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# GENERAL AGREEMENT ON TARIFFS AND TRADE

## Committee on Anti-Dumping Practices

### DRAFT UNDERSTANDING ON ARTICLE 8:4 OF THE AGREEMENT ON IMPLEMENTATION OF ARTICLE VI OF THE GENERAL AGREEMENT ON TARIFFS AND TRADE

1. The Committee discussed the extent to which basic price systems may be utilized in conformity with the provisions of the Agreement.
2. The Committee agreed that basic price systems as provided for in Article 8:4 were intended exclusively as a device to facilitate the calculation and collection of anti-dumping duties following a full investigation for each product and country concerned, and for suppliers concerned, resulting in a finding of injurious dumping. However the Committee recognized that the wording of Article 8:4 contained ambiguities and, in the light of different possible interpretations, concluded that Article 8:4 is not essential to the effective operation of the Agreement and shall not provide the basis for any anti-dumping investigation or for imposition and collection of anti-dumping duties.
3. At the same time the Committee reviewed special anti-dumping monitoring schemes such as trigger price mechanisms and related systems. The Committee concluded that they give cause for concern in that they could have the effect of extending the meaning of the Agreement beyond its intent, and that they shall not, in future, be adopted by Parties.
4. The Committee also agreed that such special anti-dumping monitoring schemes in force on the date of this understanding shall be limited to their present scope. They shall be temporary and shall remain in effect no longer than the situation which gave rise to their introduction exists. In no case shall these schemes be used as a substitute for carrying out full anti-dumping investigations in accordance with the provisions of the Agreement. The Committee on Anti-Dumping Practices will review annually the operation of these schemes.