

**GENERAL AGREEMENT  
ON TARIFFS AND TRADE**

RESTRICTED  
ADP/M/46  
17 February 1995  
Special Distribution

(95-0336)

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**Committee on Anti-Dumping Practices**

MINUTES OF THE MEETING HELD  
ON 24 AND 28 OCTOBER 1994

Chairman: Mr. J. Graça-Lima (Brazil)

1. The Committee on Anti-Dumping Practices ("the Committee") held a regular meeting on 24 and 28 October 1994. The following agenda was adopted:

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A. <u>Examination of anti-dumping duty laws and/or regulations of Parties to the Agreement</u> (ADP/1 and addenda)	
(i) <u>Mexico</u> (ADP/1/Add.27/Rev.1/Suppl.1, ADP/W/363)	

2. The Chairman recalled that at the regular meeting of the Committee in April 1994, the representative of Mexico had introduced Mexico's Regulations Implementing the Foreign Trade Act (ADP/M/44, paragraphs 20 to 25). The delegation of the United States had provided some questions on these Regulations in document ADP/W/363, and the representative of Mexico had indicated that a reply to these questions would be provided later. The Secretariat received Mexico's replies to these questions on the day of the present meeting, and copies of the replies (which were in Spanish) were available in the meeting room.

3. The representative of the United States noted that the replies were in Spanish and asked whether the delegation of Mexico could provide summary responses so that they could be interpreted in all the working languages during the meeting.

4. The representative of Mexico preferred that the written response be studied first and then his delegation could have consultations or clarification on a bilateral basis or in any way the Parties thought most appropriate.<sup>1</sup>

5. The Committee decided to proceed as suggested by Mexico. There were no further comments and the Committee took note of the statements and decided to revert to this matter at the next meeting.

(ii) Hungary (ADP/1/Add.14/Rev.1 and ADP/W/374)

6. The Chairman recalled that Hungary's Decree on the rules relating to anti-dumping and countervailing duties had been circulated in ADP/1/Add.14/Rev.1. This Decree entered into force on 19 May 1994. Hong Kong's questions on this Decree had been circulated in document ADP/W/374. Hungary's responses to these questions had been received by the Secretariat on the day of the present meeting, and an advance copy of these responses was available in the meeting room.<sup>2</sup>

7. The representative of Hungary said that ADP/1/Add.14/Rev.1 contained the new Hungarian Government Decree on the rules relating to anti-dumping and countervailing duties. This Decree, together with the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade ("the Agreement"), which was incorporated in 1980 into the Hungarian legislation, formed the Hungarian legislation on anti-dumping. He indicated some modifications in the text of the Decree circulated in ADP/1/Add.14/Rev.1. First, the former Ministry of International Economical Relations and the Ministry of Industry and Trade had been recently merged into a new Ministry called the Ministry of Industry and Trade. Anti-dumping investigations would be conducted in future by this new Ministry. Therefore, the text of Articles 17.1 and 17.2 would change accordingly. Second, there was an error in the translation in Article 18 of the Decree, and the word "domestic" should be inserted at the beginning of the sentence so that Articles 18 and 16.1 conformed to each other.

8. He said that the Decree had been issued in the framework of the process of Hungary's transition into a market economy, and contained rules concerning both anti-dumping and countervailing duties. The Decree was based on the Agreement, and would be applied in accordance with that Agreement (Article 34 of the Decree). Thus, if the government Decree was silent on some point or if it required interpretation, then the relevant rules of the Agreement would prevail. With the publication of this new Decree the previous government Decree 111/1990, dated 23 December 1990, on anti-dumping procedures which had not been notified for technical reasons and which had never been applied, ceased to be in effect. He said that Hungary had as yet not conducted any anti-dumping investigations.

9. The main features of the new Decree were the following. As a general rule, an investigation could be initiated on the basis of a complaint by the domestic industry representing a major proportion of the total domestic production. A major proportion meant roughly one-third of the domestic production. The investigating authority was the Ministry of Industry and Trade which would make its decisions with the involvement of the interested Ministries, the Economic Competition Office and the competent interest groupings. The time period of investigation, as a general rule, was nine months

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<sup>1</sup>The English version of the Mexican replies to United States questions was distributed later in ADP/W/377.

<sup>2</sup>The responses were later distributed in ADP/W/376, dated 4 November 1994.

but in exceptional cases could be extended by an additional three months. The interested parties could study the non-confidential papers in the course of the investigation, submit evidence and in justified cases submit evidence orally. The parties could request to be heard together. Provisional measures could be taken in the course of the investigation in accordance with the Agreement. The duty would be imposed in the amount necessary to offset the injury as a maximum equal to the dumping margin, and for a period not exceeding five years. A decision on the imposition of the duty could be appealed to the Minister of Industry and Trade and the decision of the Minister could be brought to the Court.

10. The representative of Hong Kong asked for clarification of the answers provided by Hungary on Article 10(e) of the Decree. While appreciating the difficulties due to Hungary's lack of practical experience, he hoped that the Hungarian authorities would, in the light of practical experience accumulated over time, reconsider the implementation of this Article and, where appropriate, make modifications taking account of the comments.

11. The representative of the United States asked whether there would be more specific and detailed regulations forthcoming to implement the legislation. He said that the Hungary's comments showed there were some more detailed aspects to be considered than those provided in the Decree before the Committee. He noted that in Article 25 of the Decree, there was a requirement that there be preliminary evidence of injury or threat of injury leading to the imposition of provisional measures, but that there was no mention of preliminary determination or evidence concerning dumping or subsidies. Regarding Article 25, paragraph 1, he said that the Decree indicated that the provisional measures could be extended to six months on the request of the domestic industry. However, under the Agreement such an extension should be on the request of the exporting industry. He then asked what was meant by the term "environmental effects" in Article 7. Regarding Article 31, he noted that only 15 days were allowed to file the appeal, and queried whether this was adequate time, particularly due to the complexity of anti-dumping cases. He asked the Hungarian delegation if there was any particular reason why the 15-day period had been chosen.

