



Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Voluntary Report - public distribution

Date: 3/8/2001

GAIN Report #CA1039

Canada

Grain and Feed

CITT Overturns Duty On U.S. Corn Imports Into Canada 2001

Approved by:

Norval E. Francis, Jr.

U.S. Embassy

Prepared by:

Matthew A. Cahoon

Report Highlights:

The Canadian International Trade Tribunal (CITT) has overturned the US\$1.58 per bushel provisional duty on U.S. corn imports to western Canada in a judgment released March 7. The tribunal found no evidence that subsidized U.S. corn caused injury to western Canadian corn producers, nor that it was a threat to cause injury in future. The original duty was imposed by the Canada Customs and Revenue Agency (CCRA) on November 7 acting on a complaint by the Manitoba Corn Growers Association. The CITT finding effectively ends the duty and CCRA will begin refunding the provisional duties collected on imported corn since November.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Ottawa [CA1], CA

TRADE TRIBUNAL OVERTURNS CORN DUTY

According to a March 8, 2001 *Canadian Agriculture Online* article, the Canadian International Trade Tribunal (CITT) has overturned the US\$1.58 per bushel duty on U.S. corn imports to western Canada in a judgment handed down Thursday. The tribunal found no evidence that subsidized U.S. corn caused injury to western Canadian corn producers, nor that it was a threat to cause injury in future. The original duty was imposed by the Canada Customs and Revenue Agency (CCRA) on November 7 acting on a complaint by the Manitoba Corn Growers Association. The tribunal finding effectively ends the duty and CCRA will begin refunding the provisional duties collected on imported corn since November.

CITT Finding

The following is based on a March 7 Canadian International Trade Tribunal release. The Canadian International Trade Tribunal, under the provisions of section 42 of the *Special Import Measures Act*, has conducted an inquiry to determine whether the dumping and subsidizing of grain corn in all forms, excluding white dent corn imported by snack food and tortilla manufacturers for use by them in the manufacture of snack food and tortillas, seed corn (used for reproductive purposes), sweet corn and popping corn, originating in or exported from the United States of America, and imported into Canada for use or consumption west of the Manitoba-Ontario border, have caused injury or retardation, or are threatening to cause injury to domestic producers of like goods in that region.

This inquiry is pursuant to the issuance by the Commissioner of the Canada Customs and Revenue Agency of a preliminary determination dated November 7, 2000, and of a final determination dated February 5, 2001, that grain corn originating in or exported from the United States of America and imported into Canada for use or consumption west of the Manitoba-Ontario border is being dumped and subsidized.

Pursuant to subsection 43(1) of the *Special Import Measures Act*, the Canadian International Trade Tribunal hereby finds that the dumping and subsidizing of the aforementioned good have not caused injury or retardation, nor are they threatening to cause injury to the producers of all or almost all of the production of like goods in Canada, west of the Manitoba-Ontario border.

Comments

According to a press release from the March 8 *Ottawa Citizen*, western corn farmers are frustrated over the CITT's decision. In a press release from the Manitoba Corn Growers Association (MCGA), who petitioned the Canadian government to investigate whether or not U.S. corn imports were causing harm to producers in Canada west of the Manitoba-Ontario border, President Michael Coates said "there is no other way to describe our reaction than shocked at the insensitivity to the plight of western farmers. The Citizen article also cited sources close to the case as saying the case was lost because the case dealt with injury only to a regional market for which there was a considerably higher burden of proof.

The CCRA has indicated that it has asked its customs offices to stop collecting the provisional

US\$1.58/bushel duty. The duties will be refunded to the parties from which they were collected, but the process of verifying how much duty had been collected and from whom will take several weeks, at best. The MCGA will have the option of appealing the CITT decision either at the Federal Court of Canada or at a NAFTA Binational panel (see GAIN report CA1018).

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