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Turkey Cotton Yarn Safeguard Against India Settled, Action to Lapse After One Year



Only months after New Delhi formally complained at the WTO, officials from Ankara have agreed to discard the challenged additional duties placed on cotton yarn from India. According to Indian news sources, the two countries are expected to soon sign a respective memorandum of understanding that would formally end the dispute. It would be the second time that an Indian complaint over Turkish duties on cotton yarn does not proceed to the panel stage.

Turkey and India entered the first phase of WTO dispute settlement on 13 February (DS428), when New Delhi requested consultations with Ankara over the latter's safeguard measures on cotton yarn imports.

Safeguard rules allow countries to increase duties beyond agreed upon limits when an increase in imports caused by unforeseen events threatens to cause serious injury to domestic producers.

As part of its WTO commitments, Turkey had agreed to limit its cotton yarn duties to five percent. However, the tariffs it applied on Indian cotton yarn in the form of safeguard measures were as high as 15 to 20 percent. Other developing countries are exempt from the high duties, which primarily target prime competitor India.

The announced understanding would eliminate these additional safeguards within one year of the deal's entry into force, sources reported. In exchange, India will forego its right to have a WTO panel established to hear the case.

Back in February, India also requested consultations under the WTO's safeguards agreement with Egypt over Cairo's plans to apply similar measures. This request, however, has not resulted in a formal dispute.

Egypt and Turkey are the fifth and sixth largest export destinations for Indian cotton, respectively. Indian producers have ranked second in the world in total cotton production since 2006 and generated 27 million bales in 2011.

China on the Mat Over State Control, Subsidies Restrictions and IPRs in WTO TPR

Beijing's trade policies came under detailed scrutiny at the WTO last week, as the global trade body conducted its biennial review of one of its largest traders. While the 240-page report by the WTO secretariat praised the Asian country for its economic achievements during its transition to a market-based economy, it also repeated earlier calls for better transparency and questioned measures aimed at restricting exports - concerns reiterated by some WTO members, such as the EU and US.

The secretariat found that, in the two years under review, China had adopted few measures to liberalise trade and investment. In addition, though Beijing - like many other WTO members - had "resisted a trade-restrictive response overall to the effects of the global economic crisis," it had also adopted in various instances measures that "restrict or may restrict trade," notably in the area of exports.

While there had been improvements in the area of transparency, various aspects of China's trade and investment policy regime "remain complex and opaque, leaving scope for administrative discretion and corruption," the WTO report noted.

EU, US express fears of China "moving backward"

During the two-day Trade Policy Review (TPR), both the EU and US were among the members to raise questions about China's policies during the 2010-2011 period, and called for

Beijing to "lead by example" in light of China's growing role in international trade and open its markets further.

"We are worried... not only of China standing still, but also moving backward," US Ambassador to the WTO Michael Punke said in his remarks.

"Since China's 2010 TPR, it appears the trend toward state intervention in the Chinese economy has intensified," Punke added. "China's tighter embrace of state capitalism now runs directly counter to the economic reform goals that originally drove its pursuit of WTO membership, goals that had offered real leadership and real promise for China's future economic growth."

The state capitalism allegations drew a harsh response from Chinese Assistant Minister for Commerce Yu Jianhua, who stressed in his remarks that the TPR process "should be based on WTO rules and should not be politicised."

EU Ambassador to the WTO Angelos Pangratis also cited fears that China's reform process was slowing down, noting that, "despite some incremental progress in certain sectors, most of [the EU's] concerns highlighted during the last review in 2010 are still pertinent today - and some have become even more acute."



Safeguard QR Rules Notified



Subsidies, export restrictions under scrutiny

Subsidies and other government assistance are "important features of China's trade policy and industrial policy making," the WTO report said, noting that China did submit a new subsidies notification to the WTO in 2011 that listed those programmes providing assistance at the central government level between 2005 and 2008.

"However, in many cases there are no figures on the magnitude of support provided, and no information is available on subsidies and other government assistance provided at the provincial level, which are believed to be considerable," the WTO added.

The US similarly complained about the level of subsidy notifications, calling such concerns "far from trivial." Last September, Washington had submitted a list of approximately 200 subsidies that it alleged China had failed to notify the global trade body.

China has said that it aims to improve its efforts to notify the WTO of local subsidies in the future. "What we will do next is to extend our efforts to the sub-central level by training local officials and incorporating sub-central subsidies in the notifications," Yu noted in his remarks, adding that a delay in subsidy notification is a common problem among WTO members.

Export restrictions

The long-running controversy over China's use of export restrictions also resurfaced during the review, with the EU Ambassador noting that the Asian country's use of such policies - such as with raw materials, which was the subject of a high-profile WTO dispute involving the US, EU, and Mexico as co-complainants - are "an excep-

tion" to Beijing's "commitment to resist protectionism during the economic crisis."

China's export restrictions on nine raw materials were deemed WTO-incompatible by the WTO Appellate Body earlier this year (DS394, 395, 398). Another dispute involving the US, EU, and Japan over rare earths is currently in the consultations phase.

China, meanwhile, noted that while it does use export controls, these are all consistent with WTO rules. "Export control on highly polluting, energy consuming products and exhaustible natural resources is a part of our effort to protect the environment and achieve sustainable development under the mounting resource and environmental pressure, [and] therefore is necessary at present," Yu said.

Intellectual property rights

Both US and EU officials also criticised Beijing for allegedly insufficient efforts toward enforcing intellectual property rights (IPRs).

China's efforts to improve its "inadequate and uneven enforcement of intellectual property rights... have still not significantly reduced the unacceptably high infringement levels in China," Punke said.

Pangratis, for his part, echoed these concerns, specifically in the areas of forced technology transfer and the alleged difficulties in prosecuting criminal and civil IPR cases. "The EU continues to encourage China to create a truly innovation-conducive environment in which its IPR enforcement regime is duly enhanced, at all levels of government."

