

9 July 2019

Original: Spanish

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# **Committee on Safeguards**

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

COSTA RICA

(Sugar in solid form, granulated, known as white sugar)

The Republic of Costa Rica hereby submits to the Committee on Safeguards the following notification under Article 12.1(a) of the Agreement on Safeguards regarding the initiation of an investigation procedure with a view to the application of a safeguard measure to imports of "sugar in solid form, granulated, known as white sugar, for household and industrial consumption, including plantation, specialty and refined white sugars".

## 1 DATE WHEN THE INVESTIGATION WAS INITIATED

An excerpt of the Resolution initiating the investigation was published in Official Journal *La Gaceta* No. 115 of 20 June 2019.

As provided under the Resolution, the initiation of the investigation is effective 10 calendar days after publication in the Official Journal *La Gaceta*. The full text of the Resolution is available at both the following links:

https://www.imprentanacional.go.cr/pub/2019/06/20/COMP 20 06 2019.pdf

https://www.meic.go.cr/meic/web/169/defensa-comercial/resoluciones-finales.php

#### **2 PRODUCT SUBJECT TO INVESTIGATION**

"Sugar in solid form, granulated, known as white sugar, for household and industrial consumption, including plantation, specialty and refined white sugars", which, under the Harmonized Commodity Description and Coding System, enters Costa Rica under tariff item 1701.99.00.00.

# **3 REASONS FOR THE INITIATION OF THE INVESTIGATION**

On 14 February 2019, the Agro-Industrial Sugar Cane League (LAICA) and the agents of four mills, on behalf of the domestic industry, submitted an application for an investigation with a view to the application of a general safeguard measure pursuant to Article XIX of the GATT 1994, the Agreement on Safeguards, and the Central American Regulations on Safeguard Measures.

On the basis of a preliminary evaluation of the relevant factors, such as increased imports of the product subject to investigation in both relative and absolute terms in the periods 2015-16, 2016-17 and 2017-18, as well as the situation of the domestic industry (in particular, the decline in sales and installed capacity and its profit and loss figures), the Trade Defence Directorate of the Ministry of the Economy, Industry and Trade, as the investigating authority, considered that the application submitted by the domestic industry met all of the requirements justifying the initiation of the investigation procedure.

#### **4 CONTACT INFORMATION**

Any questions regarding the procedure referred to above may be addressed to Daniela Castro Murillo and Andrea Granados Soto of the Trade Defence Directorate of the Ministry of the Economy, Industry and Trade by email (<a href="mailto:dcastro@meic.qo.cr/agranados@meic.qo.cr">dcastro@meic.qo.cr</a>/agranados@meic.qo.cr</a>) or phone ((506) 2549-1400).

#### **5 DEADLINES AND PROCEDURES**

#### i. Presentation of evidence and views

Pursuant to Article 14(j) of the Central American Regulations on Safeguard Measures, the parties will have a period of 10 working days as from the date of notification of the investigation to submit their arguments and any evidence they may wish to produce.

In accordance with Article 15 of the Central American Regulations on Safeguard Measures, the parties will have a period of 45 calendar days as from the day following the notification, a period which may be extended by up to 30 days, in which to submit evidence.

# ii. Deadlines and procedures for Members and exporters to identify themselves as interested parties

Pursuant to the Resolution initiating the investigation, anyone who considers themselves to be an interested party to the proceedings has a period of eight working days as from the date of publication of the Resolution in the Official Journal *La Gaceta* to appear in person before the investigating authority and demonstrate that they have a direct interest in the case and that they fulfil the requirements to be considered as such.

## iii. Date of the intended public hearings

Pursuant to Article 24 of the Central American Regulations on Safeguard Measures, during the investigation procedure the investigating authority will notify the parties of the holding of a public hearing 15 working days in advance.