2

3

4

5

6

7

8

9

10

11

12

13

14 15

16

17

18

19

20

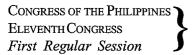
21

22

23

24

25



SENATE

S. No. 763

INTRODUCED BY SENATOR ENRILE

AN ACT PROVIDING THE RULES FOR THE IMPOSITION OF AN ANTI-DUMPING DUTY, AMENDING FOR THE PURPOSE SECTION 301, PART2, TITLE II, BOOK 1 OF THE TARIFF AND CUSTOMS CODE OF THE PHILIPPINES, AS AMENDED BY REPUBLIC ACT NO. 7843, AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

1	SECTION 1. Section 301, Part 2, Title II, Book 1 of the Tariff and
2	Customs Code, as amended by Republic Act No. 7843, is hereby further
3	amended to read as follows:
4	"SEC. 301. Dumping Duty
5	"[a. Whenever the Secretary of Finance or the
6	Secretary of Trade and Industry (hereinafter called the
7	"Secretary") received an anti-dumping petition from the
8	domestic industry or the Secretary has reason to believe.

from any invoice or other document or newspaper, magazine or information or translation thereof by any reputable language translator made available by any government agency or interested party, that a specific kind or class of foreign article, is being imported into, or sold or is likely to be sold in the Philippines, at a price less than its normal value, the importation or sale of which might injure, retard the establishment of, or is likely to injure an industry producing like articles in the Philippines, the Secretary shall, within twenty (20) days from receipt of such petition or information, determine a prima facie case of dumping. Within five (5) days from such receipt, he shall notify the protestee-importer and require him to submit within ten (10) days from such notice evidence from the producer of the imported article duly authenticated by the Philippine consular or trade office to support the normal value of such product. If no such evidence is submitted within the prescribed period, the Secretary shall base his decision on the available pertinent data.

"[Pending determination of a *prima facie* case of dumping, the petitioner may petition that the release from the Bureau of Customs of the alleged dumped product be withheld. If the Secretary determines that on the face of the petition and documents presented, there exists an imminent danger of injury to a particular industry as a

, · ·

1`

result of the alleged dumping, he shall direct the Commissioner of Customs to hold the release of the questioned importation, upon filing by the petitioner of a bond equal to the alleged margin of dumping. The bond shall answer for damages which the importer may suffer as a result of the holding of the release of the questioned importation, in case the Secretary finds that there is no prima facie case. However, the petitioner's liability for damages shall not exceed the amount of his bond. This bond shall be canceled once a prima facie case has been determined by the Secretary.

"[The Secretary may, *motu propio*, hold the release of the questioned articles based on his information that an imminent danger of injury exists to a particular industry as a result of the alleged dumping.

"[The Secretary upon the determination of a prima facie case of dumping shall so advice the Tariff Commission (hereinafter called the 'Commission') and shall instruct the Commissioner of Customs to hold the release of the goods or articles in question, unless the protestee/importer shall have filed a cash bond of not less than the provisionally estimated dumping duty plus the applicable regular duty based on the documentary evidence submitted with the dumping protest to answer for the payment of such duties, fees and charges if a dumping case is

established. If the protest is dismissed, the cash bond shall be returned to the importer within ten (10) days from the finality of the order.

"[The Secretary shall have the discretion to exclude related parties from the domestic industry. A producer and an exporter or importer are related if the producer directly or indirectly controls the producer; a third party and there is a reason to believe that the relationship causes the producer to act differently than an unrelated producer would act.

"[b. The Commission, upon receipt of the advice from the Secretary shall conduct an investigation to:

"[1. Verify if the kind or class of article in question is being imported into, or sold or is likely to be sold in the Philippines at a price less than its normal value;

"[The normal value of an article shall be the comparable price in the ordinary course of trade for the like articles when destined for domestic consumption in the exporting country which for purposes of this section means the country of production or manufacture.

"[If the normal value of an article cannot be determined, the following rules shall apply:

"[If the like article is not being sold in the ordinary course of trade in the domestic market of the exporting country or if the sale does not allow a fair comparison or

if the normal value is not available or unreliable because of association or a compensatory arrangement between the exporter and the importer or a third party or the agency providing the normal value is state-controlled or jointly owned by the state or the exporting country, or where products are not imported directly from the country of production then, the normal value shall be based on the higher of values determined from any of the following methods, such as but not limited to, the normal value of like articles in a proxy country at the same stage of development of the industry producing like products, or the cost of production in the country of production or manufacture or on the estimated landed cost in the country of production or manufacture which is based on C and F price of such articles including duties, surcharges, and taxes when imported by an importer in the country of production.

- "[2. Ascertain the difference, if any, between the export price and the normal value of the article.
- "[3. Determine if, as a result thereof, a domestic industry producing like articles in the Philippines suffers, or will be threatened with, injury, or will suffer a material retardation of the establishment of a domestic industry in the Philippines: *Provided*, That in determining whether the domestic industry has suffered or is being threatened with

injury, the Commission shall determine whether the wholesale prices at which the domestic articles are sold are reasonable, taking into account the cost of raw materials, labor, overhead, a fair return on investment and the overall efficiency of the industry; and/or whether a further importation of such articles and/or like articles are clearly foreseen and imminent considering such relevant factors as:

- "[(a) Rate of increase of importation of such article: Provided, That in the determination of potential injury, there should be at least three percent (3%) increase in the volume of importation of such articles being dumped relative to the average monthly volume of importation of such like articles for the immediately preceding three (3) months; or
 - "[(b) Reasonable likelihood of increased importations; or
- "[(c) Freely disposable or increased capacity of the exporter of such imported articles; or
- "[(d) Import prices which will have a significant depressing or suppressing effect on domestic prices: Provided, further, That in determining whether a domestic industry that will produce like articles is being retarded in its establishment, there must be evidence of the forthcoming commercial operation of the industry:

`1

Provided, finally, That in determining injury, the following shall also be considered:

"[i. Whether or not the imported articles under consideration are identical or alike in all respect to articles produced by the domestic industry or substantially of the same material or although of different composition or material serves the same or similar purpose such as substitute as the articles produced in the Philippines in quantities sufficient to supply at least ten percent (10%) of local consumption (arrived at by taking the sum of the average local production and average importation and subtracting therefrom average exportation) for the immediately preceding three (3) months prior to the filing of the dumping protest;

"[ii. The volume of dumped imports and their effects on prices in the domestic market for like articles: *Provided*, That the Commission shall determine the consequent impact of these imports on domestic producers by considering relevant economic factors and indices such as:

- "[(a) Five percent (5%) decline in sales volume or decline in sales price of at least two percent (2%) as compared to the average monthly sales for the immediately preceding three (3) months; or
- "[(b) Five percent (5%) decline in the volume of production as compared to the average monthly volume of

production for the immediately preceding three (3) months;

or

"[(c) Actual and potential negative effects on employment and inventories of the subject articles.

