

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

EGYPT

The following communication, dated 23 March 1999, has been received from the Permanent Mission of Egypt.

With reference to WTO document No. G/SG/N/8/EGY/1-G/SG/N/10/EGY/1 dated 10 February 1999, regarding the findings of serious injury of definitive safeguard measures concerning imports of "safety matches in boxes" into Egypt, I would like to inform the Committee on Safeguards that the Arab Republic of Egypt made consultations with the concerned Governments.

Pursuant to the provisions of Article 12.5 of the Agreement on Safeguards and in light of the agreed format for notifications (G/SG/1, dated 1 July 1996) Egypt would like to inform the Committee on Safeguards of the following:

Notification under Article 12.5 upon making consultations

- (a) According to Article 12.3 which requires immediate notification to the Council for Trade in Goods of the results of the consultations held with concerned parties having substantial interest in supplying the product concerned.

1. Specify the provision under which consultations were held

The consultations were held under Article 12.3.

2. Provide reference to the WTO document that notified the safeguard actions regarding which consultations were held under Article 12.3 or 12.4

The Egyptian document was circulated in document G/SG/N/8/EGY/1-G/SG/N/10/EGY/1 dated 10 February 1999, regarding the notification of findings of serious injury and notification of definitive safeguard measures concerning imports of "Safety Matches in Boxes" into Egypt.

3. Specify the Members involved in the consultation, and provide the time-period during which consultations were held

The Members involved in the consultations were the European Community and India. Consultations were held with the European Community on 10 February 1999, and with India on 11 February 1999.

4. Describe the results of the consultations

- (i) The consultations with the European Community involved procedural matters and the question of access to some information. The European Community enquired about trade compensation in accordance with Article 8.1 of the Agreement.

The figures requested by the European Community were, by nature, confidential. There are two major producers in the domestic market and the release of the cost information would harm both. To release such information, the Egyptian Authority would be in breach of the Agreement on Safeguards. Summaries were provided on the essential facts and conclusions report and the WTO notification circulated to all concerned parties. The authority noted that in case of trade compensation, Article 8.3 of the Agreement applies.

- (ii) The Indian Government claimed that the causal link between the increased volume of imports and the serious injury had not been shown. The injury instead resulted from the higher cost of some materials in the manufacture of the product in Egypt.

The above submissions by India repeat those made during the investigation. This issue is covered in the essential facts and conclusions report. No new information was provided during these consultations. In addition, no mention was made of trade compensation during these consultations.

- (b) Not applicable.
 - (c) Not applicable.
 - (d) Not applicable.
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