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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

Morocco

Lighting columns

The following communication, dated and received on 26 April 2021, is being circulated at the request of the delegation of Morocco.

Pursuant to Article 12.1(a) of the Agreement on Safeguards, Morocco hereby notifies the initiation of a safeguard investigation concerning imports of lighting columns.

1. Date of initiation of the investigation

The Ministry of Industry, Trade and the Green and Digital Economy (hereinafter the Ministry) has decided to initiate a safeguard investigation concerning imports of lighting columns, as from 23 April 2021.

A notice concerning the initiation of the investigation is available to the public on the Ministry's website (http://www.mcinet.gov.ma/ce/antidumping/avis sauvgarde.asp).

2. Products subject to the investigation

The products subject to the investigation are lighting columns, which are metal supports designed to hold one or more luminaires or floodlights, consisting of a pole (or shaft) and possibly an extension piece or one or more brackets.

The columns are imported into Morocco under the following Harmonized System tariff headings: 7308.20.00.00 and 7308.90.00.00.

3. Reasons for initiation of the investigation

The investigation was initiated by the Ministry following a petition submitted by the domestic lighting column industry.

According to the petition, imports of lighting columns increased massively by 82% in absolute terms during the 2015-2020 review period, rising from 8,285 tonnes in 2015 to 15,104 tonnes in 2020. At the same time, between 2015 and 2020, imports of these products increased by 26% relative to domestic production, rising from 87% to 110%.

Moreover, this massive upsurge in imports would appear to be the result of an unforeseen change in circumstances, such as the increase in global steel product production capacities, the rise in protective measures at the international level applied to iron or steel products, and the devastating impact of the COVID-19 pandemic on the global economy.

There is also sufficient evidence showing that imports of the products in question had a negative impact on a number of the domestic column industry's economic indicators in 2019 and 2020, particularly sales and market share, which has adversely affected its financial results. The deterioration of these indicators has coincided with the increase in imports and their share of the domestic market.

In addition to the injury found, it is claimed that the industry in question faces more serious injury unless a safeguard measure is introduced.

According to the information in the petition, given the global production overcapacity in the steel product sector, the tightening of protective measures implemented by third countries in this sector and the resulting diversion of trade flows, and the considerable world stocks available to exporters, there is a risk that the situation of the domestic industry may deteriorate further in the near future.

4. Deadlines and procedures for importers, exporters and other interested parties to present evidence and views, including (i) deadlines and procedures for Members and exporters to identify themselves as interested parties, if so required, to participate in the investigation and (ii) the date of an intended hearing as provided for in Article 3.1

In order to gather the information required for its investigation, the Ministry will send questionnaires to known domestic producers of like or directly competitive products.

Interested parties wishing to participate in this investigation may make themselves known and put forward their views and comments on the initiation of the investigation by contacting the Ministry via email as soon as possible and by 28 May 2021 at the latest.

Interested parties wishing to receive and complete the investigation questionnaire must request to do so by contacting the Ministry via email as soon as possible and by 7 May 2021 at the latest.

Completed questionnaires must reach the Ministry within the time-limits indicated in the questionnaires. Any party requesting an extension of these time-limits must show good cause.

Any confidential submissions or submissions containing confidential information must be provided to the Ministry in both a confidential and public version, in accordance with the instructions set forth in the following point.

Any views, comments and information submitted after the deadlines indicated above may be disregarded in this investigation.

During the investigation, the Ministry may hold a public hearing, either *ex officio* or at the request of the parties concerned, to allow interested parties to put forward their views and defend their interests. Once agreement has been reached on holding a public hearing, the Ministry will, in due course, inform the interested parties of the date on which it will take place and the arrangements for the event.

5. Contact point for correspondence concerning the investigation

Interested parties are invited to submit all their documents, comments and requests via email, with the exception of voluminous documents or responses, which must be provided on USB drives or delivered by hand or registered mail.

Registered mail is to be sent to the address below, indicating the name, postal address, email, telephone and fax numbers of the interested party making the submission.

Ministère de l'Industrie, du Commerce et de l'Économie Verte et Numérique **Direction Générale du Commerce** Direction de la Défense et de la Réglementation Commerciale **Division de la Défense Commerciale**

Parcelle 14, Business center, aile Nord bd Riad, Hay Riad. BP 610, Rabat Chellah, Morocco Tel.: (+212) 537 70 18 46

Fax: (+212) 537 72 71 50

Email:

ddc-svg-candelabre@mcinet.gov.ma