CLARIFICATION OF THE PROVISIONS OF ARTICLE 7 OF THE
ANTI-DUMPING CODE, "PRICE UNDERTAKINGS"

Communication from the Delegation of Romania

One of the questions of interpretation raised during the discussion in the Committee on Anti-Dumping Practices was whether the Agreement allowed quantitative-limitation undertakings during anti-dumping investigations.

Like other delegations which expressed their position during the Committee's work, we consider that the Code does not authorize quantitative undertakings: it provides only for price undertakings, as is furthermore clearly indicated by the title itself of Article 7, the only Article of the Code that refers to undertakings.

While Article 7 of the Code authorizes the ceasing of exports to the area in question, this is not a question of limitation of exports in general, but of ceasing exports at dumped prices, as is clearly specified in the text of Article 7.

Since a contracting party "does not agree that this Article only refers to price undertakings" (ADP/W/189) and has in practice accepted, under Article VI of the General Agreement, voluntary export restraints that have no link with the level of prices that may be applied, we consider that this question should be further studied by the Negotiating Group in order to provide the necessary clarifications on this point, with a view to:

(i) ensuring the greatest possible uniformity among practices of signatory governments;

(ii) discouraging recourse to anti-dumping measures in order to extort voluntary export restraints;

(iii) contributing to more orderly anti-dumping practices and to further improving the unity and coherence of the GATT system.