



**NOTIFICATION UNDER ARTICLE 12.1(A) OF THE AGREEMENT
ON SAFEGUARDS ON INITIATION OF AN INVESTIGATION
AND THE REASONS FOR IT**

COOPERATION COUNCIL FOR THE ARAB STATES OF THE GULF "GCC"

(Certain Steel Products)

The following communication, dated on 24 October 2019, is being circulated at the request of the Sultanate of Oman as President of the GCC on behalf of the GCC Member States.¹

The Sultanate of Oman notifies the Committee on Safeguards, on behalf of GCC member States, pursuant to Article 12.1(a) of the Agreement on Safeguards, that the GCC Bureau of Technical Secretariat for Anti Injurious Practices in International Trade (TSAIP) (hereafter referred as "the Competent Authority") initiated a safeguard investigation against the increase of GCC imports of Certain Steel products.

1. Date of initiation of the investigation

The investigation was initiated upon the decision of the Permanent Committee of Anti Injurious practices in the International Trade for the Arab States of the Gulf. The notice of initiation by the Competent Authority is published in the Official Gazette of the GCC-TSAIP Volume (23) on 23 October 2019.

2. Product subject to the investigation

The Products under investigation are certain steel products which are classified under the GCC-Unified Tariff Code as following:

| No. | Products Categories | HS Code |
|-----|---|--|
| 1 | Flat Hot Rolled Coils and Sheets | 720827; 720837; 720838; 720839; 720851; 720853; 720854; 721113; 721114; 721119 |
| 2 | Cold Rolled Flat Steel Coils and Sheets | 720916; 720917; 720918; 720926; 720927; 720928; 720990; 722550 |
| 3 | Metallic Coated Steel | 721030; 721049; 721069; 721220; 721250; 721260; 722591; 722592; 722599 |
| 4 | Organic Coated Steel | 721240 |
| 5 | Reinforced Steel Bars and Wire Rod | 721310; 721320; 721391; 721399; 721410; 721430; 721510; 721550; 721590; 722710; 722720; 722810; 722820; 722840; 722850; 722860 |
| 6 | Circular, Square, and Rectangular Sticks and Rods | 721491; 721499; 722211; 722219 |
| 7 | Sections | 721610; 721631; 721632; 730810 |

¹ A copy of the Official Gazette, in Arabic only, has been submitted electronically. To consult this document please contact Ms. Richards (anne.richards@wto.org) or Ms. Naville (delphine.naville@wto.org) of the Rules Division.

| No. | Products Categories | HS Code |
|-----|---|--|
| 8 | Angles and Shapes | 721621; 721650; 730120 |
| 9 | Welded and Seamless Pipes and Tubes Including Items for Transporting Water, Gas and Oil | 730424; 730520; 730531; 730539; 730611; 730619; 730640; 730661; 730690 |

3. Reasons for the initiation of investigation

The Permanent Committee found from the available data based on the study prepared by GCC-TSAIP that there is an increase of GCC imports of the products under investigation, either in absolute or relative to the GCC production during the period 2014 - 2018, where the volume of imports of all steel products combined increased in 2015 by 19% and then almost stabilized in 2016 (a slight decrease of less than 1%) compared to 2014, and then continued to rise during 2017 and 2018 respectively by 10% and 13% compared to 2014. These imports also recorded the same trend in relative terms compared to the GCC production, where they recorded an increase during 2015 by 18% and stagnation during 2016 compared to 2014, and then continued to rise during 2017 and 2018 respectively by 20% and 16% compared to 2014. It was also found that there was a significant increase in the volume of imports of each of the products under investigation, whether in absolute or relative to production.

It was also found that the increase in imports under investigation was due to unforeseen developments, namely the increase in the global production of steel, as well as the trade procedures and measures adopted by many countries in the World against their imports of steel products, which contributed to the significant increase in GCC imports of steel products.

The Permanent Committee has decided to initiate an investigation against the increase of GCC imports of certain steel products in accordance with Article 2, paragraph 4 of the Regulations, as they are satisfied that the information, data, evidence, and facts available appear to be sufficient to justify the initiation of the investigation as per the provisions of the Common Law and its Rules of Implementation. Therefore, the notice of initiation is published in this Official Gazette while its publishing date is considered to be the effective date for the initiation of this investigation according to Article 9 of the Regulation.

The investigation aims to determine whether the products under investigation was being imported in GCC countries, as results of unforeseen developments, in such increased quantities, absolute or relative to GCC production, and under such conditions as to cause or threaten to cause a serious injury to the GCC industry that produce like or directly competitive products.

4. Procedures and deadlines

All relevant information including the information requested in this notice, questionnaire replies and correspondence provided by interested parties, must be communicated to GCC-TSAIP in writing and in electronic format and must indicate the name, address, e-mail address, telephone and fax of the interested parties.

Interested parties willing to receive a questionnaire should request it no later than 10 days from the date of publication of the initiation notice of the investigation.

A hearing will be held at the premises of the GCC-TSAIP for all interested parties to present their views and arguments, provided that all interested parties shall make themselves known to GCC-TSAIP within (21) days period from the date of publication of the initiation notice of the investigation.

5. Contact point for corresponding

Correspondences to the GCC-TSAIP shall be made to the following address:

Rihan Mubarak Fayez
General Director OF GCC- TSAIP
Secretariat General- Gulf Cooperation Council
Bureau of Technical Secretariat of Anti Injurious Practices in the International Trade
6725 Jeddah Rd – Al Hada Dist.
Unit No. 1
Riyadh 12324 - 3147
The Kingdom of Saudi Arabia
Phone: +966 112551388 – 966 112551399 Fax: +966 112810093
Email: tsad@gccsg.org.
