

European Union Anti-dumping Policies

The traditional trade-policy measures deployed by the EU to protect its markets for industrial goods are declining in importance. The general level of tariffs is rather low and is set to fall further in the wake of the implementation of the Uruguay Round of the GATT. Quantitative restrictions on imports from GATT partner countries¹ are banned under the Agreement and, for the restrictions still in existence in the textile sector, a schedule, albeit a long-term one, for abolition has been agreed. Even the popular so-called "grey area" measures, such as "voluntary" export restraint agreements, which enabled undesirable imports to be curtailed in the face of the rules imposed by the GATT, are to be more stringently punished within the framework of the new World Trade Organisation (WTO). It is against this background that attention has increasingly been drawn to anti-dumping policies as a legitimate strategy against the trend towards free trade. Against the background of a multilateral trade system based on most-favoured nation status and equal treatment of all member countries, anti-dumping policies, legitimised as a "legal obstacle to unfair methods", enable a country to raise the price of, and thus hinder, undesired imports in a very precise, discriminatory fashion. It is increasingly being claimed that EU anti-dumping policies are being used less as a corrective for unfair trade practices than as an autonomous instrument of protectionism.²

Preconditions for anti-dumping procedures

From the very outset the original GATT Treaty made provision (in Article VI) for anti-dumping regulations as a means of recourse against unfair trade practices. The conditions applying to anti-dumping procedures were specified further in the Uruguay Round.³ The "rules of the game" have been rendered more precise in order to improve legislative consistency and to

¹ The old GATT (1947) has now been transformed into the "GATT 1994", here termed "new" GATT and become part of the World Trade Organisation (WTO).

² Cf., for example, Schuknecht, Ludger, Trade Protection in the European Community, Chur u.a, 1992, p. 119 ff., and Tharakan, P.K.M., Political Economy and Contingent Protection, *The Economic Journal*, vol. 105, no. 433, November 1995, p. 1550.

³ Cf. Agreement on Implementation of Article VI of GATT 1994, *Official Journal of the EC*, L 336/1994.

ensure in both material and institutional terms that the authorities behave fairly vis à vis the parties involved. In the wake of this amendment, changes were also made to the EC anti-dumping regulation.⁴ As was the case previously, it is oriented strictly towards the GATT text.⁵ A significant element in making the procedure as fair as possible is its transparency; the EC takes account of this requirement by publishing all the stages of the proceedings.⁶ If the European Commission takes the view that an application for anti-dumping measures contains sufficient evidence of dumping and the injury resulting from it, it initiates an anti-dumping investigation. It is to be noted, however, that it only announces those cases in which an anti-dumping investigation is actually implemented and not those cases it has rejected.

In order to impose anti-dumping measures the Commission must then show that:

- a) imports are occurring at dumping prices that
- b) cause or threaten to cause material injury to an industry in the importing country, and
- c) intervention is in the interest of the Community.

As regards the last point, the new regulation explicitly states that all interests are to be considered, "including the interests of the domestic industry and users and consumers" (Article 21). At the same time, the article accords special importance to restore "effective" competition, and the provision requiring that measures not be imposed despite evidence of dumping and economic damage are formulated rather vaguely.⁷ In the old regulation it was merely the general interest of the Community in joint intervention in cases of injurious dumping that was mentioned.⁸ The "short-term benefits of low

⁴ Council Regulation (EC) No. 3283/94 (3284/94) on protection against dumped (subsidized) imports from countries not members of the European Community, *Official Journal of the EC*, L 349/1994 (with two amendments in *Official Journal of the EC*, L 41/1995 and L 122/1995 and a proposal for a corrected new version in *Official Journal of the EC*, C 319/1995). In the following this is cited as the EC anti-dumping regulation. Previously the regulations on dumped or subsidized imports were brought together in one regulation (see *Official Journal of the EC*, L 209/1988). This article refers only to anti-dumping actions; actions against subsidised imports are extremely rare – in 1994 there was just one.

