

檔		保存年限
號	/ /	

## 中華民國常駐世界貿易組織代表團 函

受文者：經濟部國際貿易局

發文日期：中華民國109年11月9日  
發文字號：世貿字第10943409100號  
速別：最速件  
密等及解密條件或保密期限：  
附件：N8UKR9.pdf (N8UKR9.pdf)

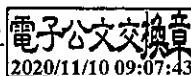
主旨：有關烏克蘭針對進口聚合材料(polymeric materials)實施防衛措施事，請查照。

說明：

- 一、依據WTO秘書處本(109)年11月5日第G/SG/N/8/UKR/9號文件辦理(如附件)。相關文號：本團109年6月3日世貿字第10943404790號函。
- 二、烏國依據防衛協定第12.1 (b)條通知，該國調查機關已作成旨揭產品因進口增加造成國內產品損害之認定，並將課徵為期3年之防衛稅，分別為第1年18.19%、第2年17.28%、第3年16.42%，實施起始日為本年11月20日。本案利害關係人倘有諮商需求，應於本年11月16日前通知烏國調查機關。
- 三、以上情形，請卓參。

正本：經濟部國際貿易局

副本：外交部、駐俄羅斯代表處經濟組



國際貿易局 109/11/10



1097035698

5 November 2020

(20-7895)

Page: 1/5

Committee on Safeguards

Original: English

**NOTIFICATION UNDER ARTICLE 12.1(B) OF THE AGREEMENT ON  
SAFEGUARDS ON FINDING A SERIOUS INJURY OR THREAT  
THEREOF CAUSED BY INCREASED IMPORTS**

**NOTIFICATION OF A PROPOSAL TO IMPOSE A MEASURE**

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

*Polymeric materials*

UKRAINE

The following communication, dated 5 November 2020, is being circulated at the request of the delegation of Ukraine.\*

---

Pursuant to Articles 12.1(b) of the Agreement on Safeguards, Ukraine notifies on finding a serious injury or threat thereof to the domestic industry producing polymeric materials and on proposed safeguard measures. This notification contains all pertinent information relating to the proposed safeguard measures in accordance with Article 12.2 of the Agreement on Safeguards and an offer for consultations pursuant to Article 12.3 of the Agreement on Safeguards.

On 21 February 2020 the Interdepartmental Commission on International Trade (hereinafter referred as the Commission) took the decision "On initiation and conduction of safeguard investigation on imports to Ukraine of polymeric materials regardless of country of origin and export" No. SP-440/2020/4411-03 (G/SG/N/6/UKR/17 of 28 February 2020). On 25 February 2020 the abovementioned decision was published in the official newspaper "Uryadovyi Courier" No. 36.

The investigation had been initiated pursuant to the application of the domestic industry in particular by LLC "KARPATNAFTOKHIM" (hereinafter referred as the Applicant).

On 22 May 2020 the Commission took the decision "On application of provisional safeguard measures on import to Ukraine of polymeric materials regardless of country of origin and export No. SP-445/2020/4411-03" (G/SG/N/7/UKR/2 - G/SG/N/11/UKR/7).

**1 PROVIDE EVIDENCE, CITING RELEVANT DATA AND THE APPLICABLE PERIOD OF  
INVESTIGATION OF SERIOUS INJURY OR THREAT THEREOF CAUSED BY INCREASED  
IMPORTS**

The period of investigation: 2018, 2019, 1 March 2019 – 29 February 2020.

The results of the analysis of the applicant's economic situation show that during the investigation period:

---

\* A copy of the final finding has been submitted electronically. To consult this document please contact Ms. Richards (anne.richards@wto.org) or Ms. Naville (delphine.naville@wto.org) of the Rules Division.

- 
- production volumes increased by 15.7%;
  - the sales of the product on the domestic market increased by 2.9%;
  - the applicant's share in consumption decreased by 9.0% while the consumption increased by 13.3%;
  - stocks in warehouses at the end of the period decreased by 52.8%;
  - employment rate increased by 1.2%;
  - the loss of the company decreased by 53.4%, but the activity of the Applicant remains unprofitable;
  - profitability from the sale of the product on the domestic market is negative, but this indicator has improved by 48.7%;
  - liquidity conditions increased by 152.0%;
  - investments in production of the product decreased by 429.8%.

The cumulative assessment of the above factors led to the finding of the material injury to the national producer.

