

TECHNICAL

Indirect Taxation

Customs (Definitive Safeguard Duties) Order 2017 [P.U(A) 122-2017] (on REBAR) and Customs (Definitive Safeguard Duties) (No.2) Order 2017 [P.U(A) 123-2017] (on SWR & DBIC)

Following the petitions by the Malaysia Steel Association alleging that the increased importation of Steel Concrete Reinforcing Bar (REBAR) and Steel Wire Rods (SWR) & Deformed Bar in Coils (DBIC) into Malaysia had seriously damaged the domestic industry, the Government of Malaysia (GOM) initiated two investigations under Section 14 of the Safeguards Act 2006. (Refer to the [Media Release](#) attached.)

During the preliminary investigations in accordance with Section 20 of the Safeguards Act 2006, the GOM made a preliminary determination to impose provisional safeguard duties for 200 days [Refer to P.U.(A) [241/2016](#) & [242/2016](#)] as follows:

<u>Item</u>	<u>Provisional Safeguard Duty</u>	<u>Effective Period</u>
REBAR	13.42%	26 Sept 2016 – 13 April 2017
SWR & DBIC (<i>excluding SWR & DBIC with carbon content of 0.6% or more or diameter greater than 16.0mm and products imported for the end-usage purposes of automotive, electrical and electronic, oil and gas and earthquake proof construction industries of all grades and specifications.</i>)	13.90%	27 Sept 2016 – 14 April 2017

Upon assessing the issues and concerns submitted by all interested parties, the GOM made a final determination and made the above-mentioned Orders under Section 23(3) of the Safeguards Act 2006 to impose safeguard duties for a period of three years as follows: (Refer to the [Media Release](#) attached.)

<u>Item</u>	<u>Definitive Safeguard Duty</u>	<u>Effective Period</u>
REBAR	13.42%	14 April 2017 – 13 April 2018
	12.27%	14 April 2018 – 13 April 2019
	11.10%	14 April 2019 – 13 April 2020
SWR & DBIC	13.90%	15 April 2017 – 14 April 2018
	12.90%	15 April 2018 – 14 April 2019
	11.90%	15 April 2019 – 14 April 2020

(*excluding SWR & DBIC*)

- SWR & DBIC with carbon content of 0.6% or more or diameter greater than 16.0mm
- products imported for the end-usage purposes of automotive, electrical and electronic, oil and gas industries of all grades and specifications; and
- DBIC, in regular or irregular wound coils imported for the end-usage purpose of earthquake proof construction industries of all grades and specifications.)

The definitive safeguard duties (DSD) levied shall be paid in cash and the imposition of the DSD is without prejudice to the imposition and collection of –

- a) Import duties under the Customs Act 1967; and
- b) GST under the Goods and Services Tax Act 2014

The heading or subheading numbers specified in column (1) of the Schedule is provided for ease of reference and has no binding effect on the description of goods as mentioned in column (2) respectively for both Orders.

Members may view the above gazette order at the official website of the [Attorney-General's Chambers](#).

Interested parties such as local producers and importers, as well as foreign producers/exporters and associations related to these investigations can have access to the non-confidential version of the public report on the preliminary determination by submitting a written request to the Ministry of International Trade and Industry as follows:

Director
Trade Practices Section
Ministry of International Trade and Industry
Level 9, Menara MITI
No. 7, Jalan Sultan Haji Ahmad Shah
50480 Kuala Lumpur

The non-confidential version of the Final Determination Report of the investigations will be duly available at:

MITI Resource Centre
Ministry of International Trade and Industry
Level 2, MITI Tower
No. 7, Jalan Sultan Haji Ahmad Shah
50480 Kuala Lumpur

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