



Requirements for Imposing Measures

The TRA reviews evidence in an investigation to determine whether the requirements for imposing measures have been met.

For anti-dumping and anti-subsidy measures to be imposed against UK imports, there must be sufficient evidence that:

- (a) imports are being dumped/subsidised
- (b) there is injury to the UK industry
- (c) there is a causal relationship between dumping/subsidy and the injury
- (d) the imposition of measures meets the Economic Interest Test

Imports are being dumped/subsidised

Dumping occurs when goods are imported into a country and sold at a price that is below their normal value in their country of export. The TRA calculates dumping margins for each exporter sampled as part of their work to assess whether the dumped imports have caused material injury.

The dumping margin is the difference between the export price and the normal value of the goods being dumped, described as a percentage of the export price. The TRA then uses the dumping margin along with the injury margin to set anti-dumping duty rates where they are needed.

For countervailing investigations there must be evidence that imported goods have received a financial contribution by a foreign authority, confer a benefit on recipients, and their effects are targeted to specific UK industries, regions or situations (instead of the whole economy), and that fall within the period of investigation.

Injury to the UK industry

Injury to a UK industry exists when there is demonstrated material injury or threat of material injury to the industry or material retardation of the establishment of the industry.

Material injury: there is evidence of a UK industry being injured by dumped goods or subsidised imports.

Factsheet Highlights

Imports are being dumped/subsidised

Injury to the UK industry

Causal Relationship

The imposition of measures meets the Economic Interest Test

Related Factsheets
What are Trade Remedies

Bringing an Anti-dumping/ Countervailing Application

Contents of an Antidumping/Countervailing Application

The Economic Interest Test

Threat of material injury: injury which, although it has not yet occurred, is clearly foreseen and imminent.

Material retardation: where there is no existing UK industry producing goods like those the TRA has been asked to investigate, or only a newly emerging industry.

Causal Relationship

A causal link between dumped goods or subsidised imports and injury to the UK industry must be shown. This can include (but is not limited to) when:

- the volume of dumped goods or subsidised imports affect the prices in the UK market for the like goods during the injury period
- there are no external factors such as a financial crisis or new models of the like goods entering the markets, causing a significant decline in demand for the like goods
- there are no other relevant factors such as natural disasters or seasonal issues, that might have resulted in the UK industry's reduced or lost share of the domestic market

The imposition of measures meets the Economic Interest Test

The Economic Interest Test (EIT) considers the expected impact on the UK of imposing a trade measure, compared to the impact of taking no action or introducing a different measure.

The main stages of, and details about, the EIT process are set out in the fact sheet: The Economic Interest Test and on our <u>online guidance</u>.