

**NOTIFICATION UNDER ARTICLE 12.1(A) OF THE
AGREEMENT ON SAFEGUARDS ON INITIATION OF
AN INVESTIGATION AND THE REASONS FOR IT**

EGYPT

The following communication, dated 23 September 1999, has been received from the Permanent Mission of Egypt.

Pursuant to Article 12.1(a) of the Agreement on Safeguards and using the format adopted by the Committee on Safeguards (G/SG/N/6), Egypt hereby gives notification of the initiation of the safeguards investigatory process, as follows:

1. Date investigation was initiated

On 19 September 1999, the Ministry of Trade and Supply decided to proceed to initiate an investigation process relating to the importation of common fluorescent lamps.

2. Product subject to investigation

Common fluorescent lamps from 18 watts to 40 watts.

Tariff heading 85 39 31 10.

3. Reasons for initiation of the investigation

The investigation was initiated by the Ministry of Trade and Supply on the basis of a petition filed by the domestic industry, and on the information and evidence contained therein.

The Ministry of Trade and Supply has evidence of substantial increases in the imports of common fluorescent lamps both relative to domestic production and in absolute terms, which have caused and threaten to cause serious injury to the domestic industry.

Imports of common fluorescent lamps increased by 145 per cent in 1997/1998 compared to 1996/1997 and increased by 219 per cent in 1998/1999 compared to 1996/1997.

The index of relative increase of imports to domestic production reached 255 per cent in 1997/1998 compared to 1996/1997, and it continued to increase reaching 452 per cent in 1998/1999.

The evidence of serious injury showed significant overall impairment in the position of the domestic industry. Production, sales, market share, and utilization of production capacity in the

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industry had declined seriously, and there was a substantial decline in profits as well as a significant increase in inventory.

A large and rising volume of imports caused serious injury.

Accordingly, the Ministry of Trade and Supply decided to initiate the investigation.
