

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

MEXICO

The following communication, dated 16 July 2010, is being circulated at the request of the delegation of Mexico.

In the interests of transparency and pursuant to Article 12.1(a) of the WTO Agreement on Safeguards, Mexico hereby notifies the Committee on Safeguards of the "Resolution accepting the application of an interested party and declaring the initiation of a safeguard investigation concerning imports of spiral-welded steel pipes and tubes, classified under heading 7305.19.01 of the Tariff established under Mexico's General Import and Export Duty Law"¹, which was made publicly available by the investigating authority through publication in the Mexican Official Journal of 2 July 2010.

1. Date of initiation of the investigation

The above-mentioned Resolution initiating the investigation enters into force on the day following its publication in the Official Journal.

2. Description of the product subject to the investigation

The products subject to the investigation are spiral-welded steel pipes and tubes of 30 inches in diameter and 11.5 metres in length, manufactured in accordance with the specifications of American Petroleum Institute (API) Standard API 5L and certified to comply with this Standard. These products are classified under heading 7305.19.01 of the Tariff established under Mexico's General Import and Export Duty Law. They are mainly used for gas pipelines, but also for water supply systems. According to the information provided by the applicants, the main users of this kind of pipe in Mexico are gas transport companies and Petróleos Mexicanos.

3. Reasons for the initiation of the investigation

On 6 April 2010, the companies Tubesa, S.A. de C.V. and Fabricaciones Industriales Tumex, S.A. de C.V. filed an application for the initiation of a safeguard investigation and the imposition of provisional measures owing to critical circumstances. The investigating authority

¹ A copy of this Resolution (in Spanish only) has been submitted electronically. Anyone wishing to consult this document should contact Ms Budd (hilary.budd@wto.org) or Ms Naville (delphine.naville@wto.org) at the Rules Division.

accepted the application by the interested party and thus declared the initiation of the investigation, as indicated in the said Resolution, published on 2 July 2010.

The initiation of the investigation is warranted given that it has been demonstrated that imports of the product that is the subject of the application have increased significantly in absolute terms and relative to market size and domestic production, and there is sufficient evidence that they took place under such conditions as to cause or threaten to cause serious injury to the domestic industry that produces like or directly competitive products. At this stage of the investigation, the imports under review are from India, China, Japan, Russia, Iraq and North Korea.

4. Contact points for the investigation

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Enquiries related to this investigation should be submitted by e-mail, where possible.

5. Evidentiary period

Pursuant to the last paragraph of Article 3 and Article 53 of the Foreign Trade Law, Articles 125.I and 164 of the Regulations of the Foreign Trade Law and Article 3.1 of the WTO Agreement on Safeguards, importers, exporters, foreign legal persons and any other person who considers that they have an interest in the outcome of the investigation has a period of twenty-eight working days to submit the official forms established for this purpose and the arguments and evidence they deem relevant. This period ends at 2 p.m. on the twenty-eighth day.

The period of twenty-eight working days established for the importers, exporters and foreign legal persons specified in point 16 of the above-mentioned Resolution, as well as for the governments of India, China, Japan, Russia, Iraq and North Korea, will begin as of the date on which the notification is sent. With regard to all other interested persons, notification will be considered to have been made upon publication of the Resolution and the period of twenty-eight working days will begin as of the day following its publication in the Official Journal.

The public hearing will be held on 24 September 2010 at the headquarters of the International Trade Practices Unit (Insurgentes Sur 1940, planta baja, Colonia Florida, C.P. 01030, Mexico, Federal District) or in another location specified in advance by this Unit.
