

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Committee on Anti-Dumping Practices

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EUROPEAN COMMUNITIES - ANTI-DUMPING ACTIONS ON COTTON YARN ORIGINATING FROM BRAZIL

Request for Consultations under Article 15:2 of the Agreement

Communication from Brazil

The following communication, dated 24 September 1993, has been received from the Permanent Mission of Brazil.

1. The Mission of Brazil to the EC presents its compliments to the Directorate-General for External Relations of the Commission of the European Communities and, with respect to anti-dumping duties imposed on cotton yarn originating in Brazil by Council Regulation (EEC) No. 738/92, of 23 March 1992, has the honour to request consultations with the European Community under Article 15:2 of the Anti-Dumping Code.
2. By applying these duties, the EEC has violated several provisions of the Code, namely:

Dumping Determination

- Article 2:4, by failing to consider the particular market situation prevailing in Brazil;
- Article 2:6, by failing to make due allowance for differences affecting price comparability, in particular the distortions arising from the prevailing exchange rate system.

Injury Determination

- Articles 3:1 and 3:2, by failing to make an objective examination of the relevant facts and by failing to base injury findings on positive evidence;
- Articles 3:2, 3:3 and 3:4, by failing to give a reasonable explanation of how the facts supported the injury determination;
- Article 3:2, in combination with Article 8:2, by discriminating against Brazilian exporters;

- Articles 3:2, 3:3 and 3:4, by finding injury in imports subjected to quantitative quotas agreed under the bilateral agreement.

Status of Brazil as a Developing Country

- Article 13, by disregarding the special situation of Brazil as a developing country and by failing to explore possibilities of constructive remedies;
3. The Government of Brazil wishes to indicate that the above list is not necessarily exhaustive and it, therefore, reserves the right to raise any other aspect of this matter at a later stage.
 4. The Mission of Brazil to the EC furthermore requests the Directorate-General for External Relations that the consultations be held promptly, preferably in Geneva.