12. The representative of Hungary mentioned the general point that the Hungarian legislation would most probably be modified due to the requirements of the Uruguay Round Agreement. He took note of the statement by the representative of Hong Kong and said that Hungary would pay special attention to his question. Regarding the questions by the United States, he noted that no further regulations were currently envisaged except for alterations made due to the requirements of the Uruguay Round Agreement. Regarding preliminary evidence leading to the imposition of a provisional measure, he emphasised that Hungary's position was that there should be existence of dumping as well. About the extension of the provisional measure, he said that the United States' point would be taken care of through the modifications to be made in the light of the Uruguay Round Agreement. Regarding the question on environmental protection, he noted that Hungary had already answered a similar question posed earlier by Hong Kong. Hungary considered the environmental effects of the product to be part of the quality of the product and nothing more. He assured the Committee that Hungary was not going to protect the environment in any way by taking anti-dumping measures. Regarding the time period for appeal, he said that Article 31 of the Decree should be read together with Article 35. These Articles provided that after the decision of the Ministry, the party could appeal to the Minister in person within 15 days; this time period for appeal was the general rule in Hungary's administrative legislation. However, the same administrative legislation made it possible to go to court against almost all administrative decisions. Thus, if the Minister decided on the case, the parties could appeal that decision to the court of first instance within 30 days of that decision and when the court of first instance had made its decision, the party had an additional 15 days to go to the court of second instance. Hence there were adequate possibilities for the parties to defend their interests.

13. The representative of Australia asked the Hungarian delegate to clarify whether his answer relating to environmental aspects applied in particular to the characteristics of the imported product

or whether it could also conceivably refer to the production processing methods of the product. He also pointed out that while Article 13 of the Decree defined injury as being the material disadvantage caused to a domestic industry or the measurable retardation of the establishment of a domestic industry, the Decree later referred to injury or threat of injury. He asked if this meant that the "threat of injury" encompassed a threat of material retardation.

14. Regarding the question on environmental aspects, the representative of Hungary referred to Hungary's answer to Hong Kong's question, where it was stated that the Decree related to the determination of the likeness of the product and not to the environmental effects of packaging or the manufacturing process of the product. Thus, the Decree did not deal in any way with the environmental effects of the packaging, or with the environment in other countries and environmental protection during the manufacturing process. Regarding the second question he said that the issue was hypothetical in practice, because neither material retardation nor threat of injury had been used as a basis for the determination of an anti-dumping duty. Also, it was not Hungary's intention to use threat of material retardation of the establishment of an industry as a pretext for imposing an anti-dumping duty.

15. The Committee took note of the statements and decided to revert to this matter at its next meeting. The Chairman noted that the United States would provide a written text of its questions to Hungary and Hungary would provide a written response to those questions.<sup>3</sup>

(iii) European Community (ADP/M/44, paragraphs 30 - 35)

16. The Chairman recalled that at the regular meeting in April 1994, the delegation of Japan had requested that the modifications to the EC's regulations regarding anti-dumping investigations published in Council Regulation No. 521/94 and 522/94 be put on the agenda of this meeting (ADP/M/44, paragraphs 30-35).

17. The representative of Japan said that Japan was particularly concerned with the implications of the change in the majority required for the imposition of anti-dumping measures from a qualified majority to a simple majority (Regulation No. 522/94). It would appear that this change would facilitate affirmative decisions to impose anti-dumping measures since it lowered the threshold for the decision. Japan hoped that this would not lead to proliferation of imposition of anti-dumping duties. He noted that at the Committee's last meeting, the EC had expressed the view that this was an internal procedure to establish a new rule for voting and therefore had not yet been notified. Japan had a different view on this point. According to Article 16.6(b) of the Agreement, each Party should inform the Committee of any change in its laws and regulations relevant to the Agreement and in the administration of such laws and regulations. Therefore, Japan requested the EC to inform the Committee of the change made by Regulation No. 522/94 as soon as possible.

18. The representative of the EC said that it appeared that the Japanese delegate agreed with the EC with regard to Regulation No. 521/94 which pertained to the deadlines for proceedings. The EC had not notified this change in law because it had not yet taken effect and would depend on a further decision. If it did take effect, it would do so not before 1 April 1995. Regarding the change in decision making, i.e. Regulation No. 522/94, he took note of the Japanese concerns that the threshold would be lowered. However, he said that the decision-making process in the EC for definitive measures was one of the most burdensome compared to any decision-making by a government or a comparable body. While it might be true that it could be easier to find a simple majority than to have a qualified majority with weighted votes, it was still much more difficult to get the majority of member States to decide

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<sup>3</sup>Written questions from the United States were distributed in ADP/W/379 and Hungary's replies to these questions were distributed in ADP/W/381.

on the subject than for any other Signatory's government or Minister to take such a decision. He said that Japan was commenting on the manner in which an internal decision was made by a Signatory with regard to anti-dumping measures, and that this was of no relevance to the rights and obligations of the other Signatories. Therefore, in the EC's view, there was no reason or need to notify this change.

19. The representative of Japan said that he also had some comments on Regulation No. 521/94. He recalled that during the last meeting of the Committee, the EC had said that the changes brought about by Regulation No. 521/94 would be effective not before 1 April 1995. He wanted to confirm whether this was correct. Regarding Regulation No. 522/94, he said that Japan would follow the implementation of this regulation. In Japan's view, the regulation should be notified for reasons of transparency.

20. The representative of the EC said that Regulation No. 521/94 would take effect from 1 April 1995 only if further conditions were met. The Commission would have to make a proposal to the Council that these laws take effect. This proposal would be made only if the Commission got the necessary resources to administer the new rules, and the latter development was an open question.

21. The representative of Japan requested the EC to inform the Committee of any changes that took effect. He asked what the relationship was between the changes effected by Regulation No. 521/94 and the changes in the time framework stipulated in the EC's draft Uruguay Round implementing legislation. Japan had conflicting information on these two elements. For example, according to EC Regulation 521/94, the investigation period would normally be 12 months and in any event not more than 15 months. The draft implementation bill seemed to stipulate that the investigation period would normally be 12 months and in any event not more than 18 months. Similarly, for reviews, Regulation No. 521/94 stipulated a period of normally 15 months, while the draft implementation bill seemed to stipulate a normal review period of 12 months.

22. The representative of the EC recalled that at the regular meeting of the Committee in April 1994, there had been a discussion on whether the Committee should discuss the implementing legislation which transformed/transposed the results of the Uruguay Round. The position of the Community, shared by other Parties, was that this was not a matter for this Committee and that other Committees would deal with these issues. He said that the WTO Committee on Anti-Dumping Practices would deal with this matter. He reiterated that the implementing legislation was not a subject of this Committee.

23. The representative of Japan said that in view of the conflicting information, he wanted to obtain certain clarifications through some means. He noted that the EC's implementation bill would be a very important one and thus Japan was carefully reviewing it.

