WORLD TRADE ORGANIZATION

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Committee on Safeguards

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NOTIFICATION UNDER ARTICLE 7.2 AND 12.1(C) OF THE AGREEMENT ON SAFEGUARDS (EXTENSION OF THE EXISTING MEASURE)

NOTIFICATION UNDER ARTICLE 9, FOOTNOTE 2, OF THE AGREEMENT ON SAFEGUARDS

MADAGASCAR

Pasta

The following communication, dated and received on 20 July 2023, is being circulated at the request of the delegation of Madagascar.

Pursuant to Articles 7.2 and 12.1(c) of the Agreement on Safeguards, the Committee on Safeguards is hereby notified of the outcome of the review investigation in respect of the extension of the safeguard measure on imports of pasta into Madagascar.

Pursuant to Article 12.3 of the Agreement on Safeguards, Madagascar is prepared to consult with those Members having a substantial interest as exporters of the product concerned.

1 NOTIFICATION UNDER ARTICLES 7.2 AND 12.1(C) OF THE AGREEMENT ON SAFEGUARDS UPON TAKING A DECISION TO EXTEND A SAFEGUARD MEASURE

1.1 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 prevent or remedy serious injury, and whether the domestic industry has made adjustments, the National Authority for Trade Remedies (ANMCC) conducted a comprehensive analysis of relevant indicators having a bearing on the economic situation of the domestic pasta industry, as well as import trends over the period of application of the measure.

a. Import trends

	2019	2020	2021	2022
Imports (in tonnes)	30,039	21,900	26,756	14,268
Imports (index base 100 = 2019)	100	73	89	47
Imports/production (Index base 100 = 2019)	100	58	48	28

In absolute terms, pasta imports fell 27 index points for the first year in which the safeguard measure was applied. Pasta imports increased from 21,900 tonnes to 26,756 tonnes between 2020 and 2021, an increase of 16 index points. Imports fell sharply again in 2022. Relative to domestic production, pasta imports fell a considerable 72 index points during the period under review. The largest fall occurred in the first year in which the safeguard measure was applied, when imports fell 42 index points.

b. Situation of the domestic industry

To evaluate the economic situation of the domestic industry, import trends and other relevant data were analysed. The ANMCC reviewed the data for the period under review:

	2019	**2020**	**2021**	**2022**
Consumption (index base 2019 = 100)	100	94	132	99
Market share of imports (index base 100 = 2019)	100	78	68	48
Domestic production (index base 100 = 2019)	100	126	184	167
Production capacity (index base 100 = 2019)	100	126	126	194
Production capacity utilization rate	54%	54%	79%	47%
Production capacity utilization rate (index base 100 = 2019)	100	100	146	86
Sales (index base 100 = 2019)	100	123	193	172
Turnover (index)	100	145	221	249
Inventory volume (index base 100 = 2019)	100	196	105	383
Employment (index base 100 = 2019)	100	141	164	165
Productivity (index base 100 = 2019)	100	90	112	101
Financial results (index base 100 = 2019)	100	134	111	155

Although domestic consumption was not stable over the analysis period, it did not fall significantly.

The market share taken by imports decreased 52 index points during the period under review.

The volume of pasta produced by the domestic industry increased by 67 index points over the whole period of application of the measure. However, the 17% fall in production in 2022 relative to 2021's production volume is a new source of concern for the domestic industry.

Production capacity in the domestic industry increased 94 index points during the period under review. As the volume of production increased up until 2021, the domestic industry's production capacity utilization rate followed this upward trend for the same period. However, in 2022, this rate fell sharply due to the decline in domestic production, which has not kept pace with the increase in production capacity.

Sales volumes are following the same trend as that of domestic production. A steady rise was recorded for the first three years period of application of the measure before a significant fall of 21 index points in 2022.

Turnover in the domestic industry rose by 149 index points during the period under review.

The volume of inventories in the sector rose by 283 index points during the period under review, reflecting difficulties in selling products, particularly in 2022, when sales fell.

The level of employment increased 41 index points in 2020 compared to 2019, and 23 index points between 2020 and 2021. During the period under review, from 2019 to 2022, the number of employees in the domestic production sector increased 65 index points.

Productivity in the domestic industry remained largely stable, despite a fluctuation in 2020 and 2021. The increase in the workforce does not correlate with the increase in the volume of pasta produced. It was for this reason why productivity fell 10 and 11 index points in 2020 and 2022, respectively, compared to previous years.

Profitability of the domestic industry improved considerably. There was an increase of 55 index points between 2019 and 2022. However, compared to 2020, a fall of 23 index points was recorded in 2021.

The indicators discussed above demonstrate the effectiveness of the measure applied since 2019 which led to an improvement in the domestic industry's performance. However, the injury it has suffered has not been fully repaired in terms of certain indicators such as inventories and profitability.