For its part, China, in its government report to the WTO, noted that strengthening IPRs protection "has always been an important part of the work of the Chinese Government to accelerate the construction of an innovative country."

failed to take action to extend it," Somduth Soborun, Mauritius' ambassador to the United States, told Voice of America last week.

Soburun further suggested that the resulting uncertainty over the renewal is already hurting trade, with many sub-Saharan African countries experiencing a loss of demand from US retailers.

A recent report by the Washington-based Brookings Institution finds that, should the TCF clause expire this September, the viability of more than US\$800 million in apparel exports from Africa to the US could be at risk, as could overall exports under AGOA.

China Loses "Buy American" Steel Subsidy Case at WTO



The controversial "Buy American" provision of the 2009 US economic stimulus package took centre stage at the WTO last week, with a dispute panel finding that Chinese anti-dumping and countervailing

duties on US steel imports that benefitted from the stimulus violated international trade rules (DS414).

However, the expert panel did not rule on the substance of the case, regarding whether "Buy American" really subsidises local manufacturers. Rather, it focused primarily on the procedural rules that govern the application of anti-dumping (AD) and countervailing (CV) duties.

China has been applying AD and CV duties on grain-oriented flat-rolled electrical steel ("GOES") made in two US states, Ohio and Pennsylvania. In Beijing's view, GOES benefitted from illegal subsidies granted under the "Buy American" provisions of the 2009 American Recovery and Reinvestment Act, as well as certain state government procurement laws.

The Buy American provision mandates that support from the stimulus package may only be given to projects that use US inputs, unless foreign products are substantially - i.e. more than 25 percent - cheaper. Beijing argued that this exclusion of foreign manufacturers resulted in favourable purchase conditions and thus indirect subsidies to US producers.

China's application of AD and CV duties was meant to rectify this situation, Beijing argued during the proceedings.

The US, for its part, had alleged that China had not followed the appropriate procedures when examining potential subsidies and dumping. Specifically, the US argued that China had gathered insufficient evidence to justify the subsidy investigation; that it had withheld relevant data and calculations; that several arguments were insufficiently developed; and that it had misused or misinterpreted the available facts, in violation of the WTO's subsidy agreement.

The panel sided with the US in almost all issues, which Washington praised as a major achievement for US exporters and for increasing transparency in China's trade policies.

Debate on Third Country Yarn and Fabric in US GSP to Africa

African and US government officials renewed calls last week for the US Congress to quickly extend a provision that allows several African countries certain benefits involving textile trade. However, observers note, the prospects for extending the measure ahead of a 30 September expiration date are becoming increasingly slim as the US presidential election draws nearer.

The African Growth and Opportunity Act (AGOA), which was first passed by the US in 2000, provides roughly 6,400 African products with preferential quota and duty-free access to the US market. The bill expands upon the US Generalised System of Preferences, a set of formal exceptions from the WTO's most favoured nation (MFN) principle that allows developed countries to offer developing countries preferential treatment on specific goods.

A key element of AGOA's apparel programme is the Third-Country Fabric (TCF) provision, a 2002 addition to the Africa-focused trade law that allows eligible countries to utilise yarn and fabric from any country, including India and China, in producing their textile exports and still

qualify for such preferential access.

Politics slowing down the process, Kirk says

While the textile provision enjoys broad bipartisan support in Congress, trade observers and officials alike note that the long legislative process and political dynamic involved could prevent the measure's renewal before the end-September deadline, especially with the US presidential election kicking into high gear.

At a separate meeting in May of this year, Kirk mentioned that the swift passage of legislation extending the TCF provision was necessary to ensure AGOA's continued success, as well as the economic growth of sub-Saharan African countries. AGOA's non-petroleum exports virtually tripled from about US\$1.2 billion to US\$4.5 billion between 2001 and 2011, with textile and apparel counting for more than US\$850 million in 2011 alone.

African officials have similarly made a public call for the TCF clause to be renewed. "Mauritius and other African apparel-producing countries are concerned the US Congress has so far



Commerce Ministry Notifies Safeguard QR Rules

[Ref: Notification No. GSR 381(E), Dated 24-5-2012]

In exercise of the powers conferred by sub-section (3) of section 9A of the Foreign Trade (Development and Regulation) Act, 1992 (22 of 1992), the Central Government hereby makes the following rules, namely-

Short title and commencement

1. (1) These rules may be called the Safeguard Measures (Quantitative Restrictions) Rules, 2012.

(2) They shall come into force on the date of their publication in the Official Gazette.

Definitions

2. (1) In these rules, unless the context otherwise requires, -

(a) "Act" means the Foreign Trade (Development and Regulation) Act, 1992 (22 of 1992);

(b) "Authorised Officer" means the Authorised Officer designated as such under sub-rule (1) of rule 3;

(c) "increased quantity" includes increase in import whether in absolute terms or relative to domestic production;

(d) "interested party" includes -

(i) an exporter or foreign producer or the importer of goods (which is subject to investigation for purposes of imposition of safeguard quantitative restrictions) or a trade or business association, majority of the members of which are producers, exporters or importers of such goods;

(ii) the Government of the exporting country; and

(iii) a producer of the like goods or directly competitive goods in India or a trade or business association, a majority of members of which produce or trade the like goods or directly competitive goods in India;

(e) "like goods" means goods which is identical or alike in all respects to the goods under investigation, or in the absence of such goods, other goods which has characteristics closely resembling those of the goods under investigation;

(f) "quantitative restrictions" means any specific limit on quantity of goods imposed as a safeguard measure under the Act;

(g) "specified country" means a country or territory which is a member of the World Trade Organization and includes the country or territory with which the Government of India has an agreement for giving it the most favoured nation treatment;

(2) The words and expressions used herein and not defined, but defined in the Act shall have the meanings respectively assigned to them in the Act.

