Study on Anti-Dumping Measures in International Trade Law and China's Response Strategy

DOI: 10.23977/law.2024.030704

ISSN 2616-2296 Vol. 3 Num. 7

Ruijia Yan, Yaxin He

People's Public Security University of China, Beijing, 100038, China

Keywords: Anti-dumping measures; International Trade Law; China's response strategy; Global trade; Ability to respond to lawsuits; international co-operation

Abstract: With the deepening of global economic integration, anti-dumping measures have become a key issue in the field of international trade. As an important participant in world trade, China is facing increasingly severe anti-dumping challenges. This study comprehensively examines anti-dumping measures in international trade law, providing a detailed analysis of their definition, historical background, implementation conditions, and procedures. It also delves into the current situation and challenges of China's response to anti-dumping measures in the current international trade environment. Research has pointed out that although China has taken a series of measures in actively responding to lawsuits, industry self-discipline, and improving product quality, it still faces problems such as insufficient ability to respond to lawsuits, imperfect domestic regulations, and insufficient international cooperation. Based on this, this study explores the legality of anti-dumping measures from the perspective of international trade law, and proposes targeted improvement strategies in combination with the actual situation in China. Research suggests that China should further strengthen the research and application of international trade regulations to enhance its ability and efficiency in responding to lawsuits; At the same time, improve relevant domestic laws and regulations, enhance product quality and technological level, in order to reduce the risk of anti-dumping. In addition, strengthening international cooperation and exchanges to jointly address international trade issues is also an important way to enhance China's ability to respond to anti-dumping measures. The implementation of these strategies will help China better safeguard its own rights and promote the healthy development of international trade.

1. Introduction

1.1 Background and significance of the study

Economic globalisation has been accelerating, and under this situation, international trade has gradually become an important driving force for the economic growth of all countries, and in the midst of fierce international competition, trade protection measures have emerged one after another, with anti-dumping measures being the most common.

The original goal of anti-dumping measures is to protect the domestic industry from unfair trade practices, and then maintain market order and fair competition. Entering the 21st century, the

competitiveness of China's export commodities in the international trade market continues to improve, in response, other countries have maliciously taken anti-dumping measures, trying to inhibit the development of China's foreign export trade, which seriously hindered China's development of international markets [1]. Data and statistics show that China is one of the most frequent countries in the world to encounter anti-dumping investigations, and sanctions from the EU, the United States and other major economies have always been high - the EU and the United States launched anti-dumping investigations against China during the period from 2004 to 2015 accounted for 35% to 50% of their total, and about 14% to 20 per cent of China's export industries are affected by anti-dumping measures [2][3]. In recent years, the use of anti-dumping policies has been extended from developed countries to emerging economies such as India, Brazil, and Turkey, further restricting the market access of Chinese enterprises. Therefore, an in-depth study of anti-dumping measures and their response strategies is of great significance in safeguarding the legitimate rights and interests of Chinese enterprises and promoting the healthy development of international trade [4].

Against this background, this paper summarises the impact of anti-dumping measures on China through case studies, and proposes an optimised path for coping strategies in the light of China's actual operation in dealing with anti-dumping. In recent years, with the changes in the global trade pattern and the rise of emerging economies, the anti-dumping rules in international trade law are also facing a series of challenges and changes. For example, the signing and implementation of regional trade agreements have had a new impact on the application of anti-dumping measures; at the same time, the international trade law system centred on the WTO has also been continuously adjusting and perfecting the anti-dumping rules to adapt to the new needs of global trade development. Therefore, the research in this paper will also focus on the impact of these new changes on China's response strategies to ensure the prospective and practicality of the research [5][6]. Through the research in this paper, we expect to provide theoretical support and practical guidance for Chinese enterprises to better respond to anti-dumping measures in international trade.

1.2 Research questions

In view of the current situation that China frequently encounters anti-dumping investigations in international trade, this paper collects and develops three typical anti-dumping cases, conducts empirical analyses and argumentation, explores the common anti-dumping measures faced by Chinese enterprises in practice and their specific impact on China's export trade, and discusses the more targeted solutions to break the negative impacts of anti-dumping and to curb the abusive use of anti-dumping, based on the solutions of the anti-dumping measures faced by the Chinese enterprises at present. Based on the current solutions for Chinese enterprises facing anti-dumping measures, it discusses more targeted optimisation measures to break the negative impact of anti-dumping and curb the abuse of anti-dumping.

