

METI-RIETI International Seminar

Recent State of Play on Anti-dumping and Other Trade Remedy Measures: With overviews of Brazil and Japan

Handout



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ANTI-DUMPING AND OTHER TRADE REMEDIES: WHAT IS IT, WHO DOES IT?

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Anti-Dumping: Legal Basis

- ▣ Article VI of GATT 1994: “Dumping ...is to be condemned if it causes or threatens material injury to an established industry....”
- ▣ “In order to offset or prevent dumping, a Member may levy on any dumped product an AD duty not greater in amount than the margin of dumping...”

Anti-Dumping

- ❑ So anti-dumping duties are a permitted response to inappropriate behaviour: injurious dumping.
- ❑ Similarly, countervailing measures are a permitted response to harm caused by subsidization.

AD v. Safeguards

- ❑ Compare safeguard measures: An emergency action to address harm caused by increased imports.
- ❑ Because there is no inappropriate behaviour by exporters, the harm required to justify measures is greater (“serious” v. “material” injury).
- ❑ And Members should pay compensation, or face retaliation.

WTO rights and obligations

- ❑ Thus, WTO Members have a right to use AD duties to respond to injurious dumping.
- ❑ That right is however conditioned on compliance with the requirements of GATT 1994 and the Anti-Dumping Agreement.

Monitoring and dispute settlement

- ❑ The WTO system of mutual surveillance, through the Committee on AD Practices, monitors Members' anti-dumping practices.
- ❑ The ultimate arbiter of the WTO-consistency of AD duties is however the WTO dispute settlement system.

What is dumping?

- ❑ Dumping relates to the pricing behaviour of individual exporters.
- ❑ Put very simply, dumping occurs where the export price is less than the home market price of above-cost sales.
- ❑ Where there are no above-cost home market sales, dumping occurs if the export price is less than
 - the cost of production plus SG&A and profit, or
 - Prices charged in third-country markets.

What is the role of the Investigating Authorities?

- To determine:
 - (i) whether imports are dumped; and, if so,
 - (ii) whether the dumped imports are causing material injury to a domestic industry.

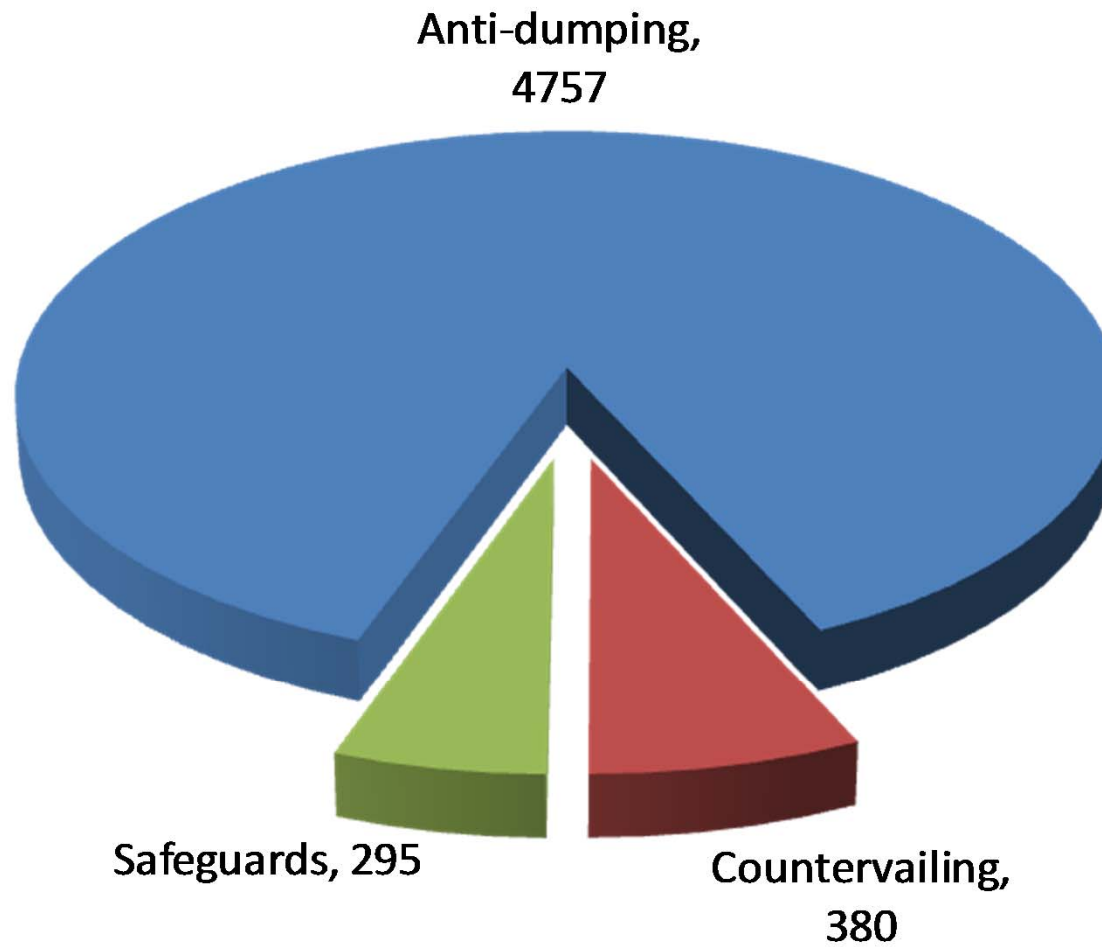
What is the role of the Investigating Authorities?

- ❑ The authority's role is that of a neutral fact-finder.
- ❑ It conducts an investigation, which:
 - provides ample opportunity to interested parties to present evidence;
 - Gives all parties a full opportunity to protect their interests.
- ❑ Fully explains the basis for their decisions.

What is the role of the Domestic Industry?