"[Within five (5) days from the receipt of the advice from the Secretary of Finance, the Commission shall identify all parties concerned and require them to submit their respective memoranda within fifteen (15) days from notice.

"[C. The Commission shall terminate its investigation within ninety (90) days from receipt of the aforesaid advice and shall submit its findings to the Special Committee on Anti-Dumping (hereinafter referred to as "Special Committee") within sixty (60) days from their termination of its investigation: *Provided*, That the Commission shall give notice to interested parties of such findings submitted to the special committee.

"[In case any or all of the parties on record fail to submit their respective memoranda within the period prescribed above, the Commission shall base its findings on the best available evidence.

"[The Commission shall motu propio terminate its investigation if the provisionally estimated margin of dumping is less than two percent (2%) of export price or the volume of dumped imports is negligible. The volume

`1

of dumped imports from a particular country accounts for less than three percent (3%) of the average monthly imports of the like articles in the Philippines unless countries which individually account for less than three percent (3%) of the average monthly imports of the like articles in the Philippines collectively account for more than seven percent (7%) of total average monthly imports of that article.

"[D. The Special Committee shall, within fifteen (15) days after receipt of the report of the Commission, decide whether the article in question is being imported in violation of this section and shall give due notice of such decision. In case the decision of dumping is in the affirmative, the special committee shall direct the Commissioner of Customs to cause the dumping duty, to be levied, collected and paid, as prescribed in this section, in addition to any other duties, taxes and charges imposed by law on such article, and on the articles of the same specific kind or class subsequently imported under similar circumstances coming from the specific country.

"[In the event that the Special Committee fails to decide within the period prescribed herein, the recommendation of the Commission shall be deemed approved and shall be final and executory.

"[E. The 'dumping duty' as provided for in sub-

section D hereof shall be equal to the difference between the actual export price and the normal value of the article as determined in the dumping decision. All importations of like articles within one hundred fifty (150) days immediately preceding the filing protest are covered by the investigation. However, in cases of subsequent importations of same kind or class of article from the specific country named in the protest, the dumping duty shall be equal to the difference between the actual export price and the normal value actually existing at the time of importation as determined by the Commission from the supporting documents submitted or from other reliable sources.

"[F. Pending investigation and final decision of the case, the article in question, and articles of the same specific kind or class subsequently imported under similar circumstances, shall be released to the owner, importer, consignee or agent upon the giving of a case bond in an amount not less than the provisionally estimated difference between the actual export price and the normal value including the applicable regular duty prescribed in paragraph 'a' above.

"[G. For purposes of this section, the parties concerned including the protestant, domestic producers/ manufacturers, importers and the protestee shall be

`1

afforded with the Commission and the Secretary and avail of any technical information and the data necessary to sustain its case.

"[H. Any interested party of record who is dissatisfied with a decision in a dumping protest may file a motion for reconsideration with the Special Committee within thirty (30) days from the notice of such decision: *Provided*, That no motion for extension of time to file a motion of reconsideration under this sub-section shall be allowed.

"[I. Any aggrieved party may appeal only the amount of the dumping to the Court of Appeals in the same manner and within the same period as provided for by law in the case of appeal from decision of the Commissioner of Customs. The findings of fact in a dumping case shall be final and conclusive.

"[J. (1) The article, if it has not been previously released under cash bonds as provided for in sub-section "F" hereof, shall be released after payment by the party concerned of the corresponding dumping duty in addition to any ordinary duties, taxes, and charges, if any, or reexported by the owner, importer, consignee or agent, at his option and expense, upon the filing of a such cash bond in an amount not less than the provisionally estimated difference between the actual export price and the normal

value plus the applicable regular duty conditioned upon presentation of landing certificate issued by a consular officer of the Philippines at the country of destination: or

"[(2) If the article has been previously released under cash bond, as provided in sub-section "F" hereof, the party concerned shall be required to pay the corresponding dumping duty in addition to any ordinary duties, taxes, and charges, if any.

"[K. Any investigation to be conducted by the Commission under this section shall include a public hearing or hearings where the owner, importer, consignee or agent, of the imported article, the local producers or manufacturers of a like article, other parties directly affected, and such other parties as the judgment of the Commission are entitled to appear, shall be given an opportunity to be heard and to present evidence bearing on the subject matter.

"[L. The established dumping duty shall be subject to adjustment based on whichever is higher of the prevailing normal values as defined in paragraph b-1. The commission shall conduct quarterly examination and/or verification of the normal value to determine the necessity of adjustment. Should the Special Committee, upon receipt of the report of the Commission, find that there is a need for an adjustment after a public hearing it shall advice the

Commissioner of Customs so that he may effect the necessary adjustment in dumping duty.

"[The Philippine Finance Attache or, in the absence thereof, the Commercial Attache or, Trade Attache or in the absence thereof, the diplomatic officer or consular officer aboard shall be advised by the Special Committee of any article covered by dumping decision. The concerned Attache or the Officer shall submit quarterly report on normal values of said articles to the Special Committee.

"[M. Whenever the Commission, on its own motion or upon application of any interested party, finds after a public hearing that any of the conditions which necessitated the imposition of the dumping duties has ceased to exist, it shall submit the necessary recommendation to the Special Committee for the discontinuance or modification of such dumping duty and shall so advice the Commissioner of Customs. Any decision or order made under this Section by the Special Committee shall be published in the Official Gazette and/or in a newspaper of general circulation.

"[N. Any dumping decision promulgated by the Special Committee shall be effective for a period of five (5) years from the time of its promulgation except upon the representation of the interested party of the necessity to continue the implementation of said decision, in which case

the Special Committee shall advice the Commission to conduct an investigation to determine whether any of the conditions in paragraph b-1 and b-3 still exists. The action for extension shall be brought before the Special Committee at least six (6) months before the expiration of the period.

