



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

REPLIES TO QUESTIONS¹ POSED BY THE UNITED STATES REGARDING THE NOTIFICATION OF THE KINGDOM OF BAHRAIN, THE STATE OF KUWAIT, THE SULTANATE OF OMAN, THE STATE OF QATAR, KINGDOM OF SAUDI ARABIA, AND UNITED ARAB EMIRATES (COOPERATION COUNCIL FOR THE ARAB STATES OF THE GULF "GCC")²

The following communication, dated and received on 17 June 2021, is being circulated at the request of the delegations of the Kingdom of Bahrain, the state of Kuwait, the Sultanate of Oman, the State of Qatar, the Kingdom of Saudi Arabia, and the United Arab Emirates (Cooperation Council for the Arab States of the Gulf "GCC").

Question 1

The United States notes at the outset that the notification advises of additions and removal of products from the scope of the GCC's investigation of certain steel products.³ In addition, according to Article 35 of Section II of the *Gulf Cooperation Council Common Law of Anti-dumping, Countervailing Measures and Safeguards (Rules of Implementation)*, the competent authorities must conclude all investigations within a period of twelve months, or up to eighteen months when exceptional cases merit an extension of up to six months.

Given that this investigation was initiated on October 23, 2019, please indicate the current status of the October 23, 2019, investigation, including whether the GCC competent authorities made a determination of exceptional circumstances (or similar finding) for extending the period of investigation, and the basis for that finding. Please also indicate when the competent authorities expect to conclude the investigation.

Reply:

Concerning the current status of the current proceedings, first of all, it is worth to mention that since the Permanent Committee has decided to extend the POI in accordance with the provisions of Article 23 of the Regulation given the large number of the interested parties participating in the investigation and the scope of the products under investigation and its amendments, the GCC-TSAIP confirms that the investigation is completed by the permanent committee's decision to propose the imposition of a definitive measure on GCC imports of certain steel products within eighteen months. Finally, the GCC-TSAIP confirms that the investigation is already concluded,

¹ G/SG/Q2/ARE/5 - G/SG/Q2/BHR/4 - G/SG/Q2/KWT/4 - G/SG/Q2/OMN/4 - G/SG/Q2/QAT/4 - G/SG/Q2/SAU/4.

² G/SG/N/6/ARE/3/Suppl.1 - G/SG/N/6/BHR/4/Suppl.1 - G/SG/N/6/KWT/4/Suppl.1 - G/SG/N/6/OMN/3/Suppl.1 - G/SG/N/6/QAT/3/Suppl.1 - G/SG/N/6/SAU/3/Suppl.1 (dated 20 January 2021).

³ The notice states that the investigation scope has been expanded to include metallic coated steel, reinforced steel bars and wire rod sections, and welded and seamless pipes and tubes. The following were removed from the scope: flat hot rolled coils and sheets, cold rolled flat steel coils and sheets, and welded and seamless pipes and tubes.

and the Permanent Committee has recommended imposing safeguard duty to the Ministerial Committee. Furthermore, the GCC-TSAIP will publish the decision once the Ministerial Committee approves the imposition of the measure.

Question 2

Please identify the specific provisions in the *Rules of Implementation* that authorize the competent authorities to modify the scope of an investigation.

Reply:

The GCC-TSAIP confirms that according to the provisions of Article (9) of the GCC Common Law which states that among the competences of the Permanent Committee "taking measures and procedures stated in this Law and its Rules of Implementation", the Permanent Committee issued its decision to initiate the investigation within the framework of the procedures stated in Articles 4 and 9, accordingly, the Permanent Committee has the right to amend its decision whenever it sees the justifications for this. The GCC-TSAIP also confirms that the investigation questionnaires sent to the interested parties at the initiation of the investigation mentioned clearly the possibility of adding new HS codes of the products produced by the GCC industry that were not included in the Notice of initiation and classified within the same categories of steel products under investigation. Accordingly, the Permanent Committee issued its decision to amend the scope of the products under investigation based on the evidence and information available through responses to the investigation questionnaires and the comments of the interested parties.

Question 3

On July 23, 2020, the GCC notified its finding of serious injury in this investigation.⁴ However, on January 20, 2021, the GCC notified that the competent authorities obtained "sufficient *prima facie* evidence that would justify {} modifications within the scope of the current investigation."

- (a) Please describe the nature of the *prima facie* evidence that the GCC competent authorities found would justify the modifications in the scope of investigation – the addition of products, and the exclusion of products that were part of the original investigation. Please indicate how interested parties may review this evidence and review the rationale for the modification in scope.**
- (b) Please indicate whether the GCC competent authorities have published the report and detailed analysis of the case relating to the determination made on July 23, 2020, as required by Article 3.1 and Article 4.2(c) of the *WTO Agreement on Safeguards*.**
- (c) Please explain the process that the GCC competent authorities intend to follow going forward, including the status of the determination made on July 23, 2020, and whether a remedy will be imposed based on that determination while the investigation is ongoing.**

Reply:

- (a) As mentioned in the reply to the question 2 above, the GCC-TSAIP confirms that the investigation questionnaires sent to the interested parties at the initiation of the investigation included the possibility of adding new HS codes of the products produced by the GCC industry that were not included in the Notice of initiation and classified within the same categories of steel products under investigation. Accordingly, the Permanent Committee issued its decision to amend the scope of products under investigation based on the evidence and information available through responses to the investigation questionnaires and the comments of the interested

⁴ G/SG/N/8/ARE/3 - G/SG/N/8/BHR/3 - G/SG/N/8/KWT/3 - G/SG/N/8/OMN/3 - G/SG/N/8/QAT/3 - G/SG/N/8/SAU/3 (dated 23 July 2020).

parties, where it was found that many HS codes of steel products should be added since they are produced by the GCC industry and not included in the Notice of initiation, and other products should be excluded upon request of certain interested parties. The Permanent Committee's decision of the amendment of the scope of the products under investigation was published in the Official Gazette volume 29 and an opportunity was given to all interested parties to comment on, Besides all related information was available to the interested parties through viewing the public file electronically during all the different steps of the investigation.

- (b) Yes, GCC-TSAIP confirms that a preliminary report containing a detail analysis relating to the preliminary determinations of the investigation was submitted to all interested parties, and a copy of this report was submitted to the WTO along with the Notification.
- (c) The GCC-TSAIP confirms that the investigation is completed by the permanent committee's decision to propose the imposition of a definitive measure on GCC imports of certain steel products to Ministerial Committee.

Question 4

According to Article 26 of Section II of the *Rules of Implementation*, "the investigation committee shall give an equal opportunity to all concerned and interested parties to defend their interests within the specified investigation period." Also, Article 3.1 of the *WTO Agreement on Safeguards* states that investigations shall include appropriate means for interested parties to present evidence and their views.

- a. Please identify what opportunities have been made available for registered parties to present evidence and submit their views concerning the scope modifications indicated in the January 21, 2021 notification.**
- b. Given that the scope modifications indicated in the January 21, 2021 notification expand the scope of the ongoing investigation, please identify opportunities for potential newly interested parties to present evidence and submit their comments, given that they may not have been part of the earlier phase of the investigation.**

Reply:

- a. The Permanent Committee's decision of the amendment of the scope of the products under investigation was published in the Official Gazette Volume (29), and an opportunity was given to all interested parties to comment on the decision.
 - b. GCC-TSAIP confirms that interested parties was given 7 days from the date of publication of the Official Gazette Volume (29) to comment on amendment of the scope of the products under investigation.
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