⁵ Cf. Vermulst, Edwin and Waer, Paul, The Post-Uruguay Round EC Anti-Dumping Regulation, *Journal of World Trade*, vol. 29, no. 2, April 1995. The authors also point out that the new GATT text has in many cases codified current EC practice.

⁶ In the *Official Journal of the EC* series C (Initiation of anti-dumping investigations) and L (Suspension and imposition of measures). In addition the Commission of the European Communities presents an annual report to the European Parliament (in the *COM Document* series) "on the Community's Anti-Dumping and Anti-Subsidy Activities"; cf. no. 13 (for 1994), published in July 1995 (COM (95) 309 final).

⁷ "Measures, as determined on the basis of the dumping and injury found, may not be applied, where the authorities, on the basis of all the information submitted, can clearly conclude that it is not in the Community interest to apply such measures." *op. cit.*, Article 21 (1).

prices for industrial users and consumers are weighted against the injurious effects of the dumped imports in terms of the industrial and social costs of the contraction or elimination of firms, sectors or whole industries."⁹ It remains to be seen whether consumer interests will in fact be given greater consideration than was previously the case. Given that consumers are far less well organised than producers at both national and Community level, there are few *prima facie* grounds for supposing that their influence on EU trade policy will change fundamentally.

The central problem, however, is determining when dumping has occurred. A product is considered as being "dumped" when it is sold abroad at a lower price than in its country of origin.¹⁰ The EU has adopted very precise provisions on the calculation of export price, normal value and fair price comparison.¹¹ In concrete cases, however, its calculations cannot be effectively scrutinized. Generally, the calculation is based on prices of exporters or producers in various markets or on their costs; in the case of non-market economies the normal value is calculated with reference to prices or a constructed value in a market economy third country.¹²

Yet price differentiation is a rational, indeed even a necessary, strategy – one determined by varying market situations. If a heavily protected domestic market permits a firm to earn monopoly rents, export prices on open markets in which competition is tougher will inevitably be lower.¹³ This is rational from a profit-maximisation perspective, provided the fixed costs are covered by domestic sales and foreign sales at the lower prices at least cover variable costs.

Price differentiation is very pronounced within the EU itself, and indeed this was one of the arguments put forward for the creation of the Single European Market. And even now, and in spite of pressure from the Commission, EU automobile producers, among others, take account of the different levels of taxation imposed in the

Member States and differentiate their prices accordingly.

As a means of showing that dumping has caused injury, market share losses by domestic industry, significant pressure on prices and the resultant decline in output, employment, profitability and productivity are examined. It is extremely difficult, however, to isolate the damage caused by dumping from other negative influences, e.g. those of a cyclical, structural or exchange-rate-related nature. Of central importance in evaluating the injury sustained are the volume and rate of growth of the "dumped" imports compared to other "normal" imports and to domestic output.¹⁴ In any case, anti-dumping measures only appear to be appropriate in the case of firms with a dominant market position.¹⁵

The form taken by anti-dumping measures

On initiating anti-dumping investigations the Commission may impose provisional anti-dumping duties, but no sooner than 60 days from the initiation of proceedings and for a maximum of nine months.¹⁶ It is the Council that decides on definitive duties since March 1994 by simple majority.¹⁷ Such duties generally apply for five years and expire automatically, unless a review applied for by Community producers establishes that the duty should be maintained.

In anti-dumping proceedings against individual producers the margins of dumping are calculated on an individual basis, and the duty required to avert injury fixed. The Commission reports that between 1988 and 1992 the anti-dumping duties averaged only about half the average margin of dumping (40%),¹⁸ although even this marks a significant increase in prices. Moreover, it must be recognised that in 1995 many anti-dumping duties were above 50%, and some even reached in excess of 100% (on espadrilles from China). A duty of more than 90% was imposed on TV camera systems and certain electronic microswitches (EPROMs) from Japan.¹⁹

Anti-dumping proceedings can also be terminated by an undertaking by the exporters to charge minimum

⁸ Cf. *Official Journal of the EC*, L 209/1988, Article 12 (1).

