Committee on Anti-Dumping Practices

QUESTIONNAIRES USED IN PRICE INVESTIGATIONS

Submissions by Members of the Committee

1. At its meeting on 21-23 September 1970 the Committee agreed that its members should describe the procedures used in price investigations in respect of foreign suppliers and that those members who used standard questionnaires or other standard documents in such investigations should append such texts to their descriptive notes, which should be submitted by 1 December 1970.

2. Submissions have been received from the following members of the Committee and are reproduced hereunder:

   Canada
   Denmark
   European Economic Community
   Finland
   Japan
   United Kingdom
   United States

3. Other members of the Committee are invited to submit descriptive notes as soon as possible.

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CANADA

Following initiation of an anti-dumping investigation, exporters are notified under Section 13(5)(A) of the Anti-Dumping Act by the Department of National Revenue (DNR). Notice of investigation is also given to importers, governments of country of export, and complainant, if any. In notice, exporters are told that the Department would be contacting them in the very near future to request information necessary to resolve the matter.

Shortly thereafter, exporters are then written a second time and they are requested to prepare information required to establish normal values and export prices of goods in question. It is our practice to attach an appendix which sets out the information required.
In view of the complexity of the information requested, it is the DNR practice to follow up written request with personal visits whenever practical and advisable. Such personal visits are undertaken by various departmental officers abroad and have also been made from time to time by departmental officers proceeding from Ottawa.

All information received is kept confidential and is used only for customs purposes.

While questionnaires are generally similar they do vary in detail from case to case; as an example, the information requested of exporters in connexion with the investigation on women's footwear is set out in the appendix. Further, there is no fixed time period set between notice of request for information and visit by DNR representatives. Personal visits are not mandatory under the procedure, such decisions being made on a case-by-case basis.

**APPENDIX**

Initial Information Required in Connexion with Investigation under the Anti-Dumping Act on Women's Footwear

1. Copies of purchase orders or contracts covering all sales to Canadian customers of women's footwear which you have invoiced since 1 December 1969, or which are scheduled for future shipment to Canada. Copies of invoices will also be required in cases where the goods have already been shipped.

2. A statement indicating whether or not the women's footwear shipped or to be shipped to Canada by your firm is identical in all respects to that which you sell for domestic consumption, that is, is it of the same quality, structure, design, made of the identical materials, etc.? If there are any differences between the domestic and export products, a complete explanation of these differences is required.

3. If the women's footwear being exported to Canada is identical to that sold on your domestic market, but the style or model numbers used on the shipments to Canada differ from the style or model numbers of the identical domestic footwear, please supply a list cross-referencing the two so that a proper price comparison may be made.

4. Copies of current domestic price lists, if available, for women's footwear sold by your firm for home consumption, as well as those applicable during the period from 1 December 1969 to the present. Please state the trade levels to which the price lists are applicable.
5. Copies of any discount sheets covering trade, quantity or deferred discounts which are applicable to your domestic market sales, together with an explanation of how the discounts are paid and earned.

6. Numerous copies of invoices covering sales to domestic customers of women's footwear like that shipped or to be shipped to Canada, during the sixty-day period preceding the date of each sale to Canada. It is possible that, because of the nature of the trade in your domestic market, this period of time may require to be extended in order to form a proper price comparison. It is expected that information concerning a substantial percentage of domestic sales made during the relevant time period will be furnished.

   The invoices submitted should cover sales of like footwear to home market purchasers, with whom at the time of the sale you were not associated, in the ordinary course of trade for home consumption under competitive conditions and at the place from which the footwear in question was shipped directly to Canada.

7. A statement indicating the total sales during the relevant period(s) for which invoices have been provided will be required. This information should reflect both the volume of sales (number of pairs) as well as their total value. This statement should also show separately total domestic and export transactions during the period.

