

U.S. TRADE LEGISLATION PROPOSALS  
100th CONGRESS

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| <u>SUBJECT</u>                                | <u>CURRENT LAW</u>  | <u>HOUSE</u>  | <u>SENATE</u>  | <u>ADMIN POSITION</u> | <u>CDN POSITION</u>  |
|---|---|---|--|-----------------------|--|
| B. <u>Countervail: Benefits to Processors</u> | Current U.S. law requires 'upstream subsidy' investigation whenever Commerce seeks to include benefits to products used in agricultural processing of raw product under question.                             | "Trade and International Economic Policy Reform Act of 1987" (HR3)<br>[passed April 30, 1987]   | "Omnibus Trade and Competitiveness Act of 1987"/<br>(H.R.3(S.1420))<br>[passed July 21, 1987]  | Supports.             | Could result in application of countervailing duty to finished products in excess of subsidy actually passed through. As such, GATT inconsistent. (See note on industry on pg. 21) |
| C. Standing                                   | The following have standing to file an antidumping or countervailing duty petition: manufacturer, producer or wholesaler, a union or group of unions, trade or business association or a combination thereof. | In investigations involving agricultural products, interested party may include a coalition of trade associations representative of growers or processors.  | Retains current law.   |                       |  |
| 2. <u>Injury</u>                              |   |   |  |                       |  |
| A. Factors                                    | In determining injury or threat thereof, ITC to consider volume of imports, effect on domestic prices and impact on domestic producers.   | Limits impact on domestic producers to production within U.S. Adds diversion of foreign products to U.S. and in case of agricultural products, likelihood of increased imports because of product shifting. | Limits impact on domestic products to production within U.S. Adds impact on R&D as well as existence of dumping findings in other countries. |                       |  |