

WORLD TRADE ORGANIZATION

G/SG/N/6/JPN/1
5 January 2001

(01-0035)

Committee on Safeguards

Original: English

AGREEMENT ON SAFEGUARDS ON INITIATION OF AN INVESTIGATION AND THE REASONS FOR IT

JAPAN

The following communication, dated 22 December 2000, has been received from the Permanent Mission of Japan.

I have pleasure in sending you the notifications on the initiation of a safeguard investigation on the following three items:

1. "Tatami-omote"
2. "Welsh Onion"
3. "Shitake Mushrooms"

TATAMI-OMOTE

Pursuant to Article 12.1(a) of the WTO Agreement on Safeguards, and in light of the format for notifications under the Agreement on Safeguards adopted by the Committee on Safeguards (G/SG/N/6, February 1995), the Government of Japan hereby notifies that the competent authorities have initiated a safeguards proceeding, as follows:¹

1. Date of initiation of the investigation

22 December 2000

2. Product subject to the investigation

Tatami-Omote, woven by Igusa (*Juncus effusus*) or Shichitai (*Cyperus tegetiformis*) as the warp and by thread as the weft, classified in subheadings 4601.91.210 of Import Statistical Schedule of Japan based on the nomenclature of the International Convention on the Harmonized Commodity Description and Coding System.

3. Principal Reasons for the initiation of the investigation

Based on the materials obtained so far, the Government of Japan has found that it can be estimated that imports of the product increased by 140 per cent whereas domestic production declined by 46 per cent, price of domestic product by 20 per cent, and gross income by 57 per cent, from 1997 to 2000, and that there is sufficient evidence to initiate investigation.

4. The period covered by the investigation

From 1 January 1996 to 31 December 2000

5. The summary of the matters subject to the investigation

- (1) Information on the fact that the product subject to the investigation is being imported in such increased quantities, absolute or relative to domestic production, as a result of unforeseen developments of circumstances including a decline in the price of the product in any foreign country
 - (a) The rate of the increase in imports of the product subject to the investigation
 - (b) The amount of the increase, absolute or relative to the domestic production, in imports of the product subject to the investigation
 - (c) Any other matters which should be referred to for the finding of increase, absolute or relative to the domestic production, in imports of the product subject to the investigation

¹ Ministry of Finance Notification No.435, Ministry of International Trade and Industry Notification No.826.

- (2) Information on the fact that import of the product subject to the investigation causes or threatens to cause serious injury to the domestic industry which produces the like products or directly competitive products in terms of their use
 - (a) The share of the domestic market taken by increased imports of the product subject to the investigation
 - (b) Domestic sales and production of the product subject to the investigation
 - (c) Productivity, capacity utilization, profits and losses, and employment of the domestic industry
 - (d) Any other relevant factors of an objective and quantifiable nature having a bearing on the situation of the domestic industry

6. Time limits for submission of evidence etc.

- (1) Time limit for submitting the evidence or giving testimony² : 22 March 2001
- (2) Time limit for viewing the evidence etc.³ : 27 April 2001
- (3) Time limit for presenting the views⁴ : 27 April 2001
- (4) Time limit for providing the information⁵ : 27 April 2001

7. Other matters concerning the investigation

- (1) Evidence etc. should be submitted to:
 - (a) Planning and Legal Division, Customs and Tariff Bureau, Ministry of Finance
(From 6 January 2001, Tariff Policy and Legal Division, customs and Tariff Bureau, Ministry of Finance)⁶
3-1-1. Kasumigaseki, Chiyoda-ku, Tokyo, 100-8490, JAPAN
 - (b) Trade Policy Planning and Investigation Office, International Trade Administration Bureau, Ministry of International Trade and Industry
(From 6 January 2001, Trade Licencing Division, Trade Council Department, Trade and Economic Cooperative Bureau, Ministry of Economy, Trade and Industry)
1-3-1. Lasumigaseki, Chiyoda-ku, Tokyo 100-8901, JAPAN

² Under the first sentence of paragraph 1 of Article 4 of the Cabinet Order concerning Emergency Duties (hereinafter, "the Cabinet Order"), or under the first sentence of paragraph 1 of Article 12 of the Regulations to Govern Emergency Measures to be taken in Response to an Increase in the Importation of Goods (hereinafter, "the Regulations"). Laws, regulations and administrative procedures relating to safeguard measures of Japan are provided in the document G/SG/N/1/JPN/2 + Corr.1.

³ Under paragraph 1 of Article 5 of the Cabinet Order, or under paragraph 1 of Article 13 of the Regulations.

