

WORLD TRADE ORGANIZATION

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31 January 2001

(01-0495)

Committee on Anti-Dumping Practices

Original: Spanish

NOTIFICATION OF LAWS AND REGULATIONS UNDER ARTICLE 18.5 OF THE AGREEMENT

MEXICO

Supplement

The following communication, dated 23 January 2001, has been received from the Permanent Mission of Mexico.

Pursuant to Article 18.5 of the Agreement on Implementation of Article VI of the General Agreements on Tariffs and Trade 1994 (Anti-Dumping Agreement) I have the pleasure of submitting herewith a copy of the *Diario Oficial de la Federación* (Official Journal) of 29 December 2000 in which the Decree amending the first paragraph of Article 48 of the Regulations under the Foreign Trade Act is published.

DECREE amending the first paragraph of Article 48 of the Regulations under the Foreign Trade Act.

In the margin, a stamp with the national emblem and the words United Mexican States – Office of the President of the Republic.

I, Vicente Fox Quesada, President of the United Mexican States, in exercise of the powers conferred upon me under Article 89, paragraph I of the Constitution of the United Mexican States and on the basis of Articles 31 and 34 of the Organic Law of the Federal Public Administration, hereby issue the following:

DECREE

Single Article – The first paragraph of Article 48 of the Regulations under the Foreign Trade Act is amended as follows:

"Article 48. For the purposes of Article 33 of the Act, centrally planned economies, regardless of the name by which they are designated, shall be deemed, subject to contrary evidence, to be those whose cost and price structures do not reflect market principles, or in which the enterprises of the sector or industry under investigation have cost and price structures which are not determined in accordance with such principles, and hence, in both cases, sales of the identical or like product in the country in question do not reflect the market value or the value of the factors of production used in manufacturing an identical or like product in a third country with a market economy. In order to determine whether an economy is a market economy, the following criteria, *inter alia*, shall be taken into account: the currency of the foreign country under investigation must be generally convertible in the international currency markets; salaries in the said foreign country must be established through free negotiation between workers and employers; decisions relating to prices, cost and supply of inputs, including raw materials, technology, production, sales and investment, in the sector or industry under investigation, must be taken in response to market signals without any significant State interference; the industry under investigation must have only one set of accounting records which it uses for all purposes and which is audited according to generally accepted accounting criteria; and the production costs and financial situation of the sector or industry under investigation must not be distorted in relation to the depreciation of assets, bad debts, barter trade and debt compensation or other factors considered relevant.

..."

TRANSITIONAL PROVISION

Single article: This Decree shall enter into force on the day following its publication in the Official Journal of the Federation.

Done at the seat of the Federal Executive in Mexico City, Federal District, on the twenty-seventh day of December of the year two thousand. Vicente Fox Quesada – Sealed; Minister of Finance and Public Credit, Francisco Gil Díaz – Sealed; Minister of the Economy, Luis Ernesto Derbez Bautista – Sealed.