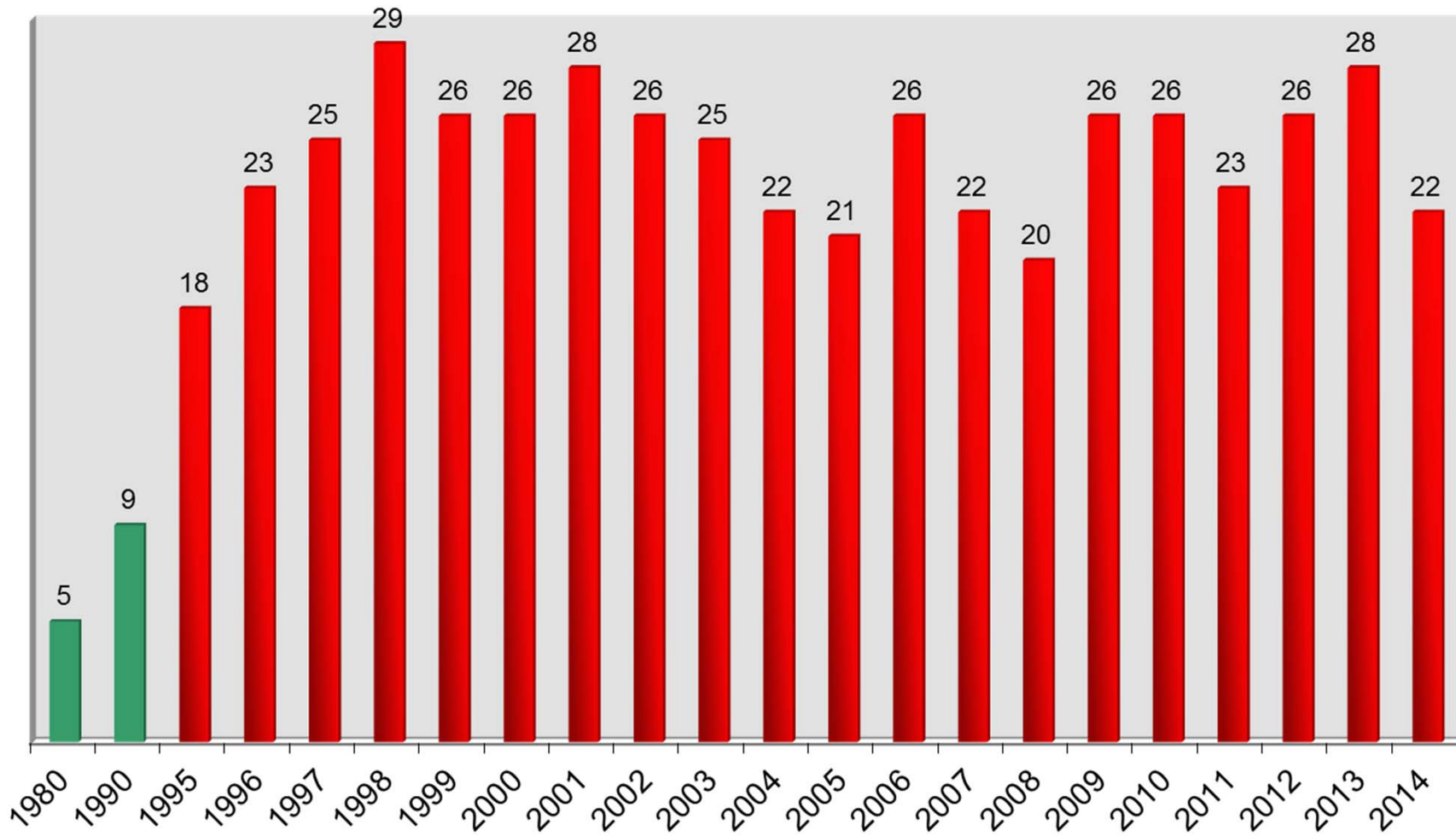
- ❑ To make an application for initiation of an investigation
- ❑ To provide sufficient evidence that allows that investigating authority to open a case
- ❑ To fully cooperate throughout the investigation, providing the information required by the authorities

Trade Remedy Initiations 1995 – 2014



ANTI-DUMPING

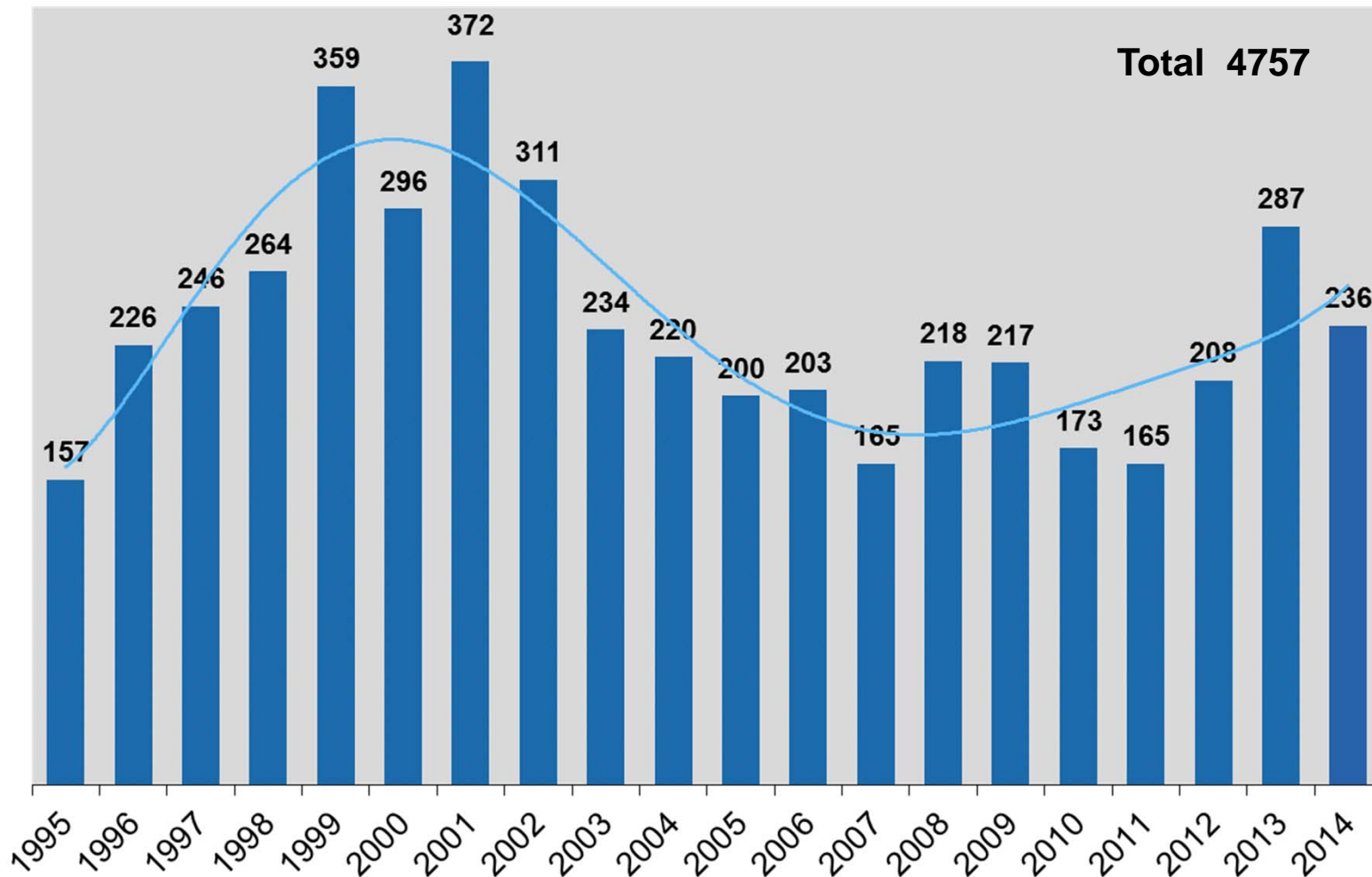
NUMBER OF MEMBERS TO INITIATE AN INVESTIGATION 1980 – 2014



