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The Embassy of Switzerland in the United Kingdom presents its compliments to the Foreign, Commonwealth and Development Office and has the honour to refer to the Statement of Intended Preliminary Decision, Transition Review No. TF0006: Safeguard measures on certain steel products, which the United Kingdom notified to the WTO Committee on Safeguards on 21 May 2021.

Switzerland maintains its position that transitioning the EU safeguard measures on certain steel products as of 1 January 2021 without prior investigation, notification and adequate opportunity for prior consultations is inconsistent with the United Kingdom's obligations under the new Trade Agreement between Switzerland and the United Kingdom and under Article XIX of the GATT 1994 and the WTO Agreement on Safeguards.

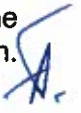
Further, Switzerland would like to recall that, according to Article 7.1 of the WTO Agreement on Safeguards, a Member shall apply safeguard measures only for such period of time as may be necessary to prevent or remedy serious injury and to facilitate adjustment, and that the extension of that period is subject to certain requirements provided for in Article 7.2 of the Agreement on Safeguards. That provision requires in particular that the competent authorities of the importing Member have determined that the safeguard measure continues to be necessary to prevent or remedy serious injury and that there is evidence that the industry is adjusting. The safeguard measures currently applied by the United Kingdom on certain steel products are based on the substantive findings presented in Commission Implementing Regulation (EU) 2019/159. The duration of the measures was determined for a period of three years (including the period of imposition of the provisional measures) expiring on 30 June 2021. Therefore, Switzerland expects the United Kingdom to demonstrate how its intended preliminary decision complies with the requirements set out in the Agreement on Safeguards.

The Swiss authorities remain of the view that the problem of global overcapacity in steel production should be addressed multilaterally, *in the Global Forum on Steel Excess Capacity, of which both the United Kingdom and Switzerland are members.*

Bilateral steel trade must be allowed to continue unrestricted between the United Kingdom and Switzerland. According to the Trade Agreement between the United Kingdom and Switzerland, priority must be given to measures that least disturb the functioning of the agreement. In this regard, the Swiss authorities call for the United Kingdom to uphold its international obligations and to terminate the safeguard measures on certain steel products by 30 June 2021.

Switzerland reserves its rights under the WTO Agreements and the Trade Agreement between Switzerland and the United Kingdom.

The Embassy of Switzerland in the United Kingdom takes this opportunity to renew to the Foreign, Commonwealth and Development Office the assurances of its highest consideration.



London, 26 May 2021



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