

GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

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Committee on Anti-Dumping Practices

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REPLIES BY THE EUROPEAN COMMUNITIES TO ADDITIONAL QUESTIONS BY HONG KONG ON THE EC ANTI-DUMPING LEGISLATION

Reproduced herewith are responses by the EC to additional questions raised by Hong Kong in document ADP/W/260 on Council Regulation (EEC) No. 2423/88 of 11 July 1988 (ADP/1/Add.1/Rev.1).

I. Determination of Normal Value

1. No or insufficient home market sales - Article 2(3)(b).

The EC refers to the second paragraph of the answer to question II, point 8, submitted by Singapore (ADP/W/255).

2. Constructed Value - Article 2(3)(b)(ii).

The EC's methodology for constructed value is in line with the guidance in the 1961 Report of the GATT Group of Experts. This report stated that the aim when constructing normal value should be to arrive "at what might be regarded as a notional ex-factory sales price on the domestic market of the exporting country". The EC can see nothing ambiguous in this guidance.

It is not accurate to state that the exporter, for which the SGA and profit of other sellers has been used, has no access to information which could guide him. The EC's methodology means that the normal value for such exporters equates to actual price levels on the market concerned and that information is generally available.

II. New Measures - Article 13(11)

The EC refers to the answer to question 1 submitted by Japan (ADP/W/252).