⁹ Cf. Eleventh Annual Report from the Commission to the European Parliament on the Community's Anti-Dumping and Anti-Subsidy Activities, p. 4.

¹⁰ The wording of the EC Regulation is as follows: "A product is to be considered as being dumped if its export price to the Community is less than a comparable price for the like product, in the ordinary course of trade, as established in the exporting country." Regulation (EC) no. 3283/94, *op. cit.*, Article 1 (2).

¹¹ Regulation (EC) no. 3283/94, *op. cit.*, p. 4 ff.

¹² Regulation (EC) no. 3283/94, *op. cit.*, Article 2 (7).

¹³ If the differential is sufficiently large, steps must be taken to prevent reimporting. On the other hand, it has been shown that it tends to be firms facing tough competition on their domestic market that sell their goods abroad at dumping prices. Cf. Weinstein, David E., Competition and unilateral dumping, *Journal of International Economics*, no. 32 (1992), p. 379 ff.

¹⁴ The ceilings above which dumping is no longer considered negligible are very low: anti-dumping proceedings are not to be initiated against countries with a market share of less than 1% and are to be terminated if it emerges that the margin of dumping is less than 2%. Anti-dumping Regulation Article 5 (7) and Article 9 (3).

¹⁵ In 90% of the anti-dumping cases investigated by the EU between 1980 and 1985, the market share of the countries affected was below 25%.

¹⁶ Anti-dumping Regulation Article 7 (1) and (7).

¹⁷ Twelfth Anti-dumping Report of the EC.

prices.²⁰ However, in 1992 and 1993 the Commission did not terminate any proceedings exclusively on this basis and in 1994 just two (Russia and Lithuania). In a number of cases, price undertakings were accepted from some of the firms involved while at the same time duties were imposed on the other firms. Frequently the EC also imposes anti-dumping duties retroactively if it takes the view that price undertakings made have not been adhered to. Whatever the method used, higher import prices result.²¹ The difference is that price commitments enable foreign suppliers to widen their margins, whereas, in cases where a duty is imposed, this extra revenue benefits the EC.

Quantifying EU anti-dumping actions

Usually the extent of anti-dumping actions is established on the basis of the number of proceedings. In this analysis, however, the volume of the imports affected will also be considered. Between 1990 and 1995 the EU initiated more than 200 anti-dumping investigations, affecting 44 countries (cf. table 1). With the exception of 1993, in which imports were depressed, the number of anti-dumping proceedings initiated has remained relatively constant in recent years at around 40. Increasingly they have been directed at southern and south-east Asian developing countries. The rise in the number of cases opened against successor states to the Soviet Union is due to the increase in the number of independent states. Even though only some of the investigations actually lead to the imposition of (provisional or definitive) anti-dumping duties or the acceptance of price undertakings,²² the mere threat of proceedings creates a climate of uncertainty.

Overall, in 1994 imports valued at ECU 9 billion were affected by anti-dumping actions;²³ this is equiva-

lent to 2.2% of all industrial goods imports²⁴ from non-EU countries and 3.5% of the imports from the countries affected. While the orders of magnitude are marginal from the point of view of the EU, they appear in a totally different light when seen from the perspective of the exporting countries.

Countries affected by anti-dumping actions

Of all the EU imports subject to anti-dumping actions in 1994, almost half (ECU 4.5 billion) came from Japan, followed at a distance by South Korea (ECU 1.5 billion). The positions of selected export countries on the EU market compared with their respective shares of the imports subjected to anti-dumping actions are presented in the following figures.

