



**Committee on Rules of Origin**

**QUESTIONS FROM KAZAKHSTAN TO INDONESIA<sup>1</sup>**

1. The Government of the Republic of Kazakhstan would like to receive some clarifications on laws, regulations and administrative determinations of general application applied by the Republic of Indonesia to determine the country of origin of goods mentioned in Article 1 of the Agreement on Rules of Origin provided such rules of origin are not related to contractual or autonomous trade regimes leading to the granting of tariff preferences going beyond the application of paragraph 1 of Article I of GATT 1994 in connection with the anti-dumping measure that have been applying since 2013 against hot-rolled coil (HRC) originating in Kazakhstan.

2. Today, the Government of the Republic of Indonesia is conducting a sunset review of the measure. Related proceeding involves an unprecedented measure at issue. The original anti-dumping measure with regard to imports of hot-rolled coil originating in China; India; Russia; Chinese Taipei; and Thailand was imposed in 2008<sup>2</sup>. In 2013 the Government of the Republic of Indonesia extended application of the original anti-dumping measure against imports of hot-rolled coil from Russia ("all others" rate) to imports originating in Kazakhstan and Belarus in the framework of the sunset review investigation<sup>3</sup>.

3. Kazakhstan would like to highlight that the measure at issue is inconsistent with the WTO laws; the Indonesian Anti-Dumping Committee (KADI) has never investigated imports originating in Kazakhstan. In its Report on essential facts pertaining to the sunset review of April 2013, Indonesian Anti-Dumping Committee reasoned such an extension by the establishment of the Customs Union between Russia; Belarus; and Kazakhstan.

4. However, this reason in itself couldn't justify the imposition of the anti-dumping measure to producers that had not been investigated in accordance with the relevant provisions of the WTO Agreement.

5. Kazakhstan would like to note that such reasons are flawed and cannot be a proper justification for application of the anti-dumping measure, since the product at issue is explicitly identified in terms of the country of origin according to the national certificate of origin and, therefore, the anti-circumvention concerns can be addressed through the customs control and not through an extension and continued application of the anti-dumping measure at issue.

6. In this regard, Kazakhstan kindly asks Indonesia to provide answers to the following questions:

1. Does Indonesia have laws, regulations and administrative determinations of general application applied in relation to a WTO Member to determine the country of origin of goods mentioned in Article 1 of the Agreement on rules of origin of goods, i.e. rules that normally recognized as non-preferential rules of origin?
2. If the answer to Question 1 is negative, could Indonesia clarify how the Indonesian Government defines and proves/confirms the country of origin of goods in the application of: most-favoured-nation treatment under Articles I, II, III, XI and XIII of GATT 1994; anti-dumping and countervailing duties under Article VI of GATT 1994;

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<sup>1</sup> The Statement and Questions were presented to Members at the Formal Meeting of the Committee on Rules of Origin, held on 15-16 October 2018.

<sup>2</sup> Decree of the Minister of Finance No. 39.1/PMK.011/2008 of 28 February 2008.

<sup>3</sup> Pursuant to Decree of the Minister of Finance No. 169/PMK.011/2013 of 27 November 2013.

safeguard measures under Article XIX of GATT 1994; origin marking requirements under Article IX of GATT 1994; and any other quantitative restrictions or tariff quotas.

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