24. The Committee took note of the statements and decided to revert to this matter if requested by any delegation.

(iv) Laws and /or Regulations of Observers to the Agreement (ADP/1/Add.29/Rev.1 and 2; ADP/W/365 and 366)

25. The Chairman recalled that the legislation of Colombia had been circulated in document ADP/1/Add.29/Rev.1. Subsequently some translation errors had been detected in the English version of the document and the corrected version of the document had been circulated as ADP/1/Add.29/Rev.2. Questions from Canada relating to the anti-dumping portion of the Colombian legislation had been circulated in ADP/W/365. Colombia's replies to these questions were contained in document ADP/W/366 from page 2 onwards. These replies should be read in conjunction with ADP/1/Add.29/Rev.2.

26. The Committee took note of the statement.

B. Semi-annual Reports of Anti-Dumping Actions Taken by Parties to the Agreement during the period January to June 1994 (ADP/127 and addenda; ADP/114/Add.11)

27. The Chairman said that the following Parties had informed the Committee that they had not taken any anti-dumping actions during the first half of 1994: Czech Republic, Finland, Hong Kong, Hungary, Norway, Pakistan, Poland, Romania, Sweden and Switzerland (ADP/127/Add.1). Some Observers to the Committee, i.e. Colombia and Turkey, had also submitted their semi-annual reports. Parties which had not submitted any report were Argentina, Egypt, Singapore and the Slovak Republic. Reports from Mexico and Korea had not been provided early enough for the Secretariat to process and circulate them for the meeting. The report by Mexico was available in the room only in Spanish, and the report by Korea was available only in English.

28. The representative of Argentina said that Argentina had ratified the Agreement at the end of April 1994, and thus had not provided any report for the reporting period, i.e. January to June 1994.

29. The representative of Singapore informed the Committee that Singapore had not taken any anti-dumping action during the first half of 1994.<sup>4</sup>

30. The Chairman noted that the situation of Argentina was special. He said that the reports of Parties and observers which had taken anti-dumping actions in the first half of 1994 would be examined in the order in which they had been received. The unexamined previous report of Mexico (ADP/114/Add.11) would be examined along with Mexico's report for the first half of 1994.

Austria (ADP/127/Add.2/Rev.1)

31. No comments were made on this report.

European Community (ADP/127/Add.3)

32. No comments were made on this report.

Turkey (ADP/127/Add.4)

33. No comments were made on this report.

Brazil (ADP/127/Add.5)

34. No comments were made on this report.

Canada (ADP/127/Add.6)

35. No comments were made on this report.

New Zealand (ADP/127/Add.7)

36. No comments were made on this report.

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<sup>4</sup>Subsequently, Egypt and the Slovak Republic also informed the Committee that they had not taken any anti-dumping actions during the reporting period. See L/7553, dated 9 November 1994.

Japan (ADP/127/Add.8)

37. No comments were made on this report.

Australia (ADP/127/Add.9/Rev.1)

38. No comments were made on this report.

Colombia (ADP/127/Add.10)

39. No comments were made on this report.

India (ADP/127/Add.11)

40. No comments were made on this report.

United States (ADP/127/Add.12)

41. The representative of Japan said that it appeared that the United States was going to leave the Agreement when the WTO was established. There were more than 200 cases listed in the semi-annual report of the United States, and 306 anti-dumping duty orders were in effect on 30 June 1994. If the Agreement would not apply to these cases in the future, there would be very serious legal gaps, because the Uruguay Round Anti-Dumping Agreement's Article 18.3 stated that the new Agreement would apply only to investigations and reviews the requests for which were made on or after the date of entry into force of that Agreement.

42. The representative of the United States said that the issue could be discussed with Japan in a bilateral context. He was not aware that the Committee had ever pronounced itself on one country's membership or non-membership in it. Japan's concerns should be dealt with in the most appropriate context.

43. The representative of Australia queried the information on page 21 regarding corrosion resistant steel flat products (case 8), that Australia was subject to concurrent countervailing duty order on that product. His understanding was that a countervailing duty order was not in place on that product.

44. The representative of the United States said that he would check on this point and report accordingly.<sup>5</sup>

45. The representative of the EC noted that page 25 of the report showed an order on Urea from Germany (case 128). However, his recollection was that the investigation had been carried out and the order imposed on the former German Democratic Republic.

46. The representative of the United States said that this point would be corrected in a subsequent submission of the report.

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<sup>5</sup>In ADP/127/Add.12/Corr.1, the United States notified that corrosion resistant carbon steel flat products from Australia (case number 8) should not have an asterisk because there was no concurrent countervailing duty order on those products.

Mexico (ADP/127/Add.13 and ADP/114/Add.11)

47. The Chairman noted that ADP/127/Add.13, which contained Mexico's semi-annual report for the first half of 1994, was available only in Spanish because of the delay in the submission of the report. He said that since not all members of the Committee spoke or read Spanish, the Committee would revert to the examination of this report at a future meeting.

48. The representative of Mexico pointed out that Mexico was not the only country which had been late in delivering its report. However, he agreed that there was a need to be punctual, especially in view of the fact that Mexico had submitted its report in Spanish. The need for the punctual submission of reports should also be kept in mind by others who did not submit their reports in time.

49. The Committee took note of the statements and agreed to revert to this report at its next meeting.

50. The Chairman said that ADP/114/Add.11 contained Mexico's report for the second half of 1993, which was not available to Committee at its last regular meeting.

51. No comments were made on this report.

Korea (ADP/127/Add.14)

52. The Chairman noted that the report by Korea in English, contained in document ADP/127/Add.14, was available in the meeting room.

53. The representative of Korea said that no investigation had been initiated during the reporting period. The only actions that had been taken were provisional measures in four cases. Subsequently, during the reporting period, no injury had been found in one case, i.e. disintegrated calcium phosphates imported from the Russian Federation. Since the final decisions on the other three cases had not been made during the reporting period, they would appear in the report by Korea which would be reviewed at the next meeting.

54. The Committee took note of the statements.

C. Reports on All Preliminary or Final Anti-Dumping Duty Actions (ADP/W/364, 367, 369, 370, 371 and Corr.2, and 373)

55. The Chairman noted that copies of official notices of preliminary or final anti-dumping actions had been received from Australia, Canada, EC, Guatemala (observer), Korea, Mexico, New Zealand, and the United States.

56. No comments were made on these reports.

D. United States - Imposition of Anti-Dumping Duties on Imports of Seamless Stainless Steel Hollow Products From Sweden - Report of the Panel (ADP/47; ADP/M/44, paragraphs 102-108)

57. The Chairman said that this was the eleventh meeting at which this Panel Report had been before the Committee, but the Report had not yet been adopted. He said that this was regrettable, and hoped that the interventions on this matter would take account of the seriousness of the situation and keep in mind the commercial implications of the lack of resolution of this dispute.