1.2 Description of the product subject to the safeguard measure

Pasta in the form of spaghetti, macaroni, noodles or in any other form, classified under tariff headings: **1902 11 00, 1902 19 00, 1902 20 00** and **1902 30 00** of Madagascar's customs tariff codes.

1.3 Description of the proposed measure

The proposed measure is in the form of tariff quotas with an annual fixed quota of 15,000 tonnes and an additional duty of 27% of the c.i.f. value for out-of-quota imports.

1.4 Proposed date of introduction of the measure

The proposed measure will enter into force on 1 August 2023.

1.5 Expected duration of the measure

The expected duration of the proposed measure is four (4) years.

1.6 Expected timetable for progressive liberalization of the measure

Period	Quota	Additional duty
1 August 2023 to 31 July 2024	15,000 tonnes	27%
1 August 2024 to 31 July 2025		26%
1 August 2025 to 31 July 2026		25%
1 August 2026 to 31 July 2027		24%

1.7 If the notification relates only to a finding of serious injury or threat thereof, and does not relate to a decision to apply or extend a safeguard measure

Not applicable.

1.8 If the notification relates to a decision to apply or extend a safeguard measure, Members are encouraged to provide the following information:

a. The major exporting Members of imports of the product involved

The main countries exporting pasta to Madagascar are Egypt, Indonesia and Tunisia.

b. If there are any exporting 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.

1.9 Information relating to the extension of a safeguard measure

a. Evidence that the safeguard measure continues to be necessary to prevent or remedy serious injury or threat thereof

Following the application of the safeguard measure, the economic indicators of the domestic industry improved significantly as of 2019. However, the situation of the domestic industry remains fragile. If the measure is therefore not extended, the increase in imports will surge, again threatening domestic industries. This is why the safeguard measure continues to be necessary.

b. Evidence that the industry concerned is adjusting

The domestic industry has implemented its adjustment plan aimed at increasing production capacity, improving production processes, product quality and cost control, and strengthening the workforce, staff technical capacity and trade strategy.

The improvement seen in most of the economic indicators analysed as part of the review investigation is clear evidence of the adjustments undertaken by the domestic industry. However, the early stage of this situation means that the measure must be maintained.

c. Reference to the WTO document that notified the initial application of the measure

WTO documents containing the original measure are: G/SG/N/8/MDG/4 - G/SG/N/10/MDG/4 - G/SG/N/11/MDG/4/Suppl.1 and G/L/1362 - G/SG/247.

d. Duration of the measure from initial application until the date at which it will be extended

Madagascar applied a safeguard measure on imports of pasta for a period of four years, from its entry into force on 1 August 2019 to 31 July 2023. Madagascar plans to extend this safeguard measure for a further four years.

e. Precise description of the measure in place prior to the date of extension

The latest version of the measure in force can be found in notification: G/1/1423 - G/SG/N/13/MDG/3.

f. Members are encouraged to attach, in an electronic form, publicly available document(s) containing the relevant decision(s) made by the competent authority.

The official documents regarding the investigation and the final decision can be found at: www.anmcc.mg.

2 NOTIFICATION UNDER ARTICLE 9.1, FOOTNOTE 2, OF THE AGREEMENT ON SAFEGUARDS

2.1 Description of the product subject to the safeguard measure

Pasta in the form of spaghetti, macaroni, noodles or in any other form, classified under tariff headings: **1902 11 00, 1902 19 00, 1902 20 00** and **1902 30 00** of Madagascar's customs tariff codes.

2.2 Description of the proposed measure

The proposed measure is in the form of tariff quotas with an annual fixed quota of 15,000 tonnes and an additional duty of 27% of the c.i.f. value for out-of-quota imports.

2.3 Developing countries to which the measure is not applied under Article 9.1 of the Agreement on Safeguards

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

3 OFFER OF CONSULTATIONS UNDER ARTICLE 12.3

Pursuant to Article 12.3 of the Agreement on Safeguards, Madagascar is ready to hold consultations on the proposed safeguard measure with those Members having a substantial interest as exporters of the product concerned.

4 FURTHER INFORMATION

Further information may be obtained from:

Director-General of the National Authority for Trade Remedies (ANMCC)
Enceinte Ex-Conquête Antanimena, Antananarivo 101 - Madagascar
Tel.: (+261) 34 05 441 41
Email: dg.anmcc@gmail.com/dg@anmcc.mg
Website: www.anmcc.mg

WORLD TRADE ORGANIZATION

G/SG/N/10/MDG/4/Suppl.5
G/SG/N/11/MDG/4/Suppl.6

7 October 2025

(25-6429)

Committee on Safeguards

Original: French

NOTIFICATION UNDER ARTICLE 12.5 OF THE AGREEMENT ON SAFEGUARDS OF THE RESULTS OF A MID-TERM REVIEW REFERRED TO IN ARTICLE 7.4

MADAGASCAR

Pasta

Supplement

The following communication, dated and received on 6 October 2025, is being circulated at the request of the delegation of Madagascar.