"[The findings of the Commission shall be submitted to the special committee at least three (3) months before the expiration of the period but in no case shall it exceed one (1) month after receipt of the advice from the Special Committee.

"[The period of extension shall, in no case, exceed twenty-four (24) months or two (2) years.

"[O. For the purpose of this Section, the term:

"[1. "Comparable price" shall mean the domestic price in the exporting country at the same level of trade which is sold or offered for sale at wholesale on the date of exportation to the Philippines;

"[2. "Cost of production" of an imported article shall be the sum of:

"[(a) The cost of materials of, and of fabrication, manipulation or other process employed in manufacturing or producing, like articles, at a time preceding the date of shipment of the particular article under consideration which would ordinarily permit the manufacture or production of the particular article under consideration in the usual

course of business;

"[(b) The actual administrative, selling and general expenses at least ten percent (10%) of production costs incurred by the exporter or producer of articles and/or like articles;

- "[(c) The cost of all containers and coverings, and all other costs, charges and expenses incident to placing the particular article under consideration in condition, packed ready for shipment to the Philippines but not less than one percent (1%) of production costs; and
- "[(d) A reasonable amount for profit not less than eight percent (8%) of the sum of the amounts referred to in the preceding sub-paragraphs a,b, and c.
- "[3. "Domestic industry" shall refer to the domestic producers of like articles as a whole or to those whose collective output of the products constitute a significant share of the total domestic production of those products in the industries concerned. Except, when producers are related to the exporters or importers, the term "domestic industry" may be interpreted as referring to the rest of the producers;
- "[4. "Export price" of an imported article shall be the price at which such article has been purchased or agreed to be purchased, prior to the time of exportation, by the person by whom or for whose account the article is

imported, plus, when not included in such price;

- "[(a) The case of all containers and covering and all other costs, charges and expenses incident to placing the article in condition, packed ready for shipment to the Philippines;
- "[(b) The amount of any import duties imposed by the country of exportation which have not been collected, by reason or the exportation of the articles to the Philippines; and
- "[(c) The amount of any taxes imposed in the country of exportation upon the manufacturer, producer or seller, in respect to the manufacture, production or sale of the article which have been rebated, or which have not been collected by reasons of the exportation of the articles to the Philippines.

"[Any additional costs, charges and expenses incident to bringing the article from the place of shipment in the country of exportation to the place of delivery in the Philippines, and Philippine customs duties' imposed thereon shall not be included.

"[5. "Like article" shall mean a product which is identical or alike in all respect to the article under consideration or one substantially of the same material or although of different composition or material serves the same or similar purpose, such as a substitute, as the articles

produced in the Philippines;

`1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

"[6. A special committee on anti-dumping is hereby created to decide whether the article in question is being imported in violation of this Act, and shall be composed of three (3) members: The Secretary of Finance as chairman; the Secretary of Trade and Industry; and either the Secretary of Agriculture, if the article in question is an agricultural product; or the Secretary of Labor, if the article is a non-agricultural product.

"[P. The Secretary of Finance in consultation with the special committee on anti-dumping and the Commission shall promulgate all rules and regulations necessary to carry out their respective functions under this Section.]"

"A) WHENEVER ANY PRODUCT, COMMODITY OR ARTICLE OF COMMERCE IS IMPORTED INTO THE COUNTRY AT LESS THAN ITS NORMAL VALUE IN THE ORDINARY COURSE OF TRADE, FOR THE LIKE PRODUCT, COMMODITY OR ARTICLE DESTINED FOR CONSUMPTION IN THE EXPORTING COUNTRY OR THE COUNTRY OF ORIGIN, AND IS CAUSING OR IS THREATENING TO CAUSE MATERIAL INJURY TO A DOMESTIC INDUSTRY, OR MATERIALLY RETARDING THE ESTABLISHMENT OF SUCH AN INDUSTRY PRODUCING LIKE PRODUCTS AS DETERMINED BY THE SECRETARY OF TRADE AND INDUSTRY, IN THE CASE

1 OF NON-AGRICULTURAL PRODUCT, COMMODITY OR 2 ARTICLE; OR BY THE SECRETARY OF AGRICULTURE. 3 IN THE CASE OF AGRICULTURAL PRODUCT. 4 COMMODITY OR ARTICLE (BOTH OF WHOM ARE 5 HEREINAFTER SIMPLY REFERRED TO AS 'THE 6 SECRETARY' AS THE CASE MAY BE) AFTER FORMAL 7 INVESTIGATION AND AFFIRMATIVE FINDING OF THE 8 TARIFF COMMISSION (HEREINAFTER REFERRED TO 9 AS 'THE COMMISSION') TO HAVE CAUSED OR 10 THREATENS A MATERIAL INJURY TO A DOMESTIC 11 INDUSTRY, OR MATERIALLY RETARDS THE 12 ESTABLISHMENT OF SUCH A DOMESTIC INDUSTRY 13 PRODUCING LIKE PRODUCTS, A DUMPING DUTY 14 SHALL BE LEVIED AND COLLECTED ON SUCH 15 PRODUCT, COMMODITY OR ARTICLE THEREAFTER 16 IMPORTED TO THE PHILIPPINES UNDER SIMILAR 17 CIRCUMSTANCES, IN ADDITION TO ORDINARY 18 DUTIES, TAXES AND CHARGES IMPOSED BY LAW ON 19 THE IMPORTED PRODUCT, COMMODITY OR ARTICLE. 20 "FOR THE PURPOSE OF THIS ACT, NORMAL 21 VALUE IS DEFINED AS: A) THE COMPARABLE PRICE 22 OF THE LIKE PRODUCT DESTINED FOR 23 CONSUMPTION IN THE EXPORTING COUNTRY; B) IF 24 THE INFORMATION ABOUT (A) IS NOT AVAILABLE 25 THE COMPARABLE PRICE OF THE LIKE PRODUCT