2. Literature review

2.1 Definition and Legal Framework of Anti-Dumping Measures

Before clarifying the concept of anti-dumping measures, it is first necessary to clarify the parent concept of dumping. The concept of 'dumping' has been refined over more than two centuries of international trade. Originally defined in economics simply as the sale of large quantities of goods on the global market at a lower cost, dumping is defined in Article VI of the 1947 General Agreement on Tariffs and Trade as 'the sale of goods to the market of the importing country at a price below their normal value in the ordinary course of trade in the domestic market.' A similar definition of 'dumping' is given in the EU Basic Regulation: 'A product is considered to be dumped if the price at

which it is exported to the EU is lower than a comparable price for a similar product in the exporting country established in the ordinary course of trade ('normal value").'

Defining the regression principle, Liu Yuhan proposes the economics behind dumping, i.e., the use of market barriers between domestic and importing countries to maximise profits by applying different prices to different customers when selling essentially the same product. When an exporting country dumps goods into an importing country at a price below normal value, it takes over the market demand for homogeneous goods in the importing country and squeezes the space for local producers to survive, which may lead to the monopolisation of the importing country's goods market by the exporting country's producers.

In order to protect the domestic industry of the importing country from the damage caused by the import of foreign products at prices lower than their normal value, anti-dumping measures have arisen. Anti-dumping is a deterrent to dumping, and the usual measure is to impose a surtax on the goods found to be dumped. In this way, the price advantage resulting from dumping is offset and the fairness of market competition is maintained. The existence of this system is of great significance in preventing unfair competition and promoting the healthy development of international trade [7].

2.2 Conditions and Procedures for the Application of Anti-Dumping Measures

According to international trade regulations, before anti-dumping measures can be imposed, it must be established that three basic conditions are present. First, it must be established that there is dumping, i.e. that the foreign product is being sold in the importing country at a price below normal value. Secondly, there must be conclusive evidence that such underpricing has caused substantial injury or the threat of substantial injury to the relevant industry in the importing country. Thirdly, it must be established that there is a clear causal relationship between the dumping behaviour and the industrial injury.

After the above conditions are met, the procedure for the imposition of anti-dumping measures is formally initiated.

The first stage is the initiation of an investigation, which is usually carried out by the injured domestic industry in the importing country or its representatives applying to the competent governmental authority to conduct an anti-dumping investigation on a specific imported product. Upon receipt of the application, the government authority will conduct a preliminary examination to determine whether there is sufficient evidence to support the initiation of an investigation.

The preliminary determination stage is one of the key steps in an anti-dumping investigation. At this stage, the investigating authority will collect and analyse a large amount of evidence and data, including the quantity of imports of the product in question, its price, and its impact on the domestic industry. Based on this information, the investigating authority will make a preliminary determination as to whether dumping exists, whether there is injury, and whether there is a causal relationship between the two. If the result of the preliminary determination is positive, then the investigating authority will recommend the adoption of provisional anti-dumping measures, such as the imposition of provisional anti-dumping duties, etc., in order to protect the domestic industry from further injury.

The final determination segment takes place some time after the preliminary determination, usually a few months to a year. During this period, the investigating authority will continue to collect evidence and data to review and confirm the preliminary determination. The outcome of the final determination will determine whether final anti-dumping measures will be taken, as well as the specific form and duration of the measures. If the final determination confirms the existence of dumping and injury, and that there is a causal relationship between the two, then the government of the importing country will formally impose anti-dumping duties or other corresponding measures.

In the process of advancing anti-dumping measures, the collection and analysis of evidence is

crucial. This includes data on the import quantities, prices, costs, sales channels and other aspects of the products involved. The investigating authority usually obtains such information through questionnaires and on-site verification. At the same time, in order to ensure the fairness and accuracy of the ruling, the investigating authority will also invite stakeholders to conduct pleadings and hearings, and fully consider the opinions and evidence of all parties.