Responsibility of Authorised Officer for making enquiry in respect to safeguard quantitative restrictions

3. (1) The Central Government shall, by notification in the Official Gazette, designate an officer

not below the rank of Additional Director General of Foreign Trade as an Authorised officer for making investigation for the purpose of this rules.

(2) The Authorised Officer shall be responsible for conducting investigation, under sub-section (1) of section 9A, for the purpose of imposition or safeguard quantitative restrictions and making necessary recommendation therein to the Central Government.

(3) The Directorate General of Foreign Trade shall provide secretarial support and the services of such other persons and such other facilities as it deems fit.

Duties of Authorised Officer

4. It shall be the duty of the Authorised Officer-

(a) to investigate the existence of serious injury or threat of serious injury to domestic industry as a consequence of increased import of a goods into India;

(b) to identify the goods liable for quantitative restrictions as a safeguard measure;

(c) to submit its findings, to the Central Government as to the serious injury or threat of serious injury to domestic industry consequent upon increased import of goods into India from the specified country;

(d) to recommend-

(i) the nature and extent of quantitative restrictions which, if imposed, shall be adequate to remove the serious injury or threat of serious injury to the domestic industry; and

(ii) the duration of imposition of safeguard quantitative restrictions and where the period so recommended is more than one year, to recommend progressive liberalisation adequate to facilitate positive adjustment; and

(e) to review the need for continuance of the safeguard quantitative restrictions.

Initiation of investigation

5. (1) The Authorised Officer shall, on receipt of a written application by or on behalf of the domestic producer of like goods or directly competitive goods, initiate an investigation to determine the existence of serious injury or threat of serious injury to the domestic industry, caused by the import of a goods in such increased quantities, absolute or relative to domestic production.

(2) The application referred to in sub-rule (1) shall be made in Form appended to these rules and be supported with-

(a) the evidence of -

(i) increased imports as a result of unforeseen development;

(ii) serious injury or threat of serious injury to the domestic industry; and

(iii) a causal link between imports and the alleged serious injury or threat of serious injury;

(b) a statement on the efforts being taken, or planned to be taken, or both, to make a positive adjustment to increase in competition due to imports; and

(c) a statement mentioning whether an application for the initiation of a safeguard action on the goods under investigation has also been submitted to the Director General of Safeguards, Department of Revenue.

(3) The Authorised Officer shall not initiate an investigation pursuant to an application made under sub-rule (1), unless, it examines the accuracy and adequacy of the evidence provided in the application and satisfies himself that there is sufficient evidence regarding-

(a) increased imports;

(b) serious injury or threat of serious injury; and

(c) a causal link between increased imports and alleged serious injury or threat of serious injury.

(4) Notwithstanding anything contained in sub-rule (1), the Authorised Officer may initiate an investigation *suo moto*, if, it is satisfied with the information received from any source that sufficient evidence exists as referred to in clause (a), clause (b) or clause (c) of sub-rule (3).

Principles governing investigations

6. (1) The Authorised Officer shall, after it has decided to initiate investigation to determine serious injury or threat of serious injury to domestic industry, consequent upon the increased import of a goods into India, issue a public notice notifying its decision which, *inter alia*, contain information on the following, namely:-

(a) the name of the exporting countries, the goods involved and the volume of import;

(b) the date of initiation of the investigation;

(c) a summary statement of the facts on which the allegation of serious injury or threat of serious injury is based;

(d) reasons for initiation of the investigation;

(e) the address to which representations by interested parties should be directed; and

(f) the time-limits allowed to interested parties for making their views known.

(2) The Authorised Officer shall forward a copy of the public notice to the Central Government in the Ministry of Commerce and Industry and other Ministries concerned, known exporters of the goods, the Governments of the exporting countries concerned and other interested parties.

(3) The Authorised Officer shall also provide a copy of the application referred to in sub-rule (1) of rule 5, to-

(a) the known exporters, or the concerned trade association;

(b) the Governments of the exporting countries; and

(c) the Central Government in the Ministry of Commerce and Industry.

Provided that the Authorised Officer shall also make available a copy of the application, upon request in writing, to any other interested person.

(4) The Authorised Officer may issue a notice calling for any information in such form as may be specified in the notice from the exporters, foreign producers and Governments of exporting countries and such information shall be furnished by such persons and governments in writing within thirty days from the date of receipt of the notice or within such extended period as the Authorised Officer may allow on sufficient cause being shown.

Explanation.—For the purpose of this rule, the public notice and other documents shall be deemed to have been received one week after the date on which these documents were put in the course of transmission to the interested parties by the Authorised Officer.

(5) The Authorised Officer shall provide opportunity to the industrial user of the goods under investigation and to representative consumer organisations in cases where the goods is commonly sold at retail level to furnish information which is relevant to the investigation including *inter alia*, their views if imposition of safeguard quantitative restrictions is in public interest or not.

(6) The Authorised Officer may allow an interested party or its representative to present the information relevant to investigation orally but such oral information shall be taken into consideration by the Authorised Officer only when it is subsequently submitted in writing.

(7) The Authorised Officer shall make available the evidence presented to it by one interested party to all other interested parties, participating in the investigation.

(8) In case where an interested party refuses access to or otherwise does not provide necessary information within a reasonable period or significantly impedes the investigation, the Authorised Officer may record its findings on the basis of the facts available and make such recommendations to the Central Government as it deems fit under such circumstances.

Confidential information

7. (1) Notwithstanding anything contained in sub-rules (1), (3) and (7) of rule 6, and sub-rule (5) of rule 9, any information which is by nature confidential or which is provided on a confidential basis shall, upon cause being shown, be treated as such by the Authorised Officer and not be disclosed without specific authorisation of the party providing such information.

(2) The Authorised Officer may require the parties providing information on-confidential basis to furnish non confidential summary thereof and if, in the opinion of the party providing such information, such information cannot be summarised, such party may submit to the Authorised Officer a statement of reasons why summarisation of such information is not possible.

