



3 April 2019

(19-2128)

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Committee on Safeguards

Original: English

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

KAZAKHSTAN

(Microwave ovens)

The following communication, dated 3 April 2019, is being circulated at the request of the Delegation of Kazakhstan.*

1. Specify the date when the investigation was initiated

The investigation was initiated on 1 March 2019.

Public notice of the initiation of a safeguard investigation on imports of microwave ovens imported into the customs territory of the Eurasian Economic Union was published on 1 March 2019 on the official website of the Eurasian Economic Union (http://eec.eaeunion.org/ru/act/trade/podm/investigations/PublicDocuments/SG11_notice_initiation.pdf) (hereinafter the Notice of initiation).

ID number of investigation: SG-11.

2. Provide the precise description of the product involved

The product subject to the investigation is microwave ovens.

Microwave ovens are classified under the following code within the Common Commodity Nomenclature of Foreign Economic Activity of the Eurasian Economic Union: 8516 50 000 0.

3. Provide the reasons for the initiation of investigation

The investigation was initiated on the basis of results of consideration of the application filed by Eurasian Economic Union (hereinafter the Union) producer of microwave ovens.

The information provided in the application indicates that total imports of microwave ovens into the customs territory of the Union increased both in absolute and relative terms. In the period 2015 - 2018 in absolute terms total imports increased by 85,6 %. The market share of total imports in the period 2015 -2018 increased by 14,6 percentage points. In 2015 the volume of imports exceeded the volume of production of like or directly competitive product in the Union by 1,5 times, whereas in 2018 the volume of imports exceeded the volume of production of like or directly competitive product in the Union by 3 times.

There is also sufficient evidence in the application showing that the imports of microwave ovens have caused or are threatening to cause serious injury of the position of the Union industry. In

* The content of this notification is the same as the content of notifications submitted by the Russian Federation (G/SG/N/6/RUS/6).

particular, volume of sales, the market share of the Union industry, investments etc. decreased in the period 2015 – 2018 and in 2018 as compared with 2017. In addition, even though the import prices were throughout the period higher than the Union industry's sales prices, the price gap narrowed in the period 2015 – 2018. The narrowing price gap has had a negative impact on the Union industry's sales prices resulting in a decline in the level of profitability in 2018 compared with 2017.

The state of the Union industry in the period 2015 – 2018, and specifically in 2018 as compared with 2017, indicates that the Union industry is vulnerable to a further increase in imports, which is likely to be imminent given the context of an reorientation of exports microwave ovens of major suppliers from the European Union's market to the Union's market in consequence more attractive prices on the Union's market, fluctuations of the Chinese currency and liquidation a number of Union's producers.

For more details on the reasons for the initiation of the investigation please refer to the Notice of initiation.

4. Provide a point of contact for the investigation and identify the preferred means for corresponding.

Department for Internal Market Defence (DIMD)
Eurasian Economic Commission
3/5, Smolensky boulevard
Moscow, 119121, Russia
Tel +7 (495) 669-24-00 # 1316, # 4957, #1272
E-mail: tradedefence@eecommission.org

5. Provide the deadlines and procedures for importers, exporters and other interested parties to present evidence and their views

In accordance with the Protocol on Application of Safeguard, Anti-Dumping and Countervailing Measures to Third Countries (Annex № 8 to the Treaty on the Eurasian Economic Union of 29.05.2014), interested parties may declare their intention to seek participant status not later than 25 days from the date of initiation of the investigation. Participants to the safeguard investigation have the right to request access to the non-confidential file and participate in public hearings.

The participants to the safeguard investigation may request for public hearings within 45 days from the date of initiation of the investigation.

Interested parties should submit comments within 60 days from the date of the initiation of the investigation in writing in the Russian language to the following address:

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Eurasian Economic Commission
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Moscow, 119121, Russia
E-mail: tradedefence@eecommission.org
