

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

Communication from Japan

The following communication, dated 22 August 2006, 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*. 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"). 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 application of concessions and related obligations under GATT 1994 on imports of certain products originating in the United States of America (WT/DS217/48). The products subject to this suspension of concessions will be unchanged for the second year that will start from 1 September 2006.¹ For convenience, attached is the list of the products on which an *ad valorem* additional duty of 15% will continue to be imposed when originating in the United States of America. The suspension for the second year covers, over one year, a total value of trade that does not exceed US\$54.93 million.

US\$54.93 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\$76.29 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 using the CDSOA Annual Report for Fiscal Year 2005, published by US Customs and Border Protection on 29 November 2005.

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

¹ Cabinet Order No.274 of 15 August 2006, Official Gazette No.4404, 18 August 2006, at page 4.

ANNEX: LIST OF PRODUCTS

An *ad valorem* additional duty of 15% will continue to 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>
591000020	Transmission or conveyor belts or belting, of textile material, whether or not impregnated, coated, covered or laminated with plastics, or reinforced with metal or other material (excluding of cotton)
721090010	Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated (excluding those of plated or coated with tin, lead, zinc, chromium oxides, chromium and chromium oxides or aluminium, and those of painted, vanished or coated with plastics): containing by weight less than 0.6% of carbon
722012000	Flat-rolled products of stainless steel, of a width of less than 600 mm: not further worked than hot-rolled: of a thickness of less than 4.75 mm
722699010	Flat-rolled products of other alloy steel, of a width of less than 600 mm (excluding those of silicon-electrical steel, those of high speed steel, those not further worked than hot-rolled or cold-rolled (cold-reduced), those plated or coated with zinc): bimetal, clad or combined, containing by weight more than 10% of nickel
842720000	Fork-lift trucks; other works trucks fitted with lifting or handling equipment: self-propelled trucks (excluding those powered by an electric motor)
844330000	Flexographic printing machinery
846610010	Tool holders
848210000	Ball bearings
848220000	Tapered roller bearings, including cone and tapered roller assemblies
848240000	Needle roller bearings
848250000	Cylindrical roller bearings (excluding those of spherical or needle)
848280000	Roller bearings, including combined ball/roller bearings (excluding those of tapered, spherical, needle or other cylindrical)
848291000	Parts of ball or roller bearings: balls, needles and rollers
848299000	Parts of ball or roller bearings (excluding balls, needles and rollers)
901480000	Navigational instruments and appliances (excluding direction finding compasses and instruments and appliances for aeronautical or space navigation)