(3) Notwithstanding anything contained in sub-rule (2), if the Authorised Officer is satisfied that the request for confidentiality is not warranted or the supplier of the information is unwilling either to make the information public or to authorise its disclosure in a generalised or summary form, it may disregard such information unless it is demonstrated to its satisfaction

from appropriate sources that such information is correct.

Determination of serious injury or threat of serious injury

8. The Authorised Officer shall determine serious injury or threat of serious injury to the domestic industry taking into account, *inter alia*, the following principles, namely:—

(a) in the investigation to determine whether increased imports have caused or are threatening to cause serious injury to a domestic industry, the Authorised Officer shall evaluate all relevant factors of an objective and quantifiable nature having a bearing on the situation of that industry, in particular, the rate and amount of the increase in imports of the goods concerned in absolute and relative terms, the share of the domestic market taken by increased imports, changes in the level of sales, production, productivity, capacity utilisation, profits and losses, and employment; and

(b) the determination referred to in clause (a) shall not be made unless the investigation demonstrates, on the basis of objective evidence, the existence of the causal link between increased imports of the goods concerned and serious injury or threat thereof:

Provided that when factors other than increased imports are causing injury to the domestic industry at the same time, such injury shall not be attributed to increased imports and in such cases, the Authorised Officer may refer the complaint to the authority for anti-dumping or countervailing duty investigations, as appropriate.

Final findings

9. (1) The Authorised Officer shall, within eight months from the date of initiation of the investigation or within such extended period as the Central Government may allow, determine whether, as a result of unforeseen developments the increased imports of the goods under investigation has caused or threatened to cause serious injury to the domestic industry, and a casual link exists between the increased imports and serious injury or threat of serious injury and recommend -

(i) the extent and nature of quantitative restrictions which, if imposed, would be adequate to prevent or remedy 'serious injury' and to facilitate positive adjustment, as the case may be;

(ii) the extent of quantitative restrictions so that the quantity of imports is not reduced to the quantity of imports below the level of a recent period which shall be the average of import in the last three representative years for which statistics are available and justification if a different level is necessary to prevent or remedy serious injury;

(iii) the quota to be allocated among the supplying countries, and the allocation of shares in the quota for such specified countries which have a substantial interest in supplying the goods;

(iv) the duration of imposition of quantitative restrictions and where the duration of imposition of quantitative restrictions is more than one year, the progressive liberalisation adequate to facilitate positive adjustment.

(2) The final findings if affirmative shall contain all information on the matter of facts and law and

reasons which have led to the conclusion.

(3) The Authorised Officer shall issue a public notice recording his final findings.

(4) The Authorised Officer shall send a copy of the public notice regarding his final findings to the Central Government in the Ministry of Commerce and Industry and a copy thereof to the interested parties.

Imposition of safeguard quantitative restrictions

10. The Central Government may based on the recommendation of the Authorised Officer, by a notification in the Official Gazette, under subsection (1) of section 9A of the Act, impose upon importation into India of the goods covered under the final determination, a safeguard quantitative restrictions not exceeding the amount or quantity which has been found adequate to prevent or remedy serious injury and to facilitate adjustment.

Imposition of safeguard quantitative restrictions on non-discriminatory basis

11. Any safeguard quantitative restrictions imposed on goods under these rules shall be applied on a non-discriminatory basis to all imports of the goods irrespective of its source.

Date of commencement of safeguard quantitative restrictions

12. The safeguard quantitative restrictions levied under these rules shall take effect from the date of publication of the notification in the Official Gazette, imposing such quantitative restrictions.

Duration

13. (1) The safeguard quantitative restrictions imposed under rule 10 shall be for such period of time as may be necessary to prevent or remedy serious injury and to facilitate adjustment.

(2) Notwithstanding anything contained in sub-rule (1), safeguard quantitative restrictions imposed under rule 10 shall, unless revoked earlier, cease to have effect on the expiry of four years from the date of its imposition:

Provided that if the Central Government is of the opinion that the domestic industry has taken measures to adjust to such serious injury or threat thereof and it is necessary that the safeguard quantitative restrictions should continue to be imposed, to prevent such serious injury or threat and to facilitate adjustments, it may extend the period beyond four years:

Provided further that in no case the safeguard quantitative restrictions shall continue to be imposed beyond a period of ten years from the date on which such restrictions were first imposed.

Liberalization of safeguard quantitative restrictions

14. If the duration of the safeguard quantitative restrictions imposed under rule 10 exceeds one year, the restriction shall be progressively liberalised at regular intervals during the period of its imposition.

Review

15. (1) The Authorised Officer shall, from time to time, review the need for continued imposition

of the safeguard quantitative restrictions and shall, if, it is satisfied on the basis of information received that

(a) safeguard quantitative restrictions is necessary to prevent or remedy serious injury and there is evidence that the industry is adjusting positively, it may recommend to the Central Government for the continued imposition of quantitative restrictions;

(b) there is no justification for the continued imposition of such restriction; recommend to the Central Government for its withdrawal:

Provided that where the period of imposition of safeguard quantitative restrictions exceeds three

years, the Authorised Officer shall review the situation not later than the midterm of such imposition, and, if appropriate, recommend for withdrawal of such safeguard quantitative restrictions or for the increase of the liberalisation of quantitative restrictions.

(2) Any review initiated under sub-rule (1), shall be concluded within a period not exceeding eight months from the date of initiation of such review or within such extended period as the Central Government may allow.

(3) The provisions of rules 5, 6, 7 and 9 shall, *mutatis mutandis*, apply in the case of review under this rule.

Section 5: Injury or Threat of Injury

1. Impact of increased imports on Domestic Industry: Detailed information on how the increased imports are causing serious injury or threat of serious injury to the domestic industry. This should, *inter alia*, include information on

(a) Sale volumes, total domestic consumption and how the market share of domestic production has been affected.