8. A statement of the cost of production for each type of footwear shipped or to be shipped to Canada broken down under the headings of material, direct labour and factory overhead, together with a statement of the administrative, selling and other costs attributable to these goods. Costs of styling, designing and lasts should be shown as a separate item. The same cost information will be required in respect of the footwear which your company sells for home consumption and for which invoices have been provided under point 6 above. It will not be necessary to submit cost data as requested in this paragraph if the footwear exported or to be exported by your firm to Canada is identical in all respects to the footwear which your company sells for domestic consumption.

9. If the styling, designing and lasts used in the production of the women's footwear produced by your firm for the Canadian market were supplied to your company free of charge by the Canadian importer, please so advise the Department and provide complete details.

10. Copies of the profit and loss accounts for your company's two most recent fiscal years, adjusted, if possible, to exclude all export sales.

11. Information regarding the terms and conditions of any cash discounts which you extend in the domestic market and on the goods shipped or to be shipped to Canada.
12. Information regarding your freight policy on both domestic sales and sales to Canada. If you sell on a common delivered price basis to all destinations in your domestic market, please indicate the average cost of freight prepaid or allowed by you on domestic sales of like footwear.

13. Information regarding internal taxes, if any, that is, the rates, how and where they are applied in respect of both domestic and export sales of women's footwear.

14. Information regarding the amounts of any internal taxes or import duties which may be applicable to raw materials used in the production of women's footwear.

15. Please indicate the amounts of any duty drawbacks, rebates, etc., which may be applicable on either domestic or export sales of women's footwear, and provide complete details as to their nature and how they are calculated and paid.

16. Complete information regarding any government subsidies which you may receive in the production and sale of women's footwear. How are they calculated, in what amounts and in what manner do you receive payment?

17. Information regarding any differences between domestic and export packing, together with a statement of the cost thereof.

18. Information regarding all other costs, charges and expenses incurred by you or for your account relative to the footwear shipped or to be shipped to Canada.

19. The Department will be pleased to consider any other information relevant to this matter which you may wish to submit.

DENMARK

In Denmark, the imposition and removal of anti-dumping duties is governed by the provisions of section 3 of the Danish Tariff Act. The application of the relevant provisions is made in conformity with the provisions of Part I of the Agreement on the Implementation of Article VI of the General Agreement on Tariffs and Trade.

The manner and form in which the authorities collect information about dumping prices is not prescribed by law.
During the period 1961-70 the Danish authorities have considered a total of seven anti-dumping cases. A formal questionnaire has not been used for collection of information about dumping prices. In each case the authorities have decided on the formulation of the questions which the parties to the anti-dumping cases were required to answer.

EUROPEAN ECONOMIC COMMUNITY

In response to the wishes of the Committee on Anti-Dumping Practices, I have the honour to forward to you herewith a copy of the anti-dumping questionnaire of the Community. I should add that this is a purely administrative document which might be amended in the light of the discussions of the Anti-Dumping Committee on the questionnaires of other signatory parties to the Anti-Dumping Code.

The procedure used in price investigations is strictly in conformity with the provisions of Articles 6 to 11 of Regulation (EEC) No. 459/68 of the Council.
QUESTIONNAIRE

Concerning Products which are the Subject of an Anti-Dumping Complaint, or Like Products within the Meaning of Article 5 of Regulation (EEC) No. 459/68 of the Council

A. General

Total quantities sold during the twelve months before the complaint was filed:

(a) in the internal market

(b) exported to:

- Germany
- Belgium
- France
- Italy
- Luxembourg
- Netherlands

- the Community

(c) exported to non-EEC countries.

B. Normal value

I. Sales in the internal market

(1) Unit prices in the internal market:

- ex-factory
- free to purchaser

(2) If the price varies according to certain categories of purchasers, indicate these and also the price applicable to them.

(3) Reductions or discounts:

(a) Type

- quantity
- other (specify)

Specify to which of these products the answers refer.
(b) Amount

(c) Precise conditions for granting

(4) Nature and amount of charges added to prices indicated above:
   - taxes
   - transport
   - commissions
   - insurance
   - other (specify)

(5) Cost of packaging
   (indicate whether included in prices or charged extra).

