

# Global Trade Protection Report 2008

15 December 2008

*A review of global trade protection activity  
(anti-dumping, countervailing duty and safeguards)  
for the first six months of 2008*

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# 1 Trends in anti-dumping activity

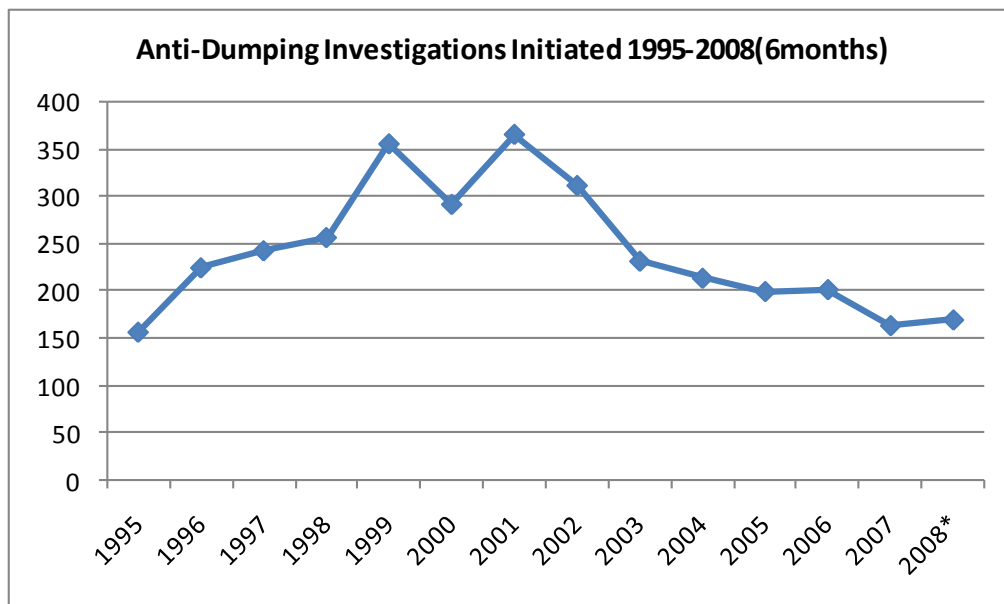
## 1.1 Overall anti-dumping activity remains low

Anti-dumping (AD) activity<sup>1</sup> in the first six months of 2008 remained low but the trend increased slightly since the trough of 2007.

### Anti-Dumping Investigations Initiated<sup>2</sup>

1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008 (6months)
157	225	243	257	356	292	366	312	232	214	200	202	164	85

The trend since the creation of the WTO in 1995 is shown in the following graph. The figure for the first six months of 2008 is annualised for comparison purposes.