58. The representative of the United States shared the Chairman's concern and respect for the dispute settlement system. However, with regard to this particular case, the United States had explained at

some length on previous occasions the concerns that it had with the Panel's findings and conclusions. These concerns regarding the adoption of the Panel Report were fundamental and still remained.

59. The representative of Sweden said that this item had been on the Committee's agenda for a very long time and that each time a request for adoption of the Report had been made, the Committee had failed to adopt it. The present meeting of the Committee might be the last before the new era of the WTO. He said that it would be desirable for the Committee's record to adopt outstanding panel reports and to leave a clean table in order to enhance the credibility of the dispute settlement mechanism, and that this might be the last chance to do this. He said that the main reason Sweden had fought hard for the adoption of this Report was the commercial repercussions for the Swedish company concerned. The situation continued to be cumbersome for that company and a solution was needed soon. Therefore, Sweden strongly urged the Committee to adopt this Report.

60. The representative of Hong Kong expressed concern over the failure to adopt this Report, noting that substantial trade interests were involved and the adverse implications of non-adoption to the smooth transition from the GATT to the WTO. Hong Kong fully shared Sweden's views in this regard, and urged the parties to the dispute to reconsider their position on the matter with a view to adopting the Report.

61. The representative of Japan shared Sweden's views and supported the adoption of the Report.

62. The representative of Norway, speaking on behalf of Norway and Finland, agreed with the previous speakers that it was desirable to have no outstanding issues at the present time. This would greatly facilitate the subsequent discussion on transitional arrangements. He urged the Committee to adopt the Report.

63. The representative of Singapore endorsed the views of the previous speakers and encouraged the Committee to adopt the Report. She said that this would be important for the credibility of the multilateral trading dispute settlement system.

64. The representative of Argentina said that he wished to reiterate his comments on this issue at the most recent meeting of the Committee (paragraph 105 of ADP/M/44).

65. The Chairman re-emphasized his concern over this situation, and said that there were a number of very relevant arguments in favour of the adoption of the Report, particularly at the present stage of transition. He hoped that an improved record on this and other issues could be shown by the end of 1994. He strongly urged the parties concerned to reach a satisfactory solution, and said that he would continue informal consultations on this matter.

66. The Committee took note of the statements.

E. United States - Anti-dumping duties on gray portland cement and cement clinker from Mexico - Report of the Panel (ADP/82; ADP/M/44, paragraphs 189 to 199; ADP/M/45)

67. The Chairman said that this Report had been before the Committee at every regular meeting since October 1992. On 28 July 1994, a special meeting of this Committee had been held to consider this Report (ADP/M/45). At each of these meetings, the representative of Mexico had asked for the adoption of the Report. At the regular meetings of the Committee, the United States had mentioned that bilateral efforts to reach a mutually satisfactory solution were under way, and Mexico had agreed to postpone consideration of the adoption of this Report. At the Committee's special meeting on 28 July 1994, Mexico had informed the Committee about the present situation facing the Mexican exporters and had again asked for the adoption of the Report. The United States had not been in a

position to adopt the Report at that meeting, and had said that bilateral efforts to reach a mutually satisfactory solution were still being made.

68. The representative of the United States reiterated the United States' respect for the panel process. However, his country continued to have the same concerns about this Report which it had mentioned at the previous Committee meeting. For this reason the United States was not in a position to agree to the adoption of this Report at the present time. He noted, however, that as recently as the previous week, the United States and Mexico had consulted bilaterally on the matter of the panel Report and the anti-dumping duty on cement from Mexico.

69. The representative of Mexico said that this was the tenth time that this item had been on the Committee's agenda. At a previous meeting Mexico had had the opportunity of expressing some of its ideas on the substance of the issue and the attitude of the United States on the Report and on the recommendations of the Panel. The Report showed that the United States' measures were contrary to the obligations of the United States under the Agreement. As had been reported on several occasions, Mexico was ready to hold consultations and negotiations with the United States to find a solution to this matter which would be compatible with the Panel's recommendations. The negotiations were under way and it was probable that in the course of the present week there might be a clearer view regarding the likelihood of success. He hoped once more that the United States would show the necessary flexibility to arrive at a satisfactory settlement. Unfortunately, this was not the first time the negotiations for a settlement had been conducted. There had been hope for settlement on other occasions but with no success. Thus, although Mexico hoped for a prompt solution, his delegation requested the adoption of the Report and the recommendations of the panel. If the Report were not adopted because of blockage by the United States, Mexico reserved the right to have a special meeting of the Committee before the end of the year.

70. The representative of Japan supported the adoption of the Report.

71. The representative of Singapore said that, as at previous meetings, Singapore supported the adoption of the Report.

72. The representative of Hong Kong said that he wished to reiterate the views of his delegation expressed at a previous meeting (in paragraph 192 of ADP/M/44), and urged the adoption of the Report.

73. The Chairman welcomed the news that consultations on the matter were going on and that the parties had met recently for this purpose. He said that the Committee would be interested in being informed of any progress made on this issue. He said that non-adoption of panel reports was regrettable from the standpoint of a credible dispute settlement system. He informed the Committee that he would continue his consultations to assist the parties in the process of reaching a mutually satisfactory solution.

74. The Committee took note of the statements.

F. United States - Anti-Dumping Duties on Imports of Stainless Steel Plate from Sweden - Report of the Panel (ADP/117 and Corr.1; ADP/M/44, paragraphs 130-145)

75. The Chairman recalled that this Report was presented to the Committee at its regular meeting in April 1994. At that meeting the United States had informed the Committee that it needed more time to examine the report before reaching a decision on its adoption.

