

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

Request for the Establishment of a Panel by Norway

The following communication, dated 3 June 2002, from the Permanent Mission of Norway to the Chairman of the Dispute Settlement Body, is circulated pursuant to Article 6.2 of the DSU.

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 of America, published in the Federal Register Vol. 67. No. 45 of 7 March 2002, the United States (US) 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.

On 4 April 2002 Norway requested consultations (WT/DS254/1) with 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 (SA) regarding the definitive safeguard measures imposed by the United States on imports of certain steel products, the investigations leading to such measures, and the related laws of the United States, including Sections 201 and 202 of the Trade Act of 1974 and Section 311 of the NAFTA Implementation Act.

On 11-12 April 2002 Norway, together with five other Members – the European Communities, China, Japan, Korea and Switzerland- held consultations with the United States in Geneva, for the purpose of reaching agreement on a mutually satisfactory solution. The consultations, however, have not led to a satisfactory solution of the matter.

In order to solve the dispute, Norway hereby requests the establishment of a panel pursuant to Article XIII of GATT 1994, Article 6 of the DSU and Article 14 of the SA with regard to the above definitive safeguards measures imposed by the United States on imports of steel products, in particular tin mill products.

The Government of Norway considers that these US safeguard measures are in breach of the US obligations under provisions of the GATT 1994 and of the Agreement on Safeguards, in particular:

1. The United States is in breach of Article XIX:1 of GATT 1994 because, *inter alia*, the United States failed to show, prior to the application of the measures, that increases in imports and conditions of importation of products covered by the above-mentioned measures were the result of "unforeseen developments".

2. The United States also failed to satisfy the obligations contained in Articles 2, 3 and 4 of the SA as well as Article XIX of GATT 1994 with respect to the investigation, findings, and decision regarding increased imports, serious injury, threat of serious injury and causation. With respect to tin mill products the United States was also in violation of Article X:3(a), since the measure is not based on a uniform, impartial and reasonable administration of the relevant US laws and regulations.
3. The United States failed to comply with the provisions of Articles 2.1 and 4 of the SA and Article XIX of GATT 1994 with respect to the determination of the relevant domestic industries that produce like or directly competitive products.
4. There is a lack of parallelism between the products for which an increase in imports within the meaning of Article 2.1 of the SA was found and claimed, and the products in respect of which the protective measures were imposed, contrary to the principle inherent in Articles 2.1, 4.2 and 5.1 of the SA. The US measures are thus in violation of the said articles.
5. The safeguard measures exceeded the extent necessary to prevent or remedy serious injury and to facilitate adjustment, and thus are in violation of Articles 5.1 and 7.1 of the SA.
6. The United States committed violations under Article 3 of the SA, in conjunction with Articles 2, 4 and 5 of the SA, because neither the ITC Report of the investigation nor the other relevant documents set forth adequately the findings and reasoned conclusions on all pertinent issues of fact and law, including the justification for the measures actually imposed and for all other elements mentioned above, nor did they provide the analysis and demonstration required.
7. The safeguard measures are inconsistent with Article I:1 of the GATT 1994 and Article 9.1 of the SA because of failure to correctly apply the criteria for non-application.

Norway requests that the panel be established with the standard terms of reference as set out in Article 7 of the DSU.

Norway asks that this request be placed on the agenda for the special meeting of the Dispute Settlement Body on 14 June 2002.

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