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Committee on Safeguards

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**NOTIFICATION UNDER ARTICLE 12.1(C)
OF THE AGREEMENT ON SAFEGUARDS
(EXTENSION OF THE EXISTING MEASURE)**

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

MOROCCO

*Coated wood board**Supplement*

The following communication, dated and received on 15 August 2022, is being circulated at the request of the delegation of Morocco.

Pursuant to Article 12.1(c) of the Agreement on Safeguards, Morocco hereby notifies the extension of the safeguard measure on imports of coated wood board.

1 DESCRIPTION OF THE PRODUCT SUBJECT TO THE SAFEGUARD MEASURE

The product subject to the review investigation is board made from pieces of wood agglomerated with a binding substance, other than oriented strand board (OSB) and waferboard, which is surface-covered with melamine decor paper or decorative laminates of plastic, hereinafter referred to as "coated wood board". This product is imported under the following tariff headings and subheadings of Morocco's Harmonized System: 4410.11.20.90, 4410.11.30.90, 4410.19.92.90 and 4410.19.93.90.

2 DESCRIPTION OF THE PROPOSED MEASURE

The safeguard measure consists of an additional specific duty of MAD 1.6/kg applicable to coated wood board exceeding a quota of 33,000 tonnes.

3 PROPOSED DATE OF INTRODUCTION OF THE MEASURE

The definitive safeguard measure will be published in the Official Journal of Morocco. Its provisions will enter into force on 20 September 2022.

4 EXPECTED DURATION OF THE MEASURE

The Moroccan Ministry of Industry and Trade (the Ministry) plans to renew the safeguard measure for an additional duration of three years, i.e. until 19 September 2025.

5 EXPECTED TIMETABLE FOR PROGRESSIVE LIBERALIZATION OF THE MEASURE

The level of the quota for coated wood board will continue to increase by 3% each year to meet the liberalization requirement, in accordance with Article 65 of Law No. 15-09 on trade defence measures and Article 7.4 of the WTO Agreement on Safeguards.

Table 1: Annual quota levels for coated wood board

(In tonnes)

Safeguard measure periods	Annual quota
From 20 September 2022 to 19 September 2023	33,000
From 20 September 2023 to 19 September 2024	33,990
From 20 September 2024 to 19 September 2025	35,009.7

6 EVIDENCE THAT THE SAFEGUARD MEASURE CONTINUES TO BE NECESSARY TO REMEDY OR PREVENT SERIOUS INJURY AND THAT THE INDUSTRY CONCERNED IS ADJUSTING

In order to determine whether the safeguard measure continues to be necessary to remedy or prevent serious injury and whether the Moroccan industry is adjusting in accordance with Article 69 of Law No. 15-09 and Article 7.2 of the WTO Agreement on Safeguards, the Ministry examined whether the safeguard measure was still needed to remedy serious injury. In this connection, it examined import trends for coated wood board, and the Moroccan industry's economic and financial indicators. The Ministry then examined whether the safeguard measure continued to be necessary to prevent serious injury. The examination focused, for that purpose, on the foreseeable and imminent behaviour of the imports and their effects on the Moroccan coated wood board industry after the lifting of the safeguard measure. The Ministry also examined this industry's restructuring programme.

6.1 Determination as to whether the safeguard measure continues to be necessary to remedy serious injury

In order to determine whether the safeguard measure continues to be necessary to remedy serious injury, the Ministry examined the domestic industry's economic and financial indicators, namely production, production capacity, rate of capacity utilization, sales, production costs, profitability, inventories, productivity and employment. An improvement in the situation of the Moroccan coated wood board industry was observed, but it remains very fragile.

Table 2: Overview of indicators of serious injury suffered by the domestic coated wood board industry

(Index: 2018=100)	2018	2019	2020	2021
Imports (m²)	4,831,923	5,406,332	3,745,970	3,555,782
Production (m²)	100	112	134	177
Imports/Production	100	100	58	42
Domestic sales (m²)	100	99	134	169
Market share of domestic industry	100	92	143	167
Market share of imports	100	104	83	73
Domestic selling price (MAD/m²)	100	106	105	117
Profitability (MAD/m²)	(100)	(55)	33	66
Inventories (m²)	100	123	112	114
Production capacity (m²)	100	174	174	174
Production capacity utilization rate in (%)	100	64	77	102
Investment (MAD)	100	3	3	5
Employment (persons)	100	119	126	127
Productivity (m²/employee)	100	94	107	139

Source: Data compiled from Foreign Exchange Board statistics and results of a survey for domestic producers.

6.2 Determination as to whether the safeguard measure continues to be necessary to prevent serious injury

In order to determine whether the safeguard measure continues to be necessary to prevent serious injury, the Ministry examined the risk that imports would increase in the coming years due to factors such as the following:

- i. The attractiveness of the Moroccan market;
- ii. The available productive capacity of the main exporting producers of coated wood board;
- iii. Exporters' low prices; and
- iv. The collapse of the Turkish lira exchange rate.

Having examined the above factors, Morocco concluded that there is a real and imminent risk of imports of coated wood board increasing once the safeguard measure is lifted.

6.3 Determination as to whether the domestic industry engages in adjustment measures

The Moroccan coated wood board industry has provided evidence showing that it has begun implementing its structural adjustment plan aimed at increasing its competitiveness. The implementation of adjustment measures is ongoing.

7 REFERENCE TO THE WTO DOCUMENT THAT NOTIFIED THE INITIAL APPLICATION OF THE MEASURE

The WTO document containing the most recent Article 12.1(c) notification is document G/SG/N/8/MAR/6/Corr.1 - G/SG/N/10/MAR/6/Corr.1 - G/SG/N/11/MAR/6/Corr.1, published on 25 July 2019.

