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**UNITED STATES – DEFINITIVE SAFEGUARD MEASURES
ON IMPORTS OF CERTAIN STEEL PRODUCTS**

Request for Consultations by Switzerland

The following communication, dated 3 April 2002, from the Permanent Mission of Switzerland to the Permanent Mission of the United States and to the Chairman of the Dispute Settlement Body, is circulated in accordance with Article 4.4 of the DSU.

Switzerland hereby requests consultations with the Government of the United States (US) pursuant to Article 4 of the *Understanding on Rules and Procedures Governing the Settlement of Disputes* (DSU), Article XXII:1 of the *General Agreement on Tariffs and Trade 1994* (GATT 1994) and Article 14 of the *Agreement on Safeguards* with regard to the definitive safeguard measures imposed by the US on imports of certain steel products.

Under the "Proclamation 7529 of March 5, 2002 - To Facilitate Positive Adjustment to Competition from Imports of Certain Steel Products" and the "Memorandum of March 5, 2002 - Action Under Section 203 of the Trade Act of 1974 Concerning Certain Steel Products by the President of the US", published in the Federal Register Vol. 67, No. 45 of 7 March 2002, the US imposed definitive safeguard measures on imports of certain steel products effective as of 20 March 2002.

Switzerland considers that the US measures are in violation of the US obligations under provisions of GATT 94 and of the Agreement on Safeguards, in particular, but not necessarily exclusively, of:

1. Article 2.1 of the Agreement on Safeguards because, *inter alia*, they are based on deficient determination on the like or directly competitive products, absence of increased imports and the requisite conditions, lack of serious injury or threat thereof, or causation.
2. Article 2.2 of the Agreement on Safeguards and Article I of GATT 1994 because, *inter alia*, they failed to apply the measure to all imports irrespective of their source.
3. Article 2.1 of the Agreement on Safeguards in conjunction with Article 2.2 because, *inter alia*, they did not respect the requirement of parallelism between the scope of the investigation of the injury arising from imported products and the scope of the safeguard measures.
4. Article 3 of the Agreement on Safeguards because, *inter alia*, they failed to set forth in the published report the findings and reasoned conclusions on all pertinent issues of fact and law,

including the justification for the actual measure imposed and the justification for the exclusion of Canada and Mexico.

5. Articles 4(1) and 4(2) of the Agreement on Safeguards, because, *inter alia*, they are not justified by "imports in such increased quantities" and/or "under such conditions", lack of serious injury or threat thereof, lack of causality, and non-respect of the requirement of parallelism between the scope of the imported products subject to the investigation and the scope of the imported products subject to the application of the measures.
6. Article 5(1) of the Agreement on Safeguards, since, *inter alia*, they grant relief beyond "the extent necessary to prevent or remedy serious injury and to facilitate adjustment".
7. Article 7(1) of the Agreement on Safeguards, since, *inter alia*, they grant relief beyond "the period of time necessary to prevent or remedy serious injury and to facilitate adjustment".
8. Article 8.1 of the Agreement on Safeguards because, *inter alia*, they failed to maintain a substantially equivalent level of concessions and other obligations.
9. Articles 12 of the Agreement on Safeguards because, *inter alia*, they did not provide pertinent information and "adequate opportunity" for consultations regarding the application of a safeguard measure.
10. Article I:1 of the GATT 1994, since, *inter alia*, the safeguard measure discriminates between products originating in Switzerland and products originating in other WTO countries.
11. Article XIX:1 of the GATT 1994 because, *inter alia*, they failed to show prior to the application of the measures, that the increases in imports and the conditions of importation of the products covered by the above-mentioned measures were the result of "unforeseen developments" and of the effect of the US obligations under the GATT 1994.

Switzerland looks forward to receiving a reply from the United States in order to fix a mutually convenient date and place for consultations.

Switzerland reserves all its rights regarding the pursuit of the rights and remedies provided for under the Agreement on Safeguards and the Dispute Settlement Understanding.