76. The representative of the United States said that for the reasons mentioned by his delegation at the meeting in April 1994, the United States was not, at the present time, in a position to agree to the adoption of the Report. The first concern was that the Panel's finding of the existence of a violation

of the Agreement was based largely on factual information that had not been presented to the investigating authorities during the investigation. This was so even though that information had been readily available to the exporters who had sought the review and could easily have submitted it during the administrative proceedings. By relying heavily on this information, the Panel had side-stepped Article 15:5 of the Agreement which provided that a panel review should take place based on the information made available in accordance with domestic procedures to the authorities of the importing country. The second concern was with the Panel's remedy. The Panel had rejected the request by Sweden that the Panel recommend that the United States revoke the order, and the United States had agreed with the Panel's decision. However, the Panel had then proceeded to recommend that the Committee request the United States to conduct a review of the need for the order. He said that the United States' opposition to a specific remedy was well known to the Committee. In the United States' view, a panel should do no more than recommend that the authorities bring their practices into line with the Agreement. Such recommendation properly left it to the authorities, at least in the first instance, to determine an appropriate vehicle for implementing the panel's conclusions concerning consistency with the Agreement. He noted that Article 19 of the WTO Dispute Settlement Understanding said that panels may recommend that the authority bring its measures into conformity but that they may only suggest the means of doing so. He said that some of the issues that were reported to the Panel were now subject to pending administrative proceedings in the United States both before the Department of Commerce (DOC) and the International Trade Commission (ITC). The proceedings touched on both the scope of the products included in the anti-dumping order and on the need for the review of injury. Both of these issues had been before the Panel. Although the ITC had begun as injury review proceeding, it had been suspended with the full agreement of the Swedish company involved as a result of the DOC's scope proceedings concerning the same merchandise. These proceedings might shed light on issues that were important to the Panel's decision.

77. The representative of Sweden recalled that this Panel Report had been discussed at the most recent meeting of the Committee. At that meeting, Sweden had given a detailed presentation of its views and had asked for adoption of the Report. Some delegations had said that they had not had sufficient time to analyse the report, but Parties had now had six months for deliberation. He said that Sweden's arguments in favour of adoption of panel reports made at the present meeting in the context of the Panel report on seamless stainless hollow products were also valid in the present case. Respect for the dispute settlement mechanism would increase if the Committee could leave no unresolved cases behind when the WTO entered into force. Thus, Sweden strongly urged the Committee to adopt the Report.

78. The representative of Norway (speaking also on behalf of Finland) urged the Committee to adopt the Report.

79. The representative of Japan supported the adoption of the Report.

80. The Chairman said that he knew what other views were on this issue and would therefore not ask for more opinions. He said that while this was a more recent case, six months could be harmful to some commercial interests involved. He said that he would continue consultations on this matter to assist the parties in the process of reaching a mutually satisfactory solution.

81. The Committee took note of the statements.

G. United States - Anti-dumping investigations of imports of certain circular welded steel pipes and tubes from Mexico and Brazil (ADP/W/335 and 349; ADP/M/44, paragraphs 154 to 156)

82. The Chairman recalled that this matter had been first raised by Mexico in October 1991, and had been discussed in the subsequent regular meetings of the Committee (ADP/M/44, paragraphs 154-

156). Mexico had submitted some written questions on this matter to the United States (ADP/W/335), and the United States had provided its response to those questions (ADP/W/349). The representative of Mexico had informed the Committee that the response by the United States was being studied by his delegation and that Mexico might wish to comment on the response at the next meeting. The Committee had decided to revert to this item at its next regular meeting.

83. The representative of Mexico asked the United States whether any specific measures had been taken to reclassify the subject items. He said that reclassification would be a way of opening up the quotas and of applying the same duties to other products. This would run contrary to United States legislation and to the Agreement.

84. The representative of the United States said that if he understood the Mexican question correctly, Mexico was concerned about a class of pipe. He said that the order was on standard pipe and that the company had begun to import line pipe which had been galvanized. The United States industry experts had explained to the authorities that line pipe could not be galvanized. Therefore, the pipe had been reclassified by the United States Customs Service as standard pipe. Hence, this was a customs classification issue of whether or not the pipe had been accurately classified as line pipe or standard pipe.

85. The representative of Mexico said that his delegation was not satisfied with the United States' reply, and would ask for an expert opinion on this point and report in due time to the United States.

86. The Committee took note of the statements.

H. EC - Anti-dumping investigation of imports of 3.5 inches magnetic disks from Hong Kong (ADP/M/44, paragraphs 157 to 167; ADP/123)

87. The Chairman noted that this matter had been discussed by the Committee at each of its meetings since October 1992. At the April 1994 meeting, the Committee had decided to revert to this matter at its next regular meeting (ADP/M/44, paragraphs 157 to 167). Hong Kong's statement at the most recent meeting had been circulated in ADP/123.

88. The representative of Hong Kong said that since the most recent meeting of the Committee, definitive anti-dumping duties on imports of 3.5" magnetic disks originating from Hong Kong had been imposed by the EC with effect from 11 September 1994. Hong Kong regretted the EC's decision to impose these definitive duties even though most of the economic indicators had been positive and did not support the case of material injury. The representative of Hong Kong did not wish to repeat his detailed arguments in this case at the present meeting. He said that the matter was under consideration by his Government and asked that the Committee revert to it at the next regular meeting. In the meantime, Hong Kong reserved its rights to pursue the case further.

89. The representative of the EC confirmed that definitive duties in this case had been imposed in September 1994. There had been an exchange of information and explanations, but there were still a number of issues on which the Community and Hong Kong were not of the same opinion. As far as the economic indicators were concerned, the Community was of the opinion that they showed material injury with sufficient clarity, although certain indicators had to be considered relative to the growth of the market. He said that after the detailed discussions in the Committee, the matter could now only be pursued bilaterally. It was up to the Hong Kong Government to make a decision on this.

90. The representative of Mexico said that Mexico had been included in the investigations in September 1993, and wished to record his concern regarding the situation. Mexico had a very low share in the diskette market of the European Community, i.e. under 1 per cent. Under the Community's

threshold for negligible volume, which was 1.5 per cent, Mexico should be outside the scope of the investigation. In addition, the market share of Mexico in the diskette market had fallen from 1992 to 1993, the year of the investigation, and therefore the inclusion of Mexico in the investigation was not justified. He reserved Mexico's right to request consultations on this matter in the future.

91. The representative of the EC said that since he did not have advance notice of Mexico's concern, he was not in a position to comment on the factual statement by Mexico. He could contact his authorities and give comments on a bilateral basis. The EC was prepared to work with Mexico to determine whether the allegations and the factual basis were correct.

92. The representative of Japan said that as Japan had explained in prior meetings of the Committee, the Community's producers had increased production and market share of this item. Therefore, the Community's injury determinations were not consistent with the Agreement. He supported Hong Kong's statement in ADP/123 that there was a lack of positive evidence to demonstrate injury.

93. The representative of Mexico said that his country's commercial representative in Brussels had sent a letter on 11 May to the EC, explaining the reasons for Mexico's statement at the present meeting. He would provide an extra copy of that letter to the representative of the EC.

