form of measure would enable the Union industry to regain market share and restore its competitiveness, while allowing the continuation of imports from the EFTA States that are parties to the EEA Agreement with minimal disturbance to trade flows. The measure is designed to allow the Union industry to recover market share without incurring losses and to remain in force for a sufficient duration to enable recovery from the serious economic difficulties identified. The scope of the measure has been carefully defined on the basis of objective criteria, including product similarity, substitutability, and the degree of market disruption, ensuring that it applies only to the products whose import volumes and prices have caused the serious economic difficulties. This targeted approach guarantees proportionality and ensures compliance with the requirements of the EEA Agreement, which stipulate that any safeguard measure must be limited to what is strictly necessary in both scope and duration.

As regards other regional or bilateral trade agreements of the Union with third countries, the Commission decided to impose a measure in the form of specific tariff-rate quotas per product type, combined with an increase of the tariff applicable to out-of-quota imports. The Commission concluded that the adoption of such a measure constitutes the least disturbing measure for the continuation of bilateral trade with all the Union's free trade partners.

Furthermore, where regional or bilateral agreements do not automatically permit the imposition of safeguard measures under the terms of the WTO Agreement, or allow such imposition only after the completion of prior procedural steps under the respective agreement, the Union relies on the safeguard provisions contained within those agreements. The Commission has ensured that the safeguard measure adopted pursuant to this Regulation, as well as any procedural steps required, are fully compliant with the obligations arising from bilateral agreements concluded with third countries.

In this respect, it is noted that given the scope and the conclusions of the investigation, there are serious disturbances in the ferro-alloys sector, and that safeguard measures are therefore also justified under Article 26 of the Agreement concluded between the European Economic Community and the Swiss Confederation in 1972([8]), Article 26 of the free-trade agreement with the Faroe Islands([9]), Article 60 of Additional Protocol signed on 23 November 1970, annexed to the Agreement

([8]) Article 26 of the Agreement concluded between the European Economic Community and the Swiss Confederation in 1972, ELI: http://data.europa.eu/eli/reg/1972/2840/oj

([9]) Article 26 of the free-trade agreement with the Faroe Islands, ELI: http://data.europa.eu/eli/agree_internation/1997/126/2021-09-01 establishing the Association between the European Economic Community and Türkiye ([10]), as well as under the Association Agreements with Morocco([11]), Tunisia([12]), Jordan([13]), Israel([14]) and Palestine([15]) and the Cooperation and customs union agreement with San Marino([16]) and the Cooperation Agreement with the Syrian Arab Republic([17]). On the same grounds and that additionally bilateral imports, as a part of all imports, have contributed to the serious disturbances in the sector, safeguard measures are likewise permitted under Article 15 of the Economic Partnership, Political Coordination and Cooperation Agreement currently in force with Mexico ([18]). Finally, imports from North Macedonia into the Union were found to have increased in the period under investigation and contributed to the serious injury suffered by the Union ferro-alloys industry. These imports, therefore, meet the conditions required to take safeguard measures pursuant to Article 37(1) of the Stabilisation and Association Agreement concluded between the European Communities and their Member States, and the former Yugoslav Republic of Macedonia ([19]).

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

The proposed safeguard measures shall be in the form of specific TRQ per product type allowing a certain volume of imports to enter free of duty and a tariff increase for imports exceeding the quota volumes. The out of quota duty is established by reference to the difference between an established price threshold and the actual import price.

For the selection of the appropriate form of measure, the Commission considered the existence of serious injury to the Union producers, the need for the Union producers to regain competitiveness, while maintaining a suitable choice of supply sources available in the Union.

On that basis, the Commission considers that a specific TRQ per product type, combined with an out of quota variable duty is the most effective form of measure to balance various interests.

In order to ensure effective protection of the Union producers and enhance their capacity to recover and compete with imports, the Commission considers it necessary to set the quota levels 25% below the average level of imports of 2022, 2023 and 2024. This level is calculated taking into account a sustainable market share (30-40%) that would allow the Union industry to recover from the injurious situation, while maintaining adequate sources of supply for downstream users.