The implementation of anti-dumping measures is a complex and rigorous process that needs to follow clear conditions and procedures. This is both to protect the domestic industry of the importing country from unfair trade practices and to maintain fairness and order in international trade. During the implementation process, the investigating authority needs to fully collect and analyse evidence to ensure the accuracy and fairness of the ruling. At the same time, stakeholders should also actively participate and cooperate with the investigation in order to safeguard their legitimate rights and interests.

3. Empirical analysis of China's exposure to anti-dumping measures

3.1 A Brief Analysis of Cases of Anti-Dumping Investigations on Major Industries in China

In recent years, China has been facing increasingly frequent anti-dumping investigations. From 1995 to 2023, the total number of global anti-dumping cases against China is 1,614. Among the countries and regions that filed complaints, India topped the list with 298 cases, the United States was second with 189 cases, and the European Union ranked third with 155 cases. [In the anti-dumping investigations initiated by India against China, the top three industries were chemical raw materials and products industry, pharmaceutical industry and non-metallic products industry in that order. In terms of the range of products involved, Chinese exports have been affected by anti-dumping measures in a variety of areas, whether in the heavy metal industry such as iron and steel, the light industry such as textiles, or chemical products.

Through case searches, this study has screened out typical litigation cases facing anti-dumping measures in major heavy industries such as iron and steel, machinery, etc.

3.1.1 Case I: China-United States anti-dumping case on photovoltaic products

(1) Briefing on the case

In October 2011, the United States Department of Commerce initiated an anti-dumping investigation into photovoltaic (PV) products (mainly PV modules and related equipment) from China, and announced anti-dumping and countervailing rulings in October and November 2012, respectively. The Solar Energy Industries Association (SEIA) claimed that Chinese companies were dumping photovoltaic products in the United States at below normal market prices, resulting in serious competitive pressures on U.S. domestic manufacturers. The U.S. Department of Commerce ultimately ruled that the dumping margin for Chinese PV products was as high as 250 per cent, and based on this finding imposed high anti-dumping duties on the relevant manufacturers. The U.S. ultimately determined that a tariff of 249.96% was levied on the entire industry, while the countervailing duty rate ranged from 14.78% to 15.97%, with Suntech and Trina Solar being subjected to anti-dumping duties of 31.73% and 18.32%, respectively.

(2) The gist of the decision

The U.S. Department of Commerce claimed that the decision was based on a strict reading of the definitions of normal value and dumping. In the course of the investigation, the United States argued that China was not considered a market economy and therefore used the production costs and selling prices of substitute countries (e.g., India and Thailand) in its price calculations. This ruling triggered strong opposition from the Chinese government and companies. The United States closed this

'loophole' in 2014, although Chinese companies attempted to circumvent the tariffs by using battery packs produced in Taiwan.

(3) China's Response Strategy

In the face of this ruling, the Chinese government acted quickly and decided to file a complaint with the World Trade Organisation (WTO), arguing that the US anti-dumping measures were unreasonable and in violation of WTO rules. At the same time, Chinese PV companies began to adjust their market strategy, and some of them set up production bases in Southeast Asian countries to avoid the high tariffs imposed by the United States. In addition, Chinese PV companies have also strengthened their technological R&D and product innovation to enhance their competitiveness in the international market by increasing the added value of their products.

Subsequently, solarworld and other U.S.-based companies have pushed for strict tariffs, while some U.S. PV companies are concerned that the move will inhibit the industry's development. The large-scale anti-dumping as the reason for the launch of commercial sanctions not only to the U.S. and China's photovoltaic industry caused a blow, but also undoubtedly furnished the trade friction between the United States and China.

3.1.2 Case II: EU anti-dumping case against Chinese steel products

(1) Brief description of the case

In 2016, the EU launched an anti-dumping investigation into a wide range of Chinese steel products, including cold-rolled and hot-rolled coils and heavy-duty steel plates, claiming that Chinese companies were dumping their products at below-market prices, which seriously undermined the normal development of the European steel industry. Ultimately, the EU ruled that anti-dumping duties of up to 30 per cent should be levied on a wide range of Chinese steel products.

