



## Live Swine from Canada

### Preliminary Antidumping Determination: Questions and Answers

**Q. When is the first time I will know what duty deposit I may have to make on exports of hogs to the U.S.?**

A. The U.S. Commerce Department will make an announcement of the preliminary dumping determination at noon on October 15 in Washington, DC. If the determination is affirmative (dumping has been found) it will declare the preliminary dumping margins for the four exporters that were investigated and an “all others” rate, which is a weighted average of the four margins. The “all others” rate of deposit will apply to your exports. The CPC will be informed of the determination almost immediately and will endeavor to make it widely available to the Canadian industry. It will also most likely be reported in the trade press.

**Q. How is the duty deposit expressed?**

A. The deposit requirement will be a percentage figure which is roughly equivalent to a percent of the import value.

**Q. Will there be a different percentage for market hogs, isoweans, feeder pigs, etc?**

A. We do not expect a different percentage for the different types of imported live swine.

**Q. When is the deposit requirement effective?**

A. The deposit requirement will go into effect for entries into the U.S. on the date of publication of the preliminary determination in the Federal Register, which most likely will be on or about October 20.

**Q. Is there any alternative to having to make a cash deposit of the estimated dumping duties?**

A. After a preliminary determination, U.S. law permits importers to post a bond to cover estimated duties instead of cash deposits. Exporters/importers should contact their Customhouse brokers to arrange for a bond.

**Q. How long is the preliminary dumping duty deposit requirement in effect?**

A. The preliminary dumping duty deposit will be in effect until the U.S. Commerce Department makes a final determination, most likely in late February or early March of next year. At that time, the amount of the deposit requirement could change or, if there is a negative final determination, be eliminated.

**Q. If the final determination is affirmative, how long is the new rate in effect?**

A. The new rate will be in effect at least until the U.S. International Trade Commission makes a final determination on the question of injury, most likely in late March. If the Commission finds no injury, the deposit requirement will cease. If the Commission finds injury or threat of injury, the deposit requirement will continue at the same level, but when the Commerce Department issues an antidumping duty order (mid April), filing a bond in lieu of the cash deposit will no longer be an option.

**Q. What happens if the final injury determination is negative, will any cash deposits be returned?**

A. Yes, if the final injury determination by the U.S. International Trade Commission is negative, all cash deposits of estimated dumping duties will be returned, and any bonds released.

**Q. If the Commission finds injury, and the Commerce Department then issues an antidumping duty order, what happens to the requirement to make cash deposits of estimated dumping duties?**

A. The requirement remains in effect without any change to the rate of deposit until the final results of the first annual review of the order are determined, most likely in April, 2007 ( a review typically takes a year to complete), after which a new rate of deposit will be required in the amount of the final results of review. The new rate will continue until the final results of a second review are determined, and so on.

**Q. When are actual dumping duties assessed?**

A. During the anniversary month (April) of the antidumping duty order, either petitioners or exporters can ask for a review of the order. If a review of the order is not requested by either the petitioners or foreign exporters, the amount of the cash deposit becomes the assessed duty. In that event, if bonds were filed in lieu of cash deposits during the investigation, the importer of record will have to pay the dumping duty for those entries. If a review is requested, the Commerce Department will conduct a year-long investigation of exports that occurred during the period from the date of the preliminary determination to the date of the anniversary month (mid-October, 2004 – mid-April, 2006), to determine whether, and to what extent, there were sales at less than fair value, and if there were, Commerce will order that dumping duties be assessed in the amount of the dumping margins found. The dumping margins so found will determine the amount of the cash deposits for the ensuing twelve months (April, 2007 - March, 2008).