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GENERAL AGREEMENT ON TARIFFS AND TRADE

REPORT (1980) OF THE COMMITTEE ON ANTI-DUMPING PRACTICES

1. The Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade entered into force on 1 January 1980. On 20 October 1980 the Parties to the Agreement were: Austria, Brazil, Canada, Czechoslovakia, Finland, Hungary, India, Japan, Norway, Romania, Spain, Sweden, Switzerland, United Kingdom on behalf of Hong Kong, United States, Yugoslavia and the European Communities.

2. The Parties to the Agreement are ipso facto members of the Committee established under the Agreement. During the reporting period the Committee has held three meetings:

22 January 1980 - (ADP/M/1 and L/4945)
5-6 May 1980 - (ADP/M/2 and L/4980)
20-22 October 1980 - (ADP/M/3 and L/5052)

Twenty-four contracting parties and four non-contracting parties have observer status. Furthermore, two international organizations (IMF and UNCTAD) have attended meetings of the Committee in an observer capacity.

3. Procedural questions have been settled in the same way as in other Committees. These include:

(a) procedures for the participation of observers - L/4980, Annex I and ADP/M/2, paragraphs 3-5;

(b) observers from international organizations (UNCTAD and IMF) - ADP/M/2, paragraphs 6-7;

(c) circulation of documents - ADP/M/2, paragraphs 39 and 40.

4. In order to facilitate the participation of developing countries the Committee adopted, at its May 1980 meeting, a set of decisions concerning the application and interpretation of the Agreement in relation to developing countries (ADP/2 and ADP/M/2, paragraph 8 and Annex). These decisions recognize that the Agreement is not intended to prevent developing countries from adopting measures to promote their economic growth and development, which may result in different cost and price structure and that this should be taken into account in determining the normal value. They also recognize that developing countries may face special problems in adapting their legislation to the requirements of the Agreement and therefore time-limited exceptions may be granted, where appropriate, by the Committee.

5. The Committee established, in conjunction with the Committee on Subsidies and Countervailing Measures a group of experts to identify and examine, at a technical level, problems involved in the definition of the word "related", for determination of a relationship between producers and exporters or importers as required by the footnote 7 to Article 4 of the Agreement (L/4980, paragraph 8). This group met on 22 October 1980 to organize its work. It will report to the Committee at its April 1981 meeting.

6. The Committee has examined notifications of national legislation and implementing regulations submitted by the following parties: Austria, Canada, the European Communities, Finland, Japan, Norway, Romania, Sweden, Switzerland and the United States (ADP/1 and addenda). In the course of this examination the attention of several Parties has been drawn to some provisions in the national legislations where it was felt in the Committee that more explicit rules would be desirable or that certain modifications in the existing legislation should be made. Concern was expressed by some Parties as regards the provisions in the legislation of one Party dealing with imports from countries described in NOTES AND SUPPLEMENTARY PROVISIONS to the General Agreement, Annex I, Article VI, paragraph 1, point 2. Attention was also drawn, inter alia, to the way in which some legislations dealt with such problems as: time-limits given to exporters to submit all required information, margin of profit in the calculation of constructed value, treatment of salesmen's services, possible breaches of confidentiality, mandatory imposition of anti-dumping duties at the level equal to the margin of dumping, periods during which provisional duties could be applied.

7. The Committee has also examined a draft legislation which is being prepared by one Party. Many points were raised and modifications were proposed for consideration by that Party where it was felt that there were some discrepancies between the proposed provisions and the provisions of the Agreement.

8. It was agreed that the Parties to which the comments were addressed would consider them. It was also proposed that in some cases certain harmonization of existing practices was desirable. Furthermore the Committee invited Parties to leave sufficient time for respondents in an anti-dumping investigation to prepare their cases. The Committee also agreed to hold a meeting in January 1981 to discuss problems related to the basic price systems.

9. Some Parties reserved their rights to revert to particular aspects of the national legislations at a later stage or in the light of their practical application. The Parties which had not submitted their national legislations and implementing regulations were invited to so so by 31 December 1980.

10. Article 14:4 of the Agreement provides that the Parties submit, on a semi-annual basis, reports of any anti-dumping actions taken within the preceding six months. In this relation a standard form for such reports has been worked out (ADP/3).

11. The following semi-annual reports under Article 14:4 have been submitted and circulated to the Committee:

Austria	- ADP/4
European Communities	- ADP/4
Finland	- ADP/4
United States	- ADP/4/Add.1
Hungary	- ADP/4/Add.2
Norway	- ADP/4/Add.2
Sweden	- ADP/4/Add.2
Switzerland	- ADP/4/Add.2
Canada	- ADP/4/Add.3
Japan	- ADP/4/Add.4
Spain	- ADP/4/Add.4
Czechoslovakia	- ADP/4/Add.5

The Committee has examined these reports. Several comments on particular cases were made and explanations given. A table summarizing the cases where investigations have been opened, provisional or final actions taken, etc. during the period 1 January 1980-30 June 1980 is reproduced in the Annex. Czechoslovakia, Finland, Hungary, Japan, Norway, Spain, Sweden and Switzerland had notified that no anti-dumping cases were pending or initiated during the period under review. In the course of this examination some general points have been raised such as: conditions required for determination of material retardation of the establishment of a domestic industry, product coverage for an injury determination, causality link in an injury determination, requirements for details of production costs where there is no allegation of a sale at loss, definition of a "like product", criteria for initiating an anti-dumping investigation, excessive length of review of outstanding anti-dumping orders. Because of their general nature these problems have not only been noted in relation to specific cases but it was recognized that they might need further consideration in the Committee.

12. At the request of the Brazilian delegation the Committee, recalling its decision of 5 May 1980 on application of the Agreement to developing countries, recognized that Brazil would require a further period of three years in order to implement its domestic legislation in conformity with provisions of the Agreement. The Committee noted that Brazil undertook not to take anti-dumping actions until it would be able to proceed with such a full implementation of its domestic legislation.

13. The dispute settlement procedures provided for in the Agreement have not been so far invoked.

ANNEX

SUMMARY OF ANTI-DUMPING ACTIONS

for the period 1 January 1980 to 30 June 1980

Reporting country	Initiation	Provisional measures	Final outcome						Outstanding anti-dumping actions[1]
			Definitive duty	Price undertakings	No dumping	No injury	Case withdrawn	Other	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Austria	1	1	1						
Canada	26	20	8		1	9			92
EEC	17	2	2	8	4				6
USA[2]	37	19	9	-	3	14		3 (revoked)	90

[1]Calculated for each exporting country and each product (country x product). Calculated on a basis of products only irrespective of the number of exporting countries, these numbers would be considerably lower.

[2]Period covered 1 July 1979-30 June 1980.