8 THE DURATION OF THE MEASURE FROM INITIAL APPLICATION UNTIL THE DATE AT WHICH IT WILL BE EXTENDED

Morocco applied a safeguard measure to imports of coated wood board, which entered into force on 20 September 2019 for a duration of three years until 19 September 2022. Morocco plans to extend this safeguard measure for three years, i.e. until 19 September 2025.

9 DEVELOPING COUNTRIES EXCLUDED FROM THE SAFEGUARD MEASURE UNDER ARTICLE 9.1 OF THE AGREEMENT ON SAFEGUARDS

Afghanistan; Albania; Angola; Antigua and Barbuda; Argentina; Armenia; Kingdom of Bahrain; Bangladesh; Barbados; Belize; Benin; Bolivia; Botswana; Brazil; Brunei Darussalam; Burkina Faso; Burundi; Cabo Verde; Cambodia; Cameroon; Central African Republic; Chad; Chile; China; Chinese Taipei; Colombia; Congo; Costa Rica; Côte d'Ivoire; Cuba; Democratic Republic of the Congo; Djibouti; Dominica; Dominican Republic; Ecuador; Egypt; El Salvador; Eswatini; Fiji; Gabon; Gambia; Georgia; Ghana; Grenada; Guatemala; Guinea; Guinea-Bissau; Guyana; Haiti; Honduras; Hong Kong, China; India; Indonesia; Jamaica; Jordan; Kazakhstan; Kenya; Republic of Korea; Kuwait; Kyrgyz Republic; Lao People's Democratic Republic; Lesotho; Liberia; Macao, China; Madagascar; Malawi; Malaysia; Maldives; Mali; Mauritania; Mauritius; Mexico; Republic of Moldova; Mongolia; Montenegro; Mozambique; Myanmar; Namibia; Nepal; Nicaragua; Niger; Nigeria; Oman; Pakistan; Panama; Papua New Guinea; Paraguay; Peru; Philippines; Qatar; Rwanda; Saint Lucia; Saint Kitts and Nevis; Saint Vincent and the Grenadines; Samoa; Kingdom of Saudi Arabia; Senegal; Seychelles; Sierra Leone; Singapore; Solomon Islands; South Africa; Sri Lanka; Suriname; Tajikistan; Tanzania; Thailand; the former Yugoslav Republic of Macedonia; Togo; Tonga; Trinidad and Tobago; Tunisia; Uganda; United Arab Emirates; Uruguay; Vanuatu; Bolivarian Republic of Venezuela; Viet Nam; Yemen; Zambia; Zimbabwe.

10 OFFER OF CONSULTATIONS UNDER ARTICLE 12.3

In accordance with Article 12.3 of the Agreement on Safeguards, Morocco is ready to consult on the proposed safeguard measure with those Members having a substantial interest as exporters of the products concerned.



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Committee on Safeguards

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**NOTIFICATION UPON INITIATION OF A REVIEW PURSUANT TO ARTICLE 7.2
REGARDING THE EXTENSION OF A SAFEGUARD MEASURE**

MOROCCO

Supplement

The following communication, dated and received on 9 May 2025, is being circulated at the request of the delegation of Morocco.

Pursuant to Article 7.2 of the Agreement on Safeguards, Morocco hereby notifies the initiation of a review investigation regarding extension of the current safeguard measure on imports of coated wood board.

1. Date of initiation of the investigation

The Ministry of Industry and Trade (hereinafter "the Ministry") has decided to initiate a review investigation on extension of the safeguard measure applied to imports of coated wood board, as from 30 April 2025.

Public notice concerning the initiation of the investigation has been given on the Ministry's website (<https://www.mcinet.gov.ma/fr/avis-et-annonces>) and in two newspapers authorized to publish legal announcements, namely: LE MATIN (Issue No. 18222) and L'OPINION (Issue No. 20412), both published on 30 April 2025.

2. Description of the products involved

The product under consideration and subject to the review investigation is board made from pieces of wood agglomerated with a binding substance, other than oriented strand board (OSB) and waferboard, which is surface-covered with melamine decor paper or decorative laminates of plastic, hereinafter referred to as "coated wood board".

The product under consideration is imported under the following Moroccan Harmonized System customs headings: **4410.11.20.90**, **4410.11.30.90**, **4410.19.92.90** and **4410.19.93.90**.

The review concerns all the products subject to the existing measure.

3. Reference to the WTO document containing the most recent Article 12.1(c) notification

The WTO document containing the most recent Article 12.1(c) notification is document [G/SG/N/10/MAR/6/Suppl.1](#) - [G/SG/N/11/MAR/6/Suppl.1](#), published on 16 August 2022.

4. Reasons for the initiation of the review

The review investigation concerning extension of the safeguard measure applied to imports of coated wood board was initiated by the Ministry following a petition submitted by Cema-Bois de l'Atlas, which constitutes the domestic industry for this product.

The review was initiated for the following reasons:

- The improvement in the situation of the domestic industry during the initial implementation period of the measure (2019-2022) could not be maintained during the period of extension of the safeguard measure (2022-2025). Indeed, the progress made since the imposition of the safeguard measure remains extremely fragile and the domestic industry is still unable to cope with the competitive pressure of imports;
- The domestic industry is finalizing the introduction of adjustments so as to improve its competitiveness; and
- In the absence of safeguard measures, the pressure of imports could increase as a result of the introduction of the safeguard measure on the import of coated wood fibreboard and the increased production capacities of the main foreign producers of wood board, in a context of slowing consumption in the main exporting countries.

5. Deadline(s) for exporters and other interested parties to submit comments in writing

Interested parties have a period of 30 days from the date of initiation of the investigation to make themselves known as such and to comment on the investigation by contacting the Ministry using the fax number or email address provided below.

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