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**CANADA – ANTI-DUMPING MEASURES ON IMPORTS OF CERTAIN CARBON STEEL  
WELDED PIPE FROM THE SEPARATE CUSTOMS TERRITORY OF  
TAIWAN, PENGHU, KINMEN AND MATSU**

**REQUEST FOR CONSULTATIONS BY THE SEPARATE CUSTOMS TERRITORY  
OF TAIWAN, PENGHU, KINMEN AND MATSU**

*Addendum*

The following communication, dated 7 November 2014, from the delegation of the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu to the delegation of Canada and to the Chairperson of the Dispute Settlement Body, is circulated in accordance with Article 4.4 of the DSU.

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On 25 June 2014, the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu requested consultations with Canada concerning the provisional and definitive anti-dumping measures imposed by Canada on imports of Certain Carbon Steel Welded Pipe (CSWP) originating in, among others, the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu and the investigations underlying these measures (WT/DS482/1, G/L/1073, G/ADP/D105/1).

On 24 July 2014, the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu and Canada held consultations concerning these measures.

Further to this round of consultations, the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu has identified additional claims with respect to the anti-dumping measures imposed by Canada on imports of CSWP originating in, *inter alia*, the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu. It also has become apparent that certain aspects of the contested anti-dumping measures and the underlying investigation are based on legislative provisions that appear to be inconsistent, as such, with the *General Agreement on Tariffs and Trade 1994* ("GATT 1994") and various provisions of the *Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994* ("Anti-Dumping Agreement").

Therefore, my authorities have instructed me to request further consultations with Canada pursuant to Articles 1 and 4 of the *Understanding on Rules and Procedures Governing the Settlement of Disputes* ("DSU"), Article XXII of the GATT 1994 and Article 17 of the Anti-Dumping Agreement. The present request does not replace but supplements and must be read together with the original request for consultations presented on 25 June 2014.

The provisional and definitive anti-dumping measures imposed by Canada on imports of CSWP originating in, among others, the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu, as well as the underlying investigations, appear to be inconsistent, in addition to the obligations listed in the original request for consultations, with the following provisions of the Anti-Dumping Agreement:

1. Article 7.1(ii) of the Anti-Dumping Agreement because Canada applied provisional anti-dumping measures in the absence of a preliminary affirmative determination of

dumping when it applied such measures to imports of CSWP of exporters with a *de minimis* dumping margin.

2. Article 7.5 and Article 9.2 of the Anti-Dumping Agreement because provisional and definitive anti-dumping duties were imposed and collected on imports from exporters with a *de minimis* margin of dumping.
3. Article 6.8 and Annex II of the Anti-Dumping Agreement because Canada resorted to facts available for the dumping margin determination of "all other exporters" without complying with the conditions laid down in those provisions.
4. Article 6.8 and Annex II of the Anti-Dumping Agreement because Canada resorted to facts available for the calculation of the anti-dumping duties with respect to imports of new product types exported by cooperating producers.
5. Article 2.2 of the Anti-Dumping Agreement because Canada calculated normal value for new product types of cooperating exporters on the basis of a methodology which is not foreseen in Article 2.2.
6. Article 9.3 of the Anti-Dumping Agreement because the amount of the anti-dumping duties imposed on imports of new product types of cooperating exporters exceeds their margin of dumping as established under Article 2 of the Anti-Dumping Agreement.

In addition, the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu considers that the following provisions of the Special Import Measures Act ("SIMA") and the Special Import Measures Regulation ("SIMR") appear to be inconsistent "as such" with several provisions of the Anti-Dumping Agreement:

Specifically, Sections 2(1), 30.1, 35(1) and 35(2), 38(1) and 41(1) of the Special Import Measures Act ("SIMA"), and any amendments, implementing measures, or related measures, appear to be inconsistent, as such, with:

1. Article 5.8 of the Anti-Dumping Agreement, because they provide for the termination of the investigation only when the margin of the goods of the exporting country as a whole is insignificant and not for individual exporters having margins of dumping that are *de minimis* within the meaning of Article 5.8 of the Anti-Dumping Agreement.
2. Article 7.1(ii) of the Anti-Dumping Agreement because they mandate that provisional anti-dumping measures be applied on imports of exporters with a *de minimis* dumping margin.
3. Articles 7.5 and 9.2 of the Anti-Dumping Agreement because they require that provisional and definitive anti-dumping duties be imposed and collected on imports of exporters with a *de minimis* margin of dumping.

Moreover, the above-mentioned provisions together with Sections 42(1), 42(6) and 43(1) of SIMA and Section 37(1) of SIMR and any implementing measures, or related measures, appear to be inconsistent, as such, with Articles 3.1, 3.2, 3.4, 3.5 and 3.7 of the Anti-Dumping Agreement because they automatically include imports of exporters with a *de minimis* dumping margin in the injury determination.

The above-mentioned measures also appear to be inconsistent with Articles 1 and 18 of the Anti-Dumping Agreement and Article VI of the GATT 1994 as a consequence of these violations.

The Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu reserves the right to address additional measures and claims regarding the above matters, including any amendment, replacement, extension, implementing measures or other related measures, in the course of the consultations.

The Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu looks forward to Canada's response to this request and to fixing a mutually convenient date and venue for the consultations.