



Trade Defence Instruments after modernisation and the new anti- dumping methodology; state of play of on-going cases



Goal

- **To keep trade defence instruments effective in face of the new economic realities we have today.**
- **Consistent with overall trade policy**



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NEW ANTI-DUMPING METHODOLOGY (NADM)

- **DUMPING = NORMAL VALUE – EXPORT PRICE**
- **NADM FOCUSES ON NORMAL VALUE**

TARGETED

**NO EXTRA
BURDEN**

- **REPORTS ON CONCRETE COUNTRIES**
- **COMMISSION CONSTRUCTS THE NORMAL VALUE**

- **ONLY PUBLICLY AVAILABLE INFORMATION**
- **FULL INVOLVEMENT OF ALL PARTIES**

TRANSPARENT

APPROPRIATE

- **DUMPING MARGINS INDEPENDENT OF DISTORTIONS**

NADM – IN PRACTICE

TARGETED



- The new methodology focuses exclusively on the determination of normal value

ADDRESS BROAD DISTORTIONS



- If these are present, normal value is constructed on the basis of undistorted costs and prices from an appropriate representative country
- In line with economic reality; no discrimination

TRANSPARENT & INCLUSIVE



- System much more transparent than before; NV construction solely based on publicly available information
- All parties consulted at all stages in the process → advisable to engage

NO EXTRA BURDEN



- Burden of proof to show existence of distortions is on the Commission
- Commission carries out full analysis
- Complainants can rely on reports for initiation



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MODERNISATION OF TRADE DEFENCE INSTRUMENTS

- **SHORTER INVESTIGATIONS**

FASTER

MORE EFFECTIVE

- **REGISTRATION**
- **ADDRESS RISKS & INCREASE IN PREDICTABILITY**

MORE TRANSPARENT

BROADER & INNOVATIVE

- **BETTER INFORMATION**

- **DISTORTIONS IN 3RD COUNTRIES**
- **ENVIRONMENT & LABOUR STANDARDS**
- **PAST PERFORMANCE OF EU INDUSTRY**
- **TERRITORIAL SCOPE**

MTDI – IN PRACTICE

SHORTER INVESTIGATIONS



- AD: 8 months provisional; 14 definitive
- AS: 9 months provisional; 13 months definitive
- Stricter deadlines throughout investigation

TRANSPARENT



- Pre-disclosure
- DG TRADE'S website
- Notice of initiation

MORE EFFECTIVE & PREDICTABLE



- Registration in almost all cases (for pre-disclosure period if no request) → “guarantee” element
- If not, injury margin adjustment if justified ([AD659](#) - HWTP) → Address risks

MTDI – IN PRACTICE

DISTORTIONS IN 3RD COUNTRIES



- Addressed & reflected in final duties via the lesser duty rule → direct impact ([AD649](#) - UAN)
- Strict conditions: evidence to initiate, scope of distortions, union interest ([AD658](#) - SSHR)

ENVIRONMENT & LABOUR STANDARDS



- Addressed & reflected in injury margin → direct impact if duties based on injury (All cases)
- Taking into consideration future costs based on company specific information

PERFORMANCE OF EU INDUSTRY



- Addressed & reflected in injury margin → direct impact if duties based on injury (All cases)
- Taking into consideration past performance on the basis of company specific information, YET Minimum target profit of 6%

TERRITORIAL SCOPE



- Possibility to apply measures to the continental shelf ([AD674](#) - Windtowers)

MTDI – AN EXAMPLE (AD649 – UAN)

Country	Company	Dumping margin	Underselling margin	Provisional AD duty
T&T	Methanol Holdings Limited	55,9%	16,3%	16,3%
T&T	All other companies	55,9%	16,3%	16,3%
USA	CF Industries Holdings, Inc.	37,3%	22,7%	22,7%
USA	All other companies	37,3%	22,7%	22,7%
Russia	Acron	31,9%	12,5%	31,9%
Russia	Novomoskovsky Azot JSC	34,0%	15,8%	34,0%
Russia	Nevinnomyssky Azot JSC	34,0%	15,8%	34,0%
Russia	All other companies	34,0%	13,6%	34,0%

Concluding Remarks

- RESULTS ON THE GROUND
- ADEQUATE LEVEL OF PROTECTION
- SOME AMENDMENTS AS YET UNTESTED
- NO ADDITIONAL BURDEN ON EU INDUSTRY BUT COOPERATION FROM INTERESTED PARTIES CRITICAL

State of play of on-going cases

- Higher level of activity than in 2019 – 45 initiations in 2020, of which 12 new AD & 3 new AS cases
- New elements being tested now (Continental shelf, longer pre-disclosure period)
- Increased focus on enforcement in last years



THANK YOU!