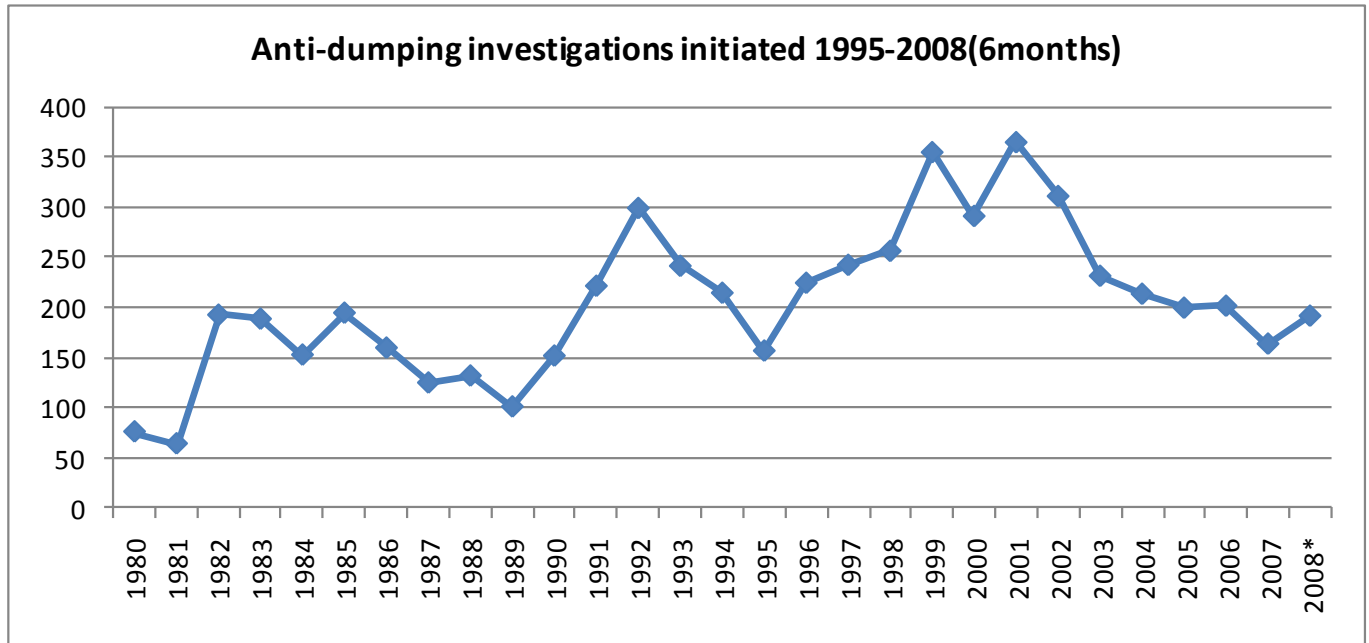


The level of anti-dumping activity in the first six months of 2008 suggests a slight increase over the low in 2007.

<sup>1</sup> Anti-dumping activity is measured by the number of new anti-dumping (AD) investigations initiated (n.b. does not include reviews). If one country initiates an investigation against a particular product from five countries, this will be recorded as five cases. Although AD measures will not be adopted in every case, the initiation of a case alone can have an effect on trade. The number of cases initiated is the best indicator of the overall level of AD activity and is the method used by the WTO. Other ways of measuring AD activity include the number of actual measures adopted, the duration of measures and how often they are reviewed, and initiations/measures weighted by trade flows. See the Global Trade Protection (GTP) Report April 2007 (updated in July 2007) available at [www.antidumpingpublishing.com](http://www.antidumpingpublishing.com).

<sup>2</sup> All data for 1995-2008 used in this report is based instead on the statistics published by the WTO Secretariat. Pre-1995 figures are taken from “Anti-Dumping Action in the US and Around the World: An Analysis of International Data” 1998 Congressional Budget Office.

Looking back over a longer period in the next graph, it can be seen that anti-dumping is cyclical with lows in AD activity in the early 1980s, around 1987-89, around 1995, and now in 2006-2008.



The following table shows that the 2008 trend (based on the first six months) is just below the average for the post-1995 period (i.e. since the creation of the WTO).

Average number of initiations	
1980-89	139
1990-89	237
2000-08(6mo)	239
Post WTO creation average	
1995-2007	242

## 1.2 Turkey is the biggest user in 2008

The countries initiating the most anti-dumping investigations according to WTO statistics are shown below. Turkey initiated the most cases in the first six months of 2008, the first time that it has ever topped the table of users.

### AD Users 2008 (6 months)

Turkey	13
United States	12
India	11
Argentina	10
EU	10
Brazil	7
Australia	4
Colombia	4
Korea	4
Ukraine	3
China	2

The users in 2008 can be compared with the main users for the period 1995-2008 shown in the table below. India is by far the biggest user during this period, with the US and EU in 2<sup>nd</sup> and 3<sup>rd</sup> place.

