

**UNITED STATES – ANTI-DUMPING DETERMINATIONS REGARDING
STAINLESS STEEL FROM MEXICO**

Request for Consultations by Mexico

The following communication, dated 5 January 2005, from the delegation of Mexico to the delegation of the United States and to the Chairperson of the Dispute Settlement Body, is circulated in accordance with Article 4.4 of the DSU.

Acting on instructions from the relevant Mexican Government authorities, I hereby request the holding of consultations with the Government of the United States pursuant to Article 4 of the WTO Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU), Article XXII of the General Agreement on Tariffs and Trade 1994 (GATT 1994), and Article 17 of the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (Anti-Dumping Agreement), in relation to:

1. The following determinations by the United States Department of Commerce (USDOC), case A-201-822:

- Final results of the anti-dumping investigation, entitled *Final Determination of Sales at Less than Fair Value: Stainless Steel Sheet and Strip in Coils from Mexico*, published in 64 Federal Register (FR) 30790 of 8 June 1999 (investigation) and its amendments, 64 FR 40560 of 27 July 1999;
- Final results of the determination of anti-dumping duties for the period from January 1999 to June 2000, entitled *Stainless Steel Sheet and Strip in Coils from Mexico: Final Results of Anti-Dumping Duty Administrative Review*", published in 67 FR 6490 of 12 February 2002 (final results of the determination of duties 1999-2000) and its amendments, 67 FR 15542 of 2 April 2002;
- Final results of the determination of anti-dumping duties for the period from July 2000 to June 2001, entitled "*Stainless Steel Sheet and Strip in Coils from Mexico: Final Results of Anti-Dumping Duty Administrative Review*", published in 68 FR 6889 of 11 February 2003 (final results of the determination of duties 2000-2001) and its amendments, 68 FR 13686 of 20 March 2003; and
- Final results of the determination of anti-dumping duties for the period from July 2001 to June 2002, entitled "*Stainless Steel Sheet and Strip in Coils from Mexico: Final Results of Anti-Dumping Duty Administrative Review*", published in

69 FR 6529 of 10 February 2004 (final results of the determination of duties 2001-2002).

In the above determinations, the USDOC used a methodology to determine the overall dumping margin for the subject merchandise in which it considered negative dumping margins - i.e. margins in which the weighted average export transaction prices for the corresponding sub-group exceed the weighted average normal value - to be zero. As a result, the USDOC made a determination of the dumping margin that would appear to be incorrect and a comparison that may not be fair;

2. The following United States regulations and administrative practices:

- Sections 736, 751, 771(35)(A) and (B), and 777A(c) and (d) of the Tariff Act of 1930;
- USDOC regulations codified at Title 19 of the United States Code of Federal Regulations, sections 351.212(b), 351.414(c), (d) and (e).

In Mexico's view, the above measures may violate the obligations of the United States under the Marrakesh Agreement Establishing the WTO, including the agreements annexed thereto, and could lead to the nullification or impairment of benefits accruing directly or indirectly to Mexico under that Agreement. In particular, Mexico considers that the relevant US measures, laws, regulations, and administrative practices could be inconsistent with the following provisions:

- Articles 1, 2 (in particular 2.1, 2.4 and 2.4.2), 5 (in particular 5.8), 9 (in particular 9.3), 11 (in particular 11.2) and 18.4 of the Anti-Dumping Agreement;
- Articles VI:1 and VI:2, as well as X:3(a) of the GATT 1994; and
- Article XVI:4 of the WTO Agreement.

Mexico reserves the right to raise further factual and legal claims during the course of the consultations. It looks forward to receiving the US Government's response in order to set a mutually convenient date for the consultations.