If, on the other hand, the incidence of anti-dumping actions is measured against total industrial-good exports from the country in question (import coverage ratios), then Pakistan and South Korea were hardest hit in 1994: almost a fifth of their exports to the EU were affected by anti-dumping actions; at 17% and 15% the figures for Georgia and Belarus were almost as high (cf. table 2). In the case of countries whose exports are concentrated on a small number of commodity groups, anti-dumping actions against some of these products are of far greater significance than for countries whose exports are more highly diversified. With import coverage ratios of around 8%, Japan, the Ukraine and Turkey were also relatively hard hit by anti-dumping actions. Among the southern and south-east Asian countries, India, Indonesia and Thailand, exports were also affected to an above-average extent (around 5%), whereas only just over 3% of China's industrial-good exports were affected.

The marked heterogeneity of the group of countries particularly affected by anti-dumping actions is evidence of the precision with which this instrument is deployed. It is not primarily directed against state-trading countries, nor specifically against weak trading

¹⁸ It is difficult to verify this figure because anti-dumping duties are frequently fixed as variable amounts or as differences between fixed minimum prices and the current net prices at the Community external border. On the basis of calculations referring solely to cases in which ad valorem duty rates were imposed, Messerlin and Reed identified an average margin of dumping of 37% between 1980 and 1988 and an average anti-dumping duty of 18%. Cf. Patrick A. Messerlin and Geoffrey Reed, Anti-dumping policies in the United States and the European Community, *Economic Journal*, vol. 105, no. 433, November 1995, p. 1570.

¹⁹ These anti-dumping duties and those on other electronic microswitches (DRAMs) from Japan and South Korea were temporarily suspended in 1995, however.

²⁰ In some cases quantitative commitments have also been agreed upon. Cf. Thirteenth Anti-dumping Report.

²¹ For example, anti-dumping duties can (on application) be raised further if the Commission subsequently learns that the exporters have "swallowed" the duties, i.e. have cut their prices accordingly.

²² In 1994 (1993) 5 (1) proceedings were closed on recognition that dumping had not occurred; an additional proceeding in each year was terminated because no injury had been done; in 2 (6) cases the proceedings were closed for some other reason.

²³ Existing (definitive and provisional) measures and initiated investigations were both counted. The following calculations are based on the import values of the 8-digit commodity codes of the Combined Nomenclature with anti-dumping measures from each country, whereby sub-groups of the 8-digit groups could not be separated. Measures terminated in the course of a year were no longer counted in that final year.

²⁴ Chapters 25 to 97 of the Combined Nomenclature of the foreign trade statistics of the EU, excluding chapter 27 (petroleum).

Table 1
Number of Anti-dumping Investigations Initiated by the EU
 by country

Countries	1990	1991	1992	1993	1994	1995
EFTA	1	1	–	–	–	–
USA	1	–	1	1	1	–
Japan	3	5	–	1	2	–
Central and eastern Europe	2	5	13	5	10	8
CIS ¹⁾	2	1	10	3	5	4
Baltic States			1	–	1	–
Europe Agreement ²⁾	–	4	2	2	5	4
Other south-eastern Europe ³⁾	4	1	–	–	1	–
Developing countries	32	8	23	13	27	28
Mediterranean	9	1	3	1	2	–
Latin America	6	–	1	1	1	1
South/East Asia	17	7	19	11	24	27
Other	–	–	2	1	–	1
Total	43	20	39	21	43	37

1) USSR respectively. — 2) Bulgaria, CSFR or Czech and Slovak Republics, Poland, Romania, Hungary. — 3) Yugoslavia or its successor states, Albania.
 Sources: 13. Anti-dumping Report of the EC, Official Journal of the EC, Series C and L, 1995.

partners: recourse is consistently made to anti-dumping actions in the face of the threat of tough competition – from whichever country that comes.