ANTI-DUMPING

NUMBER OF INITIATIONS

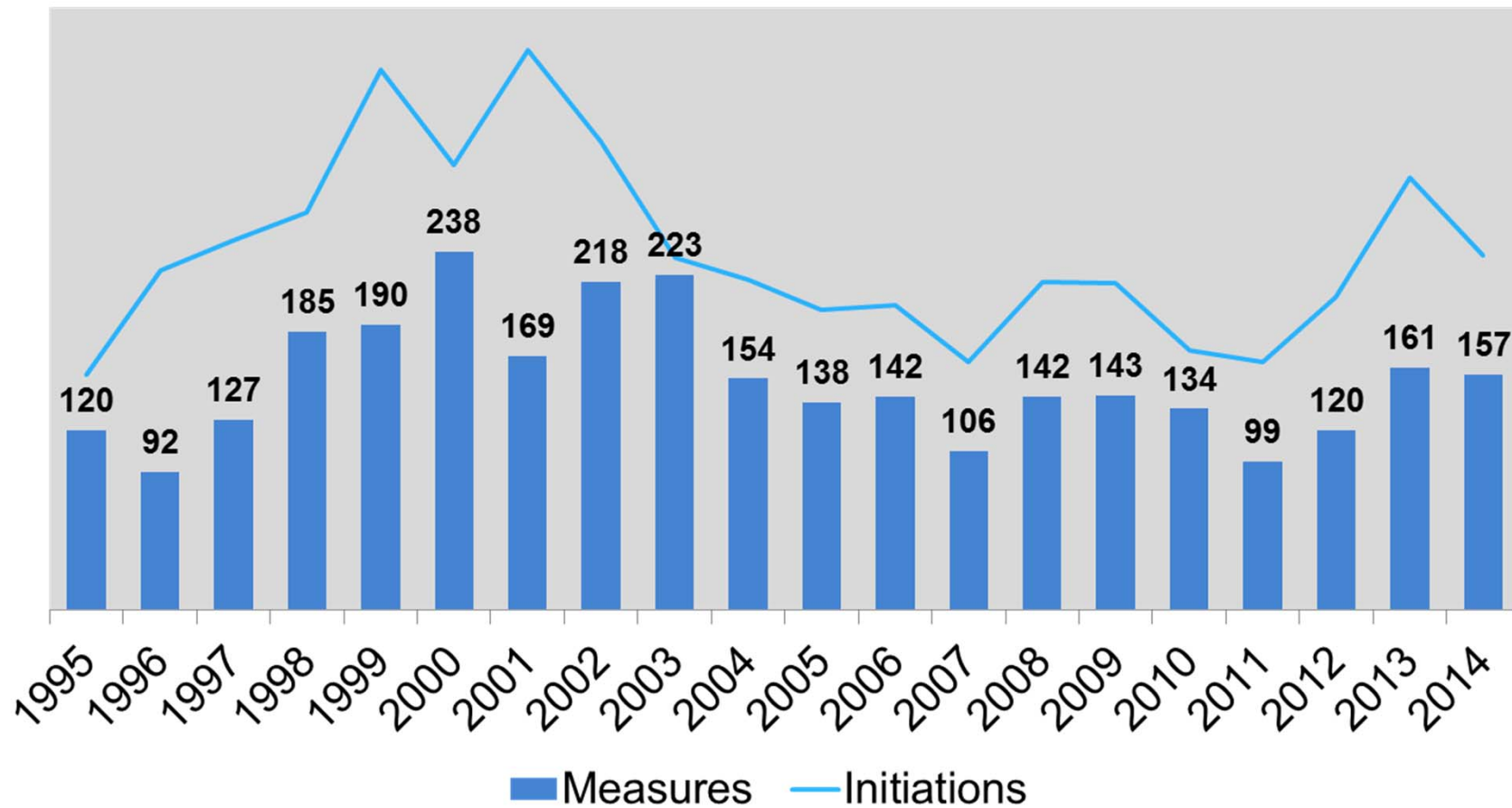
1995 – 2014



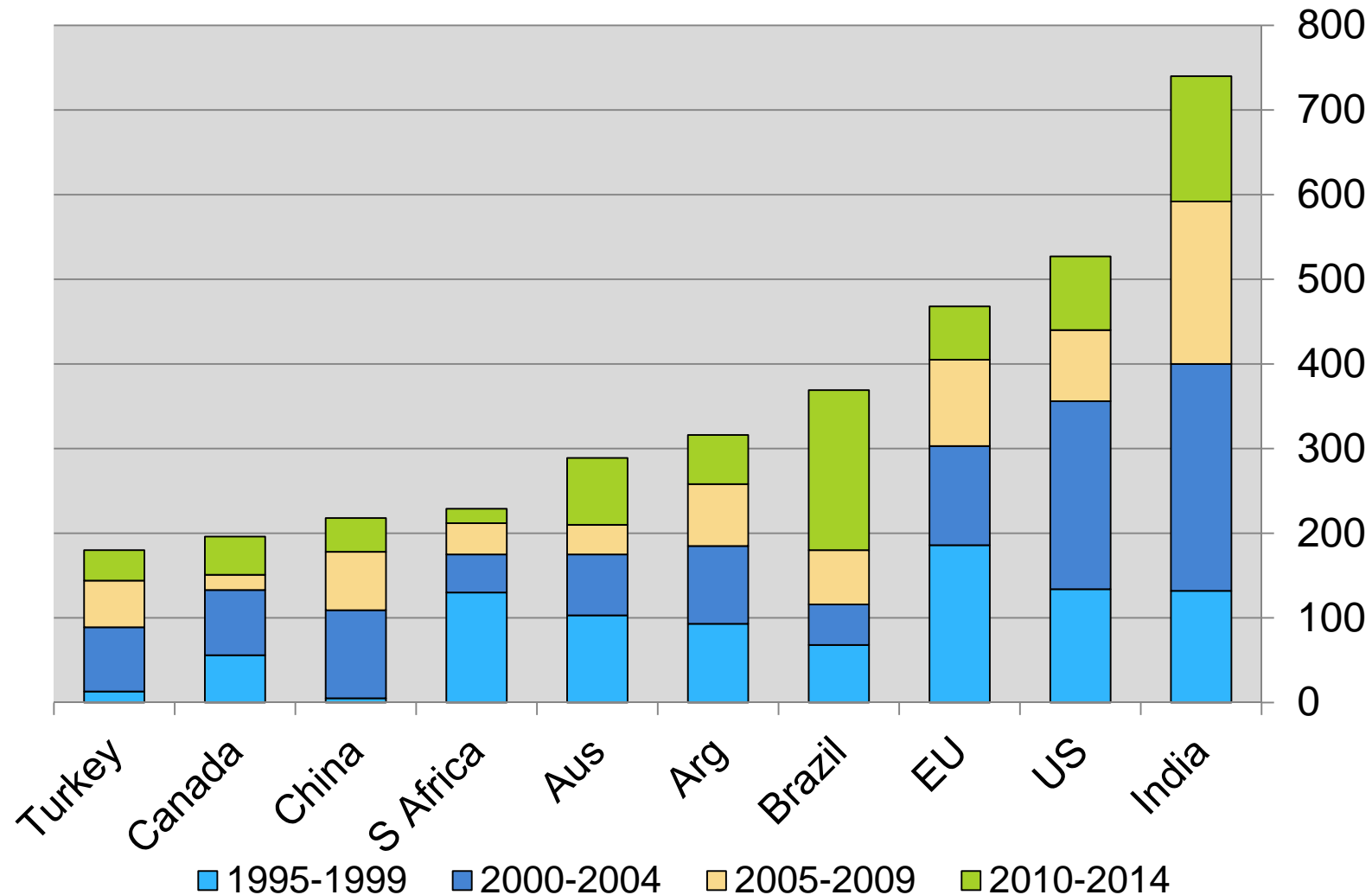
ANTI-DUMPING

NUMBER OF MEASURES IMPOSED

1995 – 2014



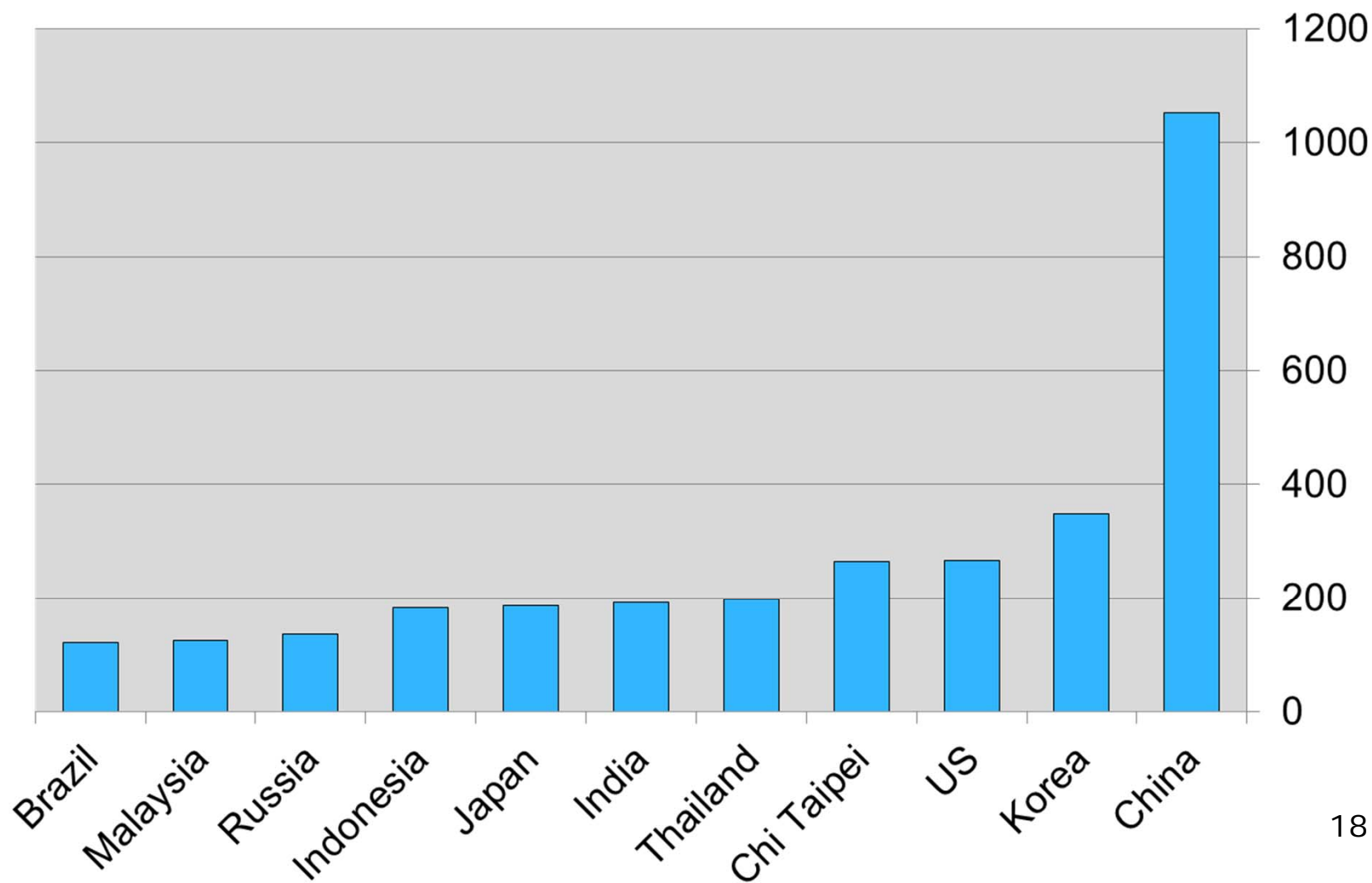
ANTI-DUMPING INITIATIONS by Reporting Member and time period 1995 – 2014



