



Anti-Dumping Duty on Epichlorohydrin Imports

Source: BS

India recently imposed an [Anti-Dumping\(AD\) duty](#) of up to USD 557 per tonne on **Epichlorohydrin imports** from China, Korea, and Thailand to protect domestic industries from cheap imports.

- Epichlorohydrin, a **colourless liquid with a strong garlic-like odour**, is used in producing glycerol, elastomers, **adhesives**, and as a solvent for resins, paints, and lacquers.
- The **Department of Revenue**, acting on recommendations from the [Directorate General of Trade Remedies \(DGTR\)](#), imposed a **five-year anti-dumping duty** on Epichlorohydrin imports.
- AD duties are enforced as a protective measure under the multilateral **regime of Geneva-based World Trade Organization (WTO)** to ensure fair trade practices.
 - The **Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994** (the “AD Agreement”) governs the application of **anti-dumping measures by Members of the WTO including India**.
 - AD measures are unilateral actions taken by a member after investigating and determining that **dumped imports harm a domestic industry**, in line with the AD Agreement.
- India has previously applied anti-dumping duties on various products to curb low-cost imports from other countries, especially **China**.

WTO Framework on Trade Remedies

	 Global Safeguards	 Anti-Dumping measures	 Countervailing Duties
Legal Basis	• GATT Article XIX	• GATT Article VI • Agreement on Implementation of Article VI (AD Agreement)	• WTO Agreement on Subsidies and Countervailing Measures
Objectives and Features	• Create “breathing room” for domestic industry struggling with increasing imports • MFN based import restrictions • No allegations about unfair trade	• Protect domestic industry from imports sold “at less than the normal value of the products” • Departure from MFN principle • It’s about the “unfair” (pricing) practices of individual firms	• Protect domestic industry from effects of another country’s export subsidies actions • Departure from MFN principle • It’s about the “unfair” (subsidies) practices of governments
Measures	• Supplementary tariffs beyond bound MFN rates	• Supplementary tariff beyond bound MFN rates targeted at particular foreign firms based on difference between the import price and the “normal” value	• Supplementary tariff beyond bound MFN rates based on the value of the subsidy provided by the government of the exporting country
Criteria	• Imports must be rising (absolute) • Imports are causing “serious” injury to the domestic industry	• Dumping, thus pricing below (1) production cost or (2) market price • Imports are causing “material” injury to the domestic industry	• Specific subsidies (financial contribution) by foreign governments that are exported • Imports are causing “material” injury to the domestic industry

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