

GENERAL AGREEMENT ON

RESTRICTED

SCM/W/244

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TARIFFS AND TRADE

Special Distribution

Committee on Subsidies and
Countervailing Measures

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QUESTIONS SUBMITTED BY THE UNITED STATES ON THE LEGISLATION OF CHILE

(SCM/1/Add.16/Rev.2)

1. The Chilean legislation refers to three apparent forms of remedies: minimum customs values, surcharges and countervailing duties. Is each intended to offset the amount of subsidy bestowed on imports into the Chilean market which cause or threaten to cause material injury to the industry producing a like product? If not, how are the three remedies distinguished and under what circumstances is each applied? In this regard, please explain the circumstances in which these measures may be applied "jointly", as suggested in Article 11, paragraph 5 of Law No. 18,525 and Article 10 of the Regulations?
2. Article 10 of Law 18,525 refers to "serious injury to the domestic industry". Article 12 of the Regulations speaks of "serious injury to the national economy". In other sections of the law and regulations, reference is made to "material injury to the domestic industry". Are these intended to be different standards of injury and, if so, why? If they are different, please explain the circumstances to which each applies.
3. What is meant by the term "distortions in the price of the product" (see, e.g., Article 11, paragraph 5 of Law 18,525)? Is this intended to mean a subsidy? If not, please explain.
4. What is meant by the term "any natural or legal person affected", as found in Article 5 of the Regulations? Which parties may be included within the meaning of this term?
5. Article 12 of the Regulations refers to the possibility of imposing provisional measures "at any stage of the investigation and within a period of 60 days of its initiation". Does this mean that preliminary subsidy and injury findings are not necessarily required to impose provisional measures?