WRITTEN APPLICATION BY OR ON BEHALF OF A

¹ 1 WHEN EXPORTED TO A THIRD COUNTRY; OR C) IF COUNTRIES OF ORIGIN OR EXPORT; AND 4) 2 THE INFORMATION IN (B) IS NOT AVAILABLE, THE 2 INFORMATION ON THE EVOLUTION OF THE VOLUME 3 PRICE OF THE LIKE IMPORTED PRODUCT WHEN FIRST 3 OF THE ALLEGED DUMPED IMPORTS, THE EFFECT OF 4 RESOLD TO AN INDEPENDENT BUYER. THESE IMPORTS ON PRICES OF LIKE PRODUCT IN THE 5 "B) INITIATION OF ACTION. - AN ANTI-5 DOMESTIC MARKET AND THE CONSEQUENT IMPACT 6 DUMPING INVESTIGATION SHALL BE INITIATED BY 6 OF THE IMPORTS ON THE DOMESTIC INDUSTRY. 7 ANY PERSON WHETHER NATURAL OR JURIDICAL 7 THE APPLICATION SHALL BE CONSIDERED TO 8 UPON FILING A VERIFIED PETITION WHICH SHALL BE HAVE BEEN MADE 'BY OR ON BEHALF OF THE 9 ACCOMPANIED BY DOCUMENTS CONTAINING DOMESTIC INDUSTRY' IF IT IS SUPPORTED BY THOSE INFORMATION SUPPORTING THE FACTS THAT ARE 10 10 DOMESTIC PRODUCERS WHOSE COLLECTIVE OUTPUT 11 ESSENTIAL TO ESTABLISH THE PRESENCE OF THE 11 CONSTITUTES MORE THAN FIFTY PERCENT (50%) OF 12 ELEMENTS REQUIRED FOR THE IMPOSITION OF AN 12 THE TOTAL PRODUCTION OF THE LIKE PRODUCT 13 ANTI-DUMPING DUTY, AND SHALL FURTHER STATE, 13 PRODUCED BY THAT PORTION OF THE DOMESTIC 14 AMONG OTHERS: 1) THE IDENTITY OF THE 14 INDUSTRY EXPRESSING EITHER SUPPORT FOR OR 15 APPLICANT AND A DESCRIPTION OF THE VOLUME 15 OPPOSITION TO THE APPLICATION. HOWEVER, NO 16 AND THE VALUE OF THE DOMESTIC PRODUCT OR 16 INVESTIGATION SHALL BE INITIATED WHEN 17 THE LIKE PRODUCT OF THE APPLICANT; 2) A 17 DOMESTIC PRODUCERS EXPRESSLY SUPPORTING THE 18 COMPLETE DESCRIPTION OF THE ALLEGED DUMPED 18 APPLICATION ACCOUNT FOR LESS THAN TWENTY-19 PRODUCT, THE NAMES OF THE COUNTRY OR 19 FIVE PERCENT (25%) OF TOTAL PRODUCTION OF THE 20 COUNTRIES OF ORIGIN OR EXPORT, THE 20 LIKE PRODUCT PRODUCED BY THE DOMESTIC 21 IDENTITY OF EACH KNOWN EXPORTER OR FOREIGN 21 INDUSTRY. 22 PRODUCER AND A LIST OF KNOWN PERSONS 22 "IF, IN SPECIAL CIRCUMSTANCES, THE 23 IMPORTING THE PRODUCT IN QUESTION; 3) 23 AUTHORITIES CONCERNED DECIDE TO INITIATE AN 24 INFORMATION ON THE NORMAL VALUE OF THE 24 INVESTIGATION WITHOUT HAVING RECEIVED A PRODUCT IN QUESTION IN THE COUNTRY OR

25

1	DOMESTIC INDUSTRY FOR THE INITIATION OF SUCH	1	NOT BE A BAR TO THE SUCCESSFUL PROSECUTION OF
2	INVESTIGATION, THEY SHALL PROCEED ONLY IF THEY	2	THE ANTI-DUMPING INVESTIGATION.
3	HAVE SUFFICIENT EVIDENCE OF DUMPING, INJURY	3	"D) NOTICE TO THE SECRETARY OF FINANCE
4	AND A CAUSAL LINK, TO JUSTIFY THE INITIATION OF	4	UPON RECEIPT OF THE PETITION, THE SECRETARY
5	AN INVESTIGATION.	5	SHALL, WITHOUT DELAY, NOTIFY THE SECRETARY
6	"TRADE OR FINANCE ATTACHÉS AND OTHER	6	OF FINANCE AND FURNISH HIM WITH A COMPLETE
7	CONSULAR OFFICIALS OR ATTACHÉS IN THE	7	COPY OF THE PETITION, INCLUDING ITS ANNEXES, I
8	EXPORTING MEMBER COUNTRIES ABROAD ARE	8	ANY, AND THE LATTER SHALL IMMEDIATELY
9	MANDATED TO ASSIST THE APPLICANT IN	9	INFORM THE COMMISSIONER OF CUSTOMS
10	OBTAINING THE PERTINENT INFORMATION/	10	REGARDING THE FILING AND PENDENCY OF THE
11	DOCUMENTS TO SUPPORT HIS COMPLAINT.	11	PETITION. THE COMMISSIONER OF CUSTOMS SHALL
12	"C) NOTICE TO EXPORTING MEMBER-COUNTRY.	12	FORTHWITH GATHER, HOLD AND SECURE ALI
13	- THE SECRETARY SHALL AVOID, UNLESS A DECISION	13	IMPORT ENTRIES COVERING SUCH PRODUCT
14	HAS BEEN MADE TO INITIATE AN INVESTIGATION,	14	COMMODITY OR ARTICLE WITHOUT LIQUIDATION
15	ANY PUBLICIZING OF THE APPLICATION FOR THE	. 15	AND TO SUBMIT A REPORT IMMEDIATELY TO THE
16	INITIATION OF THE INVESTIGATION. HOWEVER,	16	SECRETARY THROUGH THE SECRETARY OF FINANCE
17	AFTER RECEIPT OF A PROPERLY DOCUMENTED	17	AND TO MAKE SUCH SIMILAR ADDITIONAL REPORTS
18	APPLICATION AND BEFORE PROCEEDING TO INITIATE	18	EVERY TEN (10) DAYS THEREAFTER.
19	AN INVESTIGATION, THE SECRETARY SHALL NOTIFY	19	"E) NOTICE TO AND ANSWER OF THE
20	THE GOVERNMENT OF THE EXPORTING MEMBER-	20	IMPORTER WITHIN FIVE (5) DAYS FROM HIS
21	COUNTRY ABOUT THE IMPENDING ANTI-DUMPING	21	RECEIPT OF THE PETITION, THE SECRETARY SHALL
22	INVESTIGATION AND SHALL CAUSE THE	22	NOTIFY THE IMPORTER AND SHALL FURNISH HIM
23	PUBLICATION OF SUCH NOTICE IN A NEWSPAPER OF	23	WITH A COPY OF THE PETITION AND ITS ANNEXES,
24	GENERAL CIRCULATION. HOWEVER, FAILURE BY THE	24	IF ANY, EITHER BY PERSONAL DELIVERY OR BY
25	SECRETARY TO CAUSE SUCH PUBLICATION SHALL	25	REGISTERED MAIL, WHICHEVER IS MORE

