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Canada

Trade Policy Monitoring

Second Anti-Dumping Action Against Asian Garlic 2000

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Report Highlights: Canada has launched further anti-dumping action against Asian garlic following a formal complaint by Ontario garlic growers. Canada Customs and Revenue Agency has initiated an investigation respecting the alleged injurious dumping into Canada of fresh or frozen garlic originating in or exported from the People's Republic of China and Vietnam. The investigation will not affect a previous (1997) dumping finding that applies to fresh garlic imported into Canada from China between July 1 and December 31 of each calendar year.

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

Canada has launched further anti-dumping action against Asian garlic following a formal complaint by Ontario garlic growers. Canada Customs and Revenue Agency (CCRA) has initiated an investigation respecting the alleged injurious dumping into Canada of fresh or frozen garlic originating in or exported from the People's Republic of China and Vietnam. The investigation will not affect a previous (1997) dumping finding that applies to fresh garlic imported into Canada from China between July 1 and December 31 of each calendar year.

The CCRA has 90 days to make a preliminary decision as to whether the garlic is being dumped. The Canadian International Trade Tribunal (CITT) has 60 days to conduct a preliminary inquiry to determine if there is reasonable indication that the dumping has caused or is threatening to cause injury to the Canadian garlic industry. If these investigations conclude that neither dumping nor injury can be upheld, the investigation will be terminated. If the evidence discloses that the garlic has been dumped, and the Tribunal finds in its preliminary inquiry that there is a reasonable indication of injury, past or present, the CCRA will impose provisional anti-dumping duties. Subsequently, the Tribunal would conduct an inquiry and hold public hearings into the question of material injury to the Canadian industry resulting from the dumped imports.

The complainant, the Garlic Growers Association of Ontario (GGAO) represents 96 members which are, in large part, full-time farmers in the Province of Ontario, who grow garlic as part of their selection of crops. The GGAO represents about 68% of total Canadian fresh or frozen garlic production. The GGAO provided information to the CCRA which documents a seasonal shift in imports from China to the six-month period of the year which falls outside of the current anti-dumping finding.

Garlic is specifically provided for in subheading 0703.20.00.00 of the Harmonized Tariff System. Frozen garlic falls within tariff classification number 0710.80.90.90 (frozen vegetables, other). The MFN rate of duty, applicable to imports from the PRC and Vietnam for fresh or chilled garlic is zero. The applicable MFN rate of duty for frozen garlic is 9.5 per cent ad valorem.

The complete text of the CCRA's Statement of Reasons is available on the CCRA webpage at: <http://www.ccra-adrc.gc.ca/customs/business/sima/sor-list-e.html>

While the United States captures slightly more than 20% of the Canadian import market for fresh garlic, China captures more than half. Canadian imports of fresh garlic from the United States during 1999 were 2,417 metric tons, valued at C\$5.1 million (\$3.4 mil.). Canadian imports from China that year totaled 5,705 metric tons, but were valued at only C\$5.8 (\$3.9 mil.). The table on the following page shows Canadian fresh garlic imports, by country, for the years 1997 to 1999 and for 2000, to date.

Canada: Fresh or Chilled Garlic Imports						
1997-1999 with comparisons Jan - Aug 1999 & 2000						
Units: metric tons						
HS 0703.20						
				Jan-Aug	Jan-Aug	% change
	1997	1998	1999	1999	2000	
-- The World --	7,121	9,072	11,008	8,510	9,237	9%
China	3,258	5,248	5,705	5,428	7,213	33%
United States	1,720	1,942	2,417	1,321	1,026	-22%
Vietnam	349	114	790	96	0	-100%
Mexico	682	775	748	659	317	-52%
Argentina	483	554	736	717	417	-42%
Philippines	0	1	150	0	0	-
Indonesia	0	0	101	0	0	-
Others	630	438	361	289	265	-8%
Source: World Trade Atlas						

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