

Subsidy Complaint Form

Data included in the application form of subsidy and countervailing measures

1- Applicants

Please provide details on each Egyptian producer or who is submitting the complaint on their behalf.

1-1 Name:-----

1-2 Address: -----

1-3 Telephone: -----

1-4 Fax -----

1-5 Names and Addresses of relevant case individuals.

1-6 Details concerning the company ownership:

Provide details concerning percentages of shares ownership in the company.

1-7 Details regarding the financial year of the company.

1-8 Provide summary on produced goods and /or sold goods.

2- Other producers in Republic of Egypt.

2-1 Name: -----

2-2 Address -----

2-3 Telephone-----

2-4 Fax -----

2-5 Provide summary on all produced goods and /or sold goods
Mention names and addresses of all other Egyptian producers / goods under investigation- have you contacted them? Do they support your complaint? If the numbers of domestic producers are big, mention the most domestic producer of the identical product, providing details on each company sepretately?

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2-6 According to Article (19) of the Regulation of law No. 161/1998 concerning the protection of national economy from injurious effects of unfair practices in international trade " An investigation shall not be initiated unless the application is supported by those domestic producers whose collective output constitutes more than 50 per cent of the total production of the like product produced by that portion of the

domestic industry expressing either support for or opposition to the application. However, no investigation shall be initiated when domestic producers expressly supporting the application account for less than 25 per cent of total production of the like product produced by the domestic industry.

3- Product

3-1 please provide description of the allegedly subsidized goods to cause injury or threat thereof. (Provide samples, booklets, catalogs whenever possible).

3-2 Identify the custom item to the subsidized product under investigation, you could get it from customs authority.

3-3 describe the identical product which the domestic industry produces. . (Provide samples, booklets, catalogs whenever possible).

3-4 please submit explanations on resemblances between domestic product and subsidized product under investigation in terms of physical characteristics, final usage, methods of production and distribution channels.

4- Subsidized imports under investigation

4-1 mention countries of origin or exporting countries to imports under investigation.

To clarify this, if a product is produced in country A, then is shipped to country B without any processing, so the exporting country is country A and concerned subsidy is the subsidy provided from country A.

4-2 Mention other countries which exported the concerned product to A.R.E.

4-3 Mention names, addresses of producers abroad or exporters to the subsidized product.

4-4 Mention names, addresses of known importers to the subsidized product, describe their business activities (wholesaler, or retailer, or distributors) , distribution channels.

4-5 Please specify the period that the subsidized goods commenced injury.

5- Subsidy

5-1 Mention name of subsidy programmes, legislations, regulations listed under this programme concerning the subsidized goods under investigation, the criteria by which the subsidy is eligible from the exporter, identify who is responsible for managing this programme, providing copies of laws or legislations or any other evidence on these programmes, translating into English the parts referring to subsidy programmes in these laws or legislations.

- 5-2 Please describe the nature and role of subsidy programmes to the product, type of assistance provided such as exports subsidy, governmental grants, loan warranties and tax exemption.
- 5-3 Explain why subsidy is considered to be specific and liable to anti- measures.
- 5-4 Specify the interest rates on this subsidy, as these interests are less than Bank interest in normal activity, especially for loans.
- 5-5 Concerning foreign producers and exporters referred to in paragraph 4-3 , explain extent of their liability to receive assistance in each subsidy programme, such as this programme is only for definite provision in the country which the product is produced.
- 5-6 Please define if possible any corporation or entities authorized by government to provide subsidy to foreign producers, exporters mentioned above in paragraph 4-3, receiving assistance according to subsidy programme mentioned in paragraph 5-1, explaining eligible criteria of these companies to receive subsidy.
- 5-7 Calculate the value of subsidy to each programme, and to each unit.

6- **Injury**

Evidence should be submitted to the Department in any application upon the existence of injury, moreover causal link between injury and the dumped imports, hence, it must be proved that injury that occur is due to these imports with subsidized prices, three issues should be examined concerning injury subject, which are: volume of imports, including the increase of imports or there is potential significant increase in the volume of these imports whether it is absolute or relative, i.e. concerning production and consumption in Egypt.

- **Price Undercutting:**

It is the decline in the selling prices of the imported goods under investigation than the selling price of the identical domestic product which is produced by the domestic industry.

- **Price Depression**

It is the decline in the selling prices of the domestic product due to accession of imports by low prices.

