**Ministry of Foreign Trade and Tourism**

(Office of Communications and Protocol)

Government of Peru

 **Press Note**

June 7, 2021

Considering the technical report prepared by Indecopi, which does not recommend the application of definitive safeguards due to the lack of response from the clothing companies, the Executive ordered, through Supreme Decree No. 008-2021-MINCETUR, not to apply these commercial measures clothing imports.

This decision is made public after the analysis carried out by the Multisectoral Commission made up of the heads of the Ministry of Economy and Finance (MEF), the Ministry of Production (Produce) and the Ministry of Foreign Trade and Tourism (Mincetur), on the basis of the final report prepared by Indecopi through its Commission on Dumping, Subsidies and Elimination of Non-Tariff Trade Barriers (CDB).

The Executive Multisectoral Commission evaluated the technical report prepared by the Indecopi CBD in compliance with the conditions expressed in the Agreement on Safeguards of the World Trade Organization (WTO) and the national regulations on the matter.

INDECOPI REPORT

In this regard, it should be noted that the technical report of the CBD of Indecopi does not recommend the application of definitive safeguards measures because, during the investigation, the minimum necessary information was not obtained, in a representative proportion of the national manufacturers of clothing, that would make it possible to determine the existence of threat of serious injury to the national production due to imports.

It should be noted that the national regulation establishes that, for the final determination of a possible threat of serious injury to the domestic industry, said industry must be made up of a group of companies that represent at least 50% of the total domestic production of the country. sector.

During the CDB investigation process, and despite the efforts made, this Indecopi body was unable to obtain information on the economic and financial indicators of the companies in the sector, due to the low response rate from national producers of confections to the questionnaires sent by the CDB for this purpose. The national production companies that answered said questionnaire, in a complete manner, barely reached a level of representativeness of 8.03% of the total national production of the item. Consequently, based on the actions taken by Indecopi, the Multisectoral Commission ordered the non-application of definitive safeguard measures to imports of clothing.

It should be noted that the Executive will continue with actions in favor of the textile apparel industry, with the aim of strengthening their capacities and providing the tools to continue their activities within the framework of the economic reactivation. Proof of this are the measures promoted in financial matters (Reactive, FAE and PAE MYPE), tax, the Purchase Program from MYPErú, among others.

INDECOPI's technical report is available at the following link:

https://www.indecopi.gob.pe/en/cdb-publicaciones

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