(b) Price undercutting/price depression/prevention of rise in prices. Information on costs of production and how the increased imports have affected the prices of domestic production needs to be provided.

(c) Any significant idling of production facilities in the industry including data indicating plant closure or fall in normal production capacity utilization.

(d) Loss of employment.

(e) Financial situation.

Full information on the financial situation of the domestic industry including information on decline in sales, growing inventory, downward trend in production, profits, productivity or increasing unemployment needs to be provided.

2. Other Factors of Injury: Provide details of any other factors that may be attributing to the injury to the domestic industry and an explanation that injury caused by these other factors is not attributed to injury caused by increased imports. (Information on injury caused due to dumping or subsidization, if any, needs to be specifically provided here. Also mention if any application for anti-dumping or countervailing duty investigation has been filed).

Section 6: Cause of Injury

Please provide an analysis of data presented above bringing out a nexus between the increased imports, either actual or relative to domestic production, and the injury or threat of injury caused to the domestic industry and the basis for a request for initiation of safeguards investigation under Safeguard Measures (Quantitative Restrictions) Rules, 2012.

Section 7: Submission

a. A statement describing the measure requested including:

- Nature and quantum of safeguard quantitative restriction requested.
- Purpose of seeking the relief and how such objective will be achieved.
- Duration for which imposition of safeguard quantitative restriction is requested and the reasons therefore.

b. If the safeguard measures are requested to be imposed for more than one year, details on efforts being taken and planned to be taken or both to make a positive adjustment to import competition with details of progressive liberalization adequate to facilitate positive adjustment of the industry.

Section 8: Annexes

All supporting information can be provided as annexes to the application. (The main information must be provided at the appropriate places. The details of the information can be provided in annexes).

Form

[See rule 5(2)]

Information to be provided by Applicant for Safeguard in resolution

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Section 1: General Information

Section 2: Product in respect of which Increase in Imports Noticed

Section 3: Increased Imports

Section 1: General Information

1. Date of Application
2. Applicant(s) Provide name(s) and address(es) of the applicant(s)
3. Domestic Producers of the like or directly competitive products on whose behalf the application is filed (Give details of all domestic producers who support the application) along with their IEC, where applicable)
4. Information on production accounted for by the domestic producers of the like or directly competitive products (in respect of those domestic producers who support the application).
5. Information on the total domestic production of the product concerned of the like or directly competitive products (in respect of all producers whether they support the application or not).

Section 2: Product in respect of which increase in imports alleged

1. Name of the product
2. Description: Provide full description of the product including chemical formula, grade constituent materials/Components, process of manufacture in brief, uses and inter-changeability of various grades, etc.
3. Tariff classification: Provide the classification of the product under the HS classification as well as Indian customs Tariff Classification at 6/8/10 digit level.
4. Import Duty: Provide information relating to rates of import duty levied during the past three years. If the product enjoys any concessional or preferential treatment, provide details.
5. Country(ies) of Origin: Provide name(s) of Country(ies) where the product has originated (where the Country of origin is different then the Country of export, the name of the Country of origin should also be provided).
6. Provide a list of all known foreign producers, exporters & importers of the imported product, country-wise, together with names and addresses of concerned trade associations and user associations etc.

Section 4: Domestic Production

Section 5: Injury

Section 6: Cause of Injury

Section 7: Submissions

Section 8: Annexes

7. Information on major industrial users, organization of industrial users and representative consumer organisations. (In case the product is commonly sold at retail level).

8. Export Price: Details of export price of the imported Product exporter/country-wise and the basis thereof (provide the f.o.b./ c.i.f. price at which the goods enter into India).

Section 3: Increased Imports

1. Provide full and detailed information regarding the imports of the said product in terms of quantity and value year wise for the last three years (or longer).
2. Provide break up of (1) above country wise in absolute terms as well as a percentage of the total imports of the said product.
3. Provide full and detailed information on the share of the imported products and the share of the domestic production of the like product and the directly competitive products in the total domestic consumption for the last three years (or longer) both in terms of quantity and value.
4. Provide information on factors that may be attributing to increased imports.

Section 4: Domestic Production

1. Details of the like product end directly competitive products produced by the domestic producers. Information similar to II above i.e.
 - (i) Name
 - (ii) Description
 - (iii) Tariff classification both under the Central Excise Tariff as well as under the Customs Tariff.
 - (iv) Details of domestic producers
2. Names and addresses of all known domestic producers and concerned trade associations and users associations etc.
3. Details of production accounted for by each of the producers at 2 above.
4. Details of total domestic production.
5. Installed capacity, capacity utilization and fall in capacity utilization etc.

Another Five Years of Anti-dumping Duty on Pentaerythritol from EU – No Change in Duties

Ntnf 33-ADD 20.06.2012 (DoR) Whereas, in the matter of import of Pentaerythritol (hereinafter referred to as the subject goods), falling under sub-heading 2905 42 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the said customs Tariff Act), originating in, or exported from European Union (excluding Sweden)(hereinafter referred to as the subject countries) and imported into India, the designated authority vide its final findings No. 14/43/2010-DGAD dated the 10th April, 2012, published in the Gazette of India, Extraordinary, Part I, Section 1, dated the 10th April, 2012, had come to the conclusion that-

(a) The subject goods have entered the Indian market from the subject countries below associated normal values, thus resulting in dumping of the subject goods;

(b) The domestic industry has suffered material injury in respect of the subject goods; and

(c) The material Injury to the domestic industry has been caused due to dumped imports of the subject goods from the subject countries, and had recommended imposition of defini-

tive anti-dumping duty on the imports of subject goods, originating in or exported from the subject countries;

