

**UNITED STATES – CONTINUED DUMPING AND
SUBSIDY OFFSET ACT OF 2000**

Communication from Japan

The following communication, dated 14 August 2009, from the delegation of Japan to the Chairman of the Dispute Settlement Body, is circulated at the request of that delegation.

On 26 November 2004, the Dispute Settlement Body ("DSB") granted authorization to Japan to suspend concessions and related obligations under the *General Agreement on Tariffs and Trade 1994* ("GATT 1994") in accordance with the decision of the Arbitrator in *United States – Continued Dumping and Subsidy Offset Act of 2000* (WT/DS217/ARB/JPN). The authorization was made pursuant to Japan's request made under Article 22.7 of the *Understanding on Rules and Procedures Governing the Settlement of Disputes* ("DSU") (WT/DS217/24). In that request, Japan undertook to notify the DSB every year the list indicating the level of additional import duties on the selected products, prior to the entry into force of a level of suspension of concessions or other obligations.

On 18 August 2005, Japan notified the DSB that it was suspending, as of 1 September 2005, the applications of concessions and related obligations under GATT 1994 on imports of certain products originating in the United States (WT/DS217/48). Japan was extending the suspension of concessions for the second year starting from 1 September 2006 (WT/DS217/50), the third year starting from 1 September 2007 (WT/DS217/52) and the fourth year starting from 1 September 2008 (WT/DS217/54). Although the products subject to this suspension are the same, the rate of *ad valorem* additional duty that will apply to these products will be reduced to 9.6 per cent for the fifth year that will start from 1 September 2009.¹ For convenience, attached is the list of the products on which the *ad valorem* additional duty of 9.6 per cent will be imposed when they are originated in the United States. The suspension for the fifth year covers, over one year, a total value of trade that does not exceed US\$ 16.54 million.

US\$16.54 million is Japan's current level of authorization established through arbitration under Article 22.6 of the DSU. It represents 72 *per cent* of US\$22.97 million collected from Japan's exports and disbursed to US companies in the distribution under the *Continued Dumping and Subsidy Offset Act of 2000* for the most recent year for which data are available. The amount of relevant disbursements was identified based on the CDSOA Annual Report for Fiscal Year 2008, published by US Customs and Border Protection on 15 January 2009.²

Japan would be grateful if you could ask the Secretariat to circulate this notification to the Members of the DSB.

¹ Cabinet Order No. 211 of 14 August 2009, Official Gazette No.171 of Special Issue dated on 14 August 2009, at page 7.

² The report has been updated on 3 April 2009 and on 13 July 2009.

ANNEX: LIST OF PRODUCTS

An *ad valorem* additional duty of 9.6 per cent will apply to the products originating in the United States of America classified in the list below. The list uses the 9-digit code classification found in the Harmonized Tariff Schedule of Japan. The descriptions provided herein are for information purposes only.

| <i>HS Codes</i> | <i>Description of products</i> |
|-----------------|---|
| 848210000 | Ball bearings |
| 848220000 | Tapered roller bearings, including cone and tapered roller assemblies |