(6) Financial relationships between the producer and purchasers in the internal market.

II. Export sales to non-EEC countries

(1) Unit price in the various export markets, indicating:
   - ex-factory
   - f.o.b.
   - c.i.f.

(2) If price varies according to certain classes of purchasers, indicate these and also the price applied to them.

(3) Reductions, discounts or rebates
   (a) Type
      - quantity
      - other (specify)
   (b) Amount
   (c) Precise conditions for granting

(4) Nature and amount of charges added to prices indicated above:
   - taxes
   - transport, within and outside exporting country
   - commissions
   - insurance
   - other (specify)

(5) Cost of packaging
   - indicate whether included in price or charged extra.
(6) Financial relationships between the producer and purchasers in countries of destination.

III. Production costs

Where there are no representative sales in the external market, or in exports to non-EEC countries, indicate cost of production, plus a reasonable amount for administrative, selling and any other costs, and for profits, broken down by heading.¹

C. Price for exports to the Community

1. Unit price
   - ex-factory
   - f.o.b.
   - c.i.f. free-at-frontier of Community²

2. If price varies according to certain classes of purchasers, indicate these and also the price applied to them.

3. Reductions or discounts
   (a) Type
      - quantity
      - other (specify)
   (b) Amount
   (c) Precise conditions for granting

4. Nature and amount of charges added to prices indicated above:
   - taxes
   - transport within and outside exporting country
   - commission
   - insurance
   - other (specify)

5. Cost of packaging
   (indicate whether included in price or charged extra).

6. Financial relationships between the producer and purchasers in EEC.

¹As a general rule, the addition for profit shall not exceed the profit normally realized on sales of products of the same category in the domestic market of the country of origin.

²If any price difference according to destination in one or another member State, indicate the free-at-frontier c.i.f. prices for each member State.
FINLAND

As Finland has not as yet applied her anti-dumping legislation, there is no established investigation procedure concerning export prices, neither have any standard questionnaires been drawn up. Future investigations will so far be carried out on a case-by-case basis by choosing a procedure that might seem appropriate.

JAPAN

Japan has no standard procedure or standard documents for price investigations in respect of foreign suppliers.

UNITED KINGDOM

1. It was agreed at the meeting of the Committee in September 1970, that member countries should submit memoranda describing their procedure on investigations into dumping and should append thereto any standard questionnaires or other documents which they are in the habit of using.

2. The first step in any case is an application from the United Kingdom industry affected ("industry" being defined as in the Anti-Dumping Code) supported by prima facie evidence of dumping and resultant material injury or threat thereof to the industry. This prima facie evidence is closely scrutinized before an application is accepted for full investigation. If it is so accepted, a statement setting out the alleged fair market and export prices and resultant margin of dumping and briefly outlining the grounds on which the applicant industry claims that material injury is being caused or threatened to it, is presented to the diplomatic representatives in London of the exporting country or countries concerned. They are requested to convey the information in the statement to their governments and to invite the suppliers exporting to the United Kingdom to communicate with the Department of Trade and Industry. Normally the Department suggest that a visit by officials to the offices of the supplying firms is the best way of investigating the allegations of dumping, provided that this is acceptable to the authorities. After a short interval to allow for any immediate observations, the application is advertised in the Department's official journal. The notice is also circulated to the national and trade press. The advertisement invites representations by interested parties.

3. In the limited number of cases where, owing to particular need of urgent action, provisional charges are imposed, these charges are normally imposed as soon as the Department is satisfied that there is adequate prima facie evidence to warrant a full investigation. Information about provisional charges, together with the statement referred to above is then given to the Embassies or High Commissions normally on the day before they come into operation.
4. The cases where an overseas investigation is not considered necessary are few. They are mostly where the requisite information can be obtained from a United Kingdom subsidiary of the exporter or where there is sufficient published information about domestic price, for example, some agricultural products sold in organized markets.