Now, therefore, in exercise of the powers conferred by sub-section (1) of section 9A of the said Customs Tariff Act, read with rules 18 and 20 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, the Central Government, on the basis of the aforesaid findings of the designated authority, hereby imposes on the goods, the description of which is specified in column (3) of the Table below, the specification of which is specified in the corresponding entry in column (4), falling under sub-heading of the First Schedule to the said Customs Tariff Act as specified in the corresponding entry in column (2), originating in the countries as specified in the corresponding entry in column (5), and exported from the countries as specified in the corresponding entry in column (6), and produced by the producers as specified in the corresponding entry in column (7), and exported by the exporters as specified in the corresponding entry in column (8), and imported into India, an anti-dumping duty at the

Table

SNo.	Sub-heading	Description of goods	Specification	Country of Origin	Country of Export	Producer	Exporter	Amount	Unit of Measurement	Currency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1.	290542	Pentaerythritol	Any	European Union (excluding Sweden)	European Union (excluding Sweden)	M/s. PERSTORP CHEMICALS GMBH	M/s. PERSTORP CHEMICALS GMBH	379	MT	US\$
2.	290542	Pentaerythritol	Any	European Union (excluding Sweden)	European Union (excluding Sweden)	M/s. PERSTORP CHEMICALS GMBH	Any	490	MT	US\$
3.	290542	Pentaerythritol	Any	European Union (excluding Sweden)	European Union (excluding Sweden)	Any	Any	490	MT	US\$
4.	290542	Pentaerythritol	Any	European Union (excluding Sweden)	Any excluding China and Taiwan	Any	Any	490	MT	US\$
5.	290542	Pentaerythritol	Any	Any excluding China and Taiwan	European Union (excluding Sweden)	Any	Any	490	MT	US\$

2. The anti-dumping duty imposed under this notification shall be effective for a period of five years (unless revoked, amended and superseded earlier) from the date of publication of this notification in the official Gazette and shall be payable in Indian currency.

Explanation.- For the purposes of this notification, rate of exchange applicable for the purposes of calculation of such anti-dumping duty shall be the rate which is specified in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), issued

Corrigendum dated 15 June 2012 to 24-ADD dated 14 May 2012 – Spelling Mistake Correction

[Ref: Corrigendum dated 15th June, 2012]

In the notification of the Government of India in the Ministry of Finance (Department of Revenue), **No. 24/2012-Customs (ADD), dated the 14th May, 2012** published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 359 (E), dated the 14th May, 2012,-

for

“M/s Haining Tianfu Wrap Knitting Co Ltd, People’s Republic of China (Producer) and M/s Manna, Korea RP (Exporter)”,

read

“M/s Haining Tianfu Warp Knitting Co Ltd, People’s Republic of China (Producer) and M/s Manna, Korea RP (Exporter).”.

[F.No.354/108/2010-TRU]

rate equal to the amount as specified in the corresponding entry in column (9), in the currency as specified in the corresponding entry in column (11) and per unit of measurement as specified in the corresponding entry in column (10) of the said Table:-

Shea Stearine Norm for Activated Bleaching Earth of Shea Amended

Subject: Amendment of SION E-125 under Food Product Group.

05-PN(RE) 14.06.2012 (DoR) In exercise of the powers conferred under Paragraph 2.4 of the Foreign Trade Policy, 2009-2014 and Paragraph 1.1

of Handbook of Procedures (Vol.1), the Director General of Foreign Trade hereby amends the description of import item “Tonsil Bleaching

Earth” appearing at Serial No.2 of SION E-125 under Food Product Group to read as “**Activated Bleaching Earth**”.

There is no other change in either the description or permissible quantity of import item or the description and quantity of the export item.. The amended SION would be as under:

Sl. No.	Export Item	Quantity	Import Item	Qty. Allowed
E-125	Shea Stearine	1 MT	1 Shea Nuts (Oil content 45 +/- 1%) OR Shea Butter	5.20 MT**
			2 Activated Bleaching Earth	0.05 MT
			3 Acetone	0.04 MT

**For every one percent increase in the oil content beyond 46% in Shea Nut, the permitted quantity for its import may decrease by 150 kgs on pro-rata basis and for every one percent decrease in oil content below 44% in Shea Nut, the permitted quantity for its import may increase by 150 kgs on

from time to time, in exercise of the powers conferred by section 14 of the Customs Act, 1962, (52 of 1962), and the relevant date for the determination of the rate of exchange shall be the date of presentation of the bill of entry under section 46 of the said Customs Act.

[F.No.354/7/2012 –TRU]

prorata basis.

“Note:- For item No. 1 of import items viz. Shea Nuts, Customs authority to draw samples for every Bill of Entry and test the same for its oil content. The Customs authority to endorse on the Bill of Entry the oil content of each consignment. Regional Authority to redeem authorizations based on the weighted average of oil content so endorsed by the Customs authority. However, clearance of import consignments should not be held back till the results are obtained, but to be allowed upon customs examination & drawing of samples.”

2. Effect of this Public Notice

The word “Tonsil Bleaching Earth” appearing in SION E-125 for export item ‘Shea Stearine’ has been substituted by “Activated Bleaching Earth” as Tonsil is the brand name of the Company. There is no other change.