Most frequent targets of AD Initiations

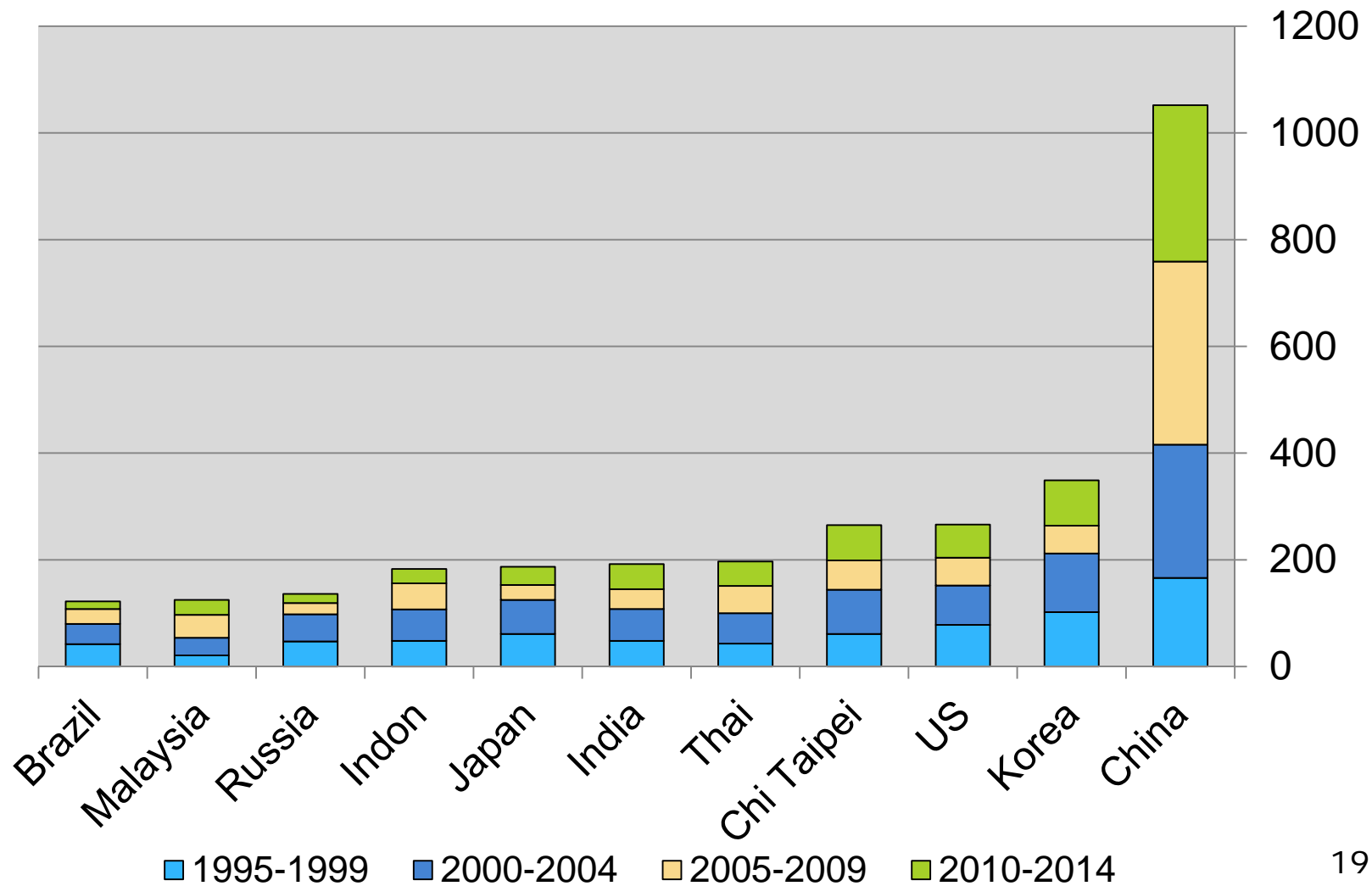
- | | | | |
|----|----------------|-----|------------|
| 1. | China | 7. | Japan |
| 2. | Korea | 8. | Indonesia |
| 3. | US | 9. | Russia |
| 4. | Chinese Taipei | | Federation |
| 5. | Thailand | 10. | Malaysia |
| 6. | India | 11. | Brazil |