The out of quota duty should be a variable duty in the form of a tariff increase by reference to the difference between the established price threshold and the actual import price. If imports are made at the level of the price threshold or above no additional duty would be payable. However, if imports

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([10]) Article 60 of Additional Protocol signed on 23 November 1970, Agreement establishing the Association between the European Economic Community and Türkiye, ELI: http://data.europa.eu/eli/prot/1972/2760(1)/oj

([11]) Article 25 of the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Kingdom of Morocco, ELI: http://data.europa.eu/eli/agree_internation/2000/204/oj

([12]) Article 25 of the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Republic of Tunisia, ELI: http://data.europa.eu/eli/agree_internation/1998/238/2025-01-22

([13]) Article 24 of the Euro-Mediterranean Agreement establishing an Association between the European Communities and their Member States, of the one part, and the Hashemite Kingdom of Jordan, ELI: http://data.europa.eu/eli/agree_internation/2002/357(1)/2021-09-01

([14]) Article 23 of the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the State of Israel, ELI: http://data.europa.eu/eli/agree_internation/2000/384/2013-07-01

([15]) Article 21 of the Euro-Mediterranean Agreement on trade and cooperation between the European Community, of the one part, and the Palestine Liberation Organization (PLO) for the benefit of the Palestinian Authority of the West Bank and the Gaza Strip, ELI: http://data.europa.eu/eli/agree_internation/1997/430/2021-09-01

([16]) Article 12 of the Cooperation and customs union agreement with San Marino, ELI: http://data.europa.eu/eli/agree_internation/2002/245/2008-02-01

([17]) Article 32 of the Cooperation agreement between the European Economic Community and the Syrian Arab Republic, ELI: http://data.europa.eu/eli/agree_internation/1978/2216/1994-03-01

([18]) Article 15 of the Economic Partnership, Political Coordination and Cooperation Agreement currently in force with Mexico, ELI: http://data.europa.eu/eli/dec/2000/415/2021-01-01

([19]) Article 37 of the Stabilisation and Association Agreement concluded between the European Communities and their Member States, and the former Yugoslav Republic of Macedonia, ELI: http://data.europa.eu/eli/agree_internation/2004/239(2)/2021-09-09 are made at a price below the established threshold, the duty should be equal to the difference between the net free-at-Union-frontier price and the established price threshold per product type. The price threshold is established by reference to a non-injurious price for ferro-alloy imports. Following a detailed investigation, which included a comprehensive injury analysis, causation analysis, and an assessment of Union interests, the Commission determined the non-injurious price level by evaluating current sales price levels for each product type. The Commission took as a basis the cost of domestic sales to unrelated customers per product type and added to it compliance costs, investments and a target profit.

Based on Union interest considerations and in order to ensuring optimal use of the tariff quota volumes, the Commission considered that they should be allocated to all origins with specific quotas for countries having a substantial interest.

It is considered that countries with a share of more than 5% of imports over the last 3 years for the product type concerned have a significant supplying interest. A residual TRQ ('the residual quota') based on the average of the remaining imports over the last three years should be allocated to all other supplying countries. The residual quota should be filled based on the chronological order of the dates on which declarations of release for free circulation are accepted, as provided for in Commission Implementing Regulation (EU) 2015/2447([20]).

The eligibility of imported goods from developing countries to be excluded from the tariff quotas is dependent on the origin of the goods. The criteria for determining non-preferential origin currently in force in the Union should therefore be applied.

