

## ANNEX 13

### **Draft Law No ( ) of .... regarding Safeguards & National Production Protection from Impacts of Harmful International Trade Practices**

- **In the name of the nation.**
- **The President of the Republic,**
- **After reviewing the Constitution, law No (14) of 1990 regarding Customs,**
- **the approval of the Cabinet and Parliament,**
- **and law No (3) of 2003 regarding the Cabinet,**
- **we issued the following law:**

**Article (1)** This law shall be referred to as "Safeguards & National Production Protection from Harmful International Trade Practices".

Article (2) For the purposes of applying this law, the following terms shall have the corresponding meanings unless context suggests otherwise.

**The Republic:** the Republic of Yemen.

**The Ministry:** the Ministry of Industry & Trade.

**The Minister:** the Minister of Industry & Trade.

**National Production:** industrial or agricultural products including fish products of the Republic.

**Dumping:** exporting a product to Yemen with a lower price than the normal ones which may lead to harming Yemeni producers with such similar products.

**Support:** any direct or indirect financial contribution granted by the country of origin, the exporting country, or any public authority resulting in a benefit for the receiving party and in such a way that harms or threatens damages to national production.

**Increased imports:** the exportation of products to the Republic – not dumped or subsidized – in increased quantities, absolute or relative to the domestic production, and under such conditions as to cause or threaten to cause serious injury to the domestic industry or agriculture that produce like or directly competitive products.

**Sales at lower prices than normal ones:** the sales of a commodity at a lower price than the price of the same product in the market of the exporting country or country of origin, or at a lower price in a third country or at lower price than the cost of the product.

**Injury:** the financial injury that must be proved to have happened to the domestic industry, the threat to cause injury to it, or what might stand in the way of establishing such industry in the future.

**Safeguard measure:** the quantitative restriction or increase in customs tariff or both which are imposed to face increased imports to Yemen.

**Provisional measures:** the measures that prevent an injury or an injury threat which are taken after the start of investigation. The provisional measures take the form of provisional fees or cash deposits or guarantees in case of dumping and support, or a temporary increase in customs tariff in case of increased imports, provided it does not exceed dumping margin, support margin or the initially specified injury.

**Dumping margin:** the difference between export price and normal price.

**Countervailing fee:** the fee imposed in case compensable support is proven.

**Article 3** The Ministry of Industry & Trade is the authorized entity for taking measures and arrangements regarding dumping cases or increased imports of a certain product with the aim to protect the national economy from harmful practices in international trade within the framework of the international and regional agreements to which Yemen is a member and according to this law and its regulation.

**Article 4** The Minister may take the necessary measures to protect the national production from foreign imports that enter Yemen as dumped, supported, or increased imports.

**Article 5** Measures referred to in article 2 shall only be taken after objective investigation by a body created in the Ministry for this purpose based on a written complaint from local producers, their representatives, or based on a decision from the Minister to check the following:

1. the existence of injury to domestic products, a threat to cause injury, or an injury that may be a barrier to the establishment of the industry.
2. availability of dumping, support, or increased imports.
3. the existence of relationship between the injury and the foreign imports of the like or similar product produced by local industry.

**Article 6** The measures referred to in article two mean:

1. In case of dumping: imposing custom tariff equal to the dumping margin.
2. In case of support: imposing compensatory customs tariff equal to the support.

In case of increased imports: either imposing customs tariff or quantitative restriction (like quota system) or both.

**Article 7** A body called "Protection of Domestic Production from Harmful International Trade Practices" shall be established. The Minister issues a decision on its formation, authority, tasks and the regulation of its procedures.

**Article 8** The Minister shall issue the decisions taking the suitable measures during investigation period whether concerning the provisional measures or final measures or price commitment acceptance. The Minister may not take such measures if the economic interest of Yemen requires so. The Minister may also decide to reconsider imposing these measures.

**Article 9** The Customs Authority shall collect the additional fees or keep them as a deposit after taking the decision of fees cancellation or refund.

**Article 10** In order to finalize investigation, the Minister and the Protection of Domestic Production from Harmful International Trade Practices Body may request the necessary information from the concerned bodies within Yemen or from any other sources they may decide to refer to.

**Article 11** The ministerial decisions related to starting the investigation and imposing provisional or final measures shall be published in the official gazette as soon as they are made.

- Article 12** All people involved in the process of investigation, especially the National Production Protection Body, shall keep secret the information related to investigation. No information shall be released without a prior written consent from the party concerned. The regulation shall determine the basis and standards of secrecy and the provisions related thereto. Any person releasing such information shall be fined YR 20,000 without violating any stronger punishment stated in any other law.
- Article 13** Yemeni commercial courts, not others, shall have the authority to look into disputes or challenges related to the implementation of this law and its regulation, and decide on them immediately.
- Article 14** The Prime Minister shall issue the regulation of this law based on the presentation of the Minister.
- Article 15** Article 12 of the Customs law, or any other laws conflicting with this law, shall be cancelled.
- Article 16** This law shall be effective from the date of issue and shall be published in the official gazette.  
Issued at the Presidency, Sana'a