ANTI-DUMPING INITIATIONS by Exporting country 1995 – 2014

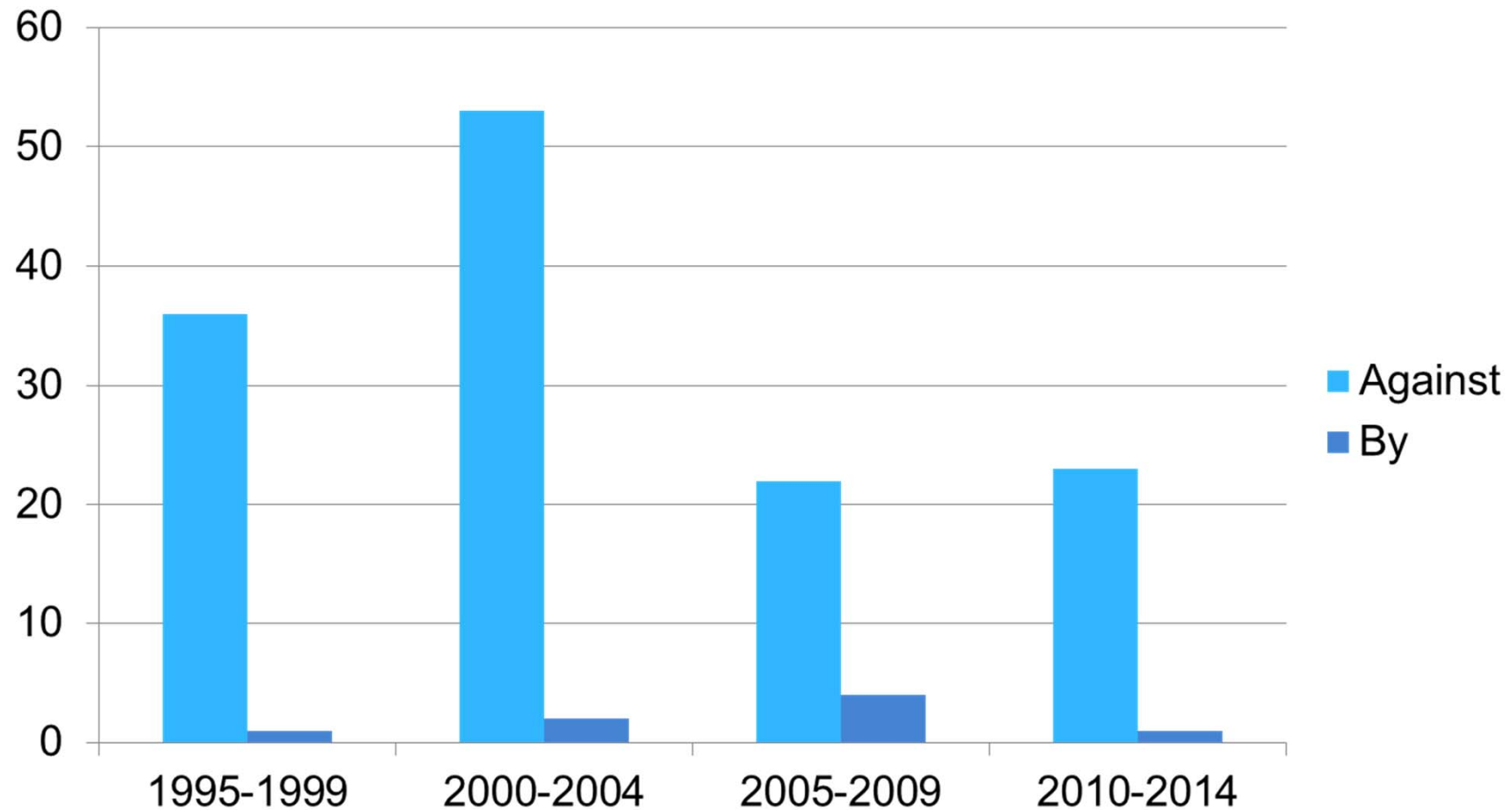


ANTI-DUMPING INITIATIONS

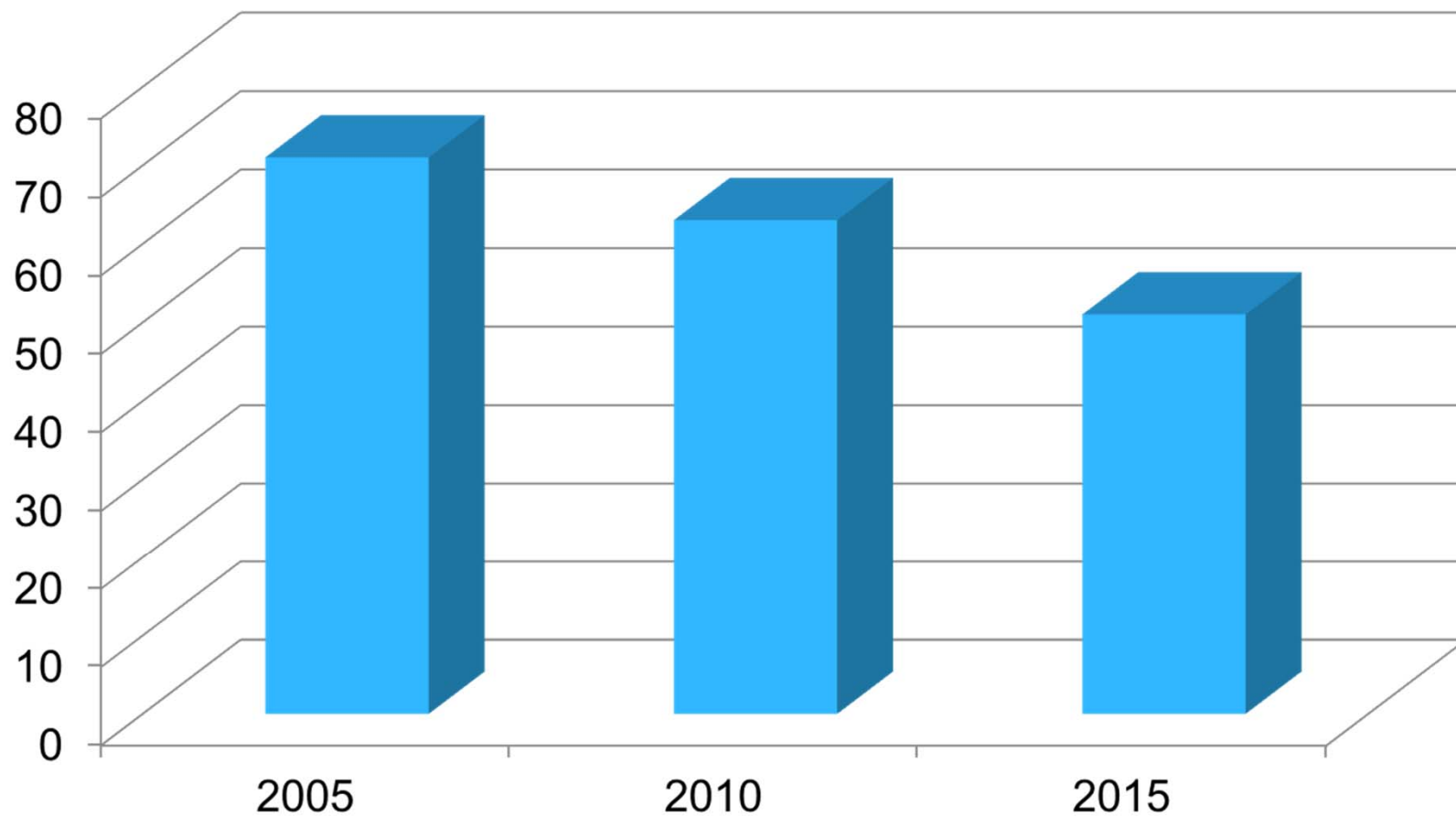
by exporting country and time-period,
1995 – 2014



