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Committee on Safeguards

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**NOTIFICATION UNDER ARTICLE 12.1(B) OF THE AGREEMENT ON
SAFEGUARDS ON FINDING A SERIOUS INJURY OR THREAT
THEREOF CAUSED BY INCREASED IMPORTS**

NOTIFICATION OF A PROPOSAL TO IMPOSE A MEASURE

**NOTIFICATION PURSUANT TO ARTICLE 9, FOOTNOTE 2
OF THE AGREEMENT ON SAFEGUARDS**

JORDAN

Aluminium Bars, Rods and Profiles

The following communication, dated 13 February 2017, is being circulated at the request of the Delegation of Jordan.

In accordance with Article 12.1(b) of the Agreement on Safeguards, Jordan hereby submits its notification on finding serious injury caused by increased imports of aluminium bars, rods and profiles, under the tariff heading (7604) of the Jordanian Harmonized Tariff System.

1. & 2. Provide evidence of serious injury or threat thereof caused by increased imports and, provide information on whether there is an absolute increase in imports or an increase in imports relative to domestic production.

According to the investigation completed on 12/2/2017, the National Production Protection Directorate (NPPD) had determined that there was sufficient evidence that the increase of imports of the subject product had caused injury to the domestic industry producing like products during the Period Of Investigation (2010-2015).

The following are the conclusions reached by the NPPD:

(a) Increased Imports

Year	2010	2011	2012	2013	2014	2015	*2016 First half
Volume (in ton)	4,144	5,728	6,775	7,509	7,605	7,891	4,461
Absolute increase (base year)	-	38%	63%	81%	84%	90%	25%
Absolute increase (year to year)	-	38%	18%	11%	1%	4%	3%

*** The Comparison had been done with the related halves of 2010 and 2015.**

– The above table shows that imports had actually increased during the POI in absolute terms when compared to the year 2010. Starting from the year 2011, imports has increased by 38%, and continued to increase massively in the following years by 63% in 2012, and 81%, 84%, 90% in the years 2013, 2014 and 2015 respectively.

– Also, the above table shows that imports had actually increased in absolute terms when comparing year to year. Imports has increased by 18% in the year 2012, by 11% in the year 2013, by 1% in the year 2014 and by 4% in the year 2015.

Year	2010	2011	2012	2013	2014	2015	2016
Relative increase ratio index (imports to domestic production)	100%	157%	189%	214%	213%	232%	146%

– Imports also has increased significantly in relative terms. The above table indicates that the relative increase of imports relative to the domestic production recorded very high rates during the POI. The index of relative increase ratio increased from 100% in 2010 to 157% in 2011 up to 189% in 2012 and 214% in 2013 and 213% in 2014 until it reached 232% in 2015.

NPPD had demonstrated that the increase of imports was sudden, sharp and recent both in absolute term and relative to the domestic production, and that the increase of imports had occurred because of unforeseen developments.

(b) Serious Injury

• Production

Year	2010	2011	2012	2013	2014	2015
Change in domestic production (%) (base year)	-	-12%	-13%	-15%	-14%	-18%

– The above table shows that there has been a decrease by 18% in the production volume in 2015 compared to 2010.

• Domestic sales

Year	2010	2011	2012	2013	2014	2015
Change in domestic sales (%) (base year)	-	-23%	-17%	-22%	-11%	-26%

– The above table shows that there has been a decrease by 26% in the domestic sales volume in 2015 compared to 2010.

• Capacity utilization

Year	2010	2011	2012	2013	2014	2015
Change in capacity utilization (%) (base year)	-	-0.2%	-2%	-0.2%	-6%	-0.2%

– The above table shows that there has been a decrease by 0.2% in the capacity utilization volume in 2015 compared to 2010.

• Stocks

Year	2010	2011	2012	2013	2014	2015
Change in stock (%) (base year)	-	37%	22%	28%	-14%	39%

– The above table shows that there has been an increase by 39% in the stocks volume in 2015 compared to 2010.

• **Employment**

Year	2010	2011	2012	2013	2014	2015
Change in employment (%) (base year)	-	-5%	-10%	-11%	-14%	-24%

– The above table shows that there has been a decrease by 24% in the employment volume in 2015 compared to 2010.

• **Gross Profit**

Year	2010	2011	2012	2013	2014	2015
Change in Gross Profit (%) (base year)	-	113%	125%	119%	120%	112%

– The above table shows that there has been an increase by 112% in the Gross Profit volume in 2015 compared to 2010.

– Although the domestic industry gained profit during the POI, but still it is minimal in comparison to the volume of investments, also the profits decreased by 39% during 2015 compared to 2014.

• **Productivity**

Year	2010	2011	2012	2013	2014	2015
Change in Productivity (%) (base year)	-	-7%	-4%	-5%	1%	8%

– The above table shows that there has been an increase by 8% in the Productivity volume in 2015 compared to 2010.

• **Market Share of the domestic industry**

Year	2010	2011	2012	2013	2014	2015
Change in Market Share of domestic industry (%) (base year)	-	-15%	-18%	-22%	-19%	-26%

– The above table shows that there has been a decrease by 26% in the Market Share of the domestic industry volume in 2015 compared to 2010.