5. The precise information sought from an overseas supplier or from his United Kingdom subsidiary (where this channel of enquiry is used) varies according to the commodity concerned and the exact circumstances of the case. The investigating officials from the Department of Trade and Industry first assure the suppliers that the confidentiality of all information given in confidence will be scrupulously respected, and explain the general terms of the United Kingdom anti-dumping legislation and the investigating procedure. They then seek general information about the supplier's business including total production, capacity, and the relative proportions of domestic and export sales. Such general information, although not all of it is directly relevant to the assessment of dumping, is of value in helping to ensure a correct interpretation of the detailed information obtained. In the normal case where fair market price is to be based on the domestic selling prices, the main heads of information sought concerning domestic prices and export prices to the United Kingdom are:

(a) the pricing arrangements and selling methods in respect of domestic sales and exports to the United Kingdom - e.g. whether sales are based on price lists and, if so, what standard or individual discounts are allowed and to what type or size of customer they are allowed and under what conditions, and the general conditions of sale and payment;

(b) any adjustments needed to reduce domestic and export prices to a suitable, comparable (normally ex-works) level e.g. freight costs, end-of-year bonuses, commission;

(c) any further adjustments needed to ensure strict price comparability (e.g. in respect of differences in sales and advertising costs, terms and conditions of sale, and/or differences in indirect taxation).

A sufficiently wide range of invoices is examined to enable the investigators to check the price data given and appropriate documentary confirmation is sought of distribution and other costs incurred. Throughout the enquiry the supplier is given every opportunity to advance any other matters that he considers relevant and, in particular, any claims that he may wish to make for other adjustments which he considers should be made to ensure comparability of the domestic and export prices. No rigid conditions are laid down for allowing adjustments for discounts.

6. In the few cases where the fair market price needs to be based on prices of exports to third markets, information on the foregoing lines is required in respect of these exports.
7. Where the importers in the United Kingdom are not independent of the overseas suppliers, the Department of Trade and Industry officials may also have to visit the offices of the United Kingdom importers to enquire similarly into their selling prices in the United Kingdom and the various expenses incurred by them in this market (e.g. customs duty, purchase tax, delivery expenses, sales and advertising costs). The supplier's export price, normally at ex-factory level, is then calculated by deducting from the importer's selling price in the United Kingdom all the intervening costs incurred, such as freight and insurance and the importer's distribution costs and commission together with, where appropriate, a reasonable deduction for profits.

8. For a number of reasons the Department of Trade and Industry prefer personal visits to the use of standard questionnaires. The precise nature of the information needed and the period of time for which it should be required varies with the commodity concerned and with the circumstances of each case. Hence a comprehensive standard questionnaire designed to cover all possible variations is liable to be a formidable document, whereas a personal visit enables the questions to be confined to the main facts as they emerge. Further, to see the supplier in his own offices, with access to all necessary records, gives him the best possible opportunity of putting his side of the case, with all necessary supporting evidence. The visiting officials are senior staff who deal with all aspects of anti-dumping enquiries including the material injury side. They are therefore well able to give all necessary explanations and to cope with all doubts and queries.

9. Generally, it is possible to obtain all the basic information needed in a visit to a firm of about two days duration. In a particularly complex case, however, a longer investigation may be required. If the firm under investigation wishes it, any of their legal, accountancy, or other advisors, and/or officials of the government of the country, may be present throughout the investigation.

10. In the rare cases where it is necessary to determine the fair market price by reference to production plus reasonable profits, the normal practice is for the detailed overseas enquiries to be conducted by the Department of Trade and Industry accountants who prepare costings in consultation with the accountants of the firm under investigation. Information about production costs is, of course, sought only when a firm decision has been taken that this method of assessing dumping must be adopted. There have, in fact, been only three instances, since the inception of the United Kingdom legislation in 1957, in which it has been necessary to resort to this method.

