

**EGYPT'S PRELIMINARY COMMENTS ON THE CONTRIBUTIONS  
SUBMITTED IN THE FRAMEWORK OF THE DOHA NEGOTIATIONS  
ON THE AGREEMENTS ON ANTI-DUMPING AND  
SUBSIDIES AND COUNTERVAILING MEASURES  
(TN/RL/W/78)**

The following communication, dated 5 May 2003, has been received from the Permanent Mission of Egypt.

Communication from the United States (TN/RL/W/78)

In this paper Egypt is providing its comments on the contributions submitted by the United States in the framework of the negotiations conducted by the Negotiating Group on Rules.

(a) Serious Prejudice

- The United States considers that the rules pertaining to actionable subsidies set forth in Part III of the SCM Agreement are too vague and impractical to implement. The United States notes that these rules have rarely been used since their adoption. The United States is proposing that the provisions relating to actionable subsidies be clarified or completely eliminated and that these types of subsidies be completely eliminated.
- Egypt considers that some of the concepts concerning actionable subsidies may be clarified but believe that the elimination of the provisions of Part III and the establishment of the subsidy as the exclusive remedy does not fall within the scope of the mandate of the negotiations.

(b) Natural Resource and Energy

- Egypt considers the natural resource and energy pricing may have raised questions in the past with respect to fair market value determination. However Egypt does not consider the fact that certain Members have different pricing policies for domestic and export sales as an indication of an advantage unfairly provided to domestic users. As recognized by the United States, the difference between domestic and export price may simply result from comparative advantages.
- Considering that in a great number of countries natural resources and energy are provided by public entities, Egypt would like to ask the United States to specify in which circumstances natural resources and energy dual pricing is providing unfair benefits to domestic users.

(c) Procedural Issues

Sampling

- The United States is correct in considering that in certain specific cases, the number of interested parties raises some difficulties and obliges investigating authorities to have recourse to the sampling provisions of the SCM Agreement. The selection of a sample is extremely important since it is one of the first procedural steps taken by investigating authorities and can have a significant impact on the outcome of the investigation depending on the companies included in the sample.
- Egypt considers that investigating authorities should be required to exercise all the necessary care in selecting representative samples, but at the same time recognizes that trying to adopt statistically valid sampling techniques may prove to be difficult considering the number of different circumstances investigating authorities may be faced with “emphasis add”.

Model questionnaire and verification guidelines

- Egypt recognizes that certain Members would benefit from the development of a model questionnaire and verification guidelines. However, Egypt also believes that the use of a model questionnaire and verification guidelines should be left to the appreciation of each Member since we do not consider that one set of model questionnaire and verification guidelines can be adopted for all investigating authorities. Indeed, the resources as well as the legal system of each Member requires each Member to have a certain flexibility which would, no longer be possible if a mandatory model questionnaire and verification guidelines were adopted.
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