Taking into account all of the above factors, in addition to the closure of two factories during the period (2010-2015) due to the increase of imports, the NPPD concluded that the overall assessment of the situation of the domestic industry revealed that it had suffered from serious injury caused by the increase of imports.

(c) Causation

NPPD has thoroughly investigated the causality factor between the increase in imports and injury to the domestic industry, and has determined that there is a clear evidence of a causal link between the recent growth of imports of product under investigation and the injury caused to domestic industry, NPPD determined that the increase coincided with the injury to the domestic industry.

3. Provide a precise description of the product involved

Products involved are those under the following Jordanian tariff headings: (7604) except which is imported as a production inputs under subheadings (7604.211, 7604.101, 7604.212, 7604.291).

4. Provide a precise description of the final measure

Imposing in addition to the applied tariff duty, a specific surcharge of JD 500 per Ton, subject to annual liberalization of JD 50 per Ton.

5. Provide date of introduction of the measure

In accordance with Article 25 of the "Regulation on Safeguards of National Production No.55 for the year 2000", the date of introduction of the measure is the date of publishing the decision of the Council of Ministers to impose the safeguard measure in two daily local newspapers. The date of introduction of the measure shall be notified to the committee on safeguards once the decision is published in the two daily local newspapers

6. Provide the expected duration of the measure

Three years including the period of application of the provisional measure.

7. If the expected duration is over one year, provide the expected timetable for progressive liberalization of the measure

The measure is proposed to be liberalized as stated in point 4 above

8. If the notification relates to a decision to apply or extend a safeguard measure, Members are encouraged to provide the following information:**(i) Major exporting members of the product:**

The major exporting countries with percentages of their imports from the total imports in 2015 were as follows:

Country	2015
U.A. EMIRATES	55.2%
BAHRAIN, KINGDOM OF	15.4%
EGYPT	7.6%
CHINA	8.1%
SAUDI ARABIA, KINGDOM OF	4.1%

(ii) If there are any exporting Members to which the measure does not apply for any reason other than the application of Article 9.1, the names of such exporting Members and reasons for non-application of the measure.

Not applicable.

9. Offer of consultations

Consistent with Article 12.3 of the Agreement on Safeguards, Jordan is prepared to consult on the proposed safeguard measure with those members having a substantial interest of the subject product.

Members intending to consult shall inform the NPPD within 7 days from the date of publication of the notification on the WTO website.

10. Point of contact for correspondences

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NOTIFICATION UNDER ARTICLE 9.1 FOOTNOTE 2 OF THE AGREEMENT ON SAFEGUARDS ON NON-APPLICATION OF SAFEGUARD MEASURE TAKEN BY JORDAN TO THE IMPORTS ORIGINATING IN DEVELOPING COUNTRIES

1. Specify the measure

The Safeguard measure is described in Jordan's notification under Article 12.1(B) of the Safeguard Agreement.

2. Specify the product subject to the measure

Product subject to the measure is described in Jordan's notification under Article 12.1(B) of the Safeguard Agreement.

3. Specify the developing countries to which the measure is not applied under Article 9.1 of the agreement on Safeguard

The developing countries concerned are the following:

List of Developing Countries			
Angola	Ecuador	Malaysia	Saint Vincent & the Grenadines
Antigua and Barbuda	El Salvador	Maldives	Samoa
Argentina	Fiji	Mali	Saudi Arabia, Kingdom of
Armenia	Gabon	Malta	Senegal
Bangladesh	The Gambia	Mauritania	Seychelles
Barbados	Georgia	Mauritius	Sierra Leone
Belize	Ghana	Mexico	Singapore
Benin	Grenada	Moldova, Republic of	Solomon Islands
Bolivia, Plurinational State of	Guatemala	Mongolia	South Africa
Botswana	Guinea	Montenegro	Sri Lanka
Brazil	Guinea-Bissau	Morocco	Suriname
Brunei Darussalam	Guyana	Mozambique	Swaziland
Bulgaria	Haiti	Myanmar	Chinese Taipei
Burkina Faso	Honduras	Namibia	Tajikistan
Burundi	Hong Kong, China	Nepal	Tanzania
Cabo Verde	India	Nicaragua	Thailand
Cambodia	Indonesia	Niger	The former Yugoslav Republic of Macedonia (FYROM)
Cameroon	Israel	Nigeria	Togo
Central African Republic	Jamaica	Oman	Tonga
Chad	Kazakhstan	Pakistan	Trinidad and Tobago
Chile	Kenya	Panama	Tunisia
Colombia	Korea, Republic of	Papua New Guinea	Turkey
Congo	Kuwait, the State of	Paraguay	Uganda
Costa Rica	Kyrgyz Republic	Peru	Ukraine
Côte d'Ivoire	Lao People's Democratic Republic	Philippines	Uruguay
Cuba	Lesotho	Poland	Vanuatu
Democratic Republic of the Congo	Liberia	Qatar	Venezuela, Bolivarian Republic of
Djibouti	Macao, China	Rwanda	Viet Nam
Dominica	Madagascar	Saint Kitts and Nevis	Yemen
Dominican Republic	Malawi	Saint Lucia	Zambia
			Zimbabwe