Tondiarpet (TNPM) ICD in Chennai Notified for Export Promotion

Ntfn 40 In exercise of the powers
14.06.2012 conferred by sub-section (1)
(DoR) of section 25 of the Customs
Act, 1962 (52 of 1962), the
Central Government, being satisfied that it is
necessary in the public interest so to do, hereby
makes the following amendments in each of the
notifications of the Government of India in the
Ministry of Finance (Department of Revenue),
specified in column (2) of the Table below, shall
be amended or further amended, as the case
may be, in the manner specified in the corre-
sponding entry in column (3) of the said Table,
namely :-

*The following changes have been incorporated
in the original notifications.*

In the said notification, in the opening para-
graph, in condition –

for the words “and Mrippalem Village in Taluk
of Edlapadu, District Guntur”, the words, brack-
ets and letters “Mrippalem Village in Taluk of
Edlapadu, District Guntur and Tondiarpet
(TNPM), Chennai” shall be substituted;

Table

SNo	Notification number and date	Condition No.
(1)	(2)	(3)
1	53/2003-Customs, dated the 1st April, 2003	in condition (5)
2	54/2003-Customs, dated the 1st April, 2003	in condition (4)
3	90/2004-Customs, dated the 10th September, 2004	in condition (iv)
4	91/2004-Customs, dated the 10th September, 2004	in condition (vi)
5	92/2004-Customs, dated the 10th September, 2004	in condition (iv)
6	93/2004-Customs, dated the 10th September, 2004	in condition (iv)
7	94/2004-Customs, dated the 10th September, 2004	in condition (6)
8	97/2004-Customs, dated the 17th September, 2004	in condition (6)
9	32/2005-Customs, dated the 8th April, 2005	in condition (5)

10	41/2005-Customs, dated the 9th May, 2005	in condition (3)
11	89/2005-Customs, dated the 4th October, 2005	in condition (iv)
12	40/2006-Customs, dated the 1st May 2006	in condition (iv)
13	73/2006-Customs, dated the 10th July, 2006	in condition (5)
14	90/2006-Customs, dated the 1st September, 2006	in condition (4)
15	91/2006-Customs, dated the 1st September, 2006	in condition (4)
16	14/2009-Customs, dated the 19th February, 2009	in condition (4)
17	91/2009-Customs, dated the 11th September, 2009	in condition (iv)
18	92/2009-Customs, dated the 11th September, 2009	in condition (iv)
19	93/2009-Customs, dated the 11th September, 2009	in condition (iv)
20	94/2009-Customs, dated the 11th September, 2009	in condition (iv)
21	95/2009-Customs, dated the 11th September, 2009	in condition (iv)
22	96/2009-Customs, dated the 11th September, 2009	in condition (vii)
23	97/2009-Customs, dated the 11th September, 2009	in condition (iv)
24	98/2009-Customs, dated the 11th September, 2009	in condition (vi)
25	99/2009-Customs, dated the 11th September, 2009	in condition (vii)
26	100/2009-Customs, dated the 11th September, 2009	in condition (10)
27	101/2009-Customs, dated the 11th September, 2009	in condition (13)
28	102/2009-Customs, dated the 11th September, 2009	in condition (12)
29	103/2009-Customs, dated the 11th September, 2009	in condition (9)
30	104/2009-Customs, dated the 14th September, 2009	in condition (6)
31	112/2009-Customs, dated the 29th September, 2009	in condition (vii)

[F. No.605/08/2012-DBK]

DGFT lays out e-BRC Data Uploading Procedure for Banks, Exporters and Regional Authorities

Subject: Introduction of electronic Bank Realization Certificate (e-BRC) system.

01-Pol.Cir Through Public Notice No. 02
18.06.2012 dated 5.6.2012 electronic
(DGFT) issuance of BRCs have been
initiated which obviates
submission of physical copy of BRC to claim
benefits of the FTP Schemes.

2. Following are for information and guidelines:-

A. For Banks:-

(i) Uploading of BRC data by banks can be
done at any time and it should be electronically
transmitted on a daily basis.

Appendices and Aayat Niryat Forms of DGFT Handbook of Procedures Notified

06-PN(RE) In exercise of powers
20.06.2012 conferred under Paragraph
(DGFT) 2.4 of the Foreign Trade
Policy, 2009-2014, the
Director General of Foreign Trade hereby
notifies the Handbook of Procedures- Vol-
ume I (Appendices and Aayat Niryat Forms).
This shall come into force with immediate
effect, except Appendix 37A, 37C and 37D
which will be deemed to have come into effect
on 5th June, 2012.

(ii) Electronic issuance of BRC has started
with effect from 05.06.2012. Physical submis-
sion of BRC would continue concurrently for one
month from 05.06.2012. BRCs which have been
issued manually after 01.04.2012 shall be con-
verted in the digital (XML) format by the banks
and uploaded on DGFT server. This exercise
may be completed by 31.07.2012.

(iii) Banks shall upload the rupees equivalent of
the realised foreign exchange, based on the
monthly exchange rate notified by Central Board
of Excise and Customs (CBEC), Ministry of
Finance. In case the realisation is in a denomi-
nation other than the notified currency, the rates
given by RBI shall be adopted. In case ex-
change rate is not available from RBI then
banks will do currency conversion as per their
present existing practice.

B. For exporters:-

e-BRC details available in the DGFT server will
not contain the details of amount of commission
paid. This amount has to be provided by the
exporter at the time of filing online application.

C. For RAs:-

The net foreign exchange earnings (in foreign
currency) reflected in e-BRC, transmitted by
banks would indicate FOB value (as per valua-
tion made by custom authorities on the shipping
bill). While granting Chapter 3 benefits, RA shall
consider the net foreign exchange earnings. In
case of shortfall in foreign exchange realization
with respect to the shipping bill FOB value, pro
rata distribution of realized foreign exchange
against each export item will be made by the
system itself. To explain in detail, three illus-
trations are given below:-

Illustration 1 (Single Export Product) – If NFE
as per e-BRC is US \$ 100/- and FOB value as
per Shipping Bill is US\$ 80/- , then benefit would
be granted on US \$ 80/-.

Illustration 2 (Single Export Product) - If NFE
as per e-BRC is US \$ 100/- and FOB value as
per Shipping Bill is US \$ 120/- , then Chapter 3
FTP benefit would be granted on US \$ 100/-.

**Illustration 3 (Multiple Export Items On Single
Shipping Bill)** - If Shipping Bill contains 3
export items A,B and C with FOBs US \$40, US
\$60 and US \$80 respectively (total FOB US
\$180/-). If the total NFE realised as per e-BRC
is US\$90/-, then by pro-rata calculation the
benefits on 3 items i.e. A, B and C will be
calculated on 20 US\$, 30 US\$ and 40 US\$
respectively.

