

**UNITED STATES – CONTINUED EXISTENCE AND APPLICATION
OF ZEROING METHODOLOGY**

Status Report by the United States

Addendum

The following communication, dated 12 May 2011, from the delegation of the United States to the Chairperson of the Dispute Settlement Body, is circulated pursuant to Article 21.6 of the DSU.

Status Report Regarding Implementation of the
DSB Recommendations and Rulings in the Dispute
United States – Continued Existence and Application of Zeroing Methodology
(WT/DS350)

The United States submits this report in accordance with Article 21.6 of the *Understanding on Rules and Procedures Governing the Settlement of Disputes* ("DSU").

On 19 February 2009, the Dispute Settlement Body ("DSB") adopted its recommendations and rulings in *United States – Continued Existence and Application of Zeroing Methodology* (WT/DS350). At the following DSB meeting, on 20 March 2009, the United States informed the DSB of its intention to implement the recommendations and rulings of the DSB in connection with this matter. The United States and the European Communities agreed that the reasonable period of time for the United States to implement the recommendations and rulings of the DSB would end on 19 December 2009.

The United States Trade Representative made a written request to the Secretary of Commerce to issue a determination under Section 129(b) of the Uruguay Round Agreements Act that would render the following determinations not inconsistent with the recommendations and rulings of the DSB: *Final Determination of Sales at Less Than Fair Value: Purified Carboxymethylcellulose from Sweden*; *Final Determination of Sales at Less Than Fair Value: Purified Carboxymethylcellulose from the Netherlands*; *Final Determination of Sales at Less Than Fair Value: Purified Carboxymethylcellulose from Finland*; and *Final Determination of Sales at Less Than Fair Value: Chlorinated Isocyanurates from Spain*. On 17 December 2009, the US Department of Commerce issued the preliminary results under Section 129(b) with respect to the four determinations. Interested parties had an opportunity to comment on the preliminary results prior to the issuance of the final determinations under section 129(b). On 12 March 2010, the Department issued the final results under section 129(b) with respect to the four determinations in the original investigations. The United States is now consulting internally on next steps under section 129(b).

On 28 December 2010, in part in response to the findings in this dispute with respect to administrative reviews and sunset reviews, the US Department of Commerce announced a proposal to change the methodology for calculating weighted average dumping margins and assessment rates in certain anti-dumping proceedings, including administrative reviews. The Department proposes to compare monthly weighted average export prices with monthly weighted average normal values, and to grant an offset for comparisons that show an export price that exceeds normal value in the calculation of the weighted average margin of dumping and assessment rate. The modifications the Department has made with respect to investigations, and is proposing to make with respect to reviews, address the underlying issue with respect to sunset reviews.

The proposal has been published in the Federal Register, 75 Fed. Reg. 81533 (28 Dec. 2010). Under US law, there will be a period for public comment on this proposal and for consultations with appropriate committees in the US Congress.

The United States will continue to consult with interested parties as it works to address the recommendations and rulings of the DSB.
