

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Committee on Anti-Dumping Practices

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POSSIBLE CONTRIBUTION TO THE MINISTERIAL MEETING

Communication from Hungary

The following communication dated 20 May 1982 has been received by the Chairman from the Representative of Hungary to the GATT.

Referring to your letter dated 12 May 1982, and to the discussions held at the last meeting of the Anti-Dumping Committee, regarding the possible contribution of the Committee to the GATT Ministerial Meeting, I take the opportunity to offer the following remarks.

According to our view, the examination as to how the Anti-Dumping Committee could contribute to the preparation for the Ministerial Meeting, provides a good occasion for the identification of eventual problems of such nature which the Signatories to the Code deem worthwhile considering, in the context of the preparation for the Ministerial Meeting.

We, on our part, have experienced certain problems during the application of the Code, in connexion with methods used by some Signatories for establishing the existence of dumping, and for the calculation of the dumping margin in cases where the existence of dumping and the dumping margin are established by comparing the export price with prices other than those in the exporting country. In such cases, it is not assured that the procedure, including the selection of a proper price for comparison, be fair, neutral and transparent. Because of the lack of clear criteria to be applied in such price comparisons, the investigating authorities are not prevented from having recourse to methods disadvantageous to the exporter; the exporters are given no possibility to make proposals or counter-proposals on selecting a proper price for comparison; the legitimate rights of exporters for making substantial presentations in the procedure is not guaranteed either.

From the discussions of the last meeting of the Committee (see, e.g. the statement of the delegation of India, on the anti-dumping action taken by Canada against the imports of 12 hydroxystearic acid), we have got the impression that our concern signalled here is of a broader nature, i.e. it is of some concern also to other Signatories, in relation to which the method of establishing the dumping is not done by comparing the export prices with those prevailing in the exporting country.

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I should like to emphasize that my intention with this letter is not meant to propose that our concerns outlined above be a subject of specific attention in the Committee's deliberations, as regards the preparation for the Ministerial Meeting. Should, however, the Committee of Signatories be of the view that the problem, in its broader aspect, is worthwhile being considered in the context of the preparation for the Ministerial Meeting, in that case, we wish to see ensured that in that broader general framework, its aspects I have referred to be taken into account.

Should the Signatories deem it unnecessary to address this problem in its broader context to the attention of the Ministerial Meeting, we, on our part, can accept to raise our concerns in one of the forthcoming sessions of the Signatories.