⁴ Under paragraph 1 of Article 6 of the Cabinet Order, or under paragraph 1 of Article 14 of the Regulations.

⁵ Under paragraph 1 of Article 7 of the Cabinet Order, or under paragraph 1 of Article 15 of the Regulations.

⁶ The names of relevant authorities will be changed from 6 January 2001, because of the reorganization of the government.

- (2) The evidence, testimony or any other information which are presented, in the course of the investigation, to either one of the Ministry of Finance or the Ministry of International Trade and Industry will be considered as presented to both Ministries.
- (3) Japanese translations shall be attached to the presentation of evidence etc. made in languages other than Japanese.

WELSH ONION

Pursuant to Article 12.1(a) of the WTO Agreement on Safeguards, and in light of the format for notifications under the Agreement on Safeguards adopted by the Committee on Safeguards (G/SG/N/6, February 1995), the Government of Japan hereby notifies that the competent authorities have initiated a safeguards proceeding, as follows:⁷

1. Date of initiation of the investigation

22 December 2000

2. Product subject to the investigation

Welsh Onion, fresh or chilled, classified in subheadings 0703.90.000 of Import Statistical Schedule of Japan based on the nomenclature of the International Convention on the Harmonized Commodity Description and Coding System.

Scientific name : "*Allium fistulosum* L."

3. Principal Reasons for the initiation of the investigation

Based on the materials obtained so far, the Government of Japan has found that imports of the product increased by 811 per cent whereas domestic shipment declines by 2 per cent, wholesale price by 12 per cent, gross income by 14 per cent, from 1997 to 1999 (fiscal year), and the same trend is acknowledged in 2000 (fiscal year) and that there is sufficient evidence to initiate investigation.

4. The period covered by the investigation

From 1 January 1996 to 31 December 2000

5. The summary of the matters subject to the investigation

- (1) Information on the fact that the product subject to the investigation is being imported in such increased quantities, absolute or relative to domestic production, as a result of unforeseen developments of circumstances including a decline in the price of the product in any foreign country
 - (a) The rate of the increase in imports of the product subject to the investigation
 - (b) The amount of the increase, absolute or relative to the domestic production, in imports of the product subject to the investigation

⁷ Ministry of Finance Notification No.433, Ministry of International Trade and Industry Notification No.824.

- (c) Any other matters which should be referred to for the finding of increase, absolute or relative to the domestic production, in imports of the product subject to the investigation
- (2) Information on the fact that import of the product subject to the investigation causes or threatens to cause serious injury to the domestic industry which produces the like products or directly competitive products in terms of their use
 - (a) The share of the domestic market taken by increased imports of the product subject to the investigation
 - (b) Domestic sales and production of the product subject to the investigation
 - (c) Productivity, capacity utilization, profits and losses, and employment of the domestic industry
 - (d) Any other relevant factors of an objective and quantifiable nature having a bearing on the situation of the domestic industry.
- 6. Time limits for submission of evidence etc.
 - (1) Time-limit for submitting the evidence or giving testimony⁸ : 22 March 2001
 - (2) Time-limit for viewing the evidence etc.⁹ : 27 April 2001
 - (3) Time-limit for presenting the views¹⁰ : 27 April 2001
 - (4) Time-limit for providing the information¹¹ : 27 April 2001
- 7. Other matters concerning the investigation
 - (1) Evidence etc. should be submitted to:
 - (a) Planning and Legal Division, Customs and Tariff Bureau, Ministry of Finance
(From 6 January 2001, Tariff Policy and Legal Division, Customs and Tariff Bureau, Ministry of Finance)¹²
3-1-1, Kasumigaseki, Chiyoda-ku, Tokyo 100-8490, JAPAN

⁸ Under the first sentence of paragraph 1 of Article 4 of the Cabinet Order concerning Emergency Duties (hereinafter, "the Cabinet Order"), or under the first sentence of paragraph 1 of Article 12 of the Regulations to Govern Emergency Measures to be taken in response to an Increase in the Importation of Goods (hereinafter, "the Regulations"). Laws, regulations and administrative procedures relating to safeguard measures of Japan are provided in the document G/SG/N/1/JPN/2 + Corr.1.

⁹ Under paragraph 1 of Article 5 of the Cabinet Order, or under paragraph 1 of Article 13 of the Regulations.

¹⁰ Under paragraph 1 of Article 6 of the Cabinet Order, or under paragraph 1 of Article 14 of the Regulations.

¹¹ Under paragraph 1 of Article 7 of the Cabinet Order, or under paragraph 1 of Article 15 of the Regulations.

¹² The names of relevant authorities will be changed from 6 January 2001, because of the reorganization of the government.