(2) The gist of the ruling

In its ruling, the European Commission noted that because China's prices and market mechanisms in many industries did not meet the standards of a market economy, the production costs of the substitute country, Canada, were used to assess normal value. This resulted in the dumping of Chinese steel products being found to have caused actual injury to the EU market, which ultimately led to the EU's decision to impose anti-dumping duties. During the trial of the case, more than 5,000 workers and business representatives marched in Brussels, calling on the government to strengthen trade protection, and due to social opinion and other pressures, the EU accelerated the investigation process and announced the ruling five weeks ahead of schedule, setting the provisional duty rate at 13.2-22.6 per cent, while the final rate was 18.1-35.9 per cent. In addition, the EU also allowed backdating duties on heavy steel plates imported since August 2016 as a way to implement a comprehensive anti-dumping crackdown on China's steel companies.

(3) China's Response Strategy

In this regard, China's Ministry of Commerce immediately fought for a change in the ruling through the WTO and bilateral negotiations, questioning the EU's ruling is not in line with the principle of fair trade. China's steel enterprises have also one after another started to seek cooperation with Europe and the United States, turn to explore Southeast Asia, Africa and other emerging markets, at the same time, China's government through in the internal policy continues to deepen the supply-side structural reform, so as to gradually solve the problem of steel overcapacity and reduce the steel industry's dependence on the EU.

3.1.3 Case III: India's anti-dumping case against China on aluminium foil

(1) Brief description of the case

In 2017, India initiated an anti-dumping investigation into aluminium foil products from China,

alleging that Chinese aluminium foil with thicknesses ranging from 5.5 to 80 microns and widely used for food and pharmaceutical packaging was being dumped at prices below normal market value, which seriously harmed India's indigenous aluminium foil industry. After the investigation, India finally decided to impose anti-dumping duty of 34.42% on Chinese aluminium foil products.

(2) The gist of the ruling

India held several rounds of hearings on this issue and conducted field verification of the data submitted by enterprises, while the enterprises that did not cooperate with the decision were ruled on the basis of adverse presumption, during which some enterprises requested for exemption of ultrathin aluminium foil products, which was not adopted. By rigorously defining the concept of dumping, India argued that Chinese firms were competing unreasonably on pricing and causing actual economic harm to the Indian aluminium foil industry. An investigation by India's Ministry of Commerce showed that the market price of Chinese aluminium foil was significantly lower than its production cost, leading to a reduction in the local industry's revenue and market share.

(3) China's Response Strategy

In the face of India's anti-dumping measures, Aluminium Corporation of China (ACLC) adopted a rapid market adjustment strategy. Firstly, the enterprises strengthened communication with the Indian market and sought to enhance competitiveness through technological upgrading and product quality improvement. At the same time, some companies began to explore development in other country markets, such as Southeast Asia and Latin America, to diversify market risks by reorganising their market layout. In addition, the Chinese government has been communicating with India through diplomatic channels in an attempt to ease trade tensions and promote the stable development of bilateral trade relations.

Apart from the above industries, China has also suffered from anti-dumping measures in other areas such as electronic products and food processing. These measures not only restrict the export of Chinese products, but also damage the image and reputation of Chinese enterprises in the international market to a certain extent.

Although China's position in global trade is gradually rising, the accompanying trade frictions and disputes are also increasing. From the distribution map of China's trade barriers shown on the China Trade Remedy Information Network [8], in addition to more trade barriers imposed on China by developed countries, some developing countries have also begun to take a series of trade protection measures. Anti-dumping measures, as one of the common means of trade protection, are being widely adopted by an increasing number of countries.

3.2 Empirical Impact of Anti-Dumping Measures on China's Exports

3.2.1 Reduction in export size and market share

Anti-dumping duties substantially increase the cost of exported products, which leads to an increase in the price of Chinese products, resulting in a decrease in their competitiveness in the target market. This is also the basic operating principle of other economies that use anti-dumping policies to sanction Chinese industries. Such cost aberrations have undoubtedly dealt a significant blow to the export volume and profitability of Chinese industrial products, leading to a weakening of the price advantage of Chinese enterprises and a shrinking of their market share.

