D CONTINGENT TRADE PROTECTIVE MEASURES

Measures implemented to counteract particular adverse effects of imports in the market of the importing country, including measures aimed at "unfair" foreign trade practices, contingent upon the fulfilment of certain procedural and substantive requirements.

D1 Antidumping measure

A border measure applied to imports of a product from an exporter, which imports are dumped and are causing injury to the domestic industry producing the like product, or to third countries' exporters of that product. Dumping takes place when a product is introduced into the commerce of an importing country at less than its normal value, generally where the export price of the product is less than the comparable price, in the ordinary course of trade, for the like product when destined for consumption in the exporting country. Anti-dumping measures may take the form of anti-dumping duties, or of price undertakings by the exporting firms.

D11 Antidumping investigation

An investigation initiated and conducted either following a complaint by the domestic industry producing the like product or (in special circumstances) self-initiated by importing country authorities to determine whether dumping of a product is occurring and is injuring national producers (or a third country's exporters) of the like product. Provisional duties may be applied during the investigation.

Example: *An antidumping investigation was initiated by the European Union in respect of imports of "steel wire rod" from Country A.*

D12 Antidumping duty

A duty levied on imports of a particular good originating from a specific trading partner to offset injurious dumping found to exist via an investigation. Duty rates are generally enterprise-specific.

Example: *An antidumping duty of between 8.5 to 36.2% has been imposed on imports of "biodiesel products" from Country A.*

D13 Price undertaking

An undertaking by an exporter to increase its export price (by not more than the amount of the dumping margin) to avoid the imposition of antidumping duties. Prices can be negotiated for this purpose, but only after a preliminary determination that dumped imports are causing injury.

Example: *An antidumping case involving "Flat-Rolled Products of Grain Oriented Silicon-Electrical Steel" resulted in the manufacturer undertaking to raise its export price.*

D2 Countervailing measure

A border measure applied to imports of a product to offset any direct or indirect subsidy granted by authorities in an exporting country where subsidized imports of that product from that country are causing injury to the domestic industry producing the like product in the importing country. Countervailing measures may take the form of countervailing duties, or of undertakings by the exporting firms or by authorities of the subsidizing country.

D21 Countervailing investigation

An investigation initiated and conducted either following a complaint by the domestic industry producing the like product or (in special circumstances) self-initiated by the importing country authorities to determine whether the imported goods are subsidized and are causing injury to national producers of the like product.

Example: *A countervailing investigation was initiated by Canada in respect of imports of "oil country tubular goods" from Country A.*

D22 Countervailing duty

A duty levied on imports of a particular product to offset the subsidies granted by the exporting country on the production or trade of that product, where an investigation has found that the subsidized imports are causing injury to of the domestic industry producing the like product.

Example: *A countervailing duty of 44.71% has been imposed by Mexico on imports of "dynamic random access memory (DRAM) semiconductors" from Country A.*

D23 Undertaking

Either an undertaking by an exporter to increase its export price (by not more than the amount of the subsidy), or an undertaking by the authorities of the subsidizing country to eliminate or limit the subsidy or take other measures concerning its effects, to avoid the imposition of countervailing duties. Undertakings can be negotiated only after a preliminary determination that subsidized imports are causing injury.

Example: *A countervailing duty investigation involving "Palm oil and margarine for puff pastry*" *from Country A resulted in the government of Country A undertaking to fully eliminate the subsidy on that product.*

D3 Safeguard measures

D31 General (multilateral) safeguard

A temporary border measure imposed on imports of a product to prevent or remedy serious injury caused by increased imports of that product and to facilitate adjustment. A country may take a "safeguard" action (i.e., temporarily suspend multilateral concessions) in respect of imports of a product from all sources where an investigation has established that increased imports of the product are causing or threatening to cause serious injury to the domestic industry that produces like or directly competitive products. Safeguard measures can take various forms, including increased duties, quantitative restrictions, and others (*e.g.*, tariff-rate quotas, price-based measures, special levies, etc.).[1]

D311 Safeguard investigation

An investigation conducted by the importing country authorities to determine whether the goods in question are being imported in such increased quantities and under such conditions as to cause or threaten to cause serious injury to national producers of like or directly competitive products.

Example: *Country A has initiated a safeguard investigation on imports of certain motorcycles.*

D312 Safeguard duty

A temporary duty levied on imports of a particular product to prevent or remedy serious injury from increased imports (as established in an investigation), and to facilitate adjustment. Where the expected duration of the measure is more than one year, it must be progressively liberalized during the period of application.

Example: *A safeguard duty of three years' duration has been imposed on imports of "Gamma Ferric Oxide". The level will be 15% during the first year, 10% during the second year, and 5% during the third year.*

D313 Safeguard quantitative restriction

A temporary quantitative restriction on imports of a particular product, to prevent or remedy serious injury from increased imports (as established in an investigation) and to facilitate adjustment. Rules apply regarding the overall level and the allocation of the quota. Where the expected duration of the measure is more than one year, it must be progressively liberalized during the period of application.

Example: *A quantitative safeguard measure (quota) of three years duration has been implemented on imports of certain steel products. The total level will be 10,000 tons the first year, 15,000 tons the second year, and 22,000 tons the third year.*

D314 Safeguard measure, other form

A safeguard measure in a form other than a duty or quantitative restriction (which could include measures combining duties and quantitative elements), applied to prevent or remedy serious injury from increased imports (as established in an investigation) and to facilitate adjustment. Where the expected duration of the measure is more than one year, it must be progressively liberalized during the period of application.

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[1] Although quantitative restrictions are prohibited by the WTO Agreements, under the Agreement on Safeguards, safeguard measures in this form are permitted, subject to certain conditions. See X613.

Example: A safeguard measure of two years duration is imposed on imports of dishwashers. During the first year, a safeguard measure of $US 50 per unit will be applied to all imported dishwashers with a CIF price below $US 500 per unit. During the second year, the safeguard measure will not apply to the first 20,000 units of imports, regardless of the prices of those units.

D32 Agricultural special safeguard

Agricultural special safeguard allows the imposition of an additional tariff in response to a surge in imports or a fall in import prices. The specific trigger levels for volume or price of imports are defined at the country level. In the case of the volume trigger, the additional duties only apply until the end of the year in question. In the case of price triggers, the additional duty is imposed on a shipment by shipment basis.

D321 Volume-based agricultural special safeguard

In this type of safeguard, an additional duty may be applied if the volume of imports of designated agricultural product exceeds a defined trigger quantity.

Example: An additional duty equal to one third the current applied duty is applied to imports of milk when the volume of imports exceeds the trigger volume of 861 tonnes.

D322 Price-based agricultural special safeguard

In this type of safeguard, an additional duty may be applied if the import price of a designated agricultural product falls below defined trigger price.

Example: An additional duty of 2.79 Php/kg is applied to a shipment of frozen meat and offal of fowls of the species Gallus domesticus when the c.i.f. import price of that shipment is 20 per cent below the trigger price of 93 Php/kg.

D39 Safeguard, n.e.s.

This category could include, e.g., special safeguard mechanisms applicable to imports of a product under regional trade arrangements, protocols of accession, or other agreements.