

**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

The Committee discussed the extent to which basic price systems may be utilized in conformity with the provisions of the Agreement.

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.

At the same time, the Committee discussed special monitoring schemes, in so far as they are related to anti-dumping systems. The Committee recognizes that such schemes are not envisioned by Article VI of the GATT or the Agreement and it is of the view that they give cause for concern in that they could be used in a manner contrary to the spirit of the Agreement. The Committee agreed that such schemes shall not be used as a substitute for initiating and carrying out anti-dumping investigations in full conformity with all provisions of the Agreement. The Committee further agreed that, as monitoring schemes may have the effect of burdening and distorting trade, it is advisable that the effects of such monitoring schemes on international trade continue to be examined with, inter alia, a view to assessing the need for strengthening international discipline in this area.