## **2 PROVIDE INFORMATION ON WHETHER THERE IS AN ABSOLUTE INCREASE IN IMPORTS OR AN INCREASE IN IMPORTS RELATIVE TO DOMESTIC PRODUCTION**

According to the customs statistics of the State Customs Service (based on a sample of product descriptions) during the investigation period:

Polymeric materials:

- import volumes of polymeric materials increased by 26% in absolute terms;
- import volumes relative to production of the product in Ukraine increased by 8.9% and by 11.6% relative to consumption;
- Polyethylene:
- import volumes of polyethylene increased by 32.3% in absolute terms;
- import volumes of polyethylene relative to production of the product in Ukraine increased by 35.4% and by 25.6% relative to consumption of goods;

PVC:

- import volumes of PVC increased by 19.4% in absolute terms;
- import volumes of PVC relative to production of the product in Ukraine decreased by 3.2% and by 0.6% relative to consumption of goods;

Based on the above-mentioned, it was found that during the investigation period there was a significant increase in the volume of imports of goods to Ukraine.

In accordance with Article XIX: 1 of the GATT 1994, the investigating authority has considered unforeseen developments that led to a significant increase in the volume of import of goods, which caused significant injury to the domestic industry producing the like product.

According to the Market Report of the Company, unused production capacity of polyethylene in the main exporting countries during 2018-2019 was significant, 4.1 million tons per year, which is 30 times higher than the total consumption in Ukraine. The total volume of production of polyethylene in these countries amounted to 42.0-42.2 million tons per year. In addition, it should be noted that the Turkish company Sasa Polyester Sanayi launched a new polyethylene plant in the city of Adana in September 2020. The capacity at the initial stage was 500 tons per day. In general, the production capacity will be 365 thousand tons of polyethylene per year, which is more than

2 times of the volume of consumption in Ukraine. At the same time, on July 27, 2020, the Internal Market Protection Department of the Eurasian Economic Commission launched an anti-dumping investigation on low-pressure polyethylene (HDPE) from Uzbekistan imported to the Eurasian Economic Union, which could lead to anti-dumping duties. As a result, Uzbek producers will be forced to look for new markets for their products. Given the effect of the free trade area between Ukraine and Uzbekistan and given the logistics component, it is likely that these products will target the Ukrainian market.

Also, pursuant to Market Report of the Company, there was an increase in stocks of polyethylene in the warehouses of the largest polyethylene producer in China. In view of the above, it can be concluded that there is significant spare production capacity in the immediate vicinity of Ukraine (Adana, Turkey), significant stocks in Chinese warehouses, as well as a free trade area with Uzbekistan and the EEC's anti-dumping investigation on imports of Uzbek products.

These facts indicate a high probability of increasing imports of polyethylene to Ukraine from mentioned countries and as a consequence it would continue to cause significant harm to the domestic industry in the future.

During 2018-2019, unused PVC production capacity in the main supplier countries amounted to 3 million tons per year, which is almost 30 times higher than the total consumption in Ukraine. In total, PVC production in these countries amounted to 14.3 - 14.4 million tons per year.

In addition, it should be noted that in the summer of 2020, Qingdao Haiwan Group launched a new plant for the production of polyvinyl chloride (PVC) in China in Shandong Province.

The capacity of the new line included in the vinyl complex of the company No 2 is 400 thousand tons of PVC per year, which exceeds the total production of the Applicant (300 thousand tons per year) and consumption in Ukraine is almost 4 times.

Given the above, there is free production capacity, which gives grounds to argue about the high probability of increasing imports of polymers into Ukraine and as a consequence it would continue to cause significant harm to the domestic industry in the future.

Considering the above, the investigating authority concluded that these factors led to an unpredictable recent increase in imports into Ukraine and, as a consequence, cause serious injury to domestic producers and an imbalance in favor to foreign producers-suppliers of goods.

#### **The major exporting countries of imports of the product involved**

<b>Countries of imports</b>	<b>1<sup>st</sup> period</b>	<b>2<sup>nd</sup> period</b>	<b>3<sup>rd</sup> period</b>
Polymeric materials imports, tons			
The Federal Republic of Germany	21 790	22 847	24 643
The Republic of Poland	1 200	1 432	1 756
The United States of America	11 166	17 653	20 964
The Kingdom of Thailand	1 444	2 832	2 302
The Republic of Hungary	7 605	6 991	7 305
The Republic of Uzbekistan	3 034	3 455	3 950
The French Republic	729	453	439
The Czech Republic	2 725	2 274	2 288
The United Arab Emirates	2 740	4 230	3 620
The Republic of Korea	3 706	2 209	2 382
The Kingdom of Saudi Arabia	9 093	16 200	17 280
The Netherlands	1 740	2 358	2 590

### **3 PROVIDE PRECISE DESCRIPTION OF THE PRODUCT INVOLVED**

PVC suspension, with K-value within the range from 59 to 72 (K-value determined in certification documents - K 59-72), which can be classified under UKTZED code 3904 10 00 00, except for emulsion and micro-suspension PVC; and polyethylene in white granules with a size of 2-5 mm with a specific gravity of 0.940 g/cm<sup>3</sup> or more and at the same time a melt flow rate (MFR) of 5-17 grams/10 minutes at a load of 21.6 kgf, or a melt flow rate (MFR) of 0,34-0.37 grams/10 minutes at a load of 5.0 kgf or melt flow rate (MFR)

0.06-0.08 grams/10 minutes at a load of 2.16 kgf, which can be classified under UKTZED code 3901 20 90 00.