Data show that the export volume of enterprises subjected to anti-dumping measures fell by an average of 20 to 40 per cent, with anti-dumping measures targeting the United States market hitting Chinese exports particularly hard, with a number of surveys during the period 2000-2006 showing that the export volume of sanctioned Chinese enterprises fell by as much as 30 per cent [9] [10]. In order to avoid similar tariffs in third-country markets, Chinese firms often had to raise the prices of their products, and while this price adjustment strategy did succeed in avoiding some of the tariffs, it

also weakened the market share of Chinese products. Anti-dumping measures have not only made it more difficult for Chinese firms to enter new markets, but have also forced firms already in foreign markets to exit with the pressure of anti-dumping and exacerbated their market entry barriers globally. For example, the high tariffs imposed by the United States and the European Union on photovoltaic products have prompted Chinese photovoltaic enterprises to shift their sales market focus to Southeast Asia and Africa, and nowadays, Thailand and Vietnam have become important production bases for China's photovoltaic and steel enterprises [11].

3.2.2 Productivity and industrial restructuring

The increase in anti-dumping duties has directly hit the labour productivity and total factor productivity of exporting firms, and as Chandra and Long point out, the US anti-dumping measures have led to a significant decline in the productivity of Chinese firms [12]. Under the long-term pressure of this productivity decline caused by anti-dumping measures, exporting enterprises have been forced to optimise their product mix, trying to gradually get rid of their dependence on a single low-priced product, and accelerate their transformation to a high-value-added industrial model. By increasing investment in R&D and upgrading product quality, they aim to maintain their share in the international market.

At the same time, in the face of high tariffs and policy fluctuations in Europe and the United States, overseas investment and the establishment of new factories have become a key strategy for dealing with sanctions, as Chinese enterprises have turned to third-world countries, shifting their production bases to South-East Asian countries, such as Viet Nam and Thailand, and expanding their strategic presence in regions with favourable policies and benefits and cheap labour, such as Africa and Latin America.

3.2.3 Asymmetric impacts on different types of enterprises

The impact of anti-dumping measures on different types of firms is not uniform, as highlighted by differences in firms' ownership structures and marketing strategies.

This is highlighted by differences in ownership structures and marketing strategies. Overseas subsidiaries of Chinese firms are less affected by anti-dumping measures, as they often have a parent company that continues to supply products to its overseas subsidiaries. Third-country multinationals, on the other hand, rely more on the price of their products to develop a competitive advantage, so they tend to reduce imports when the price of Chinese products rises as a result of tariffs. For the local companies in the importing countries, the anti-dumping said undoubtedly raises the cost of imports, the domestic companies tend to reduce the imports from China, which leads to the construction of the decrease in the export volume of Chinese companies [13].

Besides, it is easy to find that the 'substitute country' calculation method is an important antidumping tool against non-market economy states such as China. The normal price of Chinese products is deduced from the production cost of a third country (such as India, Thailand, and so on), which leads to the disadvantageous position of Chinese enterprises in the price calculation. Although the Chinese government has repeatedly objected to this calculation method within the WTO framework, it is still commonly used in Europe and the United States [14]. Not only that, antidumping measures in emerging economies have likewise increased China's cost of access to the global market, forming multi-level barriers from developed to developing countries. For example, India has launched several rounds of anti-dumping investigations against Chinese steel and aluminium foil, forcing Chinese enterprises to reassess their dependence on the South Asian market and adjust their supply chain layout.

It can be seen that today's anti-dumping measures have had an all-round, wide-ranging and multi-

level impact and sanction on China's local enterprises and international trade, and it is urgent for China to take more effective means to fight back.

3.3 Analysis of China's response to anti-dumping measures

Based on the case studies, it can be found that the problems faced by China in responding to antidumping measures should not be ignored, and these problems mainly focus on the ability to respond to complaints, domestic laws and regulations, and international cooperation.

3.3.1 Lack of capacity to respond to complaints

One of the major difficulties faced by Chinese enterprises in anti-dumping investigations is the lack of capacity to respond to complaints. As anti-dumping investigations involve complex legal procedures and a large amount of evidence collection, enterprises are required to have a high level of legal literacy and response capacity. However, at present, some Chinese enterprises often lack sufficient legal knowledge and experience in responding to anti-dumping investigations, resulting in their inability to respond effectively to the investigations, or even give up responding to the investigations, thus losing the opportunity to safeguard their rights and interests.

3.3.2 Domestic legislation needs to be improved

Imperfections in domestic laws and regulations have also constrained China's performance in responding to anti-dumping measures. Although China has established a relatively perfect legal system for foreign trade, there are still some loopholes and deficiencies in anti-dumping. For example, the relevant laws and regulations are not clear and specific enough on the conditions for initiating anti-dumping investigations, the investigation procedures and the rules of evidence, leading to a lack of clear legal guidance for enterprises in responding to investigations.