1	CONVENIENT AND EXPEDITIOUS.	. 1	"UPON DETERMINATION BY THE SECRETARY OF
2	"THE IMPORTER SHALL, NOT LATER THAN TEN	2	THE EXISTENCE OF A PRIMA FACIE CASE, HE SHALL
3	(10) DAYS FROM HIS RECEIPT OF THE NOTICE, SUBMIT	3	WITHOUT DELAY, SECURE A WRITTEN SUPPORT FOR
4	HIS ANSWER, INCLUDING SUCH RELEVANT EVIDENCE	4	THE INITIATION OF THE FORMAL ANTI-DUMPING
5	OR INFORMATION AS ARE REASONABLY AVAILABLE	5	INVESTIGATION FROM THE AFFECTED DOMESTIC
6	TO HIM TO CONTROVERT THE ALLEGATIONS OF THE	6	INDUSTRY PRODUCING TWENTY-FIVE PERCENT (25%
7	PETITION, EITHER BY PERSONAL DELIVERY OR BY	7	OR MORE OF LIKE PRODUCTS, AND
8	REGISTERED MAIL. IF THE IMPORTER FAILS TO	8	THEREAFTER TRANSMIT THE RECORDS OF THE CASH
9	SUBMIT HIS ANSWER, HE SHALL BE DECLARED IN	9	CONSISTING OF THE PETITION, THE ANSWER AND
0	DEFAULT, IN WHICH CASE, THE SECRETARY SHALL	10	THE WRITTEN SUPPORT OF THE DOMESTIC
1	MAKE SUCH PRELIMINARY DETERMINATION OF THE	11	INDUSTRY, INCLUDING ALL THE RELEVANT
2	CASE ON THE BASIS OF THE FACTS ALLEGED IN THE	12	DOCUMENTS INFORMATION AND THE PERIODIC
3	PETITION AND THE SUPPORTING INFORMATION AND	13	REPORTS OF THE COMMISSIONER OF CUSTOMS, TO
4	DOCUMENTS SUPPLIED BY THE PETITIONER.	14	THE COMMISSION FOR ITS IMMEDIATE FORMAL
5	"F) PRELIMINARY DETERMINATION NOT	15	INVESTIGATION OF THE CASE. THE SECRETARY
.6	LATER THAN TEN (10) DAYS FROM HIS RECEIPT OF	16	SHALL, IN ADDITION, IMMEDIATELY ISSUE
7	THE ANSWER OF THE RESPONDENT IMPORTER, THE	17	THROUGH THE SECRETARY OF FINANCE, A WRITTEN
.8	SECRETARY SHALL, ON THE BASIS OF THE PETITION	18	INSTRUCTION TO THE COMMISSIONER OF CUSTOMS
9	OF THE AGGRIEVED PARTY AND THE ANSWER OF	19	AUTHORIZING THE RELEASE OF THE PRODUCT,
. 0	THE RESPONDENT IMPORTER AND THEIR RESPECTIVE	20	COMMODITY OR ARTICLE UPON THE PAYMENT OF
21	SUPPORTING DOCUMENTS OR INFORMATION, MAKE	21	THE CORRESPONDING ORDINARY DUTIES, TAXES
2	A PRELIMINARY DETERMINATION WHETHER OR NOT	22	AND OTHER CHARGES IMPOSED BY THE LAW ON
3	A PRIMA FACIE CASE EXISTS FOR THE IMPOSITION	23	SUCH PRODUCT, COMMODITY OR ARTICLE AND
24	OF AN ANTI-DUMPING DUTY ON THE IMPORTED	24	ALSO UPON POSTING OF A CASH BOND EQUAL TO
5	PRODUCT, COMMODITY OR ARTICLE.	25	THE PROVISIONALLY ESTIMATED MARGIN OF