- **Price Suppression**

It is a reference to non increase in prices which may occur without the existence of subsidized imports, it is referred to in this application form as price suppression.

- The effect of subsidized imports on concerned Egyptian industry including the economic effect represented in the following:-

- The actual and potential decline in production, sales, or market share or profits, or productivity, or return on investment, or utility production capacity, factors affecting the domestic production, negative actual and potential impact on the cashflow, or inventory quantities, or labour, or wages, or growth, or ability of investments.
- All submitted details in injury section should concern only the Egyptian sales of the like product excluding export sales and its effect on prices, profits ----etc. unless demanded specifically.

6/1 Beginning of Injury

Mention when the subsidized imports caused injury or threaten hereof, or started to hinder an established industry. Determine when these goods cause severe injury or threat hereof.

6/2 Access of Injury

A table is designed for the summary of injury (Annex 1) in order to help the complaining company to proof and determine the injury suffered and to provide any detailed information concerning injury in that annex.

Please complete the summary in annex 1 which concerns the Egyptian sales of the like good/ goods for the last three calendar years / or full financial year in addition to current year.

6/3 Increase of Imports Quantities from the Subsidized Product

Please submit detailed information concerning the subsidized imports by quantities and value for last three calendar years / or full financial year in addition to current year.

If the complaint concerns a good/ goods coming from more than one country, please submit the above mentioned data for each country separately

6/4 Price Effects in The Egyptian Market

The price effects are represented in three aspects which are:

- **Price Undercutting**

It is the decline in the selling prices of the imported goods under investigation than the selling price of the identical domestic product.

- **Price Depression**

It is the decline in the selling prices of the domestic product due to accession of imports by low prices.

- **Price Suppression**

It is a reference to non increase in prices which may occur without the existence of subsidized imports, it is referred to in this application form as price suppression.

In the light of the three above mentioned concepts, supporting evidence for the occurrence of price effects should be submitted.

6/5 Sales and Production

-Please provide explanation concerning any case of losing sales opportunity due to direct competition from imported goods.

-Mention the most important customers whom you lost the sales opportunity with them, determining the quantities and values of these transactions.

- Mention details concerning the cancelled orders from your customers or any other data concerning the imported goods from other sources.

- Explain if there is decline in production of the company from the like product, providing detailed data on production during last three financial years / or calendar years in addition to what available from current year.

6/6 Market Share

Please submit a table covering three last financial / or calendar years up to now, showing your estimates on volume of sales (quantity and value) in the Egyptian market, which are the following sales:

- Sales made through your company.
- Sales made by other Egyptian producers.
- Volume of imports.

Unit Quantity/ Unit value		
Year	Quantity	Value

6/7 Profits and Losses

Please submit explanation concerning how your sales net profit was affected from the like product in Egypt.

What is the minimum level of the reasonable profit margin to the identical goods/ good which your company produces--- determining this on the level of each model/ type, commenting on how the total profit of the company was affected from the concerned product, providing us with financial lists showing net profit for last three financial / calendar years in addition to current year.

6/8 Cost of Production

Please submit an explanation on how the cost of production of the identical goods / good was affected, which the company produces determining cost of production of each model / type (for last three financial / calendar years in addition to current year) from the identical product.

6/9 Utilized Production capacity

Mention the utilized production capacity to the concerned goods / good for last three financial / calendar years in addition to current year, showing reasons for developing and retreat of utilized production capacity.

6/10 Other Negative Effects

Provide data on last three financial / calendar years to support claim of availability of injurious effects (actual/ potential) if possible on the following:

- Cashflow
- Inventory
- Labour
- Salaries
- Growth
- Ability to increase capital
- Investments

6/11 Other Aspects of Injury

Any other known factors should be studied rather than subsidized imports, which lead to injury to the domestic industry, the injury suffered which was due to other factors should not be referred to the subsidized imports, these factors are:

- Volume and prices of unsubsidized imports.
- Contraction in demand or changes in types of consumption.

- Restrictive trade practices and competition between foreign and domestic producers.
- Technology developments
- Export performance and industry productivity.

