



24 January 2014

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Page: 1/2

Committee on Safeguards

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

INDONESIA

*(Bars and Rods, Hot-Rolled, in Irregularity Wound Coils)*

The following communication, dated 24 January 2014, is being circulated at the request of the delegation of Indonesia.

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Pursuant to Article 12.1(a) of the WTO Agreement on Safeguards, the Republic of Indonesia hereby wishes to notify the Committee on Safeguards that the Indonesian Safeguards Committee (*Komite Pengamanan Perdagangan Indonesia/KPPI*), hereinafter referred as "the Investigating Authority", has initiated a safeguard investigation on the imports of bars and rods, hot-rolled, in irregularity wound coils, of iron or non-alloy steel or of other alloy steel, under HS Codes 7213.91.10.00, 7213.91.20.00, 7213.91.90.00, 7213.99.10.00, 7213.99.20.00, 7213.99.90.00, and 7227.90.00.00.

On 23 December 2013, an application for a safeguard measures was received by the Investigating Authority from PT. Ispat Indo and PT. Krakatau Steel (Persero), Tbk., hereinafter referred as "the Applicant", against importation of bars and rods, hot-rolled, in irregularity wound coils, of iron or non-alloy steel or of other alloy steel, under HS Codes 7213.91.10.00, 7213.91.20.00, 7213.91.90.00, 7213.99.10.00, 7213.99.20.00, 7213.99.90.00, and 7227.90.00.00. After examining the properly documented application, the Investigating Authority concluded that there was a sufficient evidence to justify the initiation of a safeguard investigation.

## **1 THE DATE OF INITIATION**

The investigation initiated on 17 January 2014.

## **2 SUBJECT GOOD**

- a. Bars and rods, hot-rolled, in irregularity wound coils, of iron or non-alloy steel, other than containing indentations, ribs, grooves or other deformations produced during the rolling process, and other than other, of free cutting steel, of circular cross-section measuring less than 14 mm in diameter, of a kind used for producing soldering sticks, under HS. code 7213.91.10.00.
- b. Bars and rods, hot-rolled, in irregularity wound coils, of iron or non-alloy steel, other than containing indentations, ribs, grooves or other deformations produced during the rolling process, and other than other, of free cutting steel, of circular cross-section measuring less than 14 mm in diameter, of a kind used for concrete reinforcement (rebars), under HS. code 7213.91.20.00.
- c. Bars and rods, hot-rolled, in irregularity wound coils, of iron or non-alloy steel, other than containing indentations, ribs, grooves or other deformations produced during the

rolling process, and other than other, of free cutting steel, of circular cross-section measuring less than 14 mm in diameter, other than of a kind used for producing soldering sticks, other than of a kind used for concrete reinforcement (rebars), and other than containing aluminium at least 0.02% or silicon at least 0.10% or sulfur up to 0.010%, under HS. code 7213.91.90.00.

- d. Bars and rods, hot-rolled, in irregularity wound coils, of iron or non-alloy steel, other than containing indentations, ribs, grooves or other deformations produced during the rolling process, and other than other, of free cutting steel, of circular cross-section measuring other than less than 14 mm in diameter, of a kind used for producing soldering sticks, under HS. code 7213.99.10.00.
- e. Bars and rods, hot-rolled, in irregularity wound coils, of iron or non-alloy steel, other than containing indentations, ribs, grooves or other deformations produced during the rolling process, and other than other, of free cutting steel, of circular cross-section measuring other than less than 14 mm in diameter, of a kind used for concrete reinforcement (rebars), under HS. code 7213.99.20.00.
- f. Bars and rods, hot-rolled, in irregularity wound coils, of iron or non-alloy steel, other than containing indentations, ribs, grooves or other deformations produced during the rolling process, other than other, of free cutting steel, of circular cross-section measuring other than less than 14 mm in diameter, other than of a kind used for producing soldering sticks, other than a kind used for concrete reinforcement (rebars), and other than containing silicon at least 0.10% or aluminium at least 0.02% or sulfur up to 0.010%, under HS. code 7213.99.90.00.
- g. Bars and rods, hot-rolled, in irregularity wound coils, of other alloy steel, other than of high speed steel and of silicon-manganese steel or of containing chrome at least 0.9%, under HS. code 7227.90.00.00.

### 3 REASONS FOR INITIATION OF INVESTIGATION PROCEDURE

The investigation was initiated following an evaluation of *prima facie* evidence provided in the application for a safeguard measure by the Applicant, which represents a major producer of the Subject Good in Indonesia.

The data submitted by the Applicant showed that there was an increased of volume of import of the subject good cause or threaten to cause serious injury to the Applicant.

The documents also showed a negative development which indicates to cause a serious injury, covering information on share of the domestic market taken by increased import, profits and losses, employment, and inventory.

### 4 FURTHER INFORMATION

All views or comments should be made in writing and submitted to the following address:

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