

Committee on Safeguards

Original: English

**NOTIFICATION UNDER ARTICLE 12.5 OF THE AGREEMENT
ON SAFEGUARDS OF THE RESULTS OF A MID-TERM
REVIEW REFERRED TO IN ARTICLE 7.4**

Replies from BRAZIL to Questions
posed by the EUROPEAN COMMUNITIES¹

The following communication, dated 21 January 2000, has been received from the Permanent Mission of Brazil.

Q1. Could Brazil provide a copy of the final report of the mid-term review undertaken in the safeguard procedure concerning imports of toys, on the basis of which Brazil has notified to the Committee on Safeguards document (G/L/305-G/SG/N/13/BRA/ 1)?

Reply

The requested final report of the mid-term review can be found in Annex I.²

Q2. Brazil's notification G/SG/N/13/BRA/1 indicates that the safeguard measure was applied as an additional duty to the Mercosur Common External Tariff (TEC). How does this work in practice? Are imports into Brazil originating in other Mercosur countries exempted from the safeguard measure? Are imports into other Mercosur countries originating in third countries affected by the safeguard measure?

Reply

Since the safeguard is an increase to the import tariffs, on top of the TEC, and since Mercosur is a customs union, imports originating from Mercosur member countries are exempted from the safeguard measure. However, imports originating in non-Mercosur countries, coming into Brazil from the territory of Mercosur member countries are subject to the safeguard measure. Imports into other Mercosur countries originating in third countries are not affected by the safeguard measure.

Q3. Could Brazil provide a geographical breakdown of total imports into Brazil for the years 1991 until 1999 (available months) distinguishing between intra-Mercosur and extra-Mercosur imports?

¹ G/SG/Q2/BRA/5

² The Annexes are in the Portuguese language only and are therefore not circulated with this document. Interested delegations are requested to contact Miss S. Aspinall, Office 1028 (Tel. 739 51 09).

Reply

Brazil's annual imports statistics for finished toys, covering years 1992-1995, with country of origin of breakdown, is found in the final report that supported the decision to apply the safeguard, notified to the WTO in document G/SG/N/10/BRA/1 and G/SG/N/11/BRA/1. That report is found in Annex II.² For years 1995 through the first semester of 1999, please refer to Annex III.²

Q4. Could Brazil provide a copy of the petition filed on 20 August 1999 by the Brazilian Association of Toy Manufacturers requesting the extension of the existing safeguard measure on toys after its originally scheduled expiry date, i.e. 31 December 1999?

Reply

The requested document is in Annex IV.²
