GENERAL AGREEMENT ON TARIFFS AND TRADE

Committee on Anti-Dumping Practices

REVISION OF UNDERTAKINGS

Working Paper by the Secretariat

This Working Paper is based on the discussion of this item by the Ad-Hoc Group at its meeting of 29 October 1986 and is intended to serve as the basis for further discussion at the next meeting of the Ad-Hoc Group. Delegations are requested to particularly take into consideration the fact that it was agreed at the meeting of 29 October that there was a need to provide further clarification as to the precise meaning of the word "review" as used in paragraphs 3 and 4.

1. An undertaking can be accepted to eliminate the injurious effects of the dumping on the domestic industry of the importing country. Any price increase under an undertaking shall not be higher than necessary to eliminate the margin of dumping. It is desirable that the price increase be less than the margin of dumping if such lesser increase would be adequate to remove the injury to the domestic industry.

2. A revision of an undertaking [is] [may be] appropriate where relevant changes in the normal value of the exporter concerned or in the market situation in the importing country have occurred since its acceptance. Any revision should [only] [normally] be made as a result of a formal review except where an adaptation is provided for in the undertaking itself or the exporter and the authorities of the importing country agree to an adaptation. [A copy of the letter to the exporter from the authorities of the importing country suggesting an adaptation should be sent to the authorities of the exporting country] [if so requested by the authorities of the exporting country] [if so requested by the exporter concerned].

3. Such a review should be carried out, where and insofar as warranted, either on the initiative of the authorities of the importing country or at the request of the exporters or importers concerned or the domestic industry. Such request for a review shall be granted if the requesting party submits [verifiable] [detailed] information to justify the need for such review. In deciding on the necessity for a review, the authorities of the importing country can also take into account [inter alia] the period of time that has elapsed since the acceptance of the undertaking. If the investigating authorities decide not to undertake a review, they should provide the applicant with an explanation of the reasons for that decision.
4. A review shall be initiated and shall be carried out [to the extent necessary to take into account] [pursuant to] the information substantiating the need for such review. In carrying out the review, the same procedural rules and guarantees should be respected, insofar as applicable and appropriate, as during the original investigation. In particular, all interested parties should be given the opportunity to make their views known and to provide evidence.

5.* [When the developed countries consider revising an undertaking they shall take particular account of the special situation of the developing countries by the application of more favourable measures in that respect.

As one example - and not to the exclusion of others - such measures could relate to the possibility of not reviewing an undertaking except at the request of the exporter if the volume of imports from the developing country concerned has not increased during the previous six months in relation to the base period.]

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*This proposal has been submitted in writing by the delegation of Romania.