94. The representative of the EC said that the position the Commission had taken with regard to the injury findings concerning imports of magnetic disks from Hong Kong remained the same with regard to the comments made by both Hong Kong and Japan. Replying to Mexico, he said that his point was not that there had been no contact between Mexican and EC authorities, but that he did not have prior notice of this point being raised at the present meeting.

95. The Committee took note of the statements and decided to revert to this matter at its next meeting.

I. Implementation of the Report of the Panel on "United States - Imposition of Anti-Dumping Duties on Imports of Fresh and Chilled Atlantic Salmon From Norway" (ADP/87; ADP/M/44, paragraphs 109 to 129)

96. The Chairman recalled that this Report had been adopted by the Committee at its regular meeting in April 1994. This item has been placed on the agenda of the present meeting at the request of the delegation of Norway.

97. The representative of Norway recalled that the Panel in its recommendations and conclusions in this case had requested the United States to reconsider the affirmative final determination of dumping and to take such measures as may be warranted in the light of that reconsideration. He also recalled the statement by the United States in the April 1994 meeting of the Committee confirming that the United States "intended to fully implement this Panel Report, once it was adopted by the Committee". In light of the Panel's conclusions and subsequent commitments made by the United States to fully implement the Report, he asked the United States delegation to indicate how and when the United States authorities intended to follow up on the Panel's conclusions.

98. The representative of the United States said that consistent with the delegation of Norway's statement, the United States intended to fully implement the Panel Report and was doing so at the present time in the context of its annual administrative reviews.

99. The representative of Norway noted that the United States had said it intended to implement the Panel's conclusions solely in the form of administrative review. His delegation was disappointed at the way the United States intended to implement this Panel Report. Basing implementation on

individual administrative reviews seemed unacceptable to Norway and should be so also for this Committee. In this particular case, it meant that large number of Norwegian exporters oriented towards the United States market - and if all Norwegian exporters dealing in the salmon business were included there would be several hundred exporters - should avail themselves of the possibility of requesting comprehensive, costly and burdensome administrative reviews. Such a procedure was not the remedy and therefore not an appropriate follow-up of to a Panel Report, *inter alia*, for the following reasons: firstly, an administrative review in practice left the follow-up to the Panel's conclusions to the initiative of the Norwegian exporters. An administrative review was an instrument to which exporters might resort, irrespective of the various panel reports in the case. Secondly, his delegation felt that the United States could at least partly take retroactive action to implement this Panel Report, for instance regarding the Panel's findings and conclusions on the use of best information available (paragraph 595 (b) of the report). In light of these comments, he requested the United States to reconsider how it planned to implement this Report. Norway was of the view that it should be possible to find remedies which took into account the need to follow up the Panel's conclusions in a more general way, and at the same time avoided imposing burdensome reviews with prohibitive costs on so many Norwegian exporters, most of which were not subject to the original investigations.

100. The representative of Japan said that Japan shared Norway's view, and encouraged the United States to fully implement the Panel Report in this case. Japan shared the view that administrative reviews were not the appropriate form for implementing the Panel Report.

101. The representative of Hong Kong said as the Report had been adopted with the agreement of both parties to the dispute at the most recent regular meeting of the Committee, the recommendation of the Panel should be implemented in an expeditious manner for the benefit of the genuine trade involved in the case. In this regard he wondered whether an administrative review was an effective or appropriate way to implement the Panel Report. He reiterated Hong Kong's wish to revert to this issue at a later meeting.

102. The representative of Sweden (speaking also on behalf of Finland) said that his delegation also supported the views expressed by Norway.

103. Regarding the appropriateness of implementing a panel Report through the administrative review process, the representative of the United States said that unlike other systems, the United States had a retrospective system of collecting anti-dumping duties. Therefore any duties collected pursuant to an investigation were not final, and the administrative review process was designed to determine the final liability. Therefore, the administrative review process offered a unique way in the United States system to implement a panel Report fully. The administrative review in this case would be able to assess the final liability which reflected the Panel's recommendations.

104. The representative of Norway asked whether the United States' practice or system allowed sampling in administrative reviews.

105. The representative of the United States said that it seemed to be a very rare case to have such a large number of exporters involved. His understanding was that there were only 50 or 60 producers engaged in export to the United States, and not the large number mentioned earlier by Norway. Up to the present time the United States had never been presented with the question whether the Department of Commerce would engage in sampling of respondents if in the case of a large number of respondents, such as 50 or 60, each requested administrative reviews. However, on the reverse side, where petitioners had requested review of a large number of producers or exporters, the Department of Commerce had sampled. Thus it was an open question as to whether the Department of Commerce would sample at the request of the respondents.

106. The Chairman said that he was certain the United States would bear in mind possible alternatives to implement this Report in a way that would satisfy Norway and its many exporters of fresh and chilled Atlantic salmon to the United States market.

107. The Committee took note of the statements made.

J. Mexico - Anti-dumping action against certain products exported from Hong Kong (ADP/M/44, paragraphs 179-182)

108. The Chairman recalled that at the regular meeting in April 1993, the representative of Hong Kong had drawn the Committee's attention to anti-dumping actions by Mexico on a wide range of products originating in China, a substantial volume of which had been re-exported from Hong Kong. This matter had also been discussed at the subsequent regular meetings of the Committee. The item had been included on the agenda of the present meeting at the request of Hong Kong.

109. The representative of Hong Kong said that he had explained in the previous meeting of the Committee that the measures in question were not on exports of Hong Kong origin. However, Hong Kong was concerned about the issue since it had substantial re-export interests in the products involved or affected by the measures. Hong Kong understood that since the most recent regular meeting of the Committee, Mexico had imposed duties on bicycles and bicycle tyres on 23 September 1994. He asked Mexico for further information on developments in the case since that meeting.

110. The representative of Mexico said that the investigation on bicycles and bicycle tyres against China, which Hong Kong had said affected it, had been terminated on 1 October 1993. Since then, there had been no change. He pointed out that this was an investigation involving China and not Hong Kong.

111. The representative of Hong Kong said that there was a conflict regarding the information he had received from his capital and from the delegation of Mexico. He undertook to check further with his capital and with the Mexican delegate after the meeting to clarify the issue. He said that he fully understood the case was not against Hong Kong products but reiterated that Hong Kong was concerned because it had substantial re-export interests in the products affected by the measures.

112. The representative of Mexico said that the information on this case he had provided to Hong Kong was correct. His delegation would send a note to Hong Kong regarding the exact date of termination once he had confirmed this.

