

ABSTRACT

The objective this study is to examine Anti-dumping, Countervailing and Safeguard Measures both at domestic and international levels with special reference to developments in Sri Lanka to find out whether they provide a remedy for unfair trade or are merely a mechanism for protecting domestic industry from imports.

This is a qualitative research study where interpretation and analysis of international and domestic Agreements on trade remedial measures together with case Law have been discussed. Data gathering was done by referring text books, publications, journal articles and internet research. Interviewed officers attached to the Department of Commerce, Ceylon Chamber of Commerce, Export Development Board, National Chamber of Exporters and industrialist of identified sectors affected by unfair imports in Sri Lanka.

The competition may be unfair if the exported goods benefit from subsidies and the conditions of competition may be distorted if the exported goods are dumped in foreign markets. Trade remedies are exceptions to the WTO principles of free trade. Foreign enterprises often complain that these trade remedy laws are anti-competitive. There is a tendency that countries are using these measures to protect their domestic industry. Act of protectionism itself create an unfair trade practice. These unfair practices discourage free trade and cause adverse impact on fair competition. They affect comparative advantage and optimum efficiency of a country and eliminate small and medium manufactures that are unable to survive under these difficult conditions. Hence WTO must equip to strike balance between these two conflicting interest.

At present Sri Lanka does not have proper legislation on trade remedial Laws. Measures taken up as NTBs are not effective to combat dump and subsidized foreign imports. Affected industries cannot survive under these difficult conditions. Immediate implementation of the draft Bills on Antidumping, Countervailing and Safeguard Measures Required.