

GENERAL AGREEMENT ON TARIFFS AND TRADE

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ACCEPTANCE OF THE AGREEMENT ON THE IMPLEMENTATION OF ARTICLE VI BY DEVELOPING COUNTRIES

Note by the Secretariat

The CONTRACTING PARTIES at their twenty-sixth session directed the Council to make arrangements for a wide and early acceptance of the Agreement on the Implementation of Article VI of the General Agreement (document L/3366, paragraph 9).

The following note contains a summary of past discussions regarding the adherence of developing countries to the Agreement on the Implementation of Article VI (the Anti-Dumping Code).

1. The Group on Anti-Dumping Policies - the body which drafted the Anti-Dumping Code during the Kennedy Round - transmitted its Report, to which the draft Code was annexed, to the Trade Negotiations Committee on 23 June 1967 (document TN.64/96).
2. The last paragraph of the Report reads: "Representatives of the developing countries in the Group expressed reservations on the Code because, although a substantial effort was made, it was not possible to reach agreement on the inclusion of special provisions to meet some of the specific problems of the developing countries."
3. The points raised by developing countries in the Group were:
 - (i) an undertaking by the developed countries that they would take into account Part IV of GATT in the application of the Code to imports from developing countries;
 - (ii) the definition of normal value as the home market price in the exporting country (Article 2(a) of the Code);
 - (iii) the lack of recognition that a "particular market situation" often existed in developing countries (Article 2(d) of the Code).

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4. At their twenty-sixth session, the CONTRACTING PARTIES directed the Council to make arrangements for a wide and early acceptance of the Code (L/3366, paragraph 9).

5. At the meeting of Working Group 2 of the Committee on Trade in Industrial Products in March 1970, developing countries explained that in addition to the questions referred to in paragraph 3 above, there were two further provisions of the Code which made it difficult for developing countries to adhere to it in its present form:

- (i) the determination of injury in the way provided in Article 9; and
- (ii) anti-dumping action on behalf of a third country as provided in Article 12.

The developing countries members of the Group expressed the hope that a solution would be found to the special problems of the developing countries, either through an amendment to the Code or through an understanding regarding its application to exports from developing countries.