Pursuant to Article 12.5 of the Agreement on Safeguards, Madagascar hereby notifies the results of the mid-term review of the safeguard measure concerning imports of pasta.

1. Specify the measure and the product subject to the measure for which the mid-term review was conducted, and provide reference to the WTO document that notified the safeguard measure subject to the review.

The mid-term review concerns the safeguard measure applied to imports of pasta classified under the following headings of the Madagascan customs tariff nomenclature: 19021100, 19021900, 19022000 and 19023000.

The application of this safeguard measure was notified to the WTO in document G/SG/N/10/MDG/4/Suppl.3-G/SG/N/11/MDG/4/Suppl.4.

2. Provide the dates of initiation and conclusion of the review

The review investigation was initiated on 13 March 2025.

3. Describe the results of the review, providing some detail on the basis for reaching those results.

(a) Import trends over the safeguard application period

i. Import trends in absolute terms

There was a significant increase of 21 index points between 2023 and 2024. This trend continued in 2025, from 1 January to 14 August 2025. Imports of pasta have increased by 13 index points compared with the volume imported in 2023, and have already almost reached the level recorded for the whole of 2024.

ii. Import trends in relative terms

In relation to domestic production, there was a slight decrease, in relative terms, in imports of pasta in 2024. This decrease amounted to only 6 index points throughout the period of the extension of the measure.

(b) Indicators

i. Domestic consumption

There was a notable increase of 28 index points in the domestic consumption of pasta in 2024 compared with 2023. This should have aided the restructuring of the domestic industry if domestic demand had not been further absorbed by imports.

ii. Market share taken by imports

In 2024, there was a slight decrease of 6 index points in the market share held by imports compared with the previous year. Despite this, the market share of the domestic industry gained only 1 index point, reflecting limited growth.

iii. Production

The volume of pasta produced by the domestic industry increased by 29 index points during the first two years of the extension of the measure.

iv. Sales

During the first two years of the extension of the measure, the domestic industry's sales volume grew. In 2024, the sales volume was up 29 index points compared with the previous year.

v. Production capacity utilization rate

Through investments in new equipment, the production capacity of the domestic industry rose by 21 index points. In the second year of the extension of the measure, a slight increase of 7 index points was recorded. The domestic industry has been unable to exploit its production capacity fully.

vi. Employment

The domestic industry's workforce increased in 2024. The number of domestic industry employees rose by 33 index points. However, this growth is not commensurate with the increase in production volume.

vii. Productivity

Productivity in the domestic industry remained largely stable during the first two years of the extension. The trend observed indicates that production growth was less pronounced than workforce growth, resulting in a slight decline of 2 index points in productivity.

viii. Inventory

In 2024, inventories increased by 8 index points, reflecting the domestic industry's ongoing difficulty in selling its product. This build-up creates additional costs, adversely affecting profitability.

ix. Profitability

The domestic industry saw an increase in profits in 2024 with the extension of the safeguard measure concerning imports of pasta.

(c) Conclusion of mid-term review

During the first two years of the extension of the measure, most of the domestic industry's performance indicators improved, particularly in respect of production volume, sales, production capacity, market share and profitability. However, productivity fell, and inventories continued to grow. Moreover, an uptick in imports has been observed since the second year of the extension and this trend appears to be continuing in 2025.

In short, the extension of the safeguard measure has enabled the domestic industry to adjust. At this pace, the measure could further improve the industry's performance. Accordingly, it is essential that the measure remain in place, as the uptick in imports poses a new threat to the domestic industry.

4. Indicate whether:

i. the measure has been, or will be, withdrawn as a result of the review. If yes, then indicate the date of withdrawal; and,

The existing safeguard measure concerning imports of pasta is to remain in place.

(ii) the pace of liberalization has been, or will be, increased as a result of the review. If yes, then indicate the revised timetable for progressive liberalization.

The pace of liberalization has not been modified.

In accordance with Article 9.1 of the Agreement on Safeguards, the measure shall not be applied against imports of pasta originating in the following developing country Members of the WTO:

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

Additional information and comments should be sent to the following address:

Monsieur Le Directeur Général de l'ANMCC
Bâtiment Maison des Produits 67 Ha 101 - ANTANANARIVO - MADAGASCAR
Tel.: (+261) 34 05 441 41
Website: www.anmcc.mg
E-mail: dg.anmcc@gmail.com; dg@anmcc.mg