

**NOTIFICATION OF LAWS AND REGULATIONS UNDER ARTICLE 12.6  
OF THE AGREEMENT**

Replies to the Questions Posed by Argentina<sup>1</sup> Regarding the  
Notification of Mexico<sup>2</sup>

The following communication, dated 16 April 2004, is being circulated at the request of the delegation of Mexico.

**1. Article 49: Could Mexico please indicate how and when, in the course of an ex officio investigation, it analyses the sectoral adjustment plan for the purposes of the evaluation in connection with the initiation of the investigation? What evidence does it rely on?**

Reply

To date, Mexico has not initiated any safeguard investigations ex officio, so that there is no concrete background information on the evidence that would be taken into account in evaluating the readjustment plan for a sector deemed to be seriously affected by a significant increase in imports.

However, we can say that the factors that influence and determine the sector's competitiveness, together with the measures taken and the estimated time required for their implementation, may have a bearing on the analysis of the adjustment plan for a domestic industry. It should be noted that this evidence will not necessarily be required for the initiation of an investigation but is required for the application and extension of a safeguard measure.

**2. Article 50: What is meant by "natural or legal persons producing"?**

Reply

The term "natural persons" means individuals; "legal persons" means enterprises, companies or corporations that manufacture a product.

**3. Article 89B: Bearing in mind the contents of this Article and following up on the question posed by the European Communities in document G/SG/Q1/MEX/1, it would be interesting to know: (i) if there have been cases of circumvention of safeguard measures in practice; (ii) if the instances of circumvention mentioned in Article 89B apply in exactly the same way to countervailing duties as to safeguard measures.**

---

<sup>1</sup> G/SG/Q1/MEX/3.

<sup>2</sup> G/SG/N/1/MEX/1/Suppl.1.

Reply

As mentioned earlier, Mexico has very little experience in the application of safeguard measures, and it has no experience at all of safeguard circumvention procedures.

However, certain similarities might be deemed to exist, *mutatis mutandis*, between the procedures relating to circumvention of anti-dumping or countervailing duties and those relating to safeguards. This will no doubt depend on the particular circumstances of the case concerned.

---