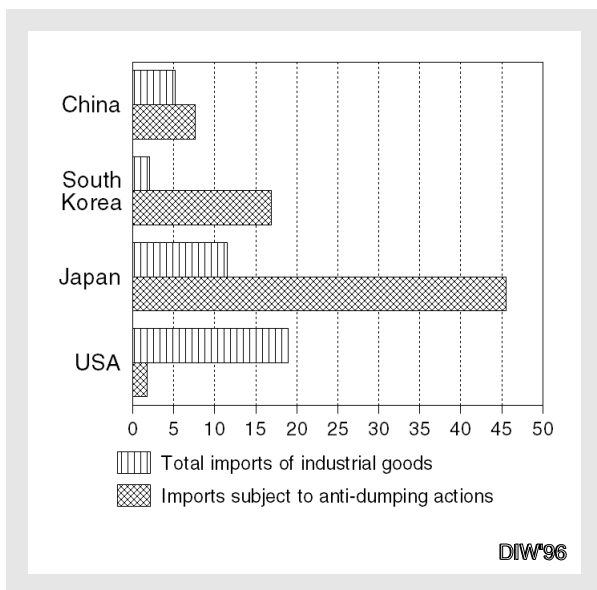
Commodity groups affected by anti-dumping actions

EU anti-dumping actions are concentrated on a small number of commodity groups. Strikingly high import coverage ratios were identified (1994) for a number of textiles (cotton, synthetic or artificial spun fibres, spun material and silk), the commodity group stone, earth and cement, fertilisers and electronics (cf. table 3). In most cases these areas are those which in any case enjoy the highest levels of protection: in these areas the normal EU duties are above average (with the exception of silk and the group stone, earth and cement), and the reductions agreed in the Uruguay Round were less significant than in other areas. In the case of the

other eight commodity groups affected to an above-average extent by anti-dumping actions, this correlation is less clear; among them are several categories with relatively low duties.

The very pronounced concentration of anti-dumping proceedings in 1994 on various areas of the textile sector is a new development, as the quantitative restrictions under the Multi-Fibre Agreement were until then considered to offer the best protection. Nor can the recent anti-dumping proceedings be seen as a precautionary measure against steps towards liberalisation in the course of the implementation of the Uruguay Round and the incorporation of the textile sector into the new GATT regime: in the first phase the EU does not need to liberalise, because it already meets the requirements. Clearly the branch associations of European producers are making great efforts to erect new barriers, in most cases in addition to the existing quantitative restrictions. Most of the anti-dumping proceedings in the textile sector affected countries facing quantitative restrictions with respect to the commodities in question. These, however,

Figure 1
**Selected Countries' Share in
 EU Imports of Industrial Goods
 Subject to Anti-dumping Actions, 1994**



Sources: 13. Anti-dumping Report of the EC, Official Journal of the EC, Series C and L, various years; Eurostat, imports on magnetic tape; DIW calculations.

had been fixed in tonnes, so that the exporting countries, faced with the weakness of demand in 1993, had clearly attempted to ensure that they made full use of their quotas by cutting their prices. As a result they had to face anti-dumping proceedings in 1994, none of which had been decided by 1995. Thus the EU has added a new sector – textiles – to its previous anti-dumping foci in chemicals, electronics, iron and steel; in 1994 the investigations were directed largely against cotton fabric, fabrics made of synthetic spun fibres, bed linen and polyester thread from India, Indonesia, Pakistan and Thailand.