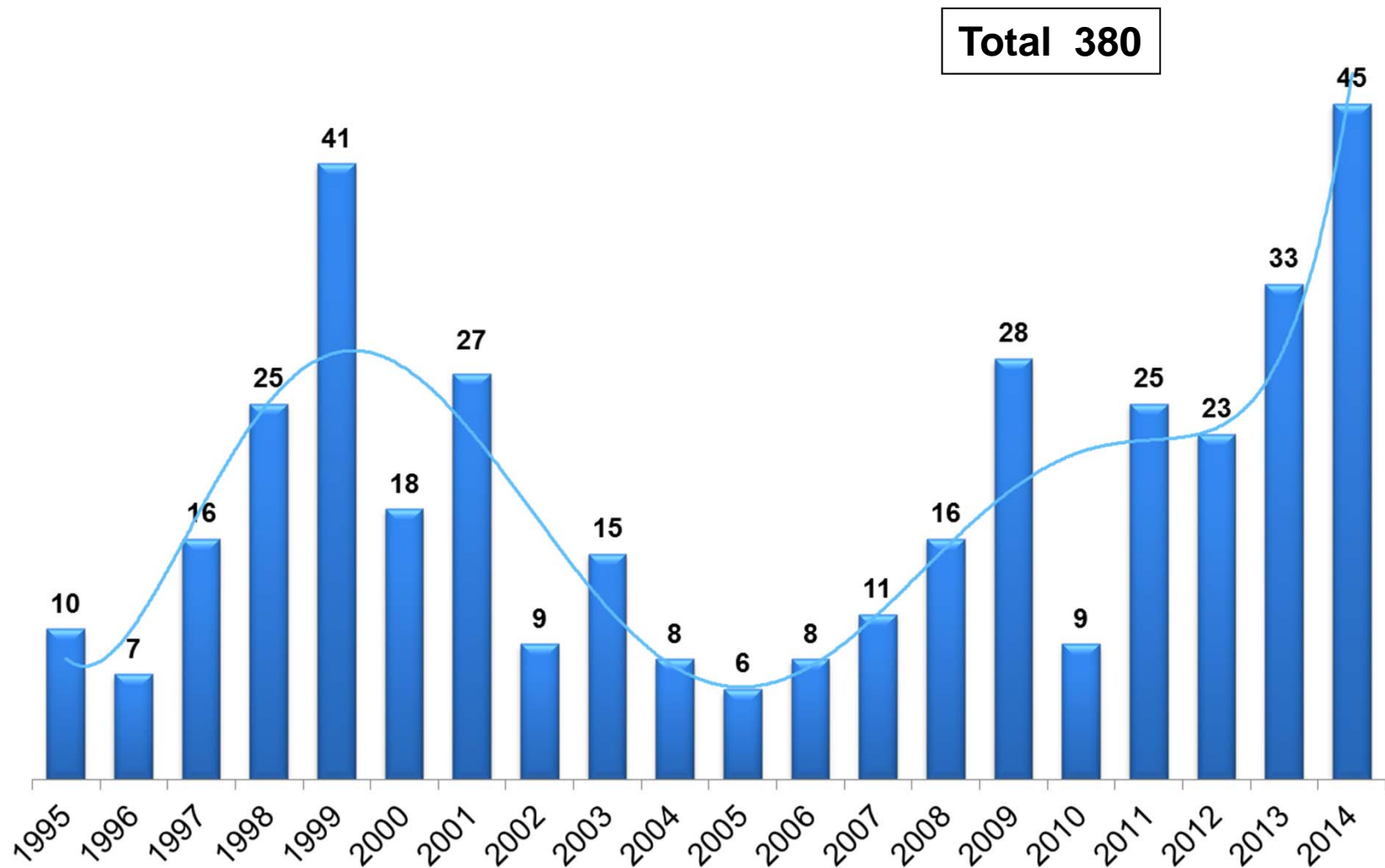
Anti-Dumping Measures Against and by Japan



