ARTICLE XIX - ACTION BY THE EUROPEAN COMMUNITIES (SPAIN)

Certain Steel Products

The following communication, dated 1 June 1987, has been received from the Commission of the European Communities.

By decision of 30 March 1987 the Spanish Authorities have taken safeguard measures concerning the import of certain steel products to Spain according to the provisions of Article 71.1 of the Treaty establishing the European Coal and Steel Community.

The decision was published in the Spanish Official Journal of 10 April 1987 and is applicable until the end of this year. The measure provides for a temporary limitation of imports of these steel products into Spain. These measures were adopted because of a threat of serious injury to Spanish producers.

The measure has been taken pursuant to the provisions of Article XIX of the General Agreement and every effort will be made to avoid a prolongation of the action.

Spain is willing to hold consultations with interested supplying contracting parties, as required under Article XIX.

A copy of the Decision of 30 March 1987 is attached.
Sir,

In view of the injury which imports of certain steel products during 1986 had been causing to the domestic output of those products, the Spanish Government proposed - and the Commission agreed by its decision of 17 December 1986 - that the Commission should authorize the extension to the current year, 1987, of the period of application of the safeguard measures applied in 1986 to imports of some of these products of Community origin or provenance;

Considering that there was a threat that the above-mentioned injury would continue during 1987, the Spanish Government, in a letter addressed to the Commission on 27 February last, requested the possible extension of import restrictions to third countries, under the safeguard clause.

Not having received a positive reply from the Commission, in accordance with the existing rule, within twelve working days of the request, and pursuant to Commission Recommendation 77/328/CECA of 15 April 1977, and in particular to the provisions of Article 4.2 thereof, the Spanish Government, following due consultations, has decided to take a number of measures at the national level to ensure the necessary protection for the steel sector, and therefore the Office of the Secretary of State has seen fit to issue the following instructions:

1. Without prejudice to the Agreements concluded by the Community on steel products, imports of the five categories of products (Ia, Ib, Ic, II and IV) of which the Nimexe numbers are listed in the annex to Circular No. 7 of the Office of the Secretary of State for Trade, originating in or coming from third countries, shall be limited to the average figure for imports from those countries, by categories, during the years 1982 to 1986, inclusive. In accordance with the provisions of Article XIX of the General Agreement on Tariffs and Trade, supplying countries shall be offered the possibility of holding consultations for determining the quantities to be imported by Spain during 1987.
2. The figure for imports by country shall be considered as the minimum to be imported during the current year, and shall be distributed among possible exporting countries in accordance with their export tradition; the relevant quotas shall be distributed among requesting importers on a pro-rata basis if the requested figure is higher than what they could be allowed.

Communicated to you for your information and action.

Madrid, 30 March 1987. The Secretary of State,
Miguel Angel Fernández Ordóñez.

To: The Director General of Foreign Trade.