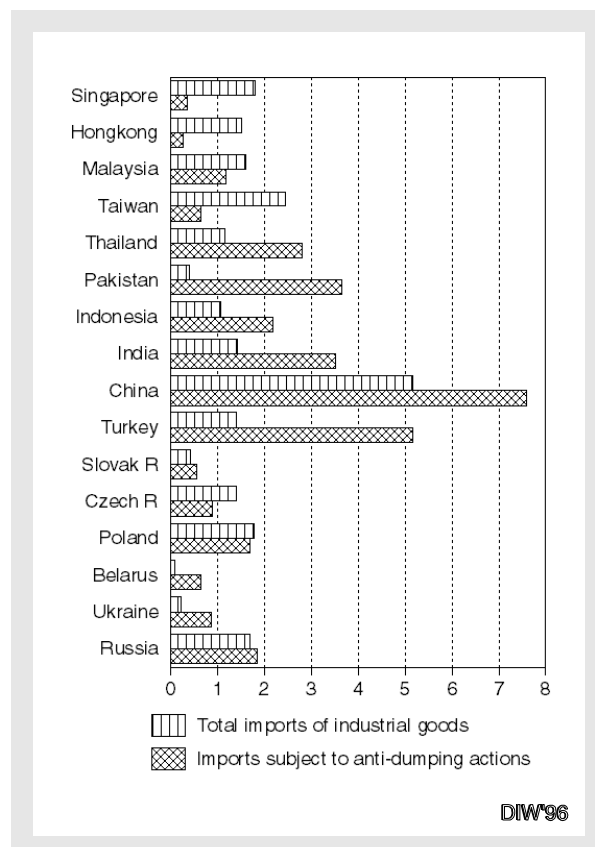
In 1995 too, it was largely the southern and south-east Asian countries – more specifically the second generation of newcomers, rather than the "tigers" – that were in the firing line of new anti-dumping proceedings, although increasingly with respect to electronics rather than textiles.

Outlook

The new GATT regulations have specified provisions on anti-dumping proceedings. While this has made proceedings more transparent and has increased the protection against arbitrary action, the provisions on the

calculation of dumping and comparative prices still offer the European Commission considerable leeway. Moreover, there is reason to believe that the new GATT, although actually intended to restrict such measures, will be used to legitimise selective, unilateral protection by means of anti-dumping measures. Given that the deployment of other non-tariff trade barriers was made even more difficult, anti-dumping measures are likely to increasingly become the first-choice instrument of protectionism. Increases in duties – still permitted under the new GATT – are unpopular because they hit all suppliers equally, are therefore more difficult to impose and have to be "paid for" in the form of compensation in other areas. In the case of the EU, an additional point is that the multifarious non-tariff barriers of individual Member States have become inoperable in the wake of the Single European Market and the associated abolition of internal border controls. The renewed high number of

Figure 2
**Selected Countries' Share in
 EU Imports of Industrial Goods
 Subject to Anti-dumping Actions, 1994**



Sources: 13. Anti-dumping Report of the EC, Official Journal of the EC, Series C and L, various years; Eurostat, imports on magnetic tape; DIW calculations.

Table 2
Incidence of Anti-dumping Actions (ADA)¹⁾
within the Framework of EU Imports of Industrial Goods²⁾
Import coverage ratios³⁾ in %