AD Measures in Force Against Japan



COUNTERVAILING DUTY NUMBER OF INITIATIONS 1995 – 2014



CVD: Main Users – Initiations

1995-2014

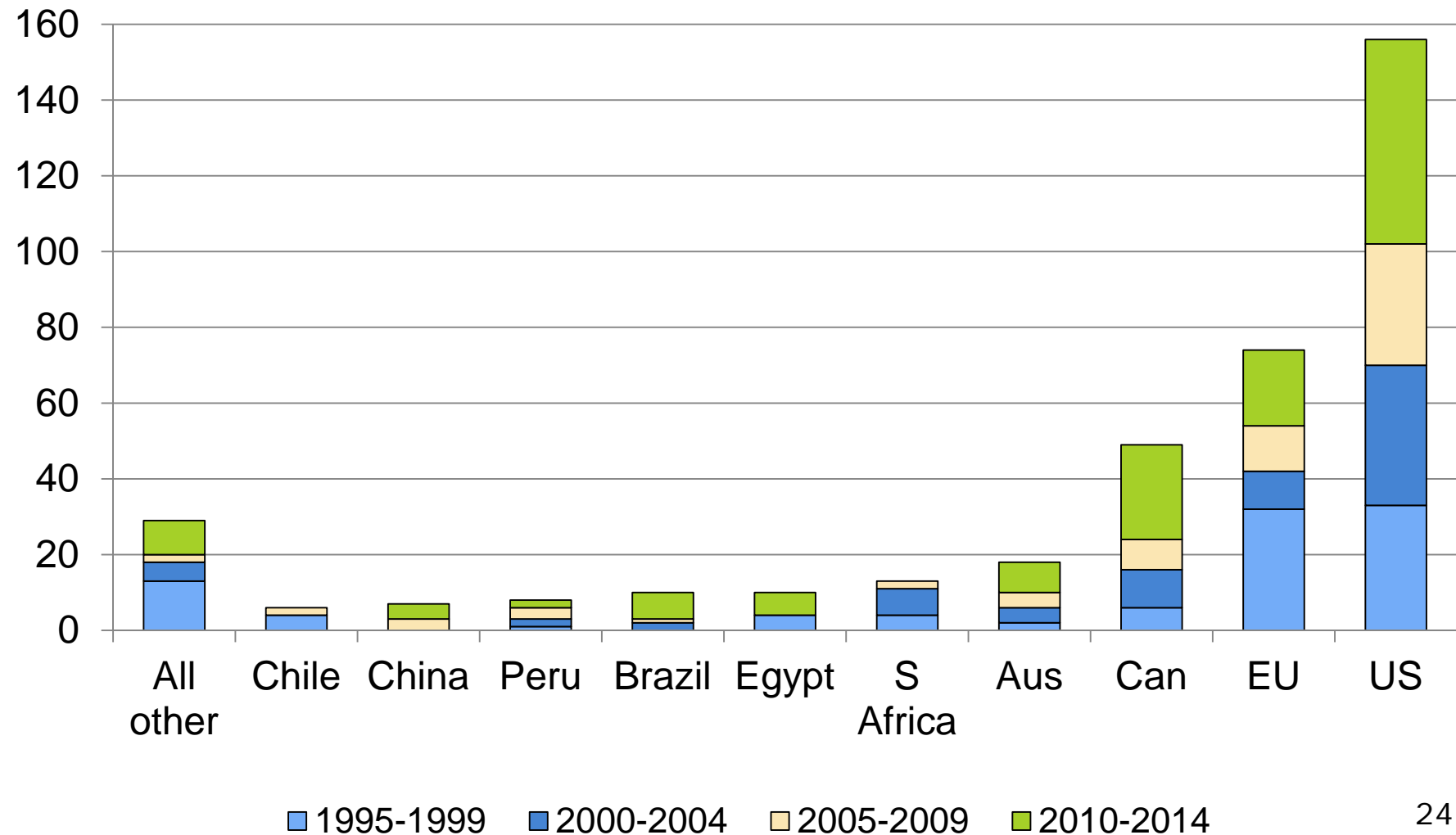
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|-----------------|-----------------------------------|
| 1. US | 6. Brazil |
| 2. EU | 7. Egypt |
| 3. Canada | 8. Peru |
| 4. Australia | 9. China |
| 4. South Africa | 10. Chile, Mexico,
New Zealand |