### AD Users 1995-2008

India	520
US	414
EU	382
Argentina	232
South Africa	206
Australia	195
Brazil	154
Canada	143
China	141
Turkey	128
Korea	107
Mexico	94

### 1.3 China still the main target in 2008

China was again by far the biggest target in the first six months of 2008, accounting for more than 40% of all anti-dumping investigations initiated.

#### Main Targets of AD 2008 (6 months)

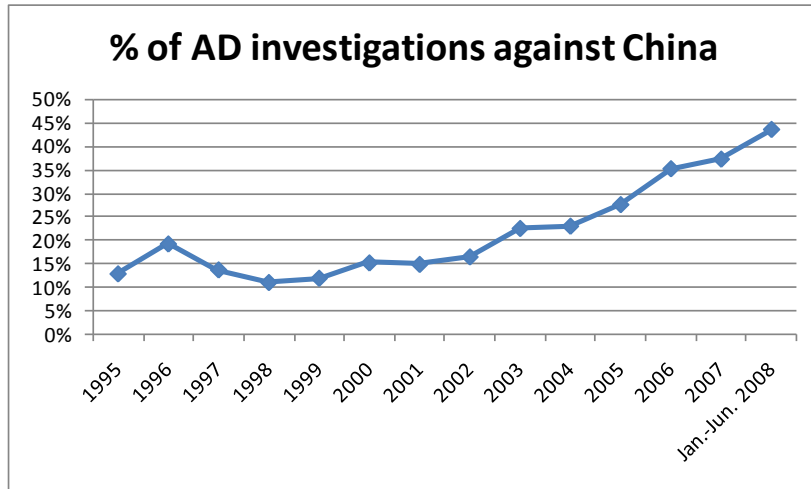
Country	Investigations	% of total
China	37	44%
Thailand	7	8%
Indonesia	5	6%
Korea	4	5%
Taiwan	4	5%
Malaysia	4	5%
Vietnam	3	4%
US	2	2%
India	2	2%
Brazil	2	2%
Romania	2	2%
Canada	2	2%

This can be compared with the period 1995-2008, shown in the table below.

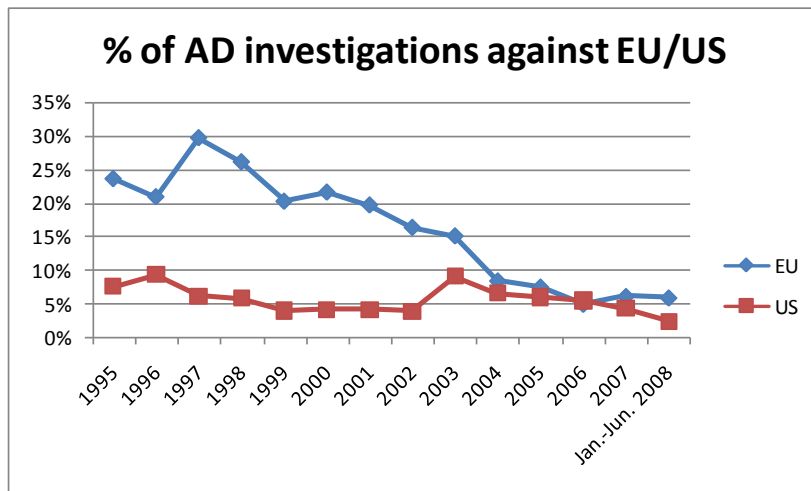
#### Main Targets of AD 1995-2008

Target	Investigations	Target	Investigations
China	640	Malaysia	85
Korea	247	Germany	82
US	183	EU	65
Taiwan	182	Ukraine	59
Japan	142	South Africa	56
Indonesia	140	Italy	44
Thailand	136	Singapore	44
India	133	Spain	43
Russia	107	Turkey	41
Brazil	96	UK	41

The proportion of cases against China continues to grow significantly as the following chart shows.



As in recent GTP Reports, it can again be observed that anti-dumping investigations against the EU are at very low levels after previously being a principal target<sup>3</sup>. The trend is shown in the graph below, which includes the US for comparison.



