
Continuation of Anti-Dumping Measures Concerning The Baby Carriages and Parts of Baby Carriages

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Article by Ertuğrul Can Canbolat and Su Başak Satır

Despite the huge workload and new appointments in 2022, the trade remedies continue to be one of the key tools used by the Turkish Ministry of Trade (“**Ministry**”) in ensuring the fair international trade practices and shaping the free trade rules to restore the competitive balance. Recently, the Ministry concluded an expiry review investigation concerning the imports of “*baby carriages, parts of baby carriages (chassis only)*”[\[1\]](#) originating in China.[\[2\]](#) This case is noteworthy because the measures are applicable for almost two decades and the Ministry established no dumping margin but still determined that the expiry of the measures would be likely to result in a continuation or recurrence of dumping.

The history of the measures can be summarised as follows:

	Decision in the Original Investigation [3] 1 August 2004	Decision in the Expiry Review I [4] 23 May 2010	Decision in the Expiry Review II [5] 19 July 2016
Name of the Cooperated Companies in China	None	None	None
Dumping Margins	Non-market economy status of China Turkey as the surrogate country The most traded baby carriage	Non-market economy status of China Turkey as the surrogate country 49.8% of the CIF value and 19	The Ministry had not calculated dumping margin. Instead, focused on the production capacity and export capability of China as well as the established level of measures in the previous

	types	USD/piece for baby carriage	expiry review case.
	55% of the CIF value and 10.58 USD/piece		
Price Effects	Price Undercutting: 46.66%	Price Undercutting: -2%, -5%, 1% respectively for 2006, 2007, 2008 Price Depression: 32%, 24%, 49% respectively for 2006, 2007, 2008	Price Undercutting: None
Measures	8 USD/piece for baby carriages 5 USD/piece for parts of baby carriages (chassis only)	12 USD/piece for baby carriages 8 USD/piece for parts of baby carriages (chassis only)	12 USD/piece for baby carriages 8 USD/piece for parts of baby carriages (chassis only)

In the latest expiry review investigation (“**Expiry Review III**”), the Ministry:

- i. calculated the dumping margin. For the dumping margin calculations, Turkey was selected as a surrogate country and dumping margin calculation was made with respect to a company incorporated in Turkey. The Ministry deducted 3% for the transportation, freight, export customs and port expenses from the average unit price in order to calculate the ex-factory price (*i.e.* 83.4 USD/piece in 2020). It used the largest producer’s 2020 cost data to construct the normal value and found 69.8 USD/piece. Therefore, no dumping margin was found.

Then, the production and export capacity and export unit prices of China were examined. It was determined that China had a leading position in the worldwide market and while it had preserved its position in the market in terms of exported quantity, it had increased its exports in terms of value. On the other hand, it was established by the Ministry that the exports of China to Turkey decreased both in terms of quantity and value.

Furthermore, it was established that the average unit export price of China for the period of 2018-2020 was much lower than the average unit export prices of countries other than China.

However, the Ministry emphasized that the margins calculated in the original investigation indicated the behaviour of exporters in the absence of anti-dumping measures and hence these were considered.

- ii. assessed the import trends in absolute and relative terms, unit prices of the imports, price effects of the imports, and economic indicators of the domestic industry.

The leading position of China in the production and trade of baby carriages was emphasized. The products from China still constitute almost half of the Turkish market. The total volume of the

imports from China between 2018 and 2020 was respectively 265,671, 195,746 and 221,574 pieces whereas the weighted average unit price per piece was 89 USD/piece, 86 USD/piece, and 86 USD/piece. Almost all of the imports were made from China (*i.e.* 95%, 98%, and 99%). The domestic consumption in Turkey decreased by 20% from 2018 to 2020 and Turkey's imports from China increased by 4% during the same period.

It was determined that the imports of the concerned products from China did neither cause price depression nor price undercutting during the injury examination period.

Certain economic indicators of the domestic industry such as domestic sales, inventory, capacity utilisation rate and efficiency had deteriorated.

Accordingly, a holistic evaluation of these factors indicated that continuation or recurrence of the injury and dumping was likely in case the measures were revoked.

Consequently, the Ministry decided to continue the imposition of the measures at the same levels (*i.e.* 12 USD/piece for baby carriages and 8 USD/piece for parts of baby carriages (chassis only)).

This investigation constitutes great importance considering that the Ministry usually does not calculate a new dumping margin in the expiry review investigations concerning China. Moreover, most of the Ministry's findings were positive in this investigation and they indicated that China no longer dumped the concerned product to Turkey. That said, the abovementioned evaluations also raise the question whether the Ministry would have decided differently if the Chinese producer(s) had cooperated by providing their responses to the questionnaires and comments for the Ministry's examination. Irrespective of the result of the expiry review investigations, we believe that the cooperation with the Ministry and the submission of the responses or comments with regard to all aspects play a crucial role in the Ministry's findings and determinations.

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[1] Classified under the HS Codes 8715.00.10.00.00, 8715.00.90.00.00.

[2] Communiqué No. 2023/1 on the Prevention of Unfair Competition in Imports (<https://www.resmigazete.gov.tr/eskiler/2023/01/20230106-7.htm>)

[3] Communiqué No. 2004/15 on the Prevention of Unfair Competition in Imports
(<https://www.resmigazete.gov.tr/eskiler/2004/08/20040801.htm#10>)

[4] Communiqué No. 2010/14 on the Prevention of Unfair Competition in Imports
(<https://www.resmigazete.gov.tr/eskiler/2010/05/20100523-8.htm>)

[5] Communiqué No. 2016/26 on the Prevention of Unfair Competition in Imports
(<https://www.resmigazete.gov.tr/eskiler/2016/07/20160719-2.htm>)