23 Members have used CVD (EU = 1)

51 Members have used CVD (EU1 + 28)

CVD: Main Users – Initiations

1995-2014



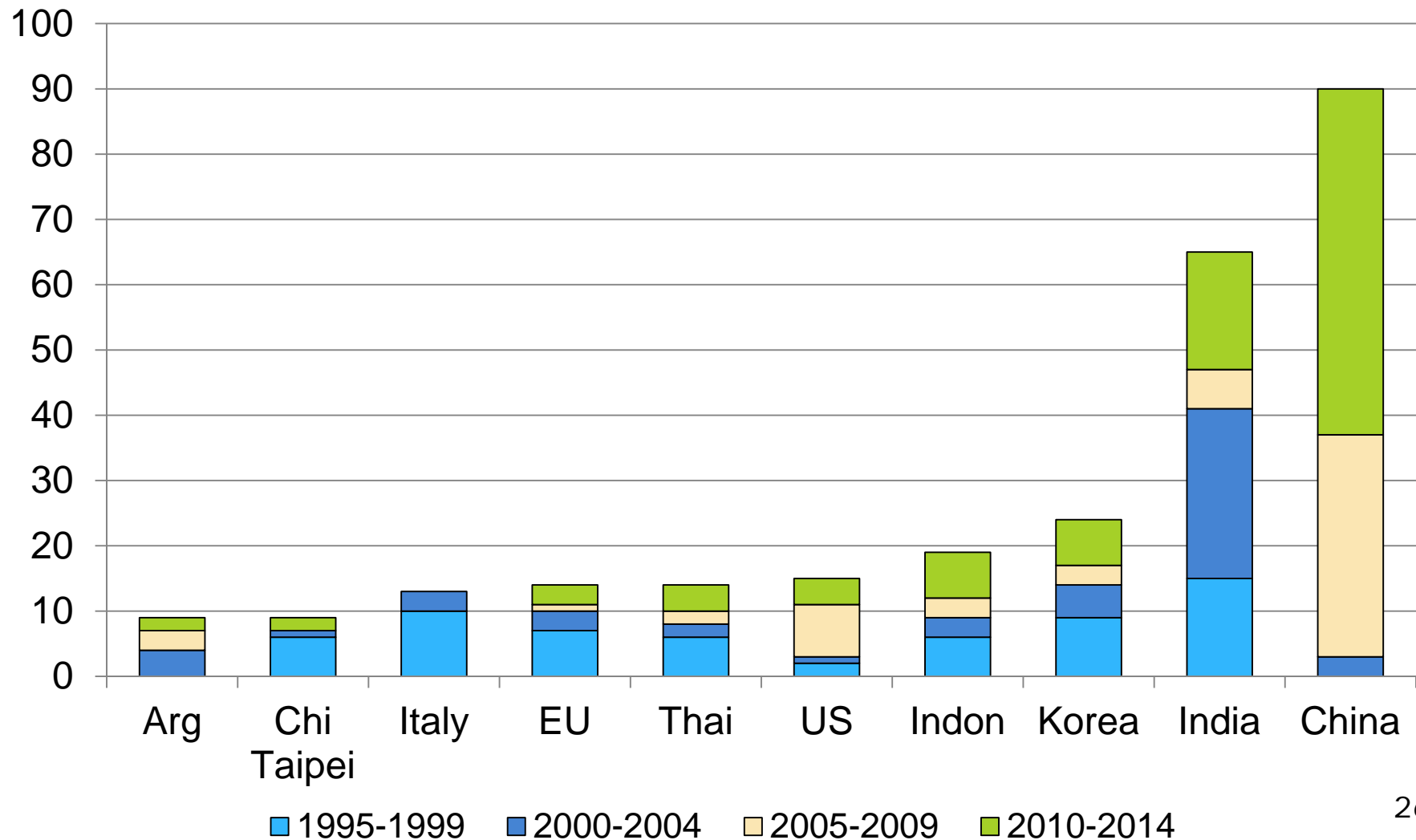
CVD: Main Targets

1995-2014

1. China
2. India
3. EU (+ Member States)
4. Korea
5. Indonesia
6. US
7. Thailand
8. Argentina, Chinese Taipei, Turkey

CVD: Main Targets

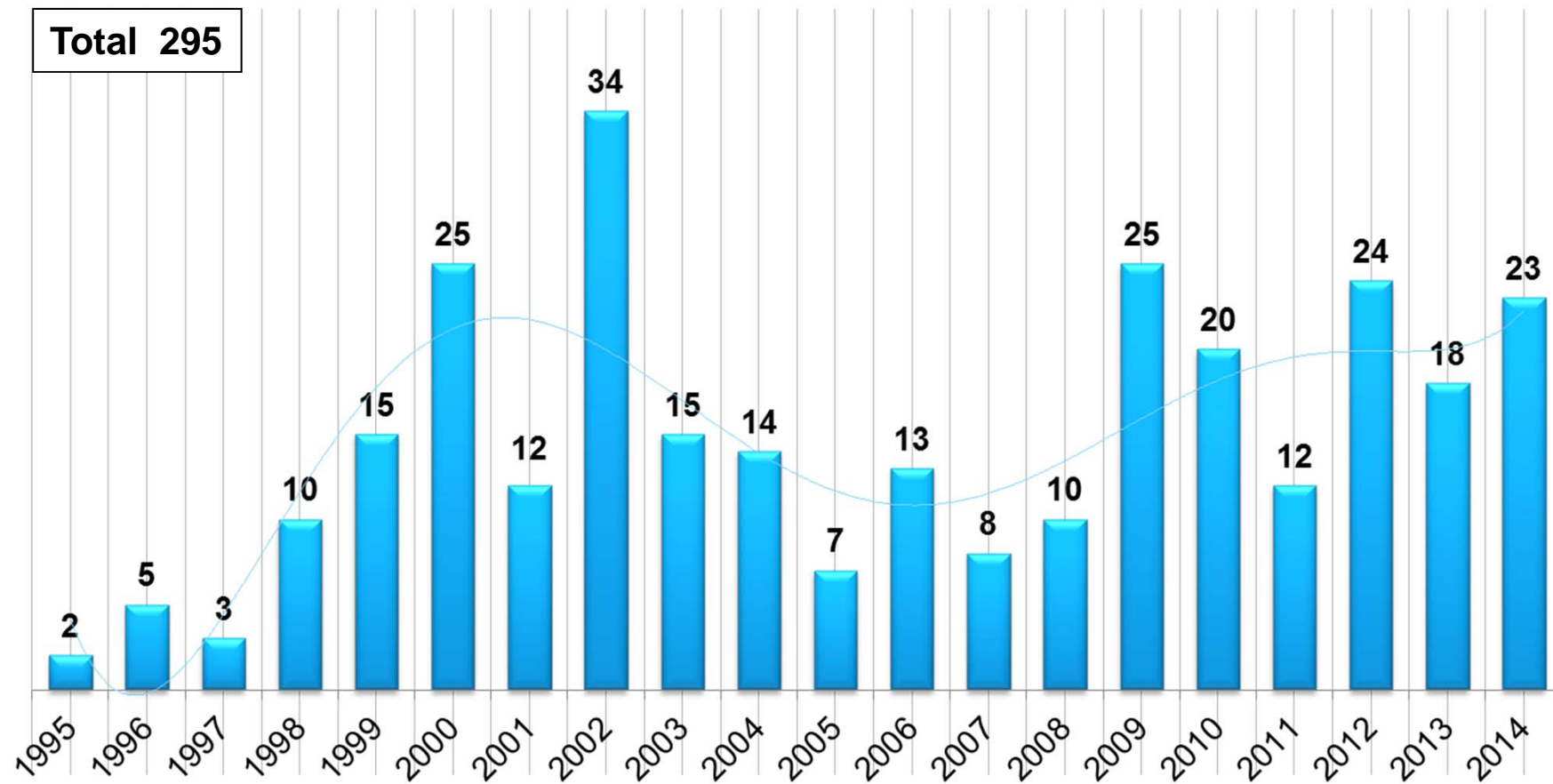
1995-2014



SAFEGUARD INITIATIONS

NUMBER OF INITIATIONS

1995 – 2014



Safeguards: Main Users - Initiations

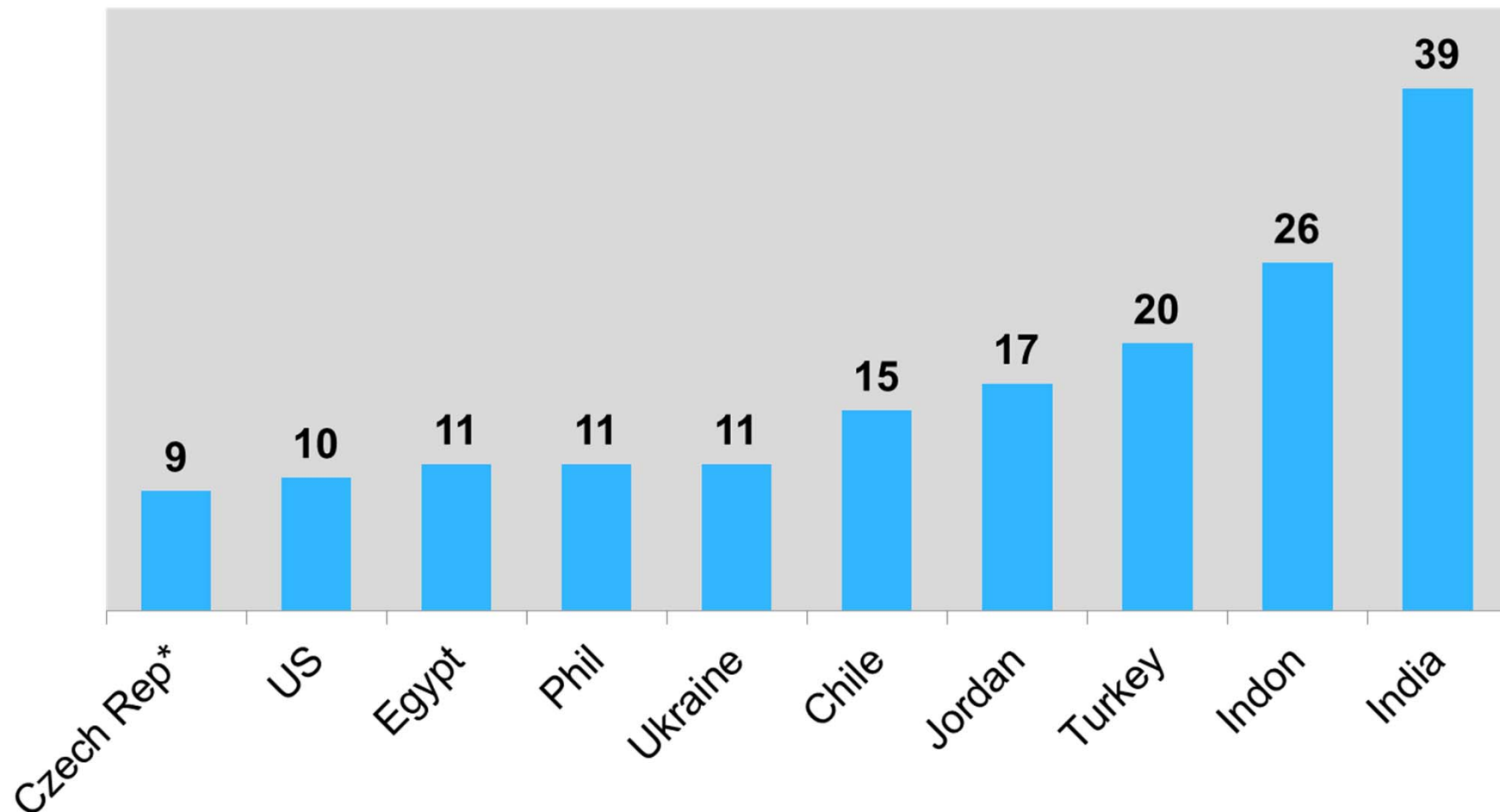
- | | |
|--------------|----------------|
| 1. India | 6. Ukraine |
| 2. Indonesia | 7. Philippines |
| 3. Turkey | 8. Egypt |
| 4. Jordan | 9. US |
| 5. Chile | 10. Ecuador |

39 Members have initiated a SG investigation (EU = 1)

67 if EU = 1+28

Safeguards: Main Users - Initiations

1995-2014



*This data relates to the cases initiated by the Czech Republic before it joined the EU.

Safeguards: Main Users - Initiations

1995-2014