**Volumes of tariff–rate quotas**

| Product type | HS and CN codes | Allocation by country (Where Applicable) | Year 1 | | | |
|---|---|---|---|---|---|---|
| | | | From 18.11.2025 to 17.2.2026 | From 18.2.2026 to 17.5.2026 | From 18.5.2026 to 17.8.2026 | From 18.8.2026 to 17.11.2026 |
| | | | Volume of tariff quota (net tonnes) | | | |
| Ferro-Manganese | 7202 11, 7202 19 | Norway | 28 972,70 | 28 027,93 | 28 972,70 | 28 972,70 |
| | | India | 17 625,79 | 17 051,04 | 17 625,79 | 17 625,79 |
| | | South Africa | 8 272,87 | 8 003,10 | 8 272,87 | 8 272,87 |
| | | Malaysia | 6 765,92 | 6 545,29 | 6 765,92 | 6 765,92 |
| | | Korea, Republic of | 4 832,82 | 4 675,23 | 4 832,82 | 4 832,82 |
| | | Other countries | 5 557,54 | 5 376,31 | 5 557,54 | 5 557,54 |
| Ferro-Silicon | 7202 21, 7202 29 | Norway | 35 136,16 | 33 990,41 | 35 136,16 | 35 136,16 |
| | | Iceland | 13 373,32 | 12 937,24 | 13 373,32 | 13 373,32 |
| | | Kazakhstan | 8 090,25 | 7 826,44 | 8 090,25 | 8 090,25 |
| | | Brazil | 6 316,02 | 6 110,06 | 6 316,02 | 6 316,02 |
| | | Other countries | 24 984,27 | 24 169,56 | 24 984,27 | 24 984,27 |
| Ferro-Silico-Magnesium | 7202 99 30 | China | 468,90 | 453,61 | 468,90 | 468,90 |
| | | Brazil | 99,81 | 96,55 | 99,81 | 99,81 |
| | | India | 78,90 | 76,33 | 78,90 | 78,90 |

([20]) Commission Implementing Regulation (EU) 2015/2447 of 24 November 2015 laying down detailed rules for implementing certain provisions of Regulation (EU) No 952/2013 of the European Parliament and of the Council laying down the Union Customs Code (OJ L 343, 29.12.2015, p. 558), ELI: http://data.europa.eu/eli/reg_impl/2015/2447/oj

| Product type | HS and CN codes | Allocation by country (Where Applicable) | Year 1 | | | |
|---|---|---|---|---|---|---|
| | | | From 18.11.2025 to 17.2.2026 | From 18.2.2026 to 17.5.2026 | From 18.5.2026 to 17.8.2026 | From 18.8.2026 to 17.11.2026 |
| | | | Volume of tariff quota (net tonnes) | | | |
| | | Thailand | 76,83 | 74,32 | 76,83 | 76,83 |
| | | Other countries | 18,89 | 18,28 | 18,89 | 18,89 |
| Ferro-Silico-Manganese | 7202 30 | Norway | 37 067,71 | 35 858,98 | 37 067,71 | 37 067,71 |
| | | India | 31 958,61 | 30 916,48 | 31 958,61 | 31 958,61 |
| | | Zambia | 7 882,49 | 7 625,45 | 7 882,49 | 7 882,49 |
| | | Other countries | 18 955,56 | 18 337,44 | 18 955,56 | 18 955,56 |

