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**MOROCCO – PROVISIONAL ANTI-DUMPING MEASURES ON  
SCHOOL EXERCISE BOOKS FROM TUNISIA**

**REQUEST FOR CONSULTATIONS BY TUNISIA**

The following communication, dated 5 July 2018, from the delegation of Tunisia to the delegation of Morocco, is circulated to the Dispute Settlement Body in accordance with Article 4.4 of the DSU.

The Tunisian Republic hereby requests consultations with the Government of the Kingdom of Morocco pursuant to Article XXIII:1 of the General Agreement on Tariffs and Trade 1994 ("GATT 1994"), Article 17.3 of the Agreement on Implementation of Article VI of the GATT 1994 ("Anti-Dumping Agreement") and Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes ("DSU") with respect to the imposition of provisional anti-dumping measures by the Kingdom of Morocco on imports of school exercise books from Tunisia.

The provisional anti-dumping duties were imposed by the Kingdom of Morocco through Customs and Excise Administration Circular No. 5789/211 dated 10 May 2018. The provisional anti-dumping duties are based on Public Notice No. 03/18 of the Ministry of Industry, Investment, Trade and the Digital Economy dated 6 March 2018 and the report on the preliminary determination of dumping, injury and a causal link of the Trade Defence and Regulation Directorate of the Secretariat of State for Foreign Trade.<sup>1</sup>

Tunisia believes that Circular No. 5789/211, including the annex thereto and the other instruments mentioned above, imposing provisional anti-dumping duties on school exercise books from Tunisia, is inconsistent, among others, with the Republic of Morocco's obligations under the following provisions of the Anti-Dumping Agreement and the GATT 1994:

1. Article 5.2, 5.3 and 5.8 of the Anti-Dumping Agreement, because the application does not contain sufficient evidence of dumping, injury and a causal link and because the investigating authority did not conduct a satisfactory examination of the accuracy and adequacy of the evidence provided in the application;
2. Articles 1, 2.1, 3.1 and 9 of the Anti-Dumping Agreement, because the determination of dumping and resulting injury was not based on relevant and "positive" evidence justifying the imposition of the provisional measure at the time of its adoption;
3. Article 2.1, 2.2.1.1 and 2.2.2 of the Anti-Dumping Agreement, because the investigating authority (a) did not calculate costs on the basis of records kept by the Tunisian producers under investigation for the investigation period, even though these records are in accordance with generally accepted accounting principles and reasonably reflect the costs associated with the production and sale of the product under consideration; (b) did not determine the administrative, selling and general costs or profits on the basis of data pertaining to production and sales of the like product in the ordinary course of trade for the investigation period; and (c) arbitrarily excluded sales in the ordinary course of trade, despite there being no particular market situation;

<sup>1</sup> Report AD-11.17.CAHIER.TUN

4. Article 2.4 of the Anti-Dumping Agreement, because the investigating authority did not make allowance, in particular, for all the physical characteristics affecting price comparability and compared the normal value and the export price established for different periods;
5. Article 3.1 of the Anti-Dumping Agreement, because the determination of injury is not based on positive evidence and does not involve an objective examination. In particular, the period of investigation chosen for examining injury and the causal link does not allow for an objective examination of the situation;
6. Article 3.2 of the Anti-Dumping Agreement, because of the failure to properly and objectively consider the volume of the dumped imports, in absolute terms and relative to national production or consumption, and the effect of the imports originating in Tunisia on the domestic industry's prices. The undercutting margin was, in particular, calculated on the basis of a target sales price that does not correspond to the performance of the domestic industry;
7. Article 3.4 of the Anti-Dumping Agreement, because of the failure to properly evaluate all relevant economic factors and indices having a bearing on the state of the domestic industry and to conduct an objective examination of the impact of the imports on the performance of domestic producers. Most factors, including sales, output, market share, productivity, employment, wages, and investments, evolved positively during the investigation period;
8. Article 3.5 of the Anti-Dumping Agreement, because of the failure to establish a genuine and substantial relationship of cause and effect between the alleged dumped imports and the injury to the domestic industry. The Trade Defence and Regulation Directorate also failed to examine the causes of injury other than the imports originating in Tunisia and, in particular, competition between Moroccan producers and the importance of the informal market, in respect of the alleged injury, and failed to ensure that injury caused by other factors was not attributed to imports originating in Tunisia;
9. Article 4.1 of the Anti-Dumping Agreement (and Article 3.1 in a combined reading of the two Articles), because the domestic industry was limited to the applicants;
10. Article 5.10, because the investigation was not concluded within one year, despite the absence of special circumstances;
11. Article 6.5 and 6.5.1 of the Anti-Dumping Agreement, because the investigating authority: (a) treated as confidential the information provided by the interested parties without showing good cause; (b) failed to require the applicants to furnish a non-confidential summary thereof; and (c) where such summaries were provided, they were not in sufficient detail to permit a reasonable understanding of the substance of the information submitted in confidence;
12. Article 6.1, 6.2 and 6.4 of the Anti-Dumping Agreement, because interested parties were not given adequate opportunities to submit information and make comments;
13. Article 7.1 of the Anti-Dumping Agreement, because the necessity of the provisional anti-dumping duties was not established;
14. Article 12.2 and 12.2.2 of the Anti-Dumping Agreement, because the Kingdom of Morocco failed to provide in sufficient detail the findings and conclusions reached on all issues of fact and law considered material by the investigating authority, and all relevant information on the matters of fact and law and reasons which have led to the imposition of provisional measures.

Tunisia reserves the right to raise additional factual or legal points related to the above-mentioned measures during the course of consultations and in any request for panel proceedings.

Tunisia looks forward to receiving in due course a reply from the Kingdom of Morocco to this request. Tunisia is ready to consider with the Kingdom of Morocco mutually convenient dates to hold consultations.

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