Annex No. 1

Remember: The following required data should concern only the identical product in the application

Summary of Injury

Years				
Quantities				
Revenue				
Cost of production				
Total profit				
S, G & A				
Cost of sales				
Net profit/loss				
Per/ unit				
Revenue				
Cost of production				
Total profit				
S, G & A				
Cost of sales/ unit				
Net profit/loss / unit				

Check List

The aim of this list is to be assure that the submitted complaint from the industry met the required conditions, concerning the sufficiency of provided evidence, which shows that the subsidized imports has injured or threat to cause material injury to the complaining industry, this list

include the minimum level of data that the complaining industry should submit to the department supported by documents which are:

- Names of Egyptian producers submitting the application.
- Names of all known producers to the like product.
- Description of volume, value of domestic production to the identical product for producers , other known producers submitting the complaint.
- A full description to the subsidized imported product.
- Names of country of origin or exported countries of the subsidized product.
- Names of known exporters or producers abroad to the imported subsidized product.
- Names of individuals and companies who imported the subsidized product.
- Amount of subsidy.
- Volume of non subsidized imports to A.R.E.
- Effects of subsidized imports on the like product in A.R.E.
- The economic impact of the subsidized imports on the domestic industry.
- Any other factors affecting the domestic industry rather than the above mentioned effects.

The initiation of subsidy:

I hereby submit this application requiring the initiation of investigation concerning the subsidized imports of product -----

From country of origin

This application includes evidence of the availability of the following;-

- Subsidy.
- Injury suffered by the domestic industry.
- The causal link between subsidized imports and the alleged injury.

"An investigation shall not be initiated" according to Article (19) of the Regulation of Law No. 161/ 1998 concerning the Protection of National Economy from Injurious Effects of Unfair Practices in International Trade " Unless the application is supported by those domestic producers whose collective output constitutes more than 50 per cent of the total production of the like product produced by that portion of the domestic industry expressing either support for or opposition to the application. However, no investigation shall be initiated when domestic producers

expressly supporting the application account for less than 25 per cent of total production of the like product produced by the domestic industry.

The application is submitted in written from the domestic industry or who represent it, or on behalf, or from the concerned industrial chambers, or Industrial Federation, or Producers association, or from the ministries monitoring any of production sectors.

Signature:

Job

Date

The application is submitted supported by documents to:

Ministry of Foreign Trade & Industry

Trade Agreements Sector

International Trade Policy Sector

Head of International Trade Agreements Sector

“Mr. Mowfak El Fayumi”

Work Book Glossary Used In This Application

Subsidy Definition

Subsidy is any financial contribution by a government or any public body whether direct or indirect resulted in benefit to the recipient of the subsidy. Whether this recipient is a producer or an exporter or a group of producers or exporters.

Subsidy includes any financial benefit or other commercial benefit received directly or indirectly by persons concerned with the production or manufacturing or the

circulation of the products through programs or plans or any practices provided or executed by the foreign government.

This does not include any sums related to duties or internal taxes imposed on goods by country of origin or the exporting country which was exempted or will be refunded while re-exporting these products from the exporting country or country of origin .

For the purpose of taking any procedures against the provided subsidy, such subsidy should result in benefit to subsidy recipient, and it should be allocated to certain institutions or industries the matter which causes or threatens to cause a material injury to the domestic industry or impedes industry establishment.

Causal Link

It is the relation between the alleged subsidy and the injury suffered by the industry due to the subsidized imports.

Countervailing Duties

It is the duties imposed to remedy the injury caused by the subsidy provided to imports.

Exporting Country / Country of Origin

The exporting country is the country which exports the subject goods, country of origin may differ if there is no process of manufacturing or packing carried out in the country of export.

Like Product

The term “like product” shall be interpreted to mean a product which is identical, i.e. alike in all respects to the product under consideration, or in the absence of such a product, another product which, although not alike in all respects, has characteristics closely resembling those of the product under consideration.

Gross Profit

It means the profit resulted after deducting costs of manufacture from sales during a certain period. It includes manufacturing costs but does not include administrative, selling and financing expenditures.

Net Profit

It means profits achieved before deducting income tax and interests.

Price Undercutting

It represents the volume of reduction of the imported product selling price under investigation in the domestic market to the domestic like product selling price produced by the domestic industry.

Price Depression

It represents the volume of reduction of the domestic product selling prices due to low prices of imports.

Price Suppression

It means that prices did not increase, but it could take place unless the existence of the subsidized imports referred to in this model as price suppression.

Specific Subsidy

It is the subsidy which is specific to an enterprise or an industry or to a group of enterprises or industries. Subsidy could be specific to a certain region or a certain area under the authority of the exporting country. Subsidy related to export and subsidy causes the replacement of domestic goods by imported goods is considered a specific subsidy. Subsidy is considered specific also if it is granted practically only to certain enterprises or industries.