

WORLD TRADE ORGANIZATION

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Committee on Safeguards

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NOTIFICATION UNDER ARTICLE 12.5 OF THE AGREEMENT ON SAFEGUARDS ON THE RESULTS OF CONSULTATIONS

UNITED STATES

The following communication, dated 21 February 2002, has been received from the Permanent Mission of the United States.

Documents G/S/40/Suppl.2 (1 November 2001), G/S/40/Suppl.3 (7 January 2002) contain communications from the United States concerning action under the Agreement on Safeguards in respect of certain steel products.

The United States notifies the Council for Trade in Goods that it has held consultations pursuant to Article 12.3 with the European Communities ("EC"). The United States is of the view that these consultations provided an adequate opportunity to review the information provided under Article 12.2 of the Safeguards Agreement, exchange views on the proposed measures, and reach an understanding on ways to achieve the objective set out in Article 8.1 of the Safeguards Agreement. The EC took the view that further consultations would be necessary to fully satisfy the obligations under Article 12.3 of the Safeguards Agreement.

During the consultations, the United States responded to questions posed by the EC on the following issues related to the findings of the U.S. International Trade Commission ("ITC") and safeguard measures proposed by the United States: (1) the timeframe for the identification and the definition of like products by the ITC; (2) the period of investigation; (3) the U.S. "substantial cause" standard; (4) the establishment of a causal link between increased imports and serious injury; (5) the methodology for selecting a safeguard measure; (6) the relationship of any safeguard measure to preexisting and future antidumping and countervailing duty measures; (7) public summaries of confidential information; and (8) whether the United States would consider the possibility of compensation under Article 8.1 of the Safeguards Agreement. The United States sought the EC's views on whether the use of computer models is appropriate in evaluating potential compensation or suspension of concessions.