3.3.3 International cooperation to be strengthened

The issue of anti-dumping often involves multiple countries and regions, and requires enhanced communication and collaboration among countries to jointly respond to unfair trade practices. However, at present, China's cooperation in the field of international anti-dumping is still insufficient, and the communication and collaboration mechanism with other countries and regions is not perfect, making it difficult to form an effective synergy to deal with anti-dumping measures.

For the above problems, we should deeply analyse the causes and explore effective solutions. On the one hand, we should strengthen the training and guidance for enterprises to improve their legal literacy and response ability; on the other hand, we should further improve the relevant domestic laws and regulations to provide clear legal support for enterprises to respond to anti-dumping investigations; at the same time, we must strengthen international co-operation with other countries and regions, and jointly face up to the challenges posed by anti-dumping measures. Only in this way can we better safeguard the legitimate rights and interests of Chinese enterprises and promote the healthy development of international trade.

4. Strategic Suggestions for Optimising China's Response to Anti-Dumping Measures

4.1 Currently used tools in China and corresponding effects

4.1.1 Enhancing market diversification and regional cooperation

In the face of high barriers in the European and American markets, Chinese enterprises should

respond flexibly and actively explore other potential markets such as Southeast Asia, Africa and Latin America. In recent years, the launch of the 'One Belt, One Road' initiative has made the trade cooperation between Chinese enterprises in emerging markets more and more close, so that even if they are subject to anti-dumping investigations, they are still able to maintain a certain scale of exports, in order to diversify the market to cushion the anti-dumping crackdown, such as the Chinese iron and steel enterprises by cooperating with African countries to set up joint-venture factories and new production and marketing network, to cope with the crackdown on exports to Europe. Chinese steel enterprises through cooperation with African countries, the establishment of joint venture factories and new production and sales network, to cope with the export of European team of its steel export suppression sanctions, not only to enhance the level of local industrialisation and production capacity in Africa, but also to enhance the level of anti-risk of China's enterprises [15]. In addition, the signing of free trade agreements (FTA) also provides enterprises with a wider range of market access opportunities, China and ASEAN free trade agreement has greatly promoted bilateral trade exchanges, effectively reducing the impact of non-tariff barriers [16].

4.1.2 Promoting technological innovation and high-end products

As a result of sanctions in the US and European markets, Chinese companies have gradually shifted from the production of low-tech products to the research and development of high-value-added products. For example, Chinese photovoltaic companies quickly adjusted their production lines after the US sanctions, focusing on the development of high-efficiency photovoltaic modules and energy storage systems, and ultimately succeeded in gaining a dominant position in the new market. Similarly, enterprises in the aluminium foil and chemical industries have also improved their competitiveness and irreplaceability in the international market by upgrading their product quality and technological R&D capabilities. In addition, Chinese companies are also actively promoting the continued development of digital and green manufacturing [17]. By expanding the application of big data analytics and intelligent management, Chinese companies are improving the efficiency and responsiveness of their supply chains, a technological innovation that has helped them become more stable in trade disputes while at the same time modernising the domestic industry.

4.1.3 Active use of the WTO dispute settlement mechanism and legal means

Responding to anti-dumping measures not only requires enterprises to act actively, but also requires the government to intervene from the perspective of public power. The Chinese government has successfully rejected many unreasonable anti-dumping measures through the WTO dispute settlement mechanism, for example, in the complaint against the European Union's steel case, China has successfully compelled the European Union to adjust some of the anti-dumping duty rate calculation standards. At the same time, through bilateral negotiations, the Chinese government is working on both fronts to reduce the impact of trade friction and prevent the implementation of anti-dumping measures by coordinating with its trading partners.