| Product type | HS and CN codes | Allocation by country (Where Applicable) | Year 2 | | | |
|---|---|---|---|---|---|---|
| | | | From 18.11.2026 to 17.2.2027 | From 18.11.2026 to 17.2.2027 | From 18.11.2026 to 17.2.2027 | From 18.11.2026 to 17.2.2027 |
| | | | Volume of tariff quota (net tonnes) | | | |
| Ferro-Manganese | 7202 11, 7202 19 | Norway | 29 001,67 | 28 055,96 | 29 001,67 | 29 001,67 |
| | | India | 17 643,42 | 17 068,09 | 17 643,42 | 17 643,42 |
| | | South Africa | 8 281,14 | 8 011,10 | 8 281,14 | 8 281,14 |
| | | Malaysia | 6 772,68 | 6 551,83 | 6 772,68 | 6 772,68 |
| | | Korea, Republic of | 4 837,65 | 4 679,90 | 4 837,65 | 4 837,65 |
| | | Other countries | 5 563,09 | 5 381,69 | 5 563,09 | 5 563,09 |
| Ferro-Silicon | 7202 21, 7202 29 | Norway | 35 171,30 | 34 024,41 | 35 171,30 | 35 171,30 |
| | | Iceland | 13 386,70 | 12 950,18 | 13 386,70 | 13 386,70 |
| | | Kazakhstan | 8 098,34 | 7 834,27 | 8 098,34 | 8 098,34 |
| | | Brazil | 6 322,34 | 6 116,17 | 6 322,34 | 6 322,34 |
| | | Other countries | 25 009,25 | 24 193,73 | 25 009,25 | 25 009,25 |
| Ferro-Silico-Magnesium | 7202 99 30 | China | 469,37 | 454,07 | 469,37 | 469,37 |
| | | Brazil | 99,91 | 96,65 | 99,91 | 99,91 |
| | | India | 78,98 | 76,40 | 78,98 | 78,98 |
| | | Thailand | 76,91 | 74,40 | 76,91 | 76,91 |
| | | Other countries | 18,91 | 18,30 | 18,91 | 18,91 |
| Ferro-Silico-Manganese | 7202 30 | Norway | 37 104,78 | 35 894,84 | 37 104,78 | 37 104,78 |
| | | India | 31 990,57 | 30 947,40 | 31 990,57 | 31 990,57 |
| | | Zambia | 7 890,37 | 7 633,08 | 7 890,37 | 7 890,37 |
| | | Other countries | 18 974,51 | 18 355,78 | 18 974,51 | 18 974,51 |

| Product type | HS and CN codes | Allocation by country (Where Applicable) | Year 3 | | | |
|---|---|---|---|---|---|---|
| | | | From 18.11.2027 to 17.2.2028 | From 18.11.2027 to 17.2.2028 | From 18.11.2027 to 17.2.2028 | From 18.11.2027 to 17.2.2028 |
| | | | Volume of tariff quota (net tonnes) | | | |
| Ferro-Manganese | 7202 11, 7202 19 | Norway | 28 951,35 | 28 321,98 | 28 951,35 | 28 951,35 |
| | | India | 17 612,81 | 17 229,92 | 17 612,81 | 17 612,81 |
| | | South Africa | 8 266,77 | 8 087,06 | 8 266,77 | 8 266,77 |
| | | Malaysia | 6 760,93 | 6 613,95 | 6 760,93 | 6 760,93 |
| | | Korea, Republic of | 4 829,26 | 4 724,28 | 4 829,26 | 4 829,26 |
| | | Other countries | 5 553,44 | 5 432,71 | 5 553,44 | 5 553,44 |
| Ferro-Silicon | 7202 21, 7202 29 | Norway | 35 110,27 | 34 347,01 | 35 110,27 | 35 110,27 |
| | | Iceland | 13 363,47 | 13 072,96 | 13 363,47 | 13 363,47 |
| | | Kazakhstan | 8 084,29 | 7 908,55 | 8 084,29 | 8 084,29 |
| | | Brazil | 6 311,37 | 6 174,16 | 6 311,37 | 6 311,37 |
| | | Other countries | 24 965,86 | 24 423,13 | 24 965,86 | 24 965,86 |
| Ferro-Silico-Magnesium | 7202 99 30 | China | 468,56 | 458,37 | 468,56 | 468,56 |
| | | Brazil | 99,73 | 97,56 | 99,73 | 99,73 |
| | | India | 78,84 | 77,13 | 78,84 | 78,84 |
| | | Thailand | 76,77 | 75,10 | 76,77 | 76,77 |
| | | Other countries | 18,88 | 18,47 | 18,88 | 18,88 |
| Ferro-Silico-Manganese | 7202 30 | Norway | 37 040,40 | 36 235,18 | 37 040,40 | 37 040,40 |
| | | India | 31 935,07 | 31 240,83 | 31 935,07 | 31 935,07 |
| | | Zambia | 7 876,68 | 7 705,45 | 7 876,68 | 7 876,68 |
| | | Other countries | 18 941,59 | 18 529,82 | 18 941,59 | 18 941,59 |