113. The Committee took note of the statements.

K. Guidelines for Information Provided in the Semi-annual Reports (ADP/122; ADP/M/44, paragraph 73)

114. The Chairman recalled that at its regular meeting in April 1994, the Committee had agreed to the Guidelines for Information Provided in the Semi-annual reports, which had later been circulated in ADP/122. At that meeting, Hong Kong had asked that the Committee revert at the present meeting to the matter of reporting on pending review cases; this matter had been referred to in footnote 3 in the Guidelines, which stated that "The format for review investigations will be discussed by the Committee" .

115. The representative of Hong Kong said that his delegation welcomed proposals to enhance transparency of anti-dumping actions and therefore supported the adoption of the Guidelines. However, he recalled that footnote 3 of the Guidelines addressed the issue of ongoing reviews and invited the

Committee to look at the question. There was a need for the Committee to examine how best to report ongoing reviews. This was part of the overall effort to enhance transparency and to enable the Committee to better monitor the progress of all pending cases whether they related to ongoing reviews or ongoing new cases. Hence, the Hong Kong's view remained that ongoing reviews, like new cases, should also be covered in semi-annual reports even if no action had been taken during the reporting period. He looked forward to a further exchange of views on this issue.

116. The representative of Japan said that Japan supported Hong Kong's suggestion to begin discussion for further improvement in the semi-annual reports' format adopted at the April 1994 Committee meeting (ADP/122). In view of Japan's comments at that meeting, Japan supported Hong Kong's view that reviews should be included in the format in an appropriate manner. Hence, as stated in footnote 3 of ADP/122, the Committee needed to begin discussion on this point.

117. The Chairman said that he had conducted some consultations on this matter and his impression was that more time would be needed to achieve a solution satisfactory to all parties on the question of pending reviews.

118. The representative of the United States said that it would be perhaps worthwhile to have bilateral consultations on what the various delegations needed and what was feasible to agree on before the end of the present meeting.

119. The Chairman said that this issue would be addressed later in the meeting after bilateral consultations along the lines suggested by the United States had been held.

120. The representative of Japan agreed to the bilateral consultations, but also proposed that this issue be included on the agenda of the Committee's next meeting.

121. The representative of Hong Kong also asked that the item be retained on the agenda of the next meeting.

122. The Committee took note of the statements and decided to revert to this item at its next regular meeting.

#### L. Ongoing Panels and other Dispute Settlement Issues

123. The Chairman recalled that at the regular meeting in April 1994, the Committee had discussed issues related to "Outstanding Dispute Cases Subsequent to Entry into Force of the WTO" (ADP/M/44, paragraphs 219-231), and he had informed the Committee that along with the Chairman of the Committee on Subsidies and Countervailing Measures, he would hold consultations on this matter. The joint consultations had been held on the basis of a background paper prepared by the Secretariat. Some Parties had been of the opinion that there was an overlap with the work done by the Sub-Committee on Institutional, Procedural and Legal Matters, and thus further consultations on these matters had been postponed with a view to considering the results of the process undertaken by the Sub-Committee. The Chairman then proposed that he consult informally on this matter and report back to the Committee.

124. The representative of Japan drew the Committee's attention to the ongoing dispute between Japan and the EC relating to audio cassettes. Japan was concerned about the delay in delivery of the Panel's report which was to have been produced in September. Japan requested the Chairman, together with the Secretariat, to consult with the Panel on how the proceedings could be accelerated.

125. The representative of Hong Kong said that his delegation supported the continuation of the process started by the Chairman with a view to finding a solution acceptable to all parties.

126. The representative of Mexico emphasized his delegation's interest in the matter raised by the Chairman under this item. He also took note that parallel consultations were taking place on this issue in another forum, where his delegation had presented a document which had been discussed. Finally, he emphasized that the entry into force of the WTO should not be a pretext for countries to ignore their obligations in the Committee.

127. The Committee took note of the statements.

M. United States - Delay in administrative reviews (ADP/M/44, paragraphs 168-173)

128. The Chairman noted that the delegation of Japan had raised this matter at every regular meeting of the Committee since October 1992. This item had been placed on the agenda of the present meeting by Japan.

129. The representative of Japan said that his delegation had on several occasions expressed concerns over the delay of administrative reviews in the United States, and had requested the United States to improve the situation. The United States representative had promised that there would be no backlog by the end of May 1994. However, that had not happened. For example, the administrative review of tapered roller bearings for the period 1980-1986 remained unconcluded, which meant a delay of more than ten years. Japan asked the United States to explain the situation, and requested that the United States authorities finish the reviews by the end of the year.

130. The representative of the United States said that at the time of the April 1994 meeting of the Committee he had fully expected that the tapered roller-bearings review would be finished by the end of May 1994. However, he had greatly underestimated the amount of resources that would go into drafting the implementing legislation for the Uruguay Round. Due to that, the decision-makers involved in the process had not been able to turn their attention to the review as soon as they had hoped, but were making every effort to complete the review in a timely fashion. He said that the United States took its responsibilities to complete the reviews very seriously and he hoped that the review on tapered roller bearings, as well as a large portion of the other backlog, would be taken care of shortly.

131. The representative of Japan said that his delegation would continue to pursue this issue.

132. The Committee took note of the statements.

N. EC - Delay in Anti-Dumping Investigation (ADP/M/44, paragraphs 174 to 178)

133. The Chairman noted that this matter had been raised by Japan at the regular meetings of the Committee since April 1993. This item had been included on the agenda of the present meeting at the request of Japan.

134. The representative of Japan said that his delegation had on various occasions expressed concern to the EC about delays in anti-dumping investigations. At the previous regular meeting of the Committee, the Community had replied that the investigation concerning plain paper photocopiers was near completion. However, it had not yet been completed and Japan asked for an explanation for the delay.

135. The representative of the EC said that the plain paper photocopiers case was extremely complicated but he was convinced that it would be completed by the next regular meeting of the Committee.

136. The Committee took note of the statements.

O. Other Business

(i) Report by the Chairman of the Committee on Anti-Dumping Practices on Anti-Dumping Workshops

137. The Chairman recalled that at the regular meeting in April 1994, he had informed the Committee in considerable detail about the Anti-Dumping Workshops organised by the GATT Rules Division. Further activities of the Division in this area had been summarized in an informal note that had been circulated to the Committee (ADP/W/375). He thanked all the parties who had provided support for the workshops both with funds and in kind.

138. The representative of Singapore expressed her delegation's appreciation for the workshops and said that her Government wanted to encourage these efforts.