4.2 Strategic recommendations based on current policy changes

4.2.1 Strengthening core technology research and development and supply chain integration

In international trade transactions, anti-dumping measures usually undermine the cost advantage of export enterprises, so upgrading technological innovation capabilities and optimising supply chain management have become key measures to deal with trade barriers. Enterprises need to further increase R&D investment in many areas represented by new energy, semiconductor, chemical and other high-value-added industries, and should focus on encouraging and promoting the R&D of new

technologies in industries seriously affected by anti-dumping, such as photovoltaic, iron and steel, and textile. In addition, the government should also simultaneously strengthen the policy support for basic scientific research and technology incubation, to provide long-term protection for enterprise innovation, by encouraging the establishment of scientific research results into platforms, universities and enterprises to form a complete innovation ecosystem by connecting the innovation chain.

In order to further effectively reduce the impact of trade friction on enterprises and enhance their resilience in the global market, the supply chain should also be optimised in depth to achieve supply chain localisation and diversification. Supply chain localisation refers to the integration of key links in the country to ensure that the core components required for production are not dependent on the international market. For example, Chinese enterprises can gradually complete the localisation of key areas such as batteries and chips, and improve the autonomy and control of these core supply chains. At the same time, enterprises should diversify the supply chain layout to spread risks, and launch Asia-Africa economic exchanges and cooperation under the impetus of international trade, so as to reduce supply chain costs and risks through regional trade cooperation. This dual supply chain optimisation strategy can not only meet domestic production needs, but also flexibly respond to changes in the international market.

4.2.2 Establishment of an anti-dumping early warning and data monitoring system

Anti-dumping investigations are often initiated suddenly and without warning, and have a great impact on enterprises in the short term, so it is particularly important to establish a dynamic early warning system and a sound risk management system. Enterprises can work with the government to establish an anti-dumping early warning system based on big data analysis to monitor changes in the trade policies of major economies around the world, and use this system to analyse in real time the trend of anti-dumping investigations in various countries, media reports, customs data and complaints from enterprises, so as to identify potential risks in advance. In addition, enterprises should also regularly assess the performance of their own export structure through their internal risk management system, and establish an information-sharing mechanism with the government to ensure that they are able to activate countermeasures in advance of the commencement of anti-dumping investigations, including, but not limited to, adjusting their export market share and optimising their production layout, amongst many other means of risk hedging.

On the government side, in order to better help enterprises to cope with sudden anti-dumping investigations, the relevant departments should set up a special policy emergency support mechanism, so as to provide enterprises with more comprehensive financial subsidies, insurance support and legal aid. In addition, the government should also train professional international trade lawyers and consultant teams to assist enterprises to deal with complex anti-dumping investigations and cross-border litigation, so as to better safeguard the legitimate rights and interests of China's enterprises in international legal disputes.

4.2.3 Promoting reform and innovation in international trade rules

Through the above cases, we can see that importing countries often use the 'substitute country' calculation method in anti-dumping investigations, which is extremely unfair to China and other non-market economies, therefore, it is urgent for our country to cooperate with other emerging market countries to jointly promote the reform of the WTO's anti-dumping rules and formulate a more transparent and standardised calculation method, this study implements a significant anti-dumping response program. Through multilateral trade negotiations, China should prompt the WTO to optimise the dispute settlement mechanism, shorten the case trial cycle and improve the efficiency of rule enforcement. With the development of the digitalisation process of the global economy, China

can also take the initiative to formulate and promote digital trade rules first, so as to reduce the impact of traditional trade barriers. By strengthening cooperation with regional economies and promoting digital signing of word trade agreements to establish a more flexible trade environment for cross-border e-commerce and data flow, this will help Chinese enterprises bypass some of the anti-dumping barriers and open up new trade growth points.

5. Conclusion

This paper provides an in-depth analysis of anti-dumping measures in international trade law, and systematically explores China's response path in the face of anti-dumping investigations and trade sanctions. From the analysis, it can be seen that although China has achieved certain results in responding to anti-dumping measures, such as promoting market diversification through the 'Belt and Road' initiative, strengthening industry self-regulation, improving product quality and technology level, and gradually enhancing the global competitiveness of enterprises, there are still many problems. Insufficient ability to respond to lawsuits, imperfect domestic regulations and the lack of international cooperation mechanisms have, to a certain extent, limited the ability of Chinese enterprises to participate in the global market.