1	DUMPING. THE CASH BOND SHALL BE DEPOSITED	1	ACCESS TO, OR OTHERWISE PROVIDE, NECESSARY
2	WITH THE GOVERNMENT DEPOSITORY BANK AND	2	INFORMATION TO ENABLE THE COMMISSION TO
3	SHALL BE HELD IN TRUST FOR THE RESPONDENT	3	EXPEDITE THE INVESTIGATION.
4	IMPORTER.	4	"IN CASES IN WHICH ANY INTERESTED PARTY
5	"IF NO PRIMA FACIE CASE EXISTS, THE	5	REFUSES ACCESS TO, OR OTHERWISE DOES NOT
6	SECRETARY SHALL DISMISS THE PETITION WITH	6	PROVIDE, NECESSARY INFORMATION WITHIN A
7	COST TO THE PETITIONER AND SHALL PROPERLY	7	REASONABLE PERIOD OF TIME OR SIGNIFICANTLY
8	NOTIFY ALL THE PARTIES CONCERNED, INCLUDING	8	IMPEDES THE INVESTIGATION, PRELIMINARY AND
9	THE COMMISSIONER OF CUSTOMS THROUGH THE	9	FINAL DETERMINATIONS, AFFIRMATIVE OF
0	SECRETARY OF FINANCE, REGARDING SUCH	10	NEGATIVE, MAY BE MADE ON THE BASIS OF THE
1	DISMISSAL.	11	FACTS AVAILABLE.
2	"G) INVESTIGATION OF THE COMMISSION	12	"IN THE FORMAL INVESTIGATION, THE
3	IMMEDIATELY UPON ITS RECEIPT OF THE RECORDS	13	COMMISSION SHALL ESSENTIALLY DETERMINE: 1)
4	OF THE CASE FROM THE SECRETARY, THE	14	THE PRESENCE AND EXTENT OF MATERIAL INJURY
5	COMMISSION SHALL FORTHWITH SET THE CASE FOR	15	OR THE THREAT THEREOF TO DOMESTIC INDUSTRY
.6	FORMAL INVESTIGATION AND SHALL ACCORDINGLY	16	OR THE MATERIAL RETARDATION OF THE
.7	NOTIFY IN WRITING THE AGGRIEVED PARTY AND THE	. 17	ESTABLISHMENT OF SUCH AN INDUSTRY PRODUCING
.8	RESPONDENT IMPORTER AND, IN ADDITION, GIVE	18	LIKE OR DIRECTLY COMPETING PRODUCT; 2) THE
9	PUBLIC NOTICE OF THE EXACT INITIAL DATE, TIME	19	EXISTENCE OF A CAUSAL RELATIONSHIP BETWEEN
00	AND PLACE OF THE FORMAL INVESTIGATION	20	THE ALLEGEDLY DUMPED PRODUCT, COMMODITY OR
21	THROUGH THE PUBLICATION OF SUCH PARTICULARS	21	ARTICLE AND THE MATERIAL INJURY OR THREAT OF
2	AND A CONCISE SUMMARY OF THE PETITION IN TWO	22	MATERIAL INJURY TO THE AFFECTED DOMESTIC
3	(2) NEWSPAPERS OF GENERAL CIRCULATION.	23	INDUSTRY, OR MATERIAL RETARDATION OF THE
4	"THE COMMISSION IS HEREBY AUTHORIZED TO	24	ESTABLISHMENT OF SUCH AN INDUSTRY; 3) THE
25	REQUIRE ANY INTERESTED PARTY TO ALLOW	25	ANTI-DUMPING DUTY TO BE IMPOSED: AND 4) THE

'1 DURATION OF THE IMPOSITION OF THE ANTI-1 MARKET FOR LIKE PRODUCT, COMMODITY OR 2 DUMPING DUTY. 2 ARTICLE, THAT IS, WHETHER THERE HAS BEEN A 3 "THE FORMAL INVESTIGATION SHALL BE 3 SIGNIFICANT PRICE UNDERCUTTING BY THE DUMPED CONDUCTED IN A SUMMARY MANNER. NO 4 IMPORTS AS COMPARED WITH THE PRICE OF LIKE 5 DILATORY TACTICS NOR UNNECESSARY OR 5 PRODUCT, COMMODITY OR ARTICLE IN THE 6 UNJUSTIFIED DELAYS SHALL BE ALLOWED AND THE 6 DOMESTIC MARKET, OR WHETHER THE EFFECTS OF 7 TECHNICAL RULES OF EVIDENCE SHALL NOT BE 7 SUCH IMPORTS IS OTHERWISE TO DEPRESS PRICES TO 8 APPLIED STRICTLY. 8 A SIGNIFICANT DEGREE OR PREVENT PRICE 9 "THE COMMISSION SHALL COMPLETE THE 9 INCREASES, WHICH OTHERWISE WOULD HAVE 10 FORMAL INVESTIGATION AND SUBMITITS REPORT 10 OCCURRED, TO A SIGNIFICANT DEGREE; AND 3) THE 11 TO THE SECRETARY NOT LATER THAN SIXTY (60) 11 RESULTING EFFECT OF THE DUMPED IMPORTS ON 12 DAYS FROM THE DATE OF ITS RECEIPT OF THE 12 THE DOMESTIC PRODUCERS OR THE RESULTING 13 RECORDS OF THE CASE FROM THE SECRETARY. 13 RETARDATION OF THE ESTABLISHMENT OF A 14 "H) DETERMINATION OF MATERIAL INJURY OR 14 DOMESTIC INDUSTRY MANUFACTURING LIKE 15 THREAT THEREOF. - THE PRESENCE AND EXTENT OF 15 PRODUCT, COMMODITY OR ARTICLE, INCLUDING AN 16 MATERIAL INJURY OR THE PRESENCE AND DEGREE 16 EVALUATION OF ALL RELEVANT ECONOMIC 17 OF THE THREAT OF MATERIAL INJURY TO DOMESTIC 17 FACTORS AND INDICES HAVING A BEARING ON THE 18 INDUSTRY, AS A RESULT OF THE DUMPED IMPORTS 18 STATE OF THE DOMESTIC INDUSTRY CONCERNED. 19 SHALL BE DETERMINED BY THE COMMISSION ON THE 19 SUCH AS, BUT NOT LIMITED TO, ACTUAL OR 20 BASIS OF POSITIVE EVIDENCE AND SHALL REQUIRE 20 POTENTIAL DECLINE IN OUTPUT SALES, MARKET 21 AN OBJECTIVE EXAMINATION OF: 1) THE RATE AND 21 SHARE, PROFITS, PRODUCTIVITY, RETURN ON 22 AMOUNT OF IMPORTS, EITHER IN ABSOLUTE TERMS 22 INVESTMENTS, OR UTILIZATION OF CAPACITY: 23 OR RELATIVE TO PRODUCTION OR CONSUMPTION IN 23 OTHER FACTORS AFFECTING DOMESTIC PRICES: THE 24 THE DOMESTIC MARKET; 2) THE EFFECT OF THE 24 MAGNITUDE OF DUMPING; ACTUAL AND POTENTIAL 25 DUMPED IMPORTS ON PRICES IN THE DOMESTIC 25 NEGATIVE EFFECTS ON CASH FLOW, INVENTORIES,

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

EMPLOYMENT, WAGES, GROWTH, AND ABILITY TO RAISE CAPITAL OR INVESTMENTS.

"I) VOLUNTARY PRICE UNDERTAKINGS. - ANTIDUMPING INVESTIGATIONS MAY BE SUSPENDED OR
TERMINATED WITHOUT THE IMPOSITION OF
PROVISIONAL MEASURES OR ANTI-DUMPING DUTIES
UPON RECEIPT OF THE SECRETARY OF A
SATISFACTORY VOLUNTARY PRICE UNDERTAKING
EXECUTED BY THE EXPORTER UNDER OATH THAT IT
HAS REVISED OR INCREASED ITS PRICES; OR HAS
CEASED EXPORTS TO THE PHILIPPINES AT DUMPED
PRICES, THEREBY ELIMINATING THE MATERIAL
INJURY TO THE DOMESTIC INDUSTRY PRODUCING
LIKE PRODUCTS. PRICE INCREASES UNDER SUCH
UNDERTAKINGS SHALL NOT BE HIGHER THAN
NECESSARY TO ELIMINATE THE MARGIN OF
DUMPING.