139. The representative of Hong Kong agreed with the statement by Singapore.

140. The Committee took note of the statements.

(ii) Imposition of Provisional Anti-Dumping duties by Argentina on imports of three-phase electric motors originating in the Czech Republic

141. The representative of the Czech Republic said that he wished to inform the Committee about his country's experience during the first phase of consultations with Argentina under Article XXII:1 of the General Agreement. These consultations concerned the imposition of provisional anti-dumping duties on imports of three-phase electric motors originating in the Czech Republic. In June 1993, Argentina's Secretariat of Industry and Trade had initiated an anti-dumping investigation based on a petition received from two companies acting on behalf of the Argentine domestic industry. In November 1993, after five months of the investigation process, a Resolution published in the Official Bulletin was adopted by the Secretariat of Industry and Trade introducing the previously mentioned provisional measure.

142. His Government had studied the matter repeatedly, and on various occasions had expressed its disagreement with the imposition of the provisional measure. Having received no satisfactory reply, it had finally requested Argentina in April 1994 to enter into consultations under Article XXII:1 of the General Agreement, because at the time of the imposition of the measures Argentina was not a Party to the Anti-Dumping Agreement. Since the imposition of the provisional duties, the Czech Republic had been seeking an explanation of the grounds on which the anti-dumping measure had been taken. However, no factual information demonstrating the causal link between the imports in question and injury caused by them had been provided.

143. His Government had been further concerned when recently the Czech exporters of the goods subject to the restrictive measures informed the Government that they had been contacted in writing by one of the two petitioners enquiring about prices and further terms of possible deliveries of the Czech electric motors, and offering to purchase the product for the local market of Argentina. In this context, the Czech authorities had stressed repeatedly that two petitioners had imported substantially larger quantities of the product in question before the initiation of the investigation and that their own production of those products had decreased considerably before the introduction of the Czech electric motors to the Argentine market. Thus, the conclusion had to be that there was no causal link between the rise in imports of the electric motors originating in the Czech Republic and the alleged injury to the domestic industry in Argentina.

144. Moreover, the provisional measure had been in effect for almost 12 months, which his Government considered to be inappropriate. It was not clear to his authorities to what extent these procedures were in conformity with relevant provisions of the national legislation, namely with Article 712 of the Customs Code of Argentina. That Article, which was incorporated by reference into the Decision imposing the provisional measure on the Czech product, stipulated that the validity of the provisional measure could not exceed six months. His delegation noted with regret that the authorities of Argentina had continued to argue that the case was still under consideration, without giving a more precise explanation of the delay.

145. He recalled that Argentina had signed the Anti-Dumping Agreement on 9 April 1991, subject to ratification. On 14 March 1994 the Government of Argentina had deposited with the Director-General the respective instrument of ratification. The Agreement had entered into force for Argentina on 13 April 1994. In the light of such a welcome increase in the number of Parties to the Agreement, he was particularly concerned about the extent to which the prolonged application of the provisional anti-dumping duty corresponded to the letter and spirit of the Agreement to which Argentina had recently become a Party. The Government of the Czech Republic did not doubt the right of any GATT contracting party to introduce anti-dumping measures against dumped imports provided that such action was considered in conformity with the relevant GATT provisions. However, in the view of the Czech authorities the anti-dumping measure in question impaired or nullified benefits accruing to the Czech Republic under the General Agreement. He believed that a mutually satisfactory solution to the matter would be found in the near future. However, his authorities were clarifying the background for any future action on this case. His Government was ready to proceed expeditiously with the case and thus avoid the need for invoking further stages of the dispute settlement process.

146. The representative of Argentina noted that the Czech Republic had referred to Article XXII of the General Agreement. He said that since the issue had been raised under Article XXII of the General Agreement and not under the Anti-Dumping Agreement, the Committee was not the appropriate forum to discuss this matter. Therefore, he did not feel even bound to inform his authorities about the discussion on this issue. He said that consultations were going on between his Government and the Government of the Czech Republic, and that these consultations would be continued bilaterally.

147. Later, during the discussion on the Annual Report of the Committee to the CONTRACTING PARTIES, the representative of the Czech Republic confirmed that this issue was subject to bilateral consultations, and in view of these consultations he requested that this issue not be included in the report.

148. The Committee took note of the statements.

(iii) Information regarding change in Brazilian anti-dumping regulations

149. The representative of Brazil said that on 14 September 1994, the Government of Brazil had published a Regulation dealing with some specific aspects of obligations regarding duties established in the Agreement and in the Agreement on Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade ("Subsidies Agreement"). The Regulation provided for retroactive application of duties in accordance with Article 11 of the Agreement and with Article 5 of the Subsidies Agreement. The Regulation also had provisions on the time period of application of duties as well as on internal procedures for such applications. An English version of this Regulation was being prepared and would soon be transmitted to the Committee in accordance with the provisions of Article 16:6 of the Agreement.

150. The Committee took note of the statements.

(iv) Anti-dumping action by Brazil against vinyl acetate from Mexico

151. The representative of Mexico said that in November 1993, Brazil had instituted an investigation on vinyl acetate from Mexico. Since then there had been many violations of procedures that had not been corrected despite informal discussions between Mexico and Brazil in Geneva and Brazil. Brazil had made a commitment to correct the violations. He believed that the Mexican company which had been accused of dumping in Brazil had not been given the full rights of defense that it deserved in accordance with the legislation. For example, the company had not been allowed to look at a summary of the confidential information presented by the applicant verbally, nor had it received this in writing. Also, the respondent had requested public hearings, but the Technical Directorate for Tariffs in Brazil, contrary to the Agreement, had not agreed to such a public hearing. An extra-judicial meeting had been held which was not consistent with the request for a formal hearing. Furthermore, the company had not been notified when the consultative technical council had been held for the notification of the Resolution to the company, and only subsequently (and unofficially) had it read in the newspaper about the anti-dumping fees and how these would have to be paid. Other similar breaches had been committed in the proceedings. Hence, Mexico requested consultations with Brazil based on Article 15, and a letter formalizing this request would be sent shortly.

152. The representative of Brazil said that at the meeting of the Committee in April 1994, there had been some preliminary discussion on this issue and the Committee had decided to revert to the present matter at this meeting if requested by any delegation. He had learned just before the present meeting about Mexico's request for consultations under Article 15, and would transmit that request to his authorities in Brasilia and would wait for the request in writing from Mexico.

153. The Committee took note of the statements.

P. Annual Review and Report to the CONTRACTING PARTIES

154. The Committee adopted its Report (1994) to the CONTRACTING PARTIES (L/7553).

Date of the next meeting

155. The Chairman said that the Committee would be informed about the date of the next meeting by the Secretariat.