In addition, the rapid changes in the international trade environment have increased the difficulty of China's response to trade barriers. The frequent use of anti-dumping measures by emerging economies and the imposition of high anti-dumping duties on Chinese goods by European and American countries with the help of the 'substitute country' method of calculation have made Chinese enterprises encounter serious challenges in market access and price competition. These challenges not only limit export growth, but also prompt enterprises to accelerate transformation and upgrading, and promote product innovation and supply chain optimisation.

Based on the above issues and analyses, this paper proposes a number of optimisation strategies. Firstly, deepening technological innovation and supply chain integration has become the key to reduce dependence on international supply chains by strengthening investment in core technology and basic scientific research, and increasing the production localisation rate. Secondly, the establishment of an anti-dumping early warning system and risk management system can help enterprises identify the risk of trade barriers and take countermeasures in a timely manner. At the same time, China should also promote the reform and innovation of WTO rules through multilateral negotiations, and strive for a fairer trade environment. Finally, it should further strengthen bilateral and regional cooperation with emerging market countries, sign more free trade agreements, and enhance Chinese enterprises' market access opportunities and international competitiveness.

In summary, this study reveals the extensive impact of anti-dumping measures on Chinese enterprises and proposes a corresponding strategy optimisation path through systematic analysis. In the future, China should continue to improve its trade regulations, enhance the ability of enterprises to respond to complaints, and strengthen the stability of the international trade environment through multilateral and bilateral cooperation. The effective implementation of these measures will help Chinese enterprises to better cope with anti-dumping challenges, safeguard their legitimate rights and interests, and promote the healthy development of international trade.

References

^[1] Sotoudeh S M .Investigating employment of AI arbitrators in International Commercial Arbitration according to UNCITRAL Model Law (1985)[J].SN Social Sciences, 2024, 4(10):187-199.

^[2] Blonigen, B. A., Prusa, T. J. Anti-Dumping Investigations and Tariff Effects on Emerging Markets. Economic Journal of Trade Barriers, 2016, 85-107.

^[3] Chandra, P., Long, C. AD Policies and Chinese Firm Performance. Journal of Economic Policy Studies, 2013, Vol. 27.

- [4] Widiarty S W .Economic Globalization in Protecting Domestic Products through Anti-Dumping Laws[J]. International Journal of Law and Politics Studies, 2024, 6(2):01-05.
- [5] Ma X, Zhou H, Li Z. On the resilience of modern power systems: A complex network perspective[J]. Renewable and Sustainable Energy Reviews, 2021, 152: 111646.
- [6] Ejeh A C .Asymmetric Power Relations and International Trade Law: A Legal Analysis of Economic Partnership Agreements [M]. Taylor & Francis: 2024-08-26. DOI: 10.4324/9781032615059.
- [7] Duong T T T .International law: from fragmentation to integration? an analysis of the relationship between international trade law and international labor law in multilateral and regional trade law frameworks[J]. Asia Europe Journal, 2024, (prepublish): 1-19.
- [8] P. C B, C. P M, Yoshiko N. Smart Cities and International Trade Law[J]. World Trade Review, 2024, 23(3):363-384. [9] Knoll S M, Cass A R. International Trade Law[M]. Taylor & Francis: 2023-12-31. DOI: 10.4324/9781315198293.
- [10] Kennesaw State University. Anti-Dumping and Trade Re-routing: Evidence from Chinese Exports. 2020. Source: https://www.kennesaw.edu.
- [11] ResearchGate. Anti-dumping Duties and their Impact on Exporters: Firm Level Evidence from China. 2019. Source: https://www.researchgate.net.
- [12] Firm-level Evidence on the Effectiveness of Anti-Dumping Measures in International Trade. 2018. Source: https://www.etsg.org.
- [13] Chandra, P., Long, C. AD Policies and Chinese Firm Performance. Journal of Economic Policy Studies, 2013, Vol. 27.
- [14] Qiao, et al. The Impact of Anti-Dumping Measures on the Export of Intermediate Products from China. International Journal of Business and Social Research, 2020, 247-248.
- [15] Jabbour, L., et al. Trade Shocks and Exporter Performance: Evidence from EU's Anti-Dumping Measures. International Economic Review, 2019.
- [16] Crowley, M. A., et al. The Impact of AD Measures on Market Dynamics. Journal of International Economics, 2018. [17] Lu, J., Chandra, P. Market Adjustments to AD Shocks in the Global Supply Chain. World Trade Journal, 2019.