11. When all the necessary calculations have been completed, a statement is sent to each firm setting out the fair market and export prices and the resultant margins of dumping, if any, and showing how they have been calculated. Wherever practicable this is done in sufficient time before a final decision on anti-dumping action is reached, to enable any further comments and claims by the supplier to be considered.
12. The Department of Trade and Industry normally accept price undertakings in lieu of anti-dumping duties whenever they are satisfied that an adequate check can be kept on these undertakings. If at any time in the course of a dumping investigation the firm or firms concerned offer to adjust their prices in order to eliminate dumping, they are normally told that their offer will be considered if the Department decide that a case for anti-dumping action has been established in accordance with the requirements of Article VI, the Anti-Dumping Code and United Kingdom law. When the investigation has been completed, the overseas suppliers are informed of the result and, if the decision is for anti-dumping action, whether the undertaking offered can be accepted as an alternative to the imposition of anti-dumping duties. If the Department's finding is that there is dumping but that it is not such as to cause or threaten material injury (or material retardation), the supplier concerned is informed that anti-dumping action (whether by duties or price undertakings) will not be taken, but that, should dumping continue, the British industry would be entitled at any time to make a fresh application if they could provide prima facie evidence of material injury thereby caused or threatened.

UNITED STATES

I am enclosing a copy of the questionnaire sent by the United States Government to foreign manufacturers who have dumping complaints against them. My authorities believe, however, that a descriptive statement is not necessary since our procedures are adequately detailed in the United States laws and regulations published in "Anti-Dumping Legislation" (GATT, 1970).

Merchandise:

Country of Export:

Effective Date:

GENERAL INSTRUCTIONS

1. The questionnaire attached is made up of three sections. Section A consists of one question which requests information concerning your total sales of identical and like merchandise in all your markets. Section B relates to your sales in your home market. If, however, the data provided in response to Section A shows that the total quantity of identical and like merchandise sold by you in your home market is less than 25 per cent of the total quantity sold by you in all markets except the United States, your replies to Section B should relate to your sales to third countries (countries other than your home market or the United States). Section C deals with your sales to the United States. Frequently, a fourth section is included. This section if added will pose specific questions which are believed pertinent in this case.
2. If it is impractical to provide full data on all types or qualities of the merchandise sold to the United States, you should limit your responses in Sections B and C to those types or qualities sold to the United States in the most substantial quantities and as to identical or like types or qualities sold in the home market.

3. Taking into consideration the instructions in paragraph 1 above, replies to questions in Section B should concern merchandise which is identical to that sold to the United States. If identical merchandise is not sold in the home market, replies should concern the product sold in the home market which is most comparable to the product being sold to the United States. In the absence of sales of either an identical or like product in the home market, sales of the identical product to third countries should be used as the basis of your responses. Finally, in the absence of all of the above, sales of the most comparable product to third countries should be used.

4. In your reply to questions in Sections B and C, whenever one of the below-listed conditions exists, please provide a complete list showing each transaction, the price, the date of the transaction and the purchaser. Identify and describe all discounts, freight charges, commissions and other factors bearing on the price.

   (a) The prices vary from sale to sale, purchaser to purchaser, or from time to time.

   (b) The prices are constant, but the net return varies because of factors such as commission, discounts, freight, etc.

   (c) Any combination of the above.

Finally, any arrangement which affects your ultimate return on sales which is not elsewhere discussed should be explained in detail.

5. Price information should not be furnished on an average basis. In those instances in which prices vary, complete listings should be furnished. If, however, in the judgment of the customs representative, such a listing would not be practicable, he may authorize submission of data on a weighted-average basis. In such event, specific information, as chosen by him, must be provided with respect to typical transactions.

