

10 March 2020

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Safeguards Committee

NOTIFICATION UNDER ARTICLE 12.1(B) OF THE AGREEMENT ON SAFEGUARDS ON FINDING A SERIOUS INJURY OR THREAT

VIET NAM

THEREOF CAUSED BY INCREASED IMPORTS

Diammonium Phosphate and Monoammonium Phosphate fertilizers

Supplement

The following communication, dated 10 March 2020, is being circulated at the request of the delegation of Viet Nam.

Pursuant to Article 12.1(b) of the WTO Agreement on Safeguards, the Ministry of Industry and Trade of the Socialist Republic of Viet Nam hereinafter referred as "MOIT", hereby notifies that there has been a finding of serious injury or threat thereof caused by increased imports of "certain fertilizers of Diammonium Phosphate (DAP) and Monoammonium Phosphate (MAP)" under HS Code 3105.10.90; 3105.30.00; 3105.40.00; 3105.51.00; 3105.59.00; 3105.90.00.

1. Provide evidence of serious injury or threat thereof caused by increased imports

The domestic industry has changed positively with the application of safeguard measure. However, the domestic industry has not yet achieved profit during the period of safeguard application and the growth rate has begun to show signs of decline from 2019. This fact shows that the domestic industry is still under intense competition pressure from imports when the damage has not been overcome.

2. Provide information on whether there is an absolute increase in imports or an increase in imports relative to domestic production

Year	2016	2017	2018	6M 2018	6M 2019
Imports (Ton)	862,918	952,186	676,432	291,563	268,857
Trend (%)	-	10.34	-28.96	-	-7.79
The ratio of imports to domestic consumption(%)	80.37	74.34	64.11	59.19	62.58

The volume of imports under review tended to decrease from 952,186 tons in 2017 to 676,432 tons in 2018. However, as the safeguard tariff gradually decreased, the amount of imports under review began to tend to increase relative to domestic production and domestic consumption, the proportion of imports. The total domestic consumption increased from 59.19% in the first 6 months of 2018 to 62.58% in the first 6 months of 2019.

3. Provide a precise description of the product involved

Certain mineral or chemical fertilizers under HS Code 3105.10.90; 3105.30.00; 3105.40.00; 3105.51.00; 3105.59.00; 3105.90.00 imported into Viet Nam.

4. If the final measure replaces a provisional measure, or if a final measure is extended, provide a written description of any part of the imported product that will no longer be subject to the measure and the Harmonized System numbers under which it enters at least at the 6-digit level, and at a sub-national level (e.g., 8-digit, 9-digit, or 10-digit level) if practicable

Not applicable.

5. Provide a precise description of proposed measure

The MOIT has not yet proposed measures in response to the MOIT's determination of serious injury. The MOIT is now considering recommendations as to the appropriate measures.

6. Provide proposed date of introduction of the measure

See response to item 5 above.

7. Provide expected duration of the measure

See response to item 5 above.

8. For a measure with a duration of more than three years, provide the proposed date for the review (under Article 7.4) to be held not later than the mid-term of the measure, if such a date for the review has already been scheduled

See response to item 5 above.

9. If the expected duration is over one year, provide expected timetable for progressive liberalization of the measure

See response to item 5 above.

- 10. If the notification relates only to a finding of serious injury or threat thereof, and does not relate to a decision to apply or extend a safeguard measure
 - i. provide the deadline for interested parties to comment or any other procedures relevant to the decision to apply the measures, and
 - ii. provide information regarding procedures for prior consultation with those Members having a substantial interest as exporters of the product concerned.

Information regarding the procedures and relevant deadlines with regard to the investigation is contained in the notice of initiation.

Further information and comments should be sent to:

LEGAL AFFAIRS DIVISION

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