

# **WORLD TRADE ORGANIZATION**

**G/SG/N/6/CHL/7**  
10 January 2002

(02-0105)

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**Committee on Safeguards**

Original: Spanish

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

CHILE

The following communication, dated 3 January 2002, has been received from the Permanent Mission of Chile.

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Please find attached the notification by Chile, pursuant to Article 12.1(a) of the Agreement on Safeguards, to the effect that the Chilean investigating authority, at its meeting No. 252 on 17 December 2001, decided to initiate a safeguard investigation into imports of certain steel products. This investigation was initiated on 28 December 2001, the date of publication of the related notice in the Chilean Official Journal.

**1. Specify the date when the investigation was initiated.**

The investigation was initiated on 28 December 2001, the date of publication in the Chilean Official Journal of the notice of initiation by the investigating authority.

**2. Specify the products subject to the investigation.**

**Coils, hot-rolled, pickled**, classified under tariff headings 7208.2600 and 7208.2700 of the Chilean Harmonized Tariff System; **Coils, hot-rolled**, classified under tariff headings 7208.3600, 7208.3700, 7208.3800 and 7208.3900 of the Chilean Harmonized Tariff System; **Sheets, hot-rolled**, classified under tariff headings 7208.5300 and 7208.5400 of the Chilean Harmonized Tariff System; **Coils, cold-rolled (cold-reduced)**, classified under tariff headings 7209.1600, 7209.1700 and 7209.1800 of the Chilean Harmonized Tariff System; **Sheets, cold-rolled (cold-reduced)**, classified under tariff headings 7209.2600, 7209.2700 and 7209.2800 of the Chilean Harmonized Tariff System; **Tinplate**, classified under tariff heading 7210.1200 of the Chilean Harmonized Tariff System; **Zincalume**, classified under tariff heading 7210.6100 of the Chilean Harmonized Tariff System; **Concrete-reinforcing bars and rods**, classified under tariff headings 7213.1000 and 7214.2000 of the Chilean Harmonized Tariff System; **Milling bars and rods**, classified under tariff heading 7228.3000 of the Chilean Harmonized Tariff System; **Bars and rods**, classified under tariff heading 7213.9100 of the Chilean Harmonized Tariff System and **Angles, shapes and sections and other bars and rods**, classified under tariff headings 7214.9100, 7214.9900, 7216.2100 and 7216.4000 of the Chilean Harmonized Tariff System.

**3. Provide the reasons for the initiation of the investigation.**

- (i) **The investigation was initiated at the request** of Compañía Siderúrgica Huachipato S.A. and Gerdau AZA S.A. The National Commission responsible for investigating the existence of distortions in the price of imported goods (Investigating Authority) decided to initiate the said investigation at its meeting No. 252 on 17 December 2001.

**The domestic industry** is made up of the firms Compañía Siderúrgica Huachipato S.A. and Gerdau AZA S.A.; the applicant companies are therefore representative of the domestic industry.

- (ii) **Basis for initiating the investigation**

Total imports of the products under investigation showed an increase from 1999 to 2001.

The Investigating Authority will compile and request from interested parties the information that it requires to conduct the investigation, in particular on the pattern of relations existing between the products in contention, given that these originate in the steel product chain in terms of both production and marketing and investment decisions. Direct competition which could exist between tariff items and/or product families will also be investigated, mainly involving a study of their physical characteristics, alternative uses, prices and distribution channels. Furthermore, given signs of injury or threat of injury to product families, there will also be a separate in-depth analysis at the tariff code level.

**4. Other information** (as contained in the notice of the initiation of the investigation published in the Official Journal):

Period of the investigation: The final resolution will be adopted within 90 days from the initiation of the investigation.

Public hearing: To be held on 1 March 2002, at 9.30 a.m. at Agustinas 853, 12<sup>th</sup> floor, Santiago. Parties wishing to appear at the hearing should apply in writing to the Technical Secretariat up until the third working day prior to the date fixed for the hearing.

Any information which the interested parties may wish to submit and any request for a hearing before the Commission that they may wish to put forward should be submitted within 30 days following the initiation of this investigation to the Technical Secretariat, calle Huérfanos 1175, 4<sup>th</sup> floor, Central Bank of Chile, Tel: 670-2765, Fax: 671-1881. Any additional information may be consulted at the Technical Secretariat.

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