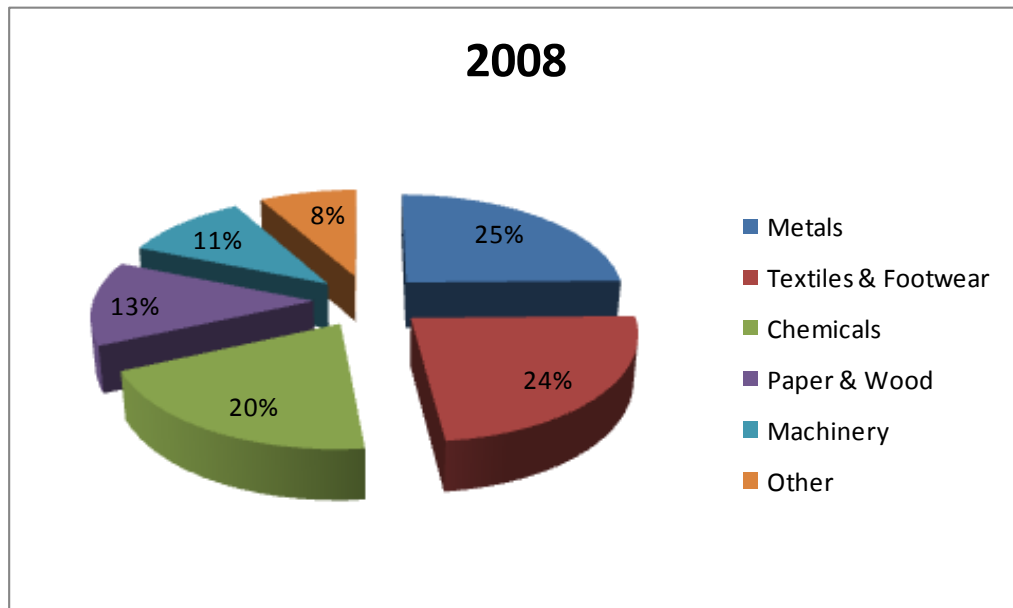
<sup>3</sup> Note that some countries initiate cases against the EU as a whole while others initiate against individual Member States. The WTO statistics count a case against the EU on product X as 1 investigation, while it would count investigations against France, Germany and the UK on product X as 3 investigations. The figures in this table are based on an aggregate of the cases against the EU (counted as one) and the Member States.

### 1.4 Dramatic increase in anti-dumping investigations on textiles and footwear

The sectors targeted in 2008 are shown below:

**Sectors targeted in 2008AD initiations**

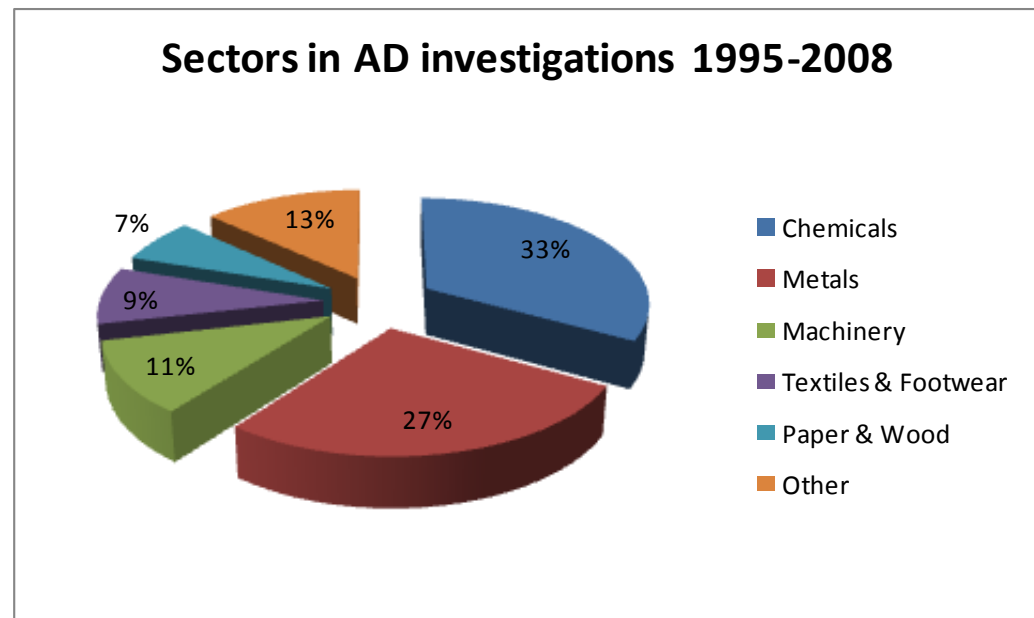
Sector	%
Metals & metal articles (including steel)	25%
Textiles & Footwear	24%
Chemicals & allied products	20%
Paper & Wood	13%
Machinery & Mechanical	11%
Other	5%
Agriculture & Food	4%
Stone, Plaster, Cement, Asbestos, Mica or Similar Materials; Ceramic Products; Glass and Glassware	0%
Minerals	0%