This issues with the approval of Director Gen-
eral of Foreign Trade.

Dollar-Rupee Rate at NSE Futures									
Trade Date	Open Price	High Price	Low Price	Close Price	Daily Settlement Price	Open Interest	No. of Contracts	Value (Rs. lakhs)	RBI Reference rate
25-Jun-12	56.9950	57.1275	56.4375	57.0750	57.0750	1261654	3252547	1845275	56.5340
22-Jun-12	56.6325	57.3900	56.6325	57.2550	57.2550	1409674	2879271	1645164	56.9928
21-Jun-12	56.3800	56.6300	56.3225	56.4175	56.4175	1359329	2727543	1540368	56.4178
20-Jun-12	56.0000	56.2525	55.8725	56.2125	56.2125	1332722	2037053	1142044	55.8585
19-Jun-12	55.9125	56.1625	55.8775	56.0425	56.0425	1451566	1924063	1078296	56.0143

[Source: NSE and RBI Website]

Changes in Tariff Value

Poppy Seeds Up by \$1715/MT; Brass Scrap Down by \$157/MT

Silver Up by \$39 per kg and Gold Down by \$7 per 10 gms

50-Cus(NT) In exercise of the powers conferred by sub-section (2) of section 14 of the Customs Act, 1962 (52 of 1962), (DoR) the Central Board of Excise & Customs, being

satisfied that it is necessary and expedient so to do,

hereby makes the following amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 36/2001-Customs (N.T.), dated the 3rd August, 2001, published in the Gazette of India, Extraordinary, Part-II, Section-3, Sub-section (ii), vide number S. O. 748 (E), dated the 3rd August, 2001, namely:-

In the said notification, for **TABLE-1 and TABLE-2**, the following Tables shall be substituted namely:-

"Table-1"

S.No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$ (Per Metric Tonne)
(1)	(2)	(3)	(4)
1	1511 10 00	Crude Palm Oil	447 (i.e. no change)
2	1511 90 10	RBD Palm Oil	476 (i.e. no change)
3	1511 90 90	Others – Palm Oil	462 (i.e. no change)
4	1511 10 00	Crude Palmolein	481 (i.e. no change)
5	1511 90 20	RBD Palmolein	484 (i.e. no change)
6	1511 90 90	Others – Palmolein	483 (i.e. no change)
7	1507 10 00	Crude Soyabean Oil	580 (i.e. no change)
8	7404 00 22	Brass Scrap (all grades)	4113
9	1207 91 00	Poppy seeds	5611

Table-2

S.No.	Chapter/ heading/ sub-heading/tariff item	Description of goods	Tariff value US\$ (Per Metric Tonne)
(1)	(2)	(3)	(4)
1	71 or 98	Gold, in any form, in respect of which the benefit of entries at serial number 321 and 323 of the Notification No. 12/2012-Customs dated 17.03.2012 is availed	524 per 10 grams
2	71 or 98	Silver, in any form, in respect of which the benefit of entries at serial number 322 and 324 of the Notification No. 12/2012-Customs dated 17.03.2012 is availed	938 per kilogram"

[F. No. 467/01/2012-Cus.V Pt.I]

Exchange Rates for Customs Valuation**Rupee Rate for Customs Valuation Crashes to Rs. 56.35 on Imports w.e.f. 22 June**

52-Cus(NT) In exercise of the powers conferred by section 14 of the 22.06.2012 Customs Act, 1962 (52 of 1962), and in super session (DoR) of the notification of the Government of India in the Ministry of Finance (Department of Revenue) No.49/2012-CUSTOMS (N.T.), dated the 07th June, 2012 vide number S.O.1304 (E), dated the 7th June, 2012, except as respects things done or omitted to be done before such super session, the Central Board of Excise and Customs hereby determines that the rate of exchange of conversion of each of the foreign currency specified in column (2) of each of Schedule I and Schedule II annexed hereto into Indian currency or vice versa shall, **with effect from 22th June, 2012** be the rate mentioned against it in the corresponding entry in column (3) thereof, for the purpose of the said section, relating to imported and export goods.

S.No.	Currency	Imported Goods		Exported Goods	
		Current	Previous	Current	Previous
Schedule I – Rate of exchange of one unit of foreign currency equivalent to Indian rupees					
1.	Australian Dollar	57.60	55.55	56.35	54.15
2.	Bahraini Dinar	152.50	150.30	144.40	142.25
3.	Canadian Dollar	55.50	54.30	54.30	53.00
4.	Danish Kroner	9.65	9.45	9.40	9.20
5.	EURO	71.70	69.95	70.10	68.40
6.	Hong Kong Dollar	7.25	7.15	7.15	7.05
7.	Kenyan Shilling	68.35	66.35	64.50	62.60
8.	Kuwaiti Dinar	206.10	202.60	194.45	191.10
9.	New Zealand Dollar	45.10	43.05	43.85	42.00
10.	Norwegian Kroner	9.55	9.20	9.25	8.95
11.	Pound Sterling	88.90	86.20	87.05	84.40
12.	Singapore Dollar	44.55	43.65	43.65	42.75
13.	South African Rand	7.00	6.85	6.65	6.45
14.	South Arabian Riyal	15.35	15.10	14.50	14.30
15.	Swedish Kroner	8.15	7.80	7.90	7.55
16.	Swiss Franc	59.80	58.30	58.30	57.00
17.	UAE Dirham	15.65	15.45	14.80	14.60
18.	US Dollar	56.35	55.55	55.55	54.70
Schedule II – Rate of exchange of 100 units of foreign currency equivalent to Indian rupees					
1	Japanese Yen	71.85	70.35	70.05	68.60

[F.No.468/10/2012-Cus.V]

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