	1992		1993		1994	
	Total	Commodity groups subject to ADA	Total	Commodity groups subject to ADA	Total	Commodity groups subject to ADA
Industrial countries	3.8	6.5	3.7	6.2	3.4	5.5
USA	0.1	2.5	0.2	3.5	0.2	1.0
Japan	8.9	15.2	9.1	15.5	8.6	13.8
Central and eastern Europe	1.2	5.3	1.3	6.2	2.0	7.1
CIS and baltic states	1.8	7.8	3.0	11.9	3.6	12.4
Lithuania	5.0	40.7	4.8	39.3	3.6	29.6
Russia	1.5	8.7	2.1	8.8	2.4	9.7
Ukraine	0.6	7.8	7.0	17.8	8.4	19.6
Belarus	5.0	54.1	8.2	60.0	15.1	66.0
Kazakhstan	4.4	22.5	5.3	32.8	0.5	5.6
Georgia	–	–	19.0	68.9	17.2	43.7
Europe Agreement	1.0	4.5	0.7	3.7	1.4	7.3
Poland	0.6	3.8	0.8	5.7	2.1	11.5
Czech Republic	–	–	0.2	12.1	1.4	12.6
CSFR	1.2	10.1	–	–	–	–
Slovak Republic	–	–	0.3	16.9	2.8	25.6
Hungary	0.3	5.5	0.1	2.3	0.1	2.4
Romania	2.8	25.4	1.9	22.4	0.8	11.7
Bulgaria	1.6	33.3	2.7	27.8	0.4	6.1
Other south-eastern Europe	0.7	7.3	0.5	7.3	0.3	5.3
Slovenia	0.0	0.0	0.0	0.4	0.1	2.2
Croatia	1.3	25.6	0.7	16.6	0.6	15.8
Macedonia	–	–	2.8	33.4	1.4	19.3
Developing countries	3.6	7.6	3.3	6.4	4.4	8.2
Mediterranean	4.2	19.8	3.1	16.7	5.3	21.7
Turkey	6.3	27.8	4.4	22.7	8.1	32.2
Tunisia	0.2	20.2	0.6	78.4	0.4	43.4
Egypt	0.4	6.3	0.8	25.0	1.0	29.7
Latin America	1.8	20.2	1.2	21.6	1.1	10.9
Brazil	2.3	28.1	1.6	25.1	1.1	16.4
Mexico	0.3	46.3	0.4	66.0	1.0	11.1
Venezuela	0.5	7.7	–	–	0.4	6.3
South-eastern Asia	3.8	8.0	3.4	7.0	4.6	8.4
China	3.1	10.2	3.0	10.1	3.2	9.7
India	0.8	14.8	0.7	12.7	5.4	33.7
Indonesia	0.6	11.3	0.4	8.5	4.5	32.4
Pakistan	–	–	–	–	19.2	55.3
Thailand	6.4	24.3	6.0	19.2	5.3	13.4
South Korea	9.7	20.2	15.1	31.0	18.3	34.7
Taiwan	1.2	6.1	0.6	3.0	0.6	2.3
Malaysia	7.6	20.5	2.6	6.0	1.6	3.2
Hongkong	1.0	6.8	0.9	5.9	0.4	2.4
Singapore	6.1	8.0	1.7	2.1	0.4	0.5
Total ⁴⁾	3.3	5.9	3.2	5.0	3.5	5.4

1) Definitive and provisional measures and initiated investigations. — 2) Chapters 25 to 97 of the Combined Nomenclature of the foreign trade statistics of the EU, excluding chapter 27 (petroleum). — 3) Imports of goods (8-digit positions of the Combined Nomenclature) subject to anti-dumping actions as a percentage share in total imports of industrial goods and in total imports of the respective commodity group (chapter of the Combined Nomenclature). — 4) As with the country groups, only those countries facing anti-dumping actions in the year in question, excluding EFTA countries.

Sources: 11., 12. and 13. Anti-dumping Report of the EC, Official Journal of the EC, Series C and L, various years; Eurostat, Imports on magnetic tape; DIW calculations.

Table 3

Overview of the Incidence of Anti-dumping Actions (ADA)¹⁾ in the EU by Commodity Group

