



Evaluation of EC Trade Defence Instruments

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FINAL REPORT

December 2005

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SECTION 1 - INTRODUCTION

1. RANGE OF VIEWS ON TRADE DEFENCE INSTRUMENTS (TDI)

TDI is an EC policy area that provokes strong passions and where people have strong views.

A wide range of views exist on anti-dumping. At one end of the spectrum, some people see TDI as a critical defence against unfair trade practices and distortions to trade. Alternatively, others think that TDI can only be justified on rare occasions and, to this extent, propose that TDI should be abolished. In this way, it is perhaps unique of all EC policy areas.

Given this, an evaluation study is timely. There are many entrenched positions and much perceived wisdom. Therefore, an objective evaluation of this policy area may be helpful in highlighting policy issues and identifying possible improvements.

2. TERMS OF REFERENCE & SCOPE OF EVALUATION

An extract from the terms of reference setting out the scope of the work is reproduced in annex 4.

The ultimate aim of the project is "to identify possible areas for the improvement of the EC's trade defence laws and practice, with a view to increase their efficiency (e.g. in terms of transparency, enforceability of measures and streamlining of procedures)".

Thus, the study is very clear in its objectives. It is not an evaluation of whether the EC should have TDI or a re-assessment of fundamental concepts. The starting point, therefore, is to basically accept EC TDI law as it is. This is not a fundamental evaluation of whether the EC laws are good or bad.

Rather, the project concerns the implementation of TDI, with the focus on the efficiency and operation of the instruments. This is an evaluation of practices and procedures in light of improving the efficiency of the instrument.

While a study which evaluated whether the EC should keep TDI in its current form or not would be interesting, the wide range of views on TDI would ensure that the project would become weighed down by controversy.

The fact that the evaluation is limited to points relating to the efficiency of the instruments means that the project can proceed free of such controversy. Whilst views on the efficiency of the instrument will, of course, be coloured by the perspective of the individual contributing, everyone has an interest in TDI operating efficiently. Indeed, in the work done so far, in which many people have been interviewed, all with different views towards TDI, the focus has consistently remained on the key objectives of this evaluation and therefore every single contribution has been constructive.

3. METHODOLOGY

Annex 9 contains information on the methodology used for the evaluation.

In short, there are two principle lines of research. First, a survey of EC interested parties and, second, a technical comparison of EC and US TDI.

Issues to be covered in the evaluation were identified by:

- Respondents in the survey
- Identified differences from the EC/US comparison

4. **STRUCTURE OF REPORT**

The report is intended for a wide audience with differing levels of knowledge and expertise on the issue of TDI.

The report has been structured in a way that makes it of use to both the expert and the laymen.

For **those with no background** on these complex issues, the report provides separate descriptions of EC and US TDI (**annexes 2 and 5** respectively). These descriptions are aimed at the lay reader to give them sufficient background to be able to read and understand the main elements of the evaluation.

The evaluation of EC TDI is in **section 2**.

The back-up information for the evaluation is contained in **annex 1** (survey of interested parties on EC TDI) and **annex 6** (technical analysis of the difference between EC and US TDI).

Statistics on trends in use of EC and US TDI can be found in annex 7.

5. **COMMENT ON EU/EC TERMINOLOGY**

We use the terms EC and Community throughout the report, rather than EU or Union.

There is a need to choose one in order to be consistent. Given that TDI are governed by EC regulations with all references relating to the Community, we decided to use EC and European Community. This is also consistent with the Commission's approach in the terms of reference (TOR).