



USAID
FROM THE AMERICAN PEOPLE



MINISTRY OF ECONOMIC
DEVELOPMENT AND TRADE
OF UKRAINE

PROTECTION FROM UNFAIR COMPETITION OR GROWING IMPORTS

first steps producers should take



▶ **ISSUE:** deterioration in economic climate within a company as a result of unfair competition triggered by importing of goods/constantly growing imports

▶ **SOLUTION:** initiation of antidumping, subsidy and special investigations

▶ **RESULT:** opportunity to take restrictive (antidumping, compensatory or special) measures against the imports.

Types of investigations:

- Antidumping: unfair competition – dumped imports (imports from one or several countries)
- Subsidy: unfair competition – subsidized imports (imports from one or several countries)
- Special: increase in general importation of certain goods (despite the country of origin)

Possible preconditions for launching an investigation:

- Loss of Ukrainian market share by a company
- Unfair competition or growing imports
- Deterioration in economic climate within a company following growing or unfair imports

In case of preconditions for an investigation, a producing company shall take the following steps:

▶ STEP 1

- I. Determine the product (description, UKTZED code);
- II. Get sure that a company (producer) occupies the major share of the total production of such products in Ukraine or is supported by other production enterprises;
- III. Pick a type of an investigation depending on trade violations;
- IV. Analyze figures and factors that indicate deterioration in the economic climate (within a producer or a group of producers);
- V. Get sure that the economic climate within a producer is exactly a result of unfair competition or growing imports;
- VI. Address the Trade Protection Department for advisory assistance.

▶ STEP 2

Draft an application or a claim to initiate opening of an investigation as follows:

1. Information about applicants and facts proving a company (producer) occupies the major share of the total production in Ukraine;
2. Information about goods subject to the investigation and information about goods produced by an applicant;
3. Information about foreign producers subject to investigation (in case of antidumping or subsidy investigation);
4. Information about imports (dumped, subsidized or growing);
5. Information about damage caused to an applicant as result of unfair competition or growing imports;
6. Facts that prove that national interests require imposition of restrictive measures (protective, antidumping or compensatory) against the imports;
7. Information and evidence of dumped or subsidized imports (in case respective investigation is open).

ATTENTION! All the aforementioned information must be supported with respective evidence.

▶ STEP 3

Official address regarding opening of an investigation

Address the Economic Development and Trade Ministry of Ukraine to request opening of respective investigation.

FAQ

(1) Legal framework:

WTO agreements: General Agreement on Tariffs and Trade of 1994, Protective Measures Agreement, Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade of 1994, Agreement on Subsidies and Countervailing Measures.

Laws of Ukraine On Taking Special Measures against Imports to Ukraine, On Protection of National Producers from Dumped Imports, On Protection of National Producers from Subsidized Imports.

(2) Information to be used in an application/claim can be found here: the State Statistics Service of Ukraine – www.ukrstat.gov.ua, the Ukrainian Industry Expertise state-run enterprise (UkrPromZovnishEkspertyza) – www.expert.kiev.ua, the State Enterprise National Research and Information Center for Monitoring International Commodity Markets (Derzhzovnishinform) – www.ukrdzi.com, - websites of companies/enterprises, specialized relevant websites, etc.

(3) How long does an investigation last:

Antidumping/subsidy investigation – as a rule takes 12 months, special investigations - nine months.

(4) Preliminary measures:

Preliminary measures shall be taken through imposition of respective duties (antidumping, compensatory or protective) 45-60 days from the date of opening of respective investigation and for the period of 4-6 months should all requirements of the Ukrainian legislation on trade protection be observed.

(5) Outcome of the investigations:

If the fact of unfair or growing imports, damage and cause-and-effect relationship between them, is established, if the fact that national interests require protection is ascertained, protective measures can be taken (in a form of duties or quantitative restrictions) or antidumping/compensatory measures (duties as a rule) can be taken against importation of goods to Ukraine.

(6) Period the measures are imposed for:

As a rule, antidumping or compensatory measures are imposed for the period of 5 years and special measures - 4 years. Trade protection measures can also be revised and extended.

CONTACTS

Economic Development and Trade Ministry of Ukraine

Address: 01008, Ukraine, Kyiv, Hrushevskoho street 12/2

Tel./fax: +38 (044) 200-44-97

e-mail: meconomy@me.gov.ua

Trade Protection Department

Tel./fax: +38 (044) 596 68 04

e-mail: tradedefence@me.gov.ua

USEFUL LINKS

www.me.gov.ua

<https://twitter.com/mineconomdev>

<https://uk-ua.facebook.com/mineconomdev/>

www.wto.org.ua

Initiation of an investigation (special, antidumping, subsidy)

Producer's actions



COMMODITY
determine the product



NATIONAL PRODUCER
estimate own share in overall production, earn support of other producers if necessary



IMPORT
determine dumped or subsidized imports (one or several countries), growing imports (all countries)



DAMAGE
estimate the damage



RELATION
determine presence of cause-and-effect relationship between the damage and dumped/subsidized or growing imports



CONSULTATIONS
earn advisory assistance in opening of an investigation



DOCUMENT
draft an application/claim to launch an investigation under a previously defined scheme



MAIL
official address aimed at opening of an investigation:
send an application/claim



COOPERATION
ensure fair cooperation with Economic Development and Trade Ministry during consideration of an application/claim



(044) 596-68-04
tradedefence@me.gov.ua
www.me.gov.ua

OPENING OF AN INVESTIGATION

