

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Committee on Anti-Dumping Practices

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EEC - IMPOSITION OF ANTI-DUMPING DUTIES ON IMPORTS OF AUDIO CASSETTES FROM JAPAN

Request by Japan for the Establishment of a Panel under Article 15:5 of the Agreement

The Government of Japan requests that the Committee establish a panel pursuant to Article 15:5 of the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade ("Anti-Dumping Code") to adjudicate the case relating to the determination by the EEC Commission on import of audio cassettes originating in Japan.

In November 1988 the EEC Commission received a complaint lodged by the European Council of Chemical Manufacturers' Federation (CEFIC) on behalf of producers of audio cassettes alleging dumping of these products originating in Japan, the Republic of Korea and Hong Kong and material injury resulting therefrom. As a result, the Commission initiated anti-dumping proceedings in January 1989.

The investigation of dumping was based on sales, etc., in the year 1988, and that of injury on data from the years 1985 through 1988.

In November 1990 the Community imposed provisional anti-dumping duties on imports of audio cassettes originating in Japan, the Republic of Korea and Hong Kong.

Definitive anti-dumping duties were imposed in May 1991 on audio cassettes originating in Japan and the Republic of Korea.

Japan is of the view that, in the course of the investigation and in the decision of imposition of anti-dumping duties, the Community failed in several respects to comply with the requirements of the Anti-Dumping Code. In particular, Japan is concerned with the Community's regulation and its application in the determination of dumping, in the determination of injury and in the decision on causality between dumping and injury.

Japan considers that the Community's regulation and its application in this case contravene the Community's obligations under the relevant provisions of the Anti-Dumping Code, inter alia, those of Articles 2, 3 and 8.

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Consultations between Japan and the Community were held under Article 15:2 of the Anti-Dumping Code in July 1991, October 1991, December 1991 and April 1992. These have failed to achieve a mutually agreed solution. Thereafter in accordance with Article 15:3 of the Anti-Dumping Code Japan referred the matter to the Committee for conciliation, and a meeting was held for this purpose on 9 July 1992.

Unfortunately, that process also did not lead to a mutually agreed solution. Accordingly, it continues to be the view of Japan that benefits accruing to Japan under the Anti-Dumping Code are being nullified and impaired. Japan hopes that a panel under Article 15:5 of the Anti-Dumping Code is established at the earliest opportunity.

For the purpose of facilitating the understanding of the Parties about the Japanese view, Japan will shortly provide a reference paper on this case.