**4 PROVIDE PRECISE DESCRIPTION OF THE PROPOSED MEASURE**

Safeguard duty of 18.19%.

**5 PROVIDE PROPOSED DATE OF INTRODUCTION OF THE MEASURE**

November 2020.

**6 PROVIDE EXPECTED DURATION OF THE MEASURE**

Safeguard measures are planned to be imposed for a period of 3 years.

**7 PROVIDE FOR A MEASURE WITH A DURATION OF MORE THAN THREE YEARS 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**

Not applicable.

**8 IF THE EXPECTED DURATION IS OVER ONE YEAR, TO PROVIDE EXPECTED TIMETABLE FOR PROGRESSIVE LIBERALIZATION OF THE MEASURE**

The level of the duty should be decreased by 5% annually during measures validity.

- 1<sup>st</sup> year (from the date of application) – 18.19%;
- 2<sup>nd</sup> year (12 months from the date of application) – 17,28%;
- 3<sup>rd</sup> year 24 months from the date of application – 16,42%.

**9 TO PROVIDE INFORMATION RELATING TO THE EXTENSION OF A SAFEGUARD MEASURE**

Not applicable.

**10 EXCLUSION OF CERTAIN COUNTRIES FROM THE SCOPE OF THE DEFINITIVE MEASURES**

According to the Article 9.1 of the Agreements on Safeguards (List of the Least Developed Countries of the United Nations), Free Trade Agreement between the EFTA States and Ukraine dated 24.06.2010, Free Trade Agreement between the Government of Ukraine and the Government of Montenegro dated 18.11.2011, Free Trade Agreement of the Commonwealth of Independent States, dated 18.10.2011 and taking into account Chapter 8 of the Article XXIV of the General Agreement on Tariffs and Trade 1994 imports of goods described in paragraph 3 of this notification to Ukraine originating from the following countries should be excluded from the application of the definitive measures: the Republic of Iceland, the Principality of Liechtenstein, the Kingdom of Norway, the Swiss Confederation, the Republic of Montenegro, the Republic of Azerbaijan, the Republic of Armenia, the Republic of Belarus, the Republic of Kazakhstan, the Republic of Kyrgyzstan, the Republic of Moldova, the Republic of Tajikistan, Turkmenistan, the Islamic Republic of Afghanistan, the Republic of Angola, the People's Republic of Bangladesh, the Republic of Benin, the Kingdom of Bhutan, the Republic of Burkina Faso, the Republic of Burundi, the Kingdom of Cambodia, the Central African Republic, the Republic of Chad, the Union of the Comoros, the Democratic Republic of the Congo, the Republic of Djibouti, the State of Eritrea, the Federal Democratic Republic of Ethiopia, the Islamic Republic of Gambia, the Republic of Guinea, the Republic of Guinea-Bissau, the Republic of Haiti, the Republic of Kiribati, the Lao People's Democratic Republic, the Kingdom of Lesotho, the Republic of Liberia, the Republic of Madagascar, the Republic of Malawi, the Republic of Mali, the Islamic Republic of Mauritania, the Republic of Mozambique, the Republic of the Union of Myanmar, the Federal Democratic Republic of Nepal, the Republic of Niger, the Republic of Rwanda, the Democratic Republic of Sao Tome and Principe, the Republic of Senegal, the Republic of Sierra Leone, Solomon Islands, the Federal Republic of Somalia, the Republic of South Sudan, the Republic of the Sudan, the Democratic Republic of Timor-Leste,

the Republic of Togo, Tuvalu, the Republic of Uganda, the United Republic of Tanzania, the Republic of Yemen, the Republic of Zambia.

**11 PROCEDURES RELEVANT TO THE DECISION ON APPLICATION OF THE MEASURES AND INFORMATION REGARDING PROCEDURES FOR PRIOR CONSULTATIONS WITH THOSE MEMBERS HAVING A SUBSTANTIAL INTEREST AS EXPORTERS OF THE PRODUCT CONCERNED**

As a measure to prevent the extension of COVID-19, Ukraine proposes, if necessary, to hold the consultations in the form of an exchange of views by providing the information in writings or by means of videoconference.

Members having a substantial interest as exporters of the product subject to the investigation that would like to consult with Ukraine shall send their position papers to the [meconomy@me.gov.ua](mailto:meconomy@me.gov.ua) (for official registration) and to the e-mail addresses of the responsible for the investigation persons [dtsimbalenko@me.gov.ua](mailto:dtsimbalenko@me.gov.ua) and [suhanov@me.gov.ua](mailto:suhanov@me.gov.ua) before **16.11.2020** or request videoconference to be held till **16.11.2020**.

---