

**NOTIFICATION UNDER ARTICLE 12.4 OF THE AGREEMENT ON SAFEGUARDS
BEFORE TAKING A PROVISIONAL SAFEGUARD MEASURE
REFERRED TO IN ARTICLE 6**

**NOTIFICATION PURSUANT TO ARTICLE 9, FOOTNOTE 2 OF
THE AGREEMENT ON SAFEGUARDS**

RUSSIA

(Harvesters)

The following communication, dated 20 December 2012, is being circulated at the request of the Delegation of Russia.

A. NOTIFICATION UNDER ARTICLE 12.4 BEFORE TAKING A PROVISIONAL SAFEGUARD MEASURE REFERRED TO IN ARTICLE 6

1. Provide the precise description of the product involved.

Provide the Harmonized System numbers under which the product enters at least at a 6-digit HS level, and at a sub-national level (e.g. 8-digit HS, 9-digit HS or 10-digit HS) if practicable. (The HS codes will be provided for reference purposes only.)

Combine harvesters and modules, consisting at least of threshing and separating device, equipped or not equipped with the threshing drum, cleaning systems and engine mounted on the support base or the frame and chassis, which envisages the installation of bridges, wheels or tracks, classified under the following codes of the Single Commodity Nomenclature for Foreign Economic Activities of the Customs Union: 8433 51 000 1, 8433 51 000 9, 8433 90 000 0. The above codes are provided only for information purposes.

2. Specify the proposed provisional safeguard measure.

It is proposed to apply a provisional safeguard measure in the form of a provisional safeguard duty at the rate of 27.5 per cent *ad-valorem* of the customs value of the products being imported into the single customs territory of the Customs Union.

3. Specify the proposed date of introduction of the provisional safeguard measure.

The measure will become effective 30 calendar days from the date of the publication of the decision of the Eurasian Economic Commission.

4. Specify the expected duration of the provisional safeguard measure, if any decision on the duration of the measure has been made.

The provisional safeguard measure is proposed to be applied until 5 July 2013.

5. Provide the basis for:

(i) making a preliminary determination, as provided in Article 6, that increased imports have caused or are threatening to cause serious injury; and

During the period from 2009 to 2011 imports of the product under the investigation increased in absolute terms by 19.9 per cent, whereas in relation to the Customs Union production imports increased by 2.4 percentage points.

During the same period volume of the production of combine harvesters by the Customs Union industry (hereinafter "the CU industry") decreased by 14.4 per cent, volumes of sales of the above product in the Customs Union decreased by 43.4 per cent, inventories of the above product grew by 67.4 per cent, the market share held by the CU industry decreased by 14.6 percentage points, profits decreased by 360 per cent, investments directed at the production development decreased by 580 per cent.

In the first half of 2012 as compared to the first half of 2011 there has been an increase of imports in absolute terms by 92.3 per cent and in relation to Customs Union production imports have increased by 8.5 percentage points.

In the first half of 2012 as compared to the first half of 2011 situation of the CU industry has worsened significantly: market share held by the CU industry has decreased by 10 percentage points, volumes of the production of combine harvesters have decreased by 10 per cent, volumes of sales of the above product have decreased by 20.6 per cent. As of the end of the first half of 2012 CU industry's inventories of the product has reached the level that exceeds the volumes produced by the CU industry in the first half of 2012 by 7.1 per cent.

Based on the above it has been preliminarily determined that the product under investigation is being imported into the single customs territory of the Customs Union in such quantities and under such conditions as to cause serious injury to the CU industry.

(ii) determining that there are critical circumstances where delay would cause damage which it would be difficult to repair.

Determination of the existence of critical circumstances where delay would cause damage which it would be difficult to repair has been made based on the rate of increase in imports and the significant worsening of the situation of the CU industry in the first half of 2012.

6. Members are encouraged to provide the following information:

(i) The major exporting Members of imports of the product involved.

The major exporting Members of the product under investigation are the European Union, the United States, the People's Republic of China.

(ii) **If there are Members to which the measure does not apply for any reason other than the application of Article 9.1, the names of such exporting Members and reasons for non-application of the measure.**

Not applicable.

7. **Members are encouraged to attach, in an electronic form, publicly available document(s) containing the relevant decision(s) made by the competent authority. This document may be in the original language of the Member, even when the language is not one of the official languages of the WTO. The document will neither be translated nor circulated to the Committee, but will be made available by the Secretariat to Members requesting it.**

Relevant decisions of the Eurasian Economic Commission are published on the official website of the Eurasian Economic Commission (www.eecommission.org).

- B. NOTIFICATION UNDER ARTICLE 9, FOOTNOTE 2 OF NON-APPLICATION OF THE SAFEGUARD MEASURE TO THE PRODUCT ORIGINATING IN CERTAIN DEVELOPING COUNTRIES

1. **Specify the measure.**

The proposed measure is described in the Notification submitted under Article 12.4 of the Agreement on Safeguards.

2. **Specify the product subject to the measure.**

The product subject to the proposed measure is described in the Notification submitted under Article 12.4 of the Agreement of Safeguards.

3. **Specify the developing countries to which the measure is not applied under Article 9.1 of the Agreement on Safeguards, and the import shares of these countries individually and collectively.**

The measure shall not be applied to the product originating in the developing countries – users of the Customs Union Tariff Preferences System except for the People's Republic of China. Shares of imports from these countries except for the People's Republic of China individually do not exceed 3 per cent and collectively do not account for more than 9 per cent.

4. **Subsequently, if there is a change in the list of developing countries exempted from the safeguard measure pursuant to Article 9.1, please notify:**

(i) **the reference to the WTO document that notified the Members about the initial action under footnote 2 to Article 9.1;**

(ii) **if applicable, names of the countries which are dropped from the list of developing countries to which the safeguard measure does not apply pursuant to Article 9.1, the list of the countries remaining on the list, the individual and collective import shares of the developing countries remaining on the list, and the date on which the safeguard measure applies to the countries dropped from the list;**

(iii) **if applicable, names of the countries which are added to the list of developing countries to which the safeguard measure does not apply pursuant to Article 9.1, the list**

of all the countries on the list, the individual and collective import shares of the developing countries on the list, and the date from which the safeguard measure does not apply to the countries which are added to the list.

Not applicable.

The address of the competent authority for correspondence is:

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