REPLIES BY HUNGARY TO QUESTIONS RAISED BY HONG KONG CONCERNING THE LEGISLATION OF HUNGARY

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The following communication, dated 24 October 1994, has been received from the Permanent Mission of Hungary.

Article 7: The environmental effects of the product are part of the quality of the product. The Decree relates to the determination of the likeness of the product and not to the environmental effects of the packaging or the manufacturing process of the product. It is not the intention to protect the environment by way of taking anti-dumping measures.

Article 9(2): This article says only that the party asking for an adjustment shall justify it. Article 9 of the Decree is in accordance with Article 2:6 of the Code. It does not limit the obligation of the investigating authority to initiate the adjustments on its own.

Article 10: The rule is not contrary to the spirit of fair comparison. Having no practical experience it would be difficult to offer a definitive answer on the non-negligible character of the cumulative effect of all insignificant adjustments. Such effects - if disregarded - would lead to an absurd result. The concrete case would be handled on its merits. Lacking any experience this is however only a presumption for the time being.

Article 16(1): The domestic industry does not include domestic producers of the product in question themselves importers of the allegedly dumped product and Article 4(1)(i) of the Code is in force as an international obligation (Article 34 of the Decree).

Article 18: In the Hungarian original text "domestic industry" must be read instead of "industry" in Article 18. The Hungarian authorities can not initiate investigation on their own in the absence of a request from the domestic industry or its representatives.

Article 30(2): The intention is that this Article will be applicable also to the acceptance of price undertakings because Article 7:6 of the Code is in force as an international obligation.