

# **EC ANTI-DUMPING MEASURES**

*By*

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# Three conditions

- Existence of dumping
- Imports are causing material injury to a Community industry
- Measures are in the Community interest

# WHAT IS DUMPING?

- Price discrimination between domestic and export market
- Difference between export price and “normal value”
- Normal value always higher than production cost

# NORMAL VALUE

- the domestic price in the exporting country or in the country of origin,
- a constructed value,
- the export price to a third country.

# Material injury: elements

- the volume of the dumped imports;
- the effect of the dumped imports on prices in the domestic market for like products;  
and,
- the consequent impact of the dumped imports on the domestic industry.

# Factors to be considered

- actual and potential decline in sales,
- profits,
- output,
- market share,
- productivity,
- return on investments, or
- utilization of capacity;
- factors affecting domestic prices;
- the magnitude of the margin of dumping; actual
- and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital or investments

# Example of other factors examined by the EC

- the volume and prices of imports not sold at dumped prices;
- contraction in demand and changes in the pattern of consumption;
- restrictive trade practices;
- strong competition by producers located within the Community;
- insufficient productivity of the Community industry;
- poor marketing performance and after-sales service of the Community industry;
- wrong assessment of market developments;
- insufficient product quality or product range of the Community industry;
- exchange rate fluctuation;
- Community's industry relocation of production outside the Community.

# COMMUNITY INTEREST

- Balance of interest between producers, users and consumers
- Mainly a political analysis
- Decisive role played by the Member States

# Timing of a proceeding

- submission of questionnaire responses: thirty-seven days minimum after the initiation of the proceeding, with the possibility of an extension;
- completion of verifications in Europe: two months after initiation;
- completion of verification in exporting country: three to four months after initiation;
- imposition of provisional measures: nine months after initiation (imposed for a maximum period of six months)
- imposition of definitive measures: fifteen months after initiation.