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**RUSSIA – ANTI-DUMPING DUTIES ON LIGHT COMMERCIAL VEHICLES
FROM GERMANY AND ITALY**

REQUEST FOR CONSULTATIONS BY THE EUROPEAN UNION

The following communication, dated 21 May 2014, from the delegation of the European Union to the delegation of the Russian Federation and to the Chairperson of the Dispute Settlement Body, is circulated in accordance with Article 4.4 of the DSU.

My authorities have instructed me to request consultations with the Government of the Russian Federation ("Russia") pursuant to Articles 1 and 4 of the *Understanding on Rules and Procedures Governing the Settlement of Disputes* ("DSU"), Article XXIII:1 of the *General Agreement on Tariffs and Trade 1994* ("GATT 1994") and Articles 17.2 and 17.3 of the *Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994* ("AD Agreement") with respect to the levy of anti-dumping duties on light commercial vehicles ("LCVs") from Germany and Italy by Russia pursuant to Decision No. 113 of 14 May 2013 of the College of the Eurasian Economic Commission ("EAEC"), as set forth therein, including any and all annexes, notices and reports of the Department for the Protection of the Internal Market of the EAEC, and any amendments thereof.

The measures at issue appear to be inconsistent with Russia's obligations under the following provisions of the GATT 1994 and the AD Agreement:

1. Articles 2.2, 2.3, 2.4, 6.8, 6.10, 9.2, 9.3 and Annex II of the AD Agreement, because Russia failed to determine the normal value, the export price and the dumping margin for each known exporter in accordance with the obligations set out in those provisions on the basis of all available information, and failed to make a fair comparison between the normal value and the export price.
2. Articles 3.1, 3.2, 3.4 and 3.5 of the AD Agreement, because Russia's injury determination was not based on positive evidence and did not involve an objective examination of the domestic industry's situation, the volume of the dumped imports, the effect of the dumped imports on prices in the domestic market for like products and the consequent impact of these imports on domestic producers of such products during the whole investigation period. Russia also failed to examine the trends of the injury factors and indices on the basis of an objective examination of positive evidence.
3. Articles 3.1 and 3.2 of the AD Agreement, because Russia failed to consider whether there has been a significant increase in dumped imports for the whole investigation period based on an objective examination of positive evidence and because Russia failed to demonstrate based on an objective examination of positive evidence that the effect of the allegedly dumped imports was to depress domestic prices to a significant degree or to prevent domestic price increases, which otherwise would have occurred, to a significant degree.
4. Articles 3.1 and 3.4 of the AD Agreement, because Russia's injury determination was not based on positive evidence, did not involve an objective examination of the consequent impact of these imports on domestic producers of the like products and improperly failed to evaluate or disregarded relevant economic factors and indices having a bearing on the state of the industry indicating that the domestic industry did not suffer injury.

5. Articles 3.1 and 3.5 of the AD Agreement, because Russia failed to conduct an objective examination, based on positive evidence, of the causal relationship between the imports under investigation and the alleged injury to the domestic industry. Russia also failed to conduct an objective examination, based on positive evidence, of factors other than the imports under investigation which have been injuring the domestic industry, and therefore improperly attributed the injuries caused by these other factors to the imports under investigation.

6. Article 4.1 of the AD Agreement, because Russia incorrectly defined the domestic industry.

7. Articles 6.2 and 6.4 of the AD Agreement, because throughout the investigation Russia failed to provide all interested parties with a full opportunity to defend their interests and failed to disclose to the interested parties all information that is relevant to the presentation of their cases with respect to the dumping and injury determination, such as the information used to establish the margins of dumping and the effect of imports under investigation on prices of domestic market for like products.

8. Article 6.5 of the AD Agreement, because Russia treated as confidential, without showing good cause, information supplied by the domestic producers.

9. Article 6.5.1 of the AD Agreement, because Russia failed to require the domestic producers to furnish non-confidential summaries which provided sufficient detail to permit a reasonable understanding of the substance of the information submitted in confidence.

10. Article 6.9 of the AD Agreement, because Russia failed to inform the interested parties of the essential facts under consideration which form the basis of the decision to impose anti-dumping measures, including the essential facts underlying the determinations of the existence of dumping and the calculation of the margins of dumping and the determination of injury.

11. Articles 12.2 and 12.2.2 of the AD Agreement, because Russia failed to provide in sufficient detail the findings and conclusions reached on all issues of fact and law considered material by the investigating authorities, as well as all relevant information on the matters of fact and law and reasons which have led to the imposition of final measures.

12. Russia's anti-dumping measures on LCVs from the Germany and Italy further appear to be inconsistent with Articles 1 and 18.4 of the AD Agreement and Article VI of the GATT 1994 also as a consequence of the breaches of the AD Agreement described above.

Russia's measures, therefore, appear to nullify or impair benefits accruing to the European Union, directly or indirectly, under the covered agreements. The European Union thus requests Russia to abide by its WTO commitments and remedy the situation as soon as possible.¹

The European Union reserves the right to address additional measures and claims regarding the above matters in the course of the consultations.

The European Union looks forward to receiving Russia's reply in due course to this request for consultations. The European Union is ready to consider with Russia mutually convenient dates for consultations.

¹ See Working Party on the Accession of the Russian Federation - Report of the Working Party on the Accession of the Russian Federation to the World Trade Organization (WT/ACC/RUS/70, WT/MIN(11)/2), dated 17 November 2011, para 620; and Protocol on the Accession of the Russian Federation to the World Trade Organization (WT/MIN(11)/24, WT/L/839) dated 17 December 2011, para. 2.