"PRICE UNDERTAKINGS FROM EXPORTERS SHALL BE ACCEPTED BY THE SECRETARY ONLY AFTER HIS DETERMINATION OF THE EXISTENCE OF A PRIMA FACIE CASE OF DUMPING.

"J) CUMULATION OF IMPORTS. - WHEN IMPORTS OF PRODUCTS, COMMODITIES OR ARTICLES FROM MORE THAN ONE COUNTRY ARE SIMULTANEOUSLY THE SUBJECT OF AN ANTI-

1 DUMPING INVESTIGATION, THE COMMISSION MAY 2 CUMULATIVELY ASSESS THE EFFECTS OF SUCH 3 IMPORTS ONLY IF THE COMMISSION IS CONVINCED THAT: 1) THE MARGIN OF DUMPING ESTABLISHED IN RELATION TO THE IMPORTS FROM EACH COUNTRY IS MORE THAN DE MINIMIS AS DEFINED IN EXISTING 7 INTERNATIONAL TRADE AGREEMENTS OF WHICH 8 THE REPUBLIC OF THE PHILIPPINES IS A PARTY; 2) 9 THE VOLUME OF SUCH IMPORTS FROM EACH 10 COUNTRY IS NOT NEGLIGIBLE; AND 3) A 11 CUMULATIVE ASSESSMENT OF THE EFFECTS OF 12 SUCH IMPORTS IS WARRANTED IN THE LIGHT OF THE 13 CONDITIONS OF COMPETITION BETWEEN THE 14 IMPORTED PRODUCTS, COMMODITIES OR ARTICLES 15 AND THE LIKE DOMESTIC PRODUCTS, COMMODITIES 16 AND ARTICLES. 17 "THE MARGIN OF DUMPING SHALL BE 18 CONSIDERED TO BE DE MINIMIS IF THIS MARGIN IS 19 LESS THAN TWO PERCENT (2%), EXPRESSED AS A 20 PERCENTAGE OF THE EXPORT PRICE. THE VOLUME 21 OF DUMPED IMPORTS SHALL NORMALLY BE 22 REGARDED AS NEGLIGIBLE IF THE VOLUME OF 23 DUMPED IMPORTS FROM A PARTICULAR COUNTRY

IS FOUND TO ACCOUNT FOR LESS THAN THREE

PERCENT (3%) OF IMPORTS OF LIKE PRODUCT IN THE

24

25

Į.	IMPORTING MEMBER, UNLESS COUNTRIES WHICH	1	INITIATION OF THE INVESTIGATION SHALL BE
2	INDIVIDUALLY ACCOUNT FOR LESS THAN THREE	2	APPLIED. IF THE CASH BOND IS GREATER THAN THE
3	PERCENT (3%) OF THE IMPORTS OF THE LIKE	3	IMPOSED ANTI-DUMPING DUTY, AFTER THE FORMAL
1	PRODUCT IN THE IMPORTING MEMBER	4	INVESTIGATION, THE REMAINDER SHALL BE
5	COLLECTIVELY ACCOUNT FOR MORE THAN SEVEN	5	RETURNED TO THE IMPORTER IMMEDIATELY. THE
5	PERCENT (7%) OF IMPORTS OF THE LIKE PRODUCT IN	6	REMAINDER WHICH IS TO BE RETURNED TO THE
7	THE IMPORTING MEMBER.	7	IMPORTER SHALL NOT EARN ANY INTEREST. IF THE
3	"K) THE COMMISSION SHALL, BEFORE A FINAL	8	CASH BOND IS NOT ENOUGH TO COVER THE ANTI-
)	DETERMINATION IS MADE, INFORM ALL THE	, 9	DUMPING DUTY, THE RESPONDENT IMPORTER
0	INTERESTED PARTIES OF THE ESSENTIAL FACTS	10	SHALL BE IMMEDIATELY ASSESSED FOR THE
1	UNDER CONSIDERATION WHICH FORM THE BASIS	11	DEFICIENCY AND SHALL PAY THE SAME WITHIN
2	FOR THE DECISION TO APPLY DEFINITIVE	12	FIFTEEN (15) DAYS FROM THE RECEIPT OF THE
3	MEASURES. SUCH DISCLOSURE SHOULD TAKE	13	DEFICIENCY ASSESSMENT.
4	PLACE WITHIN A PERIOD OF FIVE (5) DAYS, FOR THE	14	"M) COMPUTATION OF ANTI-DUMPING DUTY.
5	PARTIES TO DEFEND THEIR INTERESTS.	15	- THE AMOUNT OF ANTI-DUMPING DUTY SHALL BE
6	"L) IMPOSITION OF THE ANTI-DUMPING DUTY.	16	EQUAL TO THE DIFFERENCE BETWEEN THE NORMAL
7	- THE SECRETARY SHALL, WITHIN TEN (10) DAYS	17	VALUE AND THE ACTUAL EXPORT PRICE OF THE
8	FROM RECEIPT OF THE FAVORABLE REPORT OF THE	18	IMPORTED PRODUCT, COMMODITY OR ARTICLE ON
9	COMMISSION, ISSUE A DEPARTMENT ORDER	19	THE BASIS OF THE APPLICABLE PROVISION OF THIS
0	IMPOSING AN ANTI-DUMPING DUTY ON THE	20	CODE ON ASSESSMENT OF DUTY. THE
1	IMPORTED PRODUCT, COMMODITY, OR ARTICLE,	21	COMMISSIONER OF CUSTOMS SHALL SUBMIT TO THE
2	UNLESS HE HAS EARLIER ACCEPTED A PRICE	22	SECRETARY, THROUGH THE SECRETARY OF FINANCE,
3	UNDERTAKING FROM THE EXPORTER.	23	HIS ORDER ON THE IMPOSITION OF CASH BONDS
4	"IN CASE OF A FAVORABLE REPORT OF THE	24	AND A CERTIFIED COMPUTATION OF EACH CASE OF
5	COMMISSION, THE CASH BOND IMPOSED AT THE	25	ANTI-DUMPING DUTY.

