



**Malaysian Iron & Steel Industry Federation**

Co. Reg. No. 76350P GST Reg. No. 001781899264

1 July 2026

By email

**CIRCULAR TO ALL MEMBERS  
(C04/2026)**

Dear Members,

**EU Announces Distribution of Tariff Quotas under the New Steel Regulation (Effective 1 July 2026)**

The European Commission has published Commission Implementing Regulation (EU) 2026/1457 of 29 June 2026, which establishes the country allocation of tariff quotas under the new EU Steel Regulation (Regulation (EU) 2026/1384).

[https://eur-lex.europa.eu/eli/reg\\_impl/2026/1457/oj](https://eur-lex.europa.eu/eli/reg_impl/2026/1457/oj)

The Regulation applies from 1 July 2026 until 31 December 2026 and sets out the distribution of tariff quotas covering 26 steel product categories. Tariff quotas are administered on a first-come, first-served basis.

**Malaysia receives a country-specific quota for only one product category**

Under Annex I, Malaysia has been allocated a country-specific tariff quota only for Product Category 16 – Non-Alloy and Other Alloy Wire Rod.

| Product Category                                                                                                                                                                                                                          | Allocation               |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| 16 – Non-Alloy and Other Alloy Wire Rod<br>7213.10.00, 7213.20.00, 7213.91.10,<br>7213.91.20, 7213.91.41, 7213.91.49,<br>7213.91.70, 7213.91.90, 7213.99.10,<br>7213.99.90, 7227.10.00, 7227.20.00,<br>7227.90.10, 7227.90.50, 7227.90.95 | 86,683.40 MT annually    |
| Quarterly allocation                                                                                                                                                                                                                      | 21,670.85 MT per quarter |
| Order number                                                                                                                                                                                                                              | 09.9901                  |

This means Malaysian exporters of Product Category 16 may export under Malaysia's dedicated country-specific quota until that quota is exhausted.

**Malaysia does NOT receive country-specific quotas for the remaining product categories**

For the other 25 product categories, Malaysia does not appear as a country with a dedicated quota allocation in Annex I.

Accordingly, exports of these products from Malaysia must be entered under the "Other countries" residual tariff quota, where available.

<https://eur-lex.europa.eu/eli/reg/2026/1384/oj/eng>

This follows the quota allocation mechanism established under the Regulation, whereby countries without a country-specific allocation may only access the residual quota.

**Malaysia is not eligible for the FTA quota**

The Regulation divides tariff quotas into MFN Part and FTA Part. The FTA Part is reserved exclusively for countries having an existing or future Free Trade Agreement with the European



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Union, as listed in Section 1 of Annex II. Malaysia is not listed as an EU FTA partner under Annex II.

Therefore, Malaysia exporters

- cannot access the FTA Quota – CSQ
- cannot access the FTA Quota – Other Countries
- are limited to either:
  - Malaysia's country-specific quota (only Product Category 16); or
  - the MFN residual "Other countries" quota for products without a Malaysian allocation.

For all product categories covered by the Regulation, imports exceeding the applicable tariff quota are subject to an additional customs duty of 50% ad valorem, as specified in Annex I. Exporters should therefore monitor quota utilization closely before shipping.

Thank you.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Tan Ai Joo', is written over a horizontal line.

Tan Ai Joo  
Chief Executive Officer