6. Your replies should provide the requested information as specifically as possible. If you believe that furnishing information which is responsive to the questions will not provide an accurate understanding of all circumstances which you feel bear on the matters under consideration, you may supplement your reply with whatever additional data you believe will clarify the situation. Such material will be given our consideration. We must emphasize, however, that such material must be in addition to accurate responses to the questions. If you should find it impossible to respond to any questions in the manner requested, you should seek advice from the customs representative.
7. Question No. 5 in Section B deals with quantity discounts and differentials. No claim for allowance from home market price for a quantity discount or differential will be considered in determining whether or not the merchandise sold to the United States in equivalent quantities is being sold at less than fair value unless one of the two following alternative conditions is met:

(a) For six months prior to the date shown on page 1, 20 per cent or more of the merchandise sold in the home market was sold at a quantity discount or differential as great or greater than that claimed to have been applied to equivalent quantity sold to the United States.

(b) The claimed allowance for quantity is justified by cost savings attributable to differences in quantity.

In order to qualify a discount or allowance under either of the above conditions, full justification must be provided. Under (a), a breakdown of sales showing the amount sold at each quantity discount or differential, and the amount of the discount granted must be provided. Under (b), detailed cost justification must be furnished which specifically ties the claimed discount or differential to differences in quantity.

8. Unless otherwise noted, or the context implies otherwise, all data should relate to the period beginning four months prior to the date specified on page 12 and ending approximately at the time of the preparation of your response.
QUESTIONNAIRE

A. General

Please state the approximate total quantity of identical and like merchandise to that under consideration which has been sold by you during the one-year period immediately preceding the date shown on page 12.

(a) In your home market

(b) For exportation to countries other than the United States

(c) To the United States.

B. Home market data (or third country - see general instruction paragraph 1)

1. What are the unit prices at which you sell this merchandise? Please furnish price lists, if available.

2. Do the prices vary according to the class of purchaser? If so, identify each class, and furnish the prices to each. Unless it is obvious from the context, describe the types of purchaser included in each class.

3. Are discounts other than for quantity granted from these prices? Please identify each discount granted. What are the terms of the discount? What is the amount?

4. If pricing is set by some other method not clearly apparent from the above, please provide full details concerning the method by which prices are determined.

5. Are quantity discounts granted? Are price differentials granted for quantity? Fully describe conditions under which quantity discounts or differentials are granted. In this regard, please note item No. 5 under General Instructions.

6. What are the terms of sale (ex-factory, f.o.b., etc.)?

7. Identify by name and amount all charges included in the prices furnished above. (e.g. freight, commissions, insurance, etc.)

8. Please specify the cost of packing of the merchandise. Clearly indicate whether this packing is included or charged extra.

9. Does any financial relationship exist between you and any home market purchaser? Your response should include any relationship through a third party. If such a relationship exists, please provide full details.
10. If the merchandise sold in the home market is not identical to that sold to the United States, adjustment may be made to the price to reflect the effect of these differences in the market value of the merchandise. Please furnish full details of the effect on market value of such differences in the merchandise. In addition, please provide detailed information on the difference in the cost of producing the respective products.

C. Exportation to the United States

1. What are the unit prices at which you sell the merchandise for exportation to the United States? Indicate the currency of transactions.

2. Do the prices vary according to the class of purchaser? If so, identify each class and furnish the price to each. Unless it is obvious from the context, describe the types of purchaser included in each class.

3. Are discounts including quantity discounts or differentials granted from these prices? What are the terms of the discounts? What are the amounts?

4. If pricing is set by some other method, not clearly apparent from the above, please provide full details concerning the pricing method.

5. What are the terms of sale (ex-factory, f.o.b. etc.)?

6. Identify by name and amount all charges included in the prices (e.g. freight, insurance, commissions, duty, etc.)

7. Specify the cost of packing. Clearly indicate whether this packing is included or charged extra.

8. Does any financial relationship exist between you and any United States purchaser of the merchandise? Your response should include any relationship through a third party. If such a relationship exists, please provide full details.

9. Do you receive any rebate or other benefit by reason of the exportation of the merchandise involved? Please state the nature and amount of any such rebate.

10. If you have any arrangement with any United States purchaser under which you agree to pay or reimburse any anti-dumping duties which might become payable please provide a copy of the agreement, or if it is not in writing, furnish full details.