The most notable thing about the 2008 data is the fact that textiles and footwear is much more significant than in previous years.

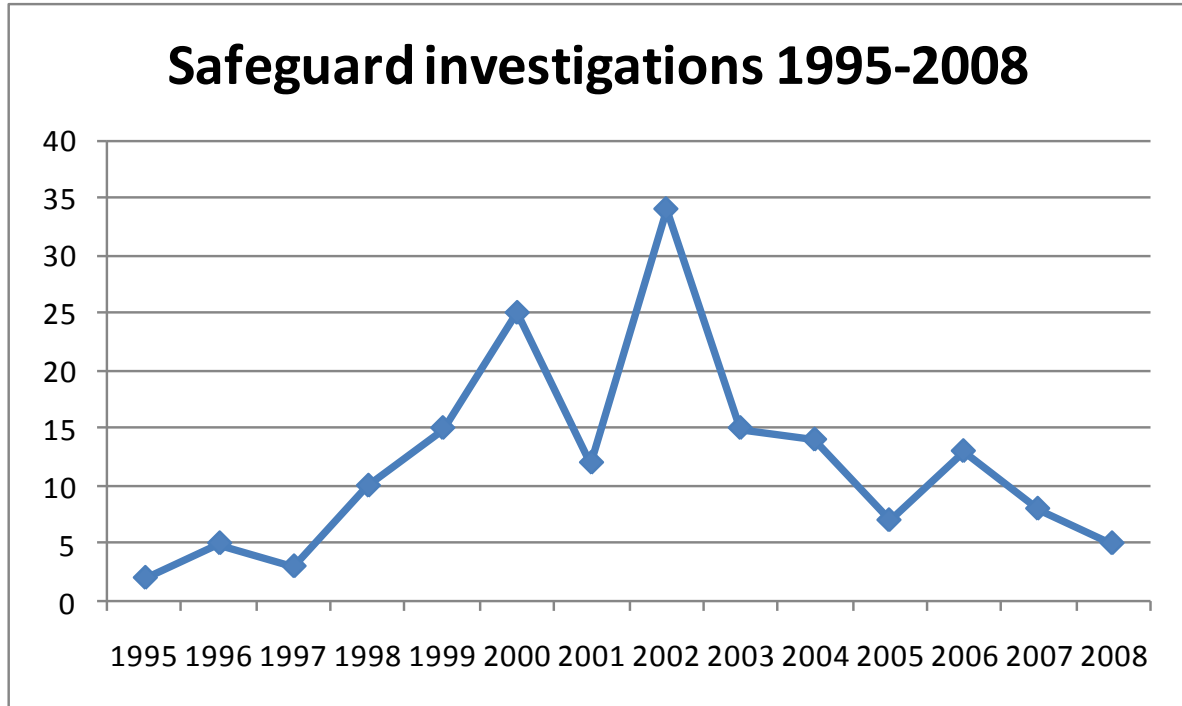
**Sectors targeted 1995-2008**

Chemicals & allied products	33%
Metals & metal articles (including steel)	27%
Machinery & Mechanical	11%
Textiles & Footwear	9%
Paper & Wood	7%
Agriculture & Food	5%
Stone, Plaster, Cement, Asbestos, Mica or Similar Materials; Ceramic Products; Glass and Glassware	3%
Other	3%
Minerals	2%



## 2 Trends in safeguard activity

Safeguard activity remains modest and well below the high levels of 2000 and 2002.



\*2008 includes up to and including 12 November 2008.

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008*
Total safeguard investigations initiated	2	5	3	10	15	25	12	34	15	14	7	13	8	5

\*Up to and including 12 November 2008

Countries initiating safeguard investigations in the first six months of 2008 are shown the following table:

Brazil	1
Egypt	1
Indonesia	1
Philippines	1
Turkey	1

This can be compared with the trend since the creation of the WTO. The following table shows safeguard initiations for the period 1995-2008.

**Safeguard initiations 1995-2008**

	<b>Total</b>
India	15
Turkey	14
Jordan	12
Chile	11
United States	10
Czech Republic	9
Philippines	8
Ecuador	7
Argentina	6
Bulgaria	6
Venezuela	6

As has been pointed out in previous GTP reports, the above trends are based on Member notifications of safeguards to the WTO secretariat. However, it is arguable that in, some cases, this under-estimates the level of safeguard activity. In 2002, for example, the EC initiated a large safeguard steel action against 21 different products. These were all analysed as 21 different products, some of which resulted in measures and some which did not, and should therefore be treated as 21 different investigations. In a similar way, the US steel safeguard action initiated in 2001 covered 33 separate product categories. In both cases, the EC and US notified these investigations in one document and the WTO Secretariat has therefore counted each of them as one investigation.

Based on what we believe to be a more accurate methodology, the number of investigations in 2001 is actually in excess of 53 rather than 12, and in 2002 more than 130 rather than 34.

In comparing these statistics with the number of AD actions, it is important to note that each safeguard case may involve multiple supplying countries. Thus, whereas an AD investigation on a product from 5 countries would count as 5 cases in the WTO statistics, a safeguard investigation on the same product would count as only 1 (even though there may, in fact, be more than 5 supplying countries). This is an additional reason why the plain safeguard notification numbers under-estimate the protective impact of such measures through measuring them in the same way as AD measures.

Sectors covered by safeguard investigations during 2008 were:

**Sectors involved in safeguard investigations 2008 (as at November 11 2008)**

Textiles & Footwear	2
Agriculture	1
Machinery	1
Metals	1

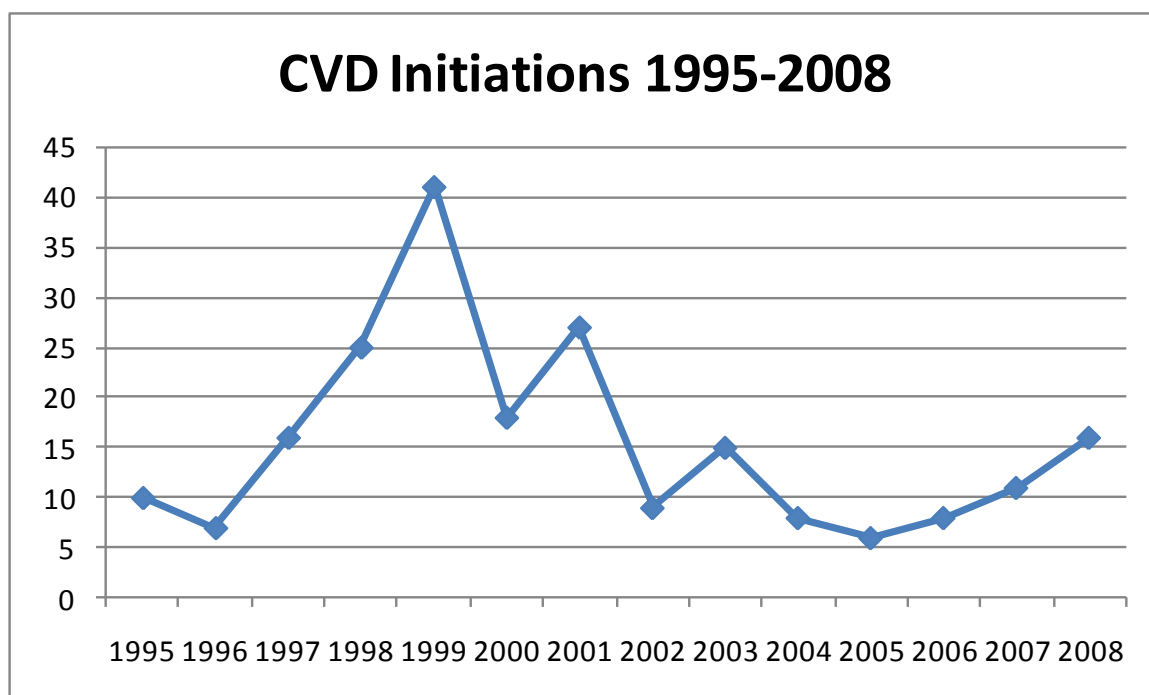
Looking at the figures for 1995-2008, as with anti-dumping, it is noticeable that there has been a relative increase in 2008 in the proportion of cases involving textiles and footwear (40% in 2008), though absolute numbers are low meaning that only 2 investigations constitutes 40% of the total.

### Sectors in safeguard initiations 1995-2008

	No.	%
Agriculture	47	28%
Chemicals	37	22%
Metals	23	14%
Machinery	21	13%
Stone, Plaster, Cement etc.	15	9%
Textiles & Footwear	12	7%
Other	5	3%
Paper & Wood	5	3%
Minerals	3	2%
	168	100%

## 3 Trends in countervailing duty activity

The trend in countervailing duty (CVD) investigations appears to be an upward one as shown in the graph below.



\*2008 annualised based on 6 months

**Table 11**

1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008 (6months)
10	7	16	25	41	18	27	9	15	8	6	8	11	8

The US led the countries initiating CVD investigations.

**CVD investigations initiated first six months 2008**

United States	3
Canada	2
Australia	1
EU	1
Turkey	1

The major users of CVD for the period 1995-2008 are shown in the table below.

**CVD investigations initiated 1995-2008**

United States	85
EU	47
Canada	22
South Africa	11
Australia	8
Chile	6
New Zealand	6
Egypt	4
Peru	4
Argentina	3
Brazil	3

As with anti-dumping, China is by far the biggest target of CVD investigations in the first six months of 2008.

**Targets of CVD investigations first half of 2008**

China	6
India	1
US	1

This is a new phenomenon, as China only faced its first CVD investigation in 2004. Despite that, it is already the second most targeted country in CVD investigations, second only to India as shown in the table below.

**Targets of CVD investigations 1995-2008**

India	45
China	19
Korea	16
Italy	13
Indonesia	11
EU	10
Thailand	9
Canada	8
Brazil	7
Chinese Taipei	7
France	7
Argentina	6
South Africa	6
United States	6

Chemicals and metals accounted for around three quarters of the CVD investigations in 2008.

**Sectors in CVD investigations first half 2008**

Chemicals	38%
Metals	38%
Other	25%

**Sectors in CVD investigations 1995-2008**

Agriculture	24%
Chemicals	17%
Metals	38%
Other	21%

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