

# WORLD TRADE ORGANIZATION

TN/RL/W/233  
8 July 2008

(08-3298)

---

Negotiating Group on Rules

Original: English

## STATEMENT ON ANTI-DUMPING NEGOTIATIONS

Communication from Brazil; Chile; China; Colombia; Costa Rica; Hong Kong, China; Indonesia; Israel; Japan; Korea, Rep. of; Malaysia; Mexico; Norway; Pakistan; Singapore; Switzerland; the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu; Thailand; and Viet Nam

The following communication, dated 8 July 2008, is being circulated at the request of the Delegations of Brazil; Chile; China; Colombia; Costa Rica; Hong Kong, China; Indonesia; Israel; Japan; Korea, Rep. of; Malaysia; Mexico; Norway; Pakistan; Singapore; Switzerland; the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu; Thailand; and Viet Nam.

---

1. Delegations of Brazil; Chile; China; Colombia; Costa Rica; Hong Kong, China; Indonesia; Israel; Japan; Korea, Rep. of; Malaysia; Mexico; Norway; Pakistan; Singapore; Switzerland; the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu; Thailand; and Viet Nam made this statement concerning the anti-dumping negotiations in light of the working document issued by the Chairman of Negotiating Group on Rules on 28 May 2008 that included Annex A on antidumping (TN/RL/W/232). This is without prejudice to the views that the Delegations may have on other issues in the negotiations that are not specifically mentioned below. We are asking other Delegations to join us as co-sponsors of this statement.

2. We recall that the chairman's first draft text on anti-dumping last November (TN/RL/W/213) lacked balance and raised serious concerns. One of the reasons for such concerns was the legalization of zeroing, a method that unfairly inflates anti-dumping duties. As stated in the document TN/RL/W/214/Rev.3: "Zeroing is a biased and partial method for calculating the margin of dumping and inflates anti-dumping duties. If the use of such practice prevails in the future, it could nullify the results of trade liberalization efforts. The Chair's text must serve the spirit of the Doha Development Agenda, which we understand to be to increase trade flows, enhance predictability, and provide more transparency".

3. We thank the Chairman for his efforts to move forward the rules negotiations. However, his first draft text has not been revised yet. We are concerned about the future process. There is still a large gap between this working document (TN/RL/W/232) and a possible revised text that will adequately reflect the actual negotiations and balance among Members.

4. The gap should be and can be filled in a prompt manner. Regarding the particular subject of zeroing, the Chairman describes, among other things, that numerous delegations opposed zeroing while only one delegation insisted on a restoration of zeroing in all contexts. He further refers to the proposal by twenty developing and developed Members which proposes the prohibition of zeroing in all proceedings (TN/RL/W/215). What is called for here is the mere reflection of the reality of negotiations into the text.

./.

5. Furthermore, on 20 May 2008, the Dispute Settlement Body adopted the Appellate Body Report on *United States – Final Anti-Dumping Measures on Stainless Steel from Mexico* (WT/DS344/AB/R) that confirmed again that zeroing was inconsistent with the Anti-Dumping Agreement.

6. We reiterate that only a balanced revised text can serve as the basis for future negotiations and will move the process forward. We are at a critical juncture under the DDA. The rules negotiation is one of the essential areas under the single undertaking. The strengthened disciplines are indispensable as the final outcome. We will continue to devote ourselves to the negotiations and ask the Chairman for the early release of a revised text reflecting the actual negotiations and balance among Members.

7. In this regard, at the upcoming Ministerial meeting in late July, we call on WTO Members to urge the Chairman to issue a balanced revised text as soon as possible that shall be the basis for the next stage of negotiations. WTO Members will be able to further direct the Negotiating Group on Rules to intensify and accelerate the negotiations based upon the revised text from early September so as to achieve the strengthened disciplines as the final outcome by the end of 2008.

---