

**UNITED STATES – LAWS, REGULATIONS AND METHODOLOGY
FOR CALCULATING DUMPING MARGINS ("ZEROING")**

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 – Laws, Regulations and Methodology for
Calculating Dumping Margins ("Zeroing")
(WT/DS294)

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 9 May 2006, the Dispute Settlement Body ("DSB") adopted its recommendations and rulings in *United States – Laws, Regulations and Methodology for Calculating Dumping Margins ("Zeroing")* (DS294). At the following DSB meeting on 30 May 2006, 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 ("EC") agreed that the reasonable period of time for the United States to implement the recommendations and rulings of the DSB would end on 9 April 2007.

The United States has taken a number of steps to comply with the recommendations and rulings of the DSB in this dispute. With respect to the "as such" claims, as of 22 February 2007, the United States is no longer performing average-to-average comparisons in anti-dumping investigations without offsets.

With respect to the 15 anti-dumping investigations at issue in this dispute, three of the anti-dumping orders in question had been revoked before the DSB adopted its recommendations and rulings. With respect to the remaining 12, the US Department of Commerce issued 11 determinations on 9 April 2007 and one determination on 31 August 2007. In those determinations, the Department used an average-to-average comparison in which offsets were provided. As a result, in two of these determinations, the Department found no dumping, and the Department revoked the orders. The margins for the others were adjusted accordingly, and in several cases, the Department found no dumping by individual companies. The Department revoked the orders with respect to those

companies. Additionally, four of the remaining anti-dumping orders were revoked as a result of sunset reviews, with effect prior to the end of the reasonable period of time.

On 11 June 2009, the DSB adopted the Appellate Body report and the panel report, as modified by the Appellate Body report, regarding the recourse to Article 21.5 of the DSU by the EC.

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 is continuing its ongoing work on the December proposal and will continue to consult with interested parties.