**Price threshold applicable for the tariff increase**

| **Product Number** | **Product type** | **HS / CN Codes** | **Price threshold (€/tonne)** |
|---|---|---|---|
| 1 | Ferro-manganese | 7202 11, 7202 19 | 1 316 |
| 2 | Ferro-silicon | 7202 21, 7202 29 | 2 408 |
| 3 | Ferro-silico-manganese | 7202 30 | 1 392 |
| 4 | Ferro-silico-magnesium | 7202 99 30 | 3 647 |

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

The proposed date of introduction of the safeguard measure is 18 November 2025.

## 6. Provide expected duration of the measure.

The proposed safeguard measure shall be in place for a period of three years, expiring on 17 November 2028.

**7. If the expected duration is over one year, provide expected timetable for progressive liberalization of the measure.**

The Commission considers that the most appropriate way to liberalise the measure is to increase the level of the free of duty quota by 0,1% after each year. The first liberalisation will take place on 18 November 2026, with the second liberalisation taking place on 18 November 2027.

**8. If the notification relates only to a finding of serious injury or threat thereof, and does not relate to a decision to apply or extend a safeguard measure:**

**(i) provide information regarding procedures for prior consultation with those Members having a substantial interest as exporters of the product concerned.**

Pursuant to Article 12.3 of the Agreement on Safeguards, the European Union hereby notifies Members of its readiness to hold consultations with those Members having a substantial interest as exporters of the product concerned.

It is considered that Members with a share of more than five percent (5%) of imports, calculated on the basis of import data for the last three (3) years for the product type concerned, are deemed to have a significant supplying interest.

In accordance with Article 12.3, the consultation aims to provide an opportunity for interested Members to present their views and to exchange information on the matter.

**9. If the notification relates to a decision to apply or extend a safeguard measure, Members are encouraged to provide the following information:**

**(i) The major exporting Members of imports of the product involved.**

| Product | | Country | Imports in tonnes, 2022-2024 | % of imports, 2022-2024 |
|---|---|---|---|---|
| Ferro-manganese | 7202 11, 7202 19 | Norway | 153.261.367 | 40,22% |
| | | India | 93.237.875 | 24,47% |
| | | South Africa | 43.762.274 | 11,49% |
| | | Malaysia | 35.592.692 | 9,34% |
| | | Korea, Republic of | 25.564.914 | 6,71% |
| | | Other countries | 29.596.579 | 7,77% |
| Ferro-silico magnesium | 7202 99 30 | China | 2.480.439 | 63,08% |
| | | Brazil | 527.958 | 13,43% |
| | | India | 417.358 | 10,61% |
| | | Thailand | 406.417 | 10,34% |
| | | Other countries | 99.951 | 2,54% |
| Ferro-silico-manganese | 7202 30 | Norway | 196.082.817 | 38,67% |
| | | India | 169.056.432 | 33,34% |
| | | Zambia | 41.697.216 | 8,22% |
| | | Other countries | 100.272.159 | 19,77% |
| Ferro-silicon | 7202 21, 7202 29 | Norway | 185.865.190 | 39,97% |
| | | Iceland | 70.742.951 | 15,21% |
| | | Kazakhstan | 42.796.268 | 9,20% |

| | | | | |
|---|---|---|---|---|
| | | Brazil | 33.410.826 | 7,19% |
| | | Other countries | 132.163.155 | 28,42% |

**(ii) List of developing countries, members of the WTO, and Algeria**

Afghanistan, Albania, Algeria, 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, Eswatini, 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, North Macedonia, 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, Tajikistan, Tanzania, Thailand, Togo, Tonga, Trinidad and Tobago, Tunisia, Türkiye, Uganda, Ukraine, United Arab Emirates, Uruguay, Vanuatu, Venezuela, Viet Nam, Yemen, Zambia, Zimbabwe.