

Original: English

**UNITED STATES – DEFINITIVE SAFEGUARD MEASURES  
ON IMPORTS OF CERTAIN STEEL PRODUCTS**

Request for Consultations by Norway

The following communication, dated 4 April 2002, from the Permanent Mission of Norway to the Permanent Mission of the United States and to the Chairman of the Dispute Settlement Body, is circulated in accordance with Article 4.4 of the DSU.

---

The Government of Norway hereby requests consultations with the Government of the United States pursuant to Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU), Article XXII:1 of the General Agreement on Tariffs and Trade 1994 (GATT 1994), and Article 14 of the Agreement on Safeguards, with regard to the safeguard measures imposed by the USG on imports of certain steel products.

Under the "Proclamation 7529 of March 5, 2002 - To Facilitate Positive Adjustment to Competition from Imports of Certain Steel Products" and the "Memorandum of March 5, 2002 - Action Under Section 203 of the Trade Act of 1974 Concerning Certain Steel Products" by the President of the United States, published in the Federal Register Vol. 67, No.45 of 7 March 2002, the USG imposed safeguard measures in the form of an increase in duties on imports of certain steel products, including tin mill products, effective as of 20 March 2002. Upon taking this decision to apply the safeguard measures, the USG made notifications under Article 12.1(c) and Article 9, footnote 2, of the Agreement on Safeguards on 12 March 2002.

The Government of Norway requested the USG to hold prior consultations pursuant to Article 12.3 of the Agreement on Safeguards as a Member having a substantial interest as an exporter of products concerned on 13 March 2002.

The consultations were held in Washington, D.C. on 25 March 2002, and both sides exchanged views on the measures. The Government of Norway, however, is of the view that the Government of the United States did not provide adequate explanation during the consultations as to the consistency of the measures with the relevant provisions of the Agreement on Safeguards and the GATT 1994.

The Government of Norway considers that these US safeguard measures are in breach of the US obligations under the provisions of the GATT 1994 and of the Agreement on Safeguards, in particular, but not necessarily exclusively, of:

- Articles 2.1 and 2.2 of the Agreement on Safeguards, because, *inter alia*, they are based on the deficient determinations on the like or directly competitive products, absence of "imports in such increased quantities" and "under such conditions," lack of serious injury or threat thereof, lack of causality, non-respect of the requirement of parallelism between the scope of

the imported products subject to the investigation and the scope of the imported products subject to the application of the measures and discriminations based on the source of the products.

- Article 3 of the Agreement on Safeguards, because, *inter alia*, the Government of the United States did not allow appropriate means in which the interested parties could present evidence and their views, the report published by the competent authorities did not set forth adequately the finding and reasoned conclusions on all pertinent issues of facts and law, including the justification for the actual measures imposed.
- Articles 4.1 and 4.2 of the Agreement on Safeguards, because, *inter alia*, they are, not justified by "imports in such increased quantities" and/or "under such conditions", lack of serious injury or threat thereof, lack of causality, and non-respect of the requirement of parallelism between the scope of the imported products subject to the investigation and the scope of the imported products subject to the application of the measures.
- Articles 5.1 and 7 of the Agreement on Safeguards, since, *inter alia*, they grant relief beyond "the extent necessary to prevent or remedy serious injury and to facilitate adjustment".
- Article 8.1 of the Agreement on Safeguards, *inter alia*, because of failure to maintain a substantially equivalent level of concessions and other obligations between Members.
- Article 9.1 of the Agreement on Safeguards, *inter alia*, because of failure to correctly apply the criteria for non-application.
- Article 12 of the Agreement on Safeguards, regarding, *inter alia*, the obligation to provide pertinent information and "adequate opportunity" for prior consultations regarding the application of a safeguard measure.
- Article I:1 of the GATT 1994, since, *inter alia*, they discriminate between products originating in Norway and products originating in other WTO Members.
- Article II of the GATT 1994, since, *inter alia*, they consist of withdrawal or modification of US concessions without justification under Article XIX of the GATT 1994 nor the Agreement on Safeguards nor any other provisions of the WTO Agreement.
- Article X:3 of the GATT 1994, since they are not based on uniform, impartial and reasonable administration of the relevant US laws and regulations.
- Articles XIX of the GATT 1994, because, *inter alia*, the USG failed to show, prior to the application of the measures, that the increases in imports and the conditions of importation of the products covered by the above-mentioned measures were the result of "unforeseen development" and of the effect of the US obligations under the GATT 1994.

The Government of Norway reserves its right to raise further factual claims and legal issues during the course of consultations and in any future request for panel proceedings.

The Government of Norway also reserves all its rights regarding the pursuit of the rights and remedies provided for under the Agreement on Safeguards, the GATT 1994 and the Dispute Settlement Understanding.

We look forward to receiving your reply to this request and to fixing a mutually acceptable date for consultations. We suggest that these consultations be conducted jointly with consultations requested by other Member countries having requested consultations under Article 4 of the Dispute Settlement Understanding.

---