

# EGYPT – STEEL REBAR<sup>1</sup>

(DS211)

PARTIES		AGREEMENT	TIMELINE OF THE DISPUTE	
Complainant	Turkey	ADA Arts. 2, 3 and 6	Establishment of Panel	20 June 2001
			Circulation of Panel Report	8 August 2002
Respondent	Egypt		Circulation of AB Report	NA
			Adoption	1 October 2002

## 1. MEASURE AND PRODUCT AT ISSUE

- Measure at issue: Egypt's definitive anti-dumping measures.
- Product at issue: Steel rebar imported from Turkey.

## 2. SUMMARY OF KEY PANEL FINDINGS

- ADA Art. 3.4 (injury): The Panel interpreted evaluation under Art. 3.4 to mean a process of analysis and interpretation of the facts established, in relation to each listed factor. In the light of this interpretation, the Panel concluded that Egypt acted inconsistently with Art. 3.4 in failing to evaluate six of the factors (productivity, actual and potential negative effects on cash flow, employment, wages and ability to raise capital or investments) as claimed by Turkey but was not in violation with regard to two of the factors (capacity utilization, return on investment) claimed by Turkey.
- ADA Art. 6.8 and Annex II(6): The Panel found that with respect to the investigation of two exporters, Egypt was in violation of Art. 6.8 and Annex II(6), as the investigating authorities, having identified and received the requested information from those companies, nevertheless concluded that the companies had failed to provide the "necessary information" and did not inform the companies that their responses were being rejected nor give them the opportunity to provide further information or clarification.
- Rejected Claims: The Panel found that Turkey had not established its claims under the following Articles: Art. 3.1 and 3.2: The Panel concluded that Art. 3.2 did not require that a price-cutting analysis be conducted at any particular level of trade and that the Egyptian authorities had provided the justification for their choice of the level of trade at which prices were compared; Art. 3.1 and 3.5: With regard to the authorities' failure to develop "positive evidence" in respect of a link between dumped imports and injury to domestic industry, the Panel stated: (i) that there was no basis on which to find a violation for a type of evidence or analysis not explicitly required or even mentioned in the Agreement and not pursued by an interested party during the domestic investigation; and (ii) that there was "substantial simultaneity", between the time periods of the investigations for dumping and injury for the authorities to determine whether injury was caused by the dumping; and Art 2.4: The Panel stated that the request for certain cost information did not impose an unreasonable burden of proof upon the companies within the meaning of Art. 2.4, which seeks to ensure a fair comparison, through various adjustments as appropriate, of export price and normal value.
- ADA Art. 6.7: The Panel noted that the use of the word "may" in the Article meant that "on-the-spot" investigations are permitted but not required and, therefore, found no violation.

## 3. OTHER ISSUES<sup>2</sup>

- Standard of review: As regards Turkey's claims under Art 6.8 and Annex II(5), Annex II(7), the Panel, after a detailed review of the evidence submitted to the investigating authority, determined that an objective and unbiased investigating authority could have reached the determinations challenged by Turkey, and, therefore, found that the Egyptian authority was not in violation of the respective provisions.

<sup>1</sup> Egypt – Definitive Anti-Dumping Measures on Steel Rebar from Turkey

<sup>2</sup> Other issues addressed: ADA Arts. 2.2.1.1, 2.2.2, 2.4, 6.1.1, 6.2, 6.8, ADA Annex II (1,3,5,6 and 7).