

THE ANTI-DUMPING & SUBSIDIES INVESTIGATION PROCESS



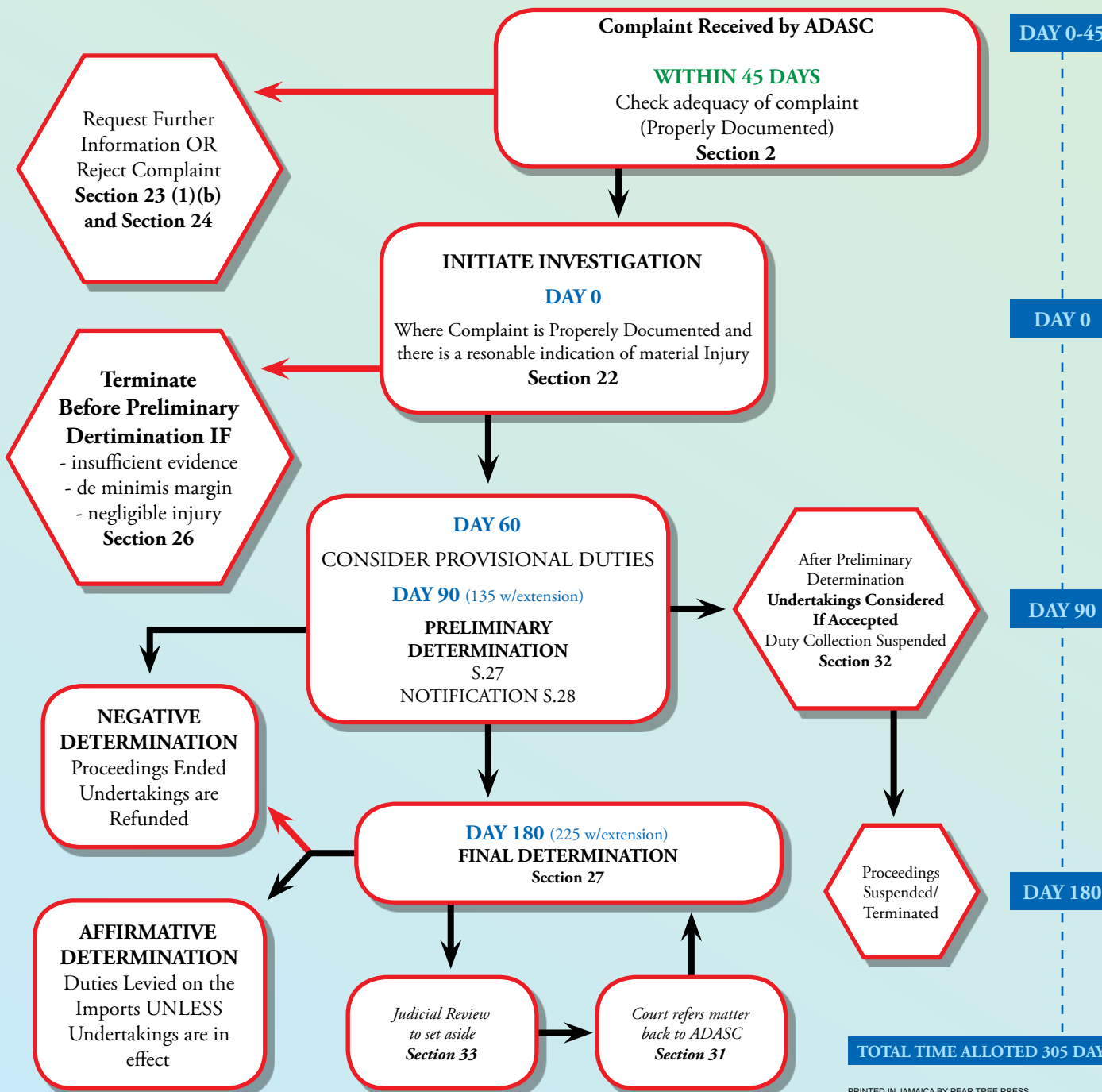
A.D.A.S.C

**THE ANTI-DUMPING
AND
SUBSIDIES COMMISSION**

DUMPING & SUBSIDIES

BASIC FACTS AND THE INVESTIGATION PROCESS

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THE LEGISLATION

As a signatory to the world Trade Organization, and in accordance with our rights and obligations thereunder, Jamaica has enacted legislation based upon the WTO's Anti- Dumping Agreement on the implementation of Article VI of the GATT 1994, and the WTO Agreement on Subsidies and Countervailing Measures.

Jamaica's Customs Duties (Dumping and Subsidies) Act of 1999 sets out the general investigation process and provides for the imposition of anti-dumping and countervailing duties. The Act established the Anti-dumping and subsidies Commission (ADASC). It is the function of the Act.

ANTI-DUMPING ACTIONS

What is dumping?

Dumping occurs where a company exports a product at a price (export price) lower than the price it normally charges on its domestic market, (normal value). Dumping is not a prohibited practice under international trade agreement; however, the act allows remedial action to be taken against dumping where it causes material injury to the Jamaican industry, which produces like goods.

The domestic industry claiming injury may file an application with the Commission for the imposition of measures to redress the situation. The Act also provides for the Commission to initiate an investigation where it deems appropriate.

Application Details

An application may be made by or on behalf of the industry producing like goods to those allegedly being dumped or subsidized. The application must provide

information and sufficient supporting evidence to:

- identify the dumping or subsidized goods;
- identified the domestic competing goods;
- identify the country of export;
- identify the relevant Jamaican industry;
- estimate normal value and export prices and establish that the goods have been dumped;
- establish the material injury that the industry has suffered, or is likely to suffer; and
- demonstrate how the dumped goods have caused, or are likely to cause, the material injury.

Confidential Information

Confidential information is protected, and unauthorized disclosure is deemed an offence under the Act.

Measures

Measures imposed to remedy injury caused by dumping are called anti-dumping duties. The amount of these duties may be imposed at the level of the dumping margin. The dumping margin is the difference between the normal value and the export price. In certain circumstances the level of duty that may be applied can be less than the dumping margin. Once final antidumping duties are imposed, they may be in effect for a period of five years. Collection of duties may be deferred where the exporter undertakes to increase the export price to Jamaica in order to eliminate the margin of dumping or the effect of a subsidy.

COUNTERVAILING ACTIONS

(Against subsidies)

What is a subsidy?

A subsidy in relation to goods export to Jamaica is a financial contribution made by a government, or on behalf of a government, relative to the production,

manufacture or export of these goods. The financial contribution qualifies as a subsidy if it is in any form of income or price support and MUST confer a benefit on those goods. Only certain subsidies can be countervailed.

Application Details

The application process for both Dumping and Subsidizing investigations is essentially the same.

Measures

A duty imposed to counteract a subsidy is called a countervailing duty, and is generally applicable for five years. The level of countervailing duty to be imposed is based on the estimate amount of the subsidy. In certain circumstances the level of countervailing duty may be less than the estimated amount of the subsidy if this amount is adequate to remedy the injury to the domestic industry.

INVESTIGATION PROCESS

Where an industry's claim is considered sufficient to warrant an investigation, the ADASC will notify the government of the exporting country, interested parties and the public of the investigation.

The investigation Process is outlined overleaf, and takes 305 days from the receipt of the application to the final determination.

For further information or assistance contact:

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