Commodity groups ²⁾		1994 imports in ECU millions	Percentage share of commodity group ³⁾	Percentage share of countries subject to ADA	Import coverage ratio ⁴⁾ in %					
					Non-EU countries			Countries subject to ADA ⁵⁾		
CN	Short-title	Non-EU countries			1992	1993	1994	1992	1993	1994
25	Salt, earths, cement	2 363	0.6	62.3	5.9	5.5	14.1	9.7	8.8	22.6
26	Ores, slags	5 652	1.4	42.7	0.0	–	0.0	0.0	0.0	0.0
28	Inorganic chemicals	3 783	0.9	58.8	3.8	4.7	2.5	4.7	6.5	4.3
29	Organic chemicals	12 450	3.0	58.9	1.2	1.1	0.8	1.9	1.9	1.3
30	Pharmaceutical products	6 217	1.5	29.0	–	–	–	–	–	–
31	Fertilisers	1 640	0.4	58.2	7.2	14.3	9.7	11.5	24.8	16.7
36	Explosives	123	0.0	72.4	–	–	4.6	–	–	6.3
37	Photographic or cinematographic goods	1 848	0.4	84.8	–	–	–	–	–	–
38	Miscellaneous chemical products	3 267	0.8	66.4	2.1	1.3	3.1	3.1	2.0	4.6
40	Rubber and articles thereof	4 690	1.1	78.3	0.9	–	–	1.2	–	–
48	Paper and paperboard	13 691	3.3	16.0	0.8	0.6	0.5	5.3	3.9	3.2
50	Silk	417	0.1	94.7	12.7	14.4	10.4	13.7	15.4	10.9
52	Cotton	3 990	1.0	53.6	2.7	1.8	16.1	4.3	3.3	30.1
54	Man-made filaments	2 119	0.5	73.4	2.1	2.3	4.9	2.9	3.2	6.7
55	Man-made staple fibres	2 288	0.6	73.6	4.8	5.0	16.6	7.0	7.0	22.6
56	Wadding and ropes	598	0.1	57.6	0.6	0.4	0.2	1.2	0.8	0.4
63	Other made-up textile articles, rags	2 194	0.5	86.1	0.8	0.6	11.8	1.0	0.7	13.7
64	Footwear	5 410	1.3	81.1	2.3	2.9	3.7	2.6	3.5	4.5
68	Articles of stone, plaster etc.	1 099	0.3	53.6	0.1	0.1	0.0	0.2	0.1	0.1
72	Iron and steel	9 251	2.2	44.9	3.5	4.1	2.3	3.8	5.3	5.1
73	Articles of iron and steel	6 403	1.5	55.9	1.8	0.7	1.0	3.0	1.2	1.9
81	Other base metals	916	0.2	64.8	1.6	1.8	4.0	2.6	2.7	6.1
84	Machinery and mechanical appliances	70 643	17.1	72.7	3.7	2.6	2.0	5.1	3.5	2.7
85	Electrical machinery, electronics	56 488	13.7	76.5	8.2	8.7	7.7	10.7	11.3	10.1
87	Road vehicles	24 684	6.0	72.8	–	0.1	0.3	–	0.2	0.4
90	Optical and measuring instruments	17 370	4.2	75.5	2.9	2.1	2.1	3.8	2.8	2.7
91	Clocks and watches	3 026	0.7	44.1	–	0.2	0.1	–	0.4	0.2
96	Miscellaneous manufactured articles	1 368	0.3	82.2	2.4	2.5	2.9	3.0	3.1	3.5
	All industrial goods	413 698	100.0	62.6	2.2	2.1	2.2	3.3	3.2	3.5

1) Definitive and provisional measures and initiated investigations. — 2) Only commodity groups (chapters of the Combined Nomenclature, CN) subject to anti-dumping actions. — 3) In total imports of industrial goods (chapters 25 to 97 excluding chapter 27 (petroleum)). — 4) Imports of 8-digit goods positions subject to anti-dumping actions as a proportion of imports of the commodity group in question. — 5) When the EEA Treaty came into force in 1994 the anti-dumping measures against EFTA countries were terminated. The EFTA countries have therefore been excluded from the 1992 and 1993 figures as well in order to facilitate comparison with 1994.

Sources: 11., 12. and 13. Anti-dumping Report of the EC, Official Journal of the EC, Series C and L, various years; Eurostat. Imports on magnetic tape, DIW calculations.

new anti-dumping proceedings initiated last year is evidence of the will of the EU to continue to deploy this instrument as a highly specific means of averting cheap or rapidly expanding imports.

This affects not only EU consumers in the form of higher prices for consumer goods, but also industrial firms processing imported goods, whose competitiveness is reduced by the higher prices paid for inputs; they in turn may then call for protective measures. Far more serious, however, is the effect this has on the sales opportunities of the exporting countries "punished" by the imposition of anti-dumping duties. This is particularly the case for those countries for which the EU constitutes the most important sales market – in particular the central and eastern European countries and Turkey – and also for those whose exports are concentrated on commodities affected by anti-dumping measures. They suffer a loss of the foreign exchange revenue they require to develop their economies and thus all too often the opportunity to purchase investment goods produced in the EU.

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