WORLD TRADE ORGANIZATION

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Page: 1/3

Committee on Safeguards

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

SOUTH AFRICA

Non-wired float glass products

The following communication, dated 9 November 2026 and received on 11 November 2026, is being circulated at the request of the delegation of South Africa.

Pursuant to Article 12.1(a) of the Agreement on Safeguards, South Africa hereby gives notification of the initiation of a safeguard investigation on the imports of other non-wired glass, coloured throughout the mass (body tinted), opacified, flashed or merely surface ground, classified under tariff subheadings 7005.21.13, 7005.21.15, 7005.21.17, 7005.21.23, 7005.21.29, 7005.21.35, 7005.21.45, 7005.21.55, 7005.21.65 and 7005.21.85 (excluding optical glass), and other non-wired glass, other, classified under tariff subheadings 7005.29.13, 7005.29.15, 7005.29.17, 7005.29.23, 7005.29.25, 7005.29.35, 7005.29.45, 7005.29.55, 7005.29.65 and 7005.29.85 (excluding solar and optical glass),(herewith referred to as "non-wired float glass products").

1. The date when the investigation was initiated

The investigation was initiated on 3 November 2026. The notice of initiation by the investigating authority was published through notice No 4240 of 2026 in *Government Gazette* No 55666 on 3 November 2026.[1]

2. The product subject to the investigation

The subject product is described as other non-wired glass, coloured throughout the mass (body tinted), opacified, flashed or merely surface ground, classified under tariff subheadings 7005.21.13, 7005.21.15, 7005.21.17, 7005.21.23, 7005.21.29, 7005.21.35, 7005.21.45, 7005.21.55, 7005.21.65 and 7005.21.85 (excluding optical glass), and other non-wired glass, other, classified under tariff subheadings 7005.29.13, 7005.29.15, 7005.29.17, 7005.29.23, 7005.29.25, 7005.29.35, 7005.29.45, 7005.29.55, 7005.29.65 and 7005.29.85 (excluding solar and optical glass), (herewith referred to as "non-wired float products").

3. The reasons for the initiation of investigation

The application was lodged by PFG Building Glass ("PFG" or the "Applicant"), being the only producer of the subject product in the Southern African Customs Union ("SACU") therefore constituting 100% of the SACU domestic production of the subject product.

[1] A copy of the notice of initiation has also been submitted electronically and is available to government representatives. To consult it, please contact Ms Anne Richards of the Rules Division (anne.richards@wto.org)

The claim made by the Applicant is that the subject product is being imported into the SACU market in such increasing quantities in absolute terms and relative to SACU production, under such conditions, to be causing serious injury to the SACU industry.

The Commission found that the Applicant submitted *prima facie* information to indicate a sharp, sudden, recent and significant increase in the import volumes of non-wired float products. This surge in imports is both in absolute terms and relative to domestic production in the period 1 December 2024 to 30 November 2025.

Serious injury and causal link

The period of investigation for data evaluation for the purposes of determining the allegation of serious injury is from 1 December 2022 to 30 November 2025.

The injury analysis relates to information submitted by PFG Building Glass, constituting a major proportion of the total domestic production.

The Applicant submitted *prima facie* evidence indicating that it is experienced serious injury during the period of investigation, primarily in the form of a decline in sales volumes, output, market share, net profit, capacity utilization and productivity.

On this basis, the Commission found that the Applicant submitted *prima facie* evidence to indicate that the SACU industry was experiencing serious injury. Furthermore, the evidence indicates a causal link between the surge in imports resulting from the unforeseen developments, and the serious injury experienced by the domestic industry.

Unforeseen developments and the effect of obligations incurred under the GATT 1994

The Applicant submitted that a confluence of events forms the basis of the unforeseen developments that support the application, which is, ultimately, the considerable global oversupply of non-wired float glass causing a surge in the volume of imports into the SACU. In summary, the Applicant stated that during the Uruguay Round of negotiations, South Africa did not foresee the following events:

(a) The structural distinction between float glass and other flat glass was formally recognised with the introduction of the Harmonized System on 1 January 1988, as revised in 1996, which assigned float glass its own separate heading under HS 7005;

(b) China's accession to the WTO on 11 December 2001 and subsequent surge in capacity in China, created a persistent global oversupply of float glass, accompanied by weak demand of float glass in China and other regions which resulted in a reduction in prices, leading to the exportation of this excess supply. This is compounded by concerns that China has not fully transitioned to a fully-fledged economy as anticipated during its WTO accession negotiations and continues to support its industries through subsidization;

(c) Following China's WTO accession in 2001, Chinese companies have been actively engaged in float glass manufacturing across Africa since at least 2008, with involvement increasing significantly in the 2020s through major investments in Ethiopia, Nigeria and Tanzania. With regards to Tanzania, Chinese ventures saw new float line investments in recent years. China dominates global float glass exports with a 60% stake, enhanced by these new overseas plants;

(d) Trade diversion arising from recent trade-restrictive measures, including the imposition by the United States of anti-dumping duties exceeding 150% and countervailing duties on Chinese float glass;

(e) Tanzania imposing 35% duty on the subject product including against SADC members while SACU bound rate is 10% with 0% under SADC Protocol on Trade and AfCFTA; and

(f) Increased exposure of the SACU market to import competition due to global changes in the shipping of glass:

- A materially different trading environment characterized by specialized stillage rack containerization reducing breakage, increasing international sourcing flexibility, contrasting historical transportation which was mainly in break-bulk cargo because of float glass fragility and size.
- Advances in containerized transport, packaging and logistics, together with declining shipping costs, have made long-distance float-glass exports increasingly commercially viable, transforming regional markets into globally integrated supply chains. Concurrently, expanded production capacity, particularly in China, and slowing global demand have contributed to persistent overcapacity and increased incentives for producers to redirect surplus production to export markets. These developments have heightened SACU's exposure to global price volatility and increased the risk of sudden import surges.

On this basis, the Commission decided that the Applicant submitted *prima facie* information to indicate that events cited in the application can be regarded as unforeseen developments which, with the effects of the obligations incurred under GATT 1994, led to the alleged surge of imports of the subject product, as per the provisions of Article XIX of GATT 1994.

4. Further information

Interested parties must make themselves known and provide comments within a period of 20 days after the initiation of the investigation.

Any information that the interested parties may wish to submit in writing and any request for a hearing before the Commission that they may wish to put forward should be submitted within 20 days following the initiation of this investigation to the Directorate: Trade Remedies II at the following address: The DTI Campus, 77 Meintjies Street, Sunnyside Pretoria, Block E, Ground floor or directly to the investigating officers, Ms Portia Chuma at email: pchuma@itac.org.za or Ms Azwitamisi Mathada at email: amathada@itac.org.za.

If part of the information provided is of a confidential nature, the party concerned should give the grounds justifying confidentiality and furnish public summaries of such information, which should be as detailed as possible. In instances that a public summary cannot be provided a sworn statement must be provided stating the reasons why the information cannot be summarized. This requirement is designed to secure transparency and due access by all parties to the information relating to this investigation. If the summaries are not duly provided and in the absence of just cause, ITAC may disregard the information deemed to be confidential.