- (b) Trade Policy Planning and Investigation Office, International Trade Administration Bureau, Ministry of International Trade and Industry
(From 6 January 2001, Trade Licensing Division, Trade Council Department, Trade and Economic Cooperative Bureau, Ministry of Economy, Trade and Industry)
1-3-1, Kasumigaseki, Chiyoda-ku, Tokyo 100-8901, JAPAN
- (2) The evidence, testimony or any other information which are presented, in the course of the investigation, to either one of the Ministry of Finance or the Ministry of International Trade and Industry will be considered as presented to both Ministries.
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SHITAKE MUSHROOMS

Pursuant to Article 12.1(a) of the WTO Agreement on Safeguards, and in light of the format for notifications under the Agreement on Safeguards adopted by the Committee on Safeguards (G/SG/N/6, February 1995), the Government of Japan hereby notifies that the competent authorities have initiated a safeguards proceeding, as follows¹³ :

1. Date of initiation of the investigation

22 December 2000

2. Product subject to the investigation

Fruit body of Shiitake Mushrooms, fresh or chilled, classified in subheadings 0709.51.020 of the Import Statistical Schedule of Japan based on the nomenclature of the International Convention on the Harmonized Commodity Description and Coding System.
Scientific name : "*Lentinus edodes* Sing.(Tricholomataceae)"

3. Principal Reasons for the initiation of the investigation

Based on the materials obtained so far, the Government of Japan has found that it can be estimated that imports of the product increased by 64 per cent whereas domestic shipment declined by 10 per cent, wholesale price by 11 per cent, gross income by 20 per cent, and net income by 60 per cent, from 1997 to 2000, and that there is sufficient evidence to initiate investigation.

4. The period covered by the investigation

From 1 January 1996 to 31 December 2000

5. The summary of the matters subject to the investigation

- (1) Information on the fact that the product subject to the investigation is being imported in such increased quantities, absolute or relative to domestic production, as a result of unforeseen developments of circumstances including a decline in the price of the product in any foreign country

¹³ Ministry of Finance Notification No.434, Ministry of International Trade and Industry Notification No.825.

- (a) The rate of the increase in imports of the product subject to the investigation
 - (b) The amount of the increase, absolute or relative to the domestic production, in imports of the product subject to the investigation
 - (c) Any other matters which should be referred to for the finding of increase, absolute or relative to the domestic production, in imports of the product subject to the investigation
- (2) Information on the fact that import of the product subject to the investigation causes or threatens to cause serious injury to the domestic industry which produces the like products or directly competitive products in terms of their use
- (a) The share of the domestic market taken by increased imports of the product subject to the investigation
 - (b) Domestic sales and production of the product subject to the investigation
 - (c) Productivity, capacity utilization, profits and losses, and employment of the domestic industry
 - (d) Any other relevant factors of an objective and quantifiable nature having a bearing on the situation of the domestic industry

6. Time limits for submission of evidence etc.

- (1) Time limit for submitting the evidence or giving testimony¹⁴ : 22 March 2001
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¹⁴ Under the first sentence of paragraph 1 of Article 4 of the Cabinet Order concerning Emergency Duties (hereinafter, "the Cabinet Order"), or under the first sentence of paragraph 1 of Article 12 of the Regulations to Govern Emergency Measures to be taken in Response to an Increase in the Importation of Goods (hereinafter, "the Regulations"). Laws, regulations and administrative procedures relating to safeguard measures of Japan are provided in the document G/SG/N/1/JPN/2 + Corr.1.

¹⁵ Under paragraph 1 of Article 5 of the Cabinet Order, or under paragraph 1 of Article 13 of the Regulations

¹⁶ Under paragraph 1 of Article 6 of the Cabinet Order, or under paragraph 1 of Article 14 of the Regulations

¹⁷ Under paragraph 1 of Article 7 of the Cabinet Order, or under paragraph 1 of Article 15 of the Regulations

3-1-1, Kasumigaseki, Chiyoda-ku, Tokyo 100-8940, JAPAN

- (b) Trade Policy Planning and Investigation Office, International Trade Administration Bureau, Ministry of International Trade and Industry
(From 6 January 2001, Trade Licensing Division, Trade Council Department, Trade and Economic Cooperative Bureau, Ministry of Economy, Trade and Industry)
1-3-1, Kasumigaseki, Chiyoda-ku, Tokyo 100-8901, JAPAN
- (2) The evidence, testimony or any other information which are presented, in the course of the investigation, to either one of the Ministry of Finance or the Ministry of International Trade and Industry will be considered as presented to both Ministries.
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