1	"N) DURATION AND REVIEW OF THE ANTI-
2	DUMPING DUTY AS A GENERAL RULE, THE
3	IMPOSITION OF AN ANTI-DUMPING DUTY SHALL
4	REMAIN IN FORCE ONLY AS LONG AND TO THE
5	EXTENT NECESSARY TO COUNTERACT DUMPING
6	WHICH IS CAUSING OR THREATENING TO CAUSE
7	MATERIAL INJURY TO DOMESTIC INDUSTRY, OR
8	MATERIAL RETARDATION OF THE ESTABLISHMENT
9	OF SUCH INDUSTRY.
10	"HOWEVER, THE NEED FOR THE CONTINUED
11	IMPOSITION OF THE ANTI-DUMPING DUTY MAY BE
12	REVIEWED BY THE COMMISSION UPON THE
13	DIRECTION OF THE SECRETARY, TAKING INTO
14	CONSIDERATION THE NEED TO PROTECT EXISTING
15	OR SOON TO BE ESTABLISHED DOMESTIC INDUSTRY.
16	"ANY INTERESTED PARTY MAY ALSO PETITION
17	THE SECRETARY FOR A REVIEW OF THE CONTINUED
18	IMPOSITION OF THE ANTI-DUMPING DUTY:
19	PROVIDED, THAT A REASONABLE PERIOD OF TIME
20	HAS ELAPSED SINCE THE IMPOSITION OF THE ANTI-
21	DUMPING DUTY, AND UPON THE NEED FOR A
22	REVIEW. INTERESTED PARTIES SHALL HAVE THE
23	RIGHT TO REQUEST THE SECRETARY TO EXAMINE: 1)
24	WHETHER THE CONTINUED IMPOSITION OF THE
25	ANTI-DUMPING DUTY IS NECESSARY TO OFFSET THE

1 MATERIAL INJURY OR THREAT THEREOF TO 2 DOMESTIC INDUSTRY OR SOON TO BE ESTABLISHED 3 INDUSTRY; AND 2) WHETHER THE INJURY WOULD LIKELY CONTINUE OR RECUR IF THE ANTI-DUMPING 5 DUTY WERE REMOVED OR MODIFIED, OR BOTH. 6 "IF AS A RESULT OF THE REVIEW BY THE 7 COMMISSION, THE SECRETARY DETERMINES THAT 8 THE ANTI-DUMPING DUTY IS NO LONGER 9 NECESSARY OR WARRANTED, THE IMPOSITION OF 10 THE ANTI-DUMPING DUTY SHALL BE TERMINATED 11 IMMEDIATELY AND ALL PARTIES CONCERNED 12 SHALL BE NOTIFIED ACCORDINGLY OF SUCH 13 TERMINATION, INCLUDING AND ESPECIALLY THE 14 COMMISSIONER OF CUSTOMS THROUGH THE 15 SECRETARY OF FINANCE. 16 "THE DURATION OF THE ANTI-DUMPING DUTY 17 INCLUDING ITS PROVISIONAL MEASURES AND THE 18 TIME EXTENSIONS SHALL NOT EXCEED FIVE (5) 19 YEARS. 20 "THE PROCEDURE AND EVIDENCE GOVERNING 21 THE DISPOSITION OF THE PETITION FOR THE 22 IMPOSITION OF THE ANTI-DUMPING DUTY SHALL 23 APPLY WITH EQUAL MEASURE TO ANY REVIEW 24 CARRIED OUT UNDER THIS SECTION, AND ANY SUCH REVIEW SHALL BE CARRIED OUT EXPEDITIOUSLY 25

AND SHALL BE CONCLUDED NOT LATER THAN ONE
HUNDRED FIFTY (150) DAYS FROM THE DATE OF THE
INITIATION OF SUCH REVIEW.

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

PARTY WHO IS ADVERSELY AFFECTED BY A FINAL RULING OF THE SECRETARY IN CONNECTION WITH THE IMPOSITION OF A DUMPING DUTY MAY FILE WITH THE COURT OF TAX APPEALS, EITHER BY PERSONAL DELIVERY OR BY REGISTERED MAIL, A PETITION FOR THE REVIEW OF SUCH RULING WITHIN THIRTY (30) DAYS FROM HIS RECEIPT OF NOTICE OF THE FINAL RULING OF THE SECRETARY: PROVIDED, HOWEVER, THAT THE FILING OF SUCH PETITION FOR REVIEW SHALL NOT IN ANY WAY STOP, SUSPEND OR OTHERWISE TOLL THE IMPOSITION OR COLLECTION, AS THE CASE MAY BE, OF THE ANTIDUMPING DUTY ON THE IMPORTED PRODUCT, COMMODITY OR ARTICLE.

"THE PETITION FOR REVIEW SHALL COMPLY WITH THE SAME REQUIREMENTS AND SHALL FOLLOW THE SAME RULES OF PROCEDURE AND SHALL BE SUBJECT TO THE SAME DISPOSITION AS IN APPEALS IN CONNECTION WITH ADVERSE RULINGS ON TAX MATTERS TO THE COURT OF APPEALS."

SEC. 2. Rules and Regulations. - The Secretary of Trade and

26 Industry in the case of non-agricultural product, commodity or article

- 1 and the Secretary of Agriculture in the case of agricultural product,
- 2 commodity or article shall issue all rules and regulations, that may be
- necessary for the effective and proper implementation of this Act.
- 4 SEC. 3. Repealing Clause. All laws, decrees, ordinances, rules
- 5 and regulations, executive or administrative orders, and such other
- 6 presidential issuances as are inconsistent with any of the provisions of
- 7 this Act are hereby repealed, amended or otherwise modified
- 8 accordingly.
- 9 SEC. 4. Separability Clause. If any of the provisions of this
- 10 Act is declared invalid by a competent court, the remainder of this Act
- 11 or any provisions not affected by such declaration of invalidity shall
- 12 remain in full force and effect.
- 13 SEC. 5. Effectivity Clause. This Act shall take effect after fifteen
- 14 (15) days following its publication in at least two (2) newspapers of
- 15 general circulation.

Approved,