DRAFT QUESTIONS TO REPLACE PARAGRAPHS 80 TO 86 AND 15

Export Prices

80. What are the principles underlying the pricing of goods for export? What is the relationship between export price and cost of production?

81. Contracting parties are entitled under Article VI to impose discriminatory duties on goods of which the export is being subsidized or which are being dumped by another country. The test is normally that the goods concerned are being sold in the importing country at a price which is less than the comparable domestic price or, failing a comparable domestic price, lower than the cost of production in the country of origin plus a reasonable mark-up to cover shipping and other costs, or the highest comparable export price to a third country. Where contracting parties receive allegations from their own traders of dumping or subsidization of Polish exports they will wish to investigate such allegations as thoroughly as they would in the case of similar allegations affecting exports from a country with a private enterprise economy. The Polish Vice-Minister for Foreign Trade sees difficulties in the application of the official exchange rate to determine relative home and export prices. How far does the Polish Government see these or other difficulties as making it impracticable for contracting parties to exercise their rights under Article VI in relation to Polish exports? What suggestions have they to offer for meeting any difficulties they may see?

82. Would the Polish Government be prepared to enter into negotiations concerning export prices, and to give undertakings regarding the level of export prices in order to avoid situations in which dumping might be shown to exist?

83. Would the Polish Government agree to have dutiable values of Polish products determined by reference to (a) the prices of like or directly competitive products being imported from other countries, or (b) the prices of like or directly competitive products in the importing country? Would it agree that dumping or subsidization could be presumed when the price of the Polish product proved to be considerably lower than the prices under (a) or (b)?

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54. Would the Polish Government consider determining a world market price level for all the products concerned, and would that Government recognize that a price below that level would constitute dumping? How could such a procedure be carried out, particularly for highly-processed industrial products?

55. Could the system of trade result in dumping through switch deals?