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UNITED STATES – CONTINUED DUMPING AND SUBSIDY OFFSET ACT OF 2000

COMMUNICATION FROM THE EUROPEAN UNION

The following communication, dated 2 April 2014, from the delegation of the European Union to the Chairperson 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 the European Union to suspend concessions and related obligations under the General Agreement on Tariff and Trade 1994 ("GATT 1994") in accordance with the decision of the Arbitrator in *United States - Continued Dumping and Subsidies Offset Act of 2000.* The authorization was made pursuant to the European Union request (WT/DS217/39) made under Article 22.7 of the Understanding on Rules and Procedures Governing the Settlement of Disputes ("DSU"). In that request, the European Union undertook to notify the DSB every year the list of products on which the additional import duty would apply, prior to the entry into force of a level of suspension of concessions.

On 29 April 2005, the European Union notified the DSB that it was suspending, as of 1 May 2005, the application of concessions and related obligations under GATT 1994 on imports of certain products originating in the United States of America (WT/DS217/47). The list of products subject to this suspension of concessions was modified on 1 May 2006 (WT/DS217/49), on 1 May 2007 (WT/DS217/51), on 1 May 2008 (WT/DS217/53), on 1 May 2009 (WT/DS217/55), on 1 May 2010 (WT/DS 217/57), on 1 May 2011 (WT/DS217/59), on 1 May 2012 (WT/DS217/61) and on 1 May 2013 (WT/DS217/63). The relevant Commission Implementing Regulation (EU) No 303/2014 of 25 March 2014 (as attached) maintains unchanged the list of products subject to retaliation. On the other hand, the rate of additional duty to which those products are subjected to a decrease from 26% to 0,35% in order to adjust to the level of retaliation.

The updated list is attached. The suspension, which applies as from 1 May 2014, covers, over one year, a total value of trade that does not exceed USD 872 685.

USD 872 685 is the European Union's current level of authorization established through arbitration under Article 22.6 of the DSU. It represents 72 *per cent* of USD 1.212.062,73 collected from the European Union' exports and disbursed to U.S. 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 <u>CDSOA Annual Report for Fiscal Year 2013</u>, published by U.S. Customs and Border Protection¹ on 15 January 2014.

The European Union kindly requests that the Secretariat circulate this notification to the Members of the DSB.

¹ http://www.cbp.gov/sites/default/files/documents/fy-13-annual-report.pdf

PRODUCTS SUBJECT TO A 0,35% ADDITIONAL IMPORT DUTY AS FROM 1 MAY 2014

The products on which the 0,35% additional import duty would apply are those classified under the listed eight-digit CN codes, as provided in annex I to Council Regulation (EEC) No. 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff as replaced by Commission Regulation (EC) No 1810/2004 (OJ L 327, 30.10.2004, p. 1). The product descriptions hereunder are given for information purpose only.

Subject to the 0,35% additional import duty as from 1 May 2014	CN codes	Description of products
	0710 40 00	Sweet corn, uncooked or cooked by steaming or by boiling in water, frozen
	9003 19 30	Frames and mountings for spectacles, goggles or the like, of base metal
	8705 10 00	Crane lorries (excl. breakdown lorries)
	6204 62 31	Women or girls' cotton denim trousers and breeches

COMMISSION IMPLEMENTING REGULATION (EU) No 303/2014

of 25 March 2014

amending Council Regulation (EC) No 673/2005 establishing additional customs duties on imports of certain products originating in the United States of America

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EC) No 673/2005 of 25 April 2005 establishing additional customs duties on imports of certain products originating in the United States of America (1), and in particular Article 3 thereof,

Whereas:

- (1) As a result of the United States' failure to bring the Continued Dumping and Subsidy Offset Act (CDSOA) in compliance with its obligations under the World Trade Organization (WTO) agreements, Regulation (EC) No 673/2005 imposed a 15 % ad valorem additional customs duty on imports of certain products originating in the United States of America as from 1 May 2005. In conformity with the WTO authorisation to suspend the application of concessions to the United States, the Commission is to adjust the level of suspension annually to the level of nullification or impairment caused by the CDSOA to the European Union at that time
- (2) The CDSOA disbursements for the most recent year for which data are available relate to the distribution of antidumping and countervailing duties collected during the Fiscal Year 2013 (1 October 2012-30 September 2013). On the basis of the data published by the United States' Customs and Border Protection, the level of nullification or impairment caused to the Union is calculated at USD 872685.
- (3) The level of nullification or impairment and consequently of suspension has decreased. However, the level of suspension cannot be adjusted to the level of nullification or impairment by adding or removing products from the list in Annex I to Regulation (EC) No 673/2005. As a consequence, in accordance with Article 3(1)(e) of that Regulation, the Commission should keep the list of products in Annex I unchanged and amend the rate of the additional duty in order to adjust the level of suspension to the level of nullification or impairment. The three products listed in Annex I should therefore

be maintained on the list and the rate of additional import duty should be amended and set at 0,35 %.

- (4) The effect of a 0,35 % ad valorem additional import duty on imports from the United States of the products in Annex I represents, over one year, a value of trade that does not exceed USD 872 685.
- (5) To make sure that there are no delays in the application of the amended rate of additional import duty, this Regulation should enter into force on the day of its publication.
- (6) Regulation (EC) No 673/2005 should therefore be amended accordingly.
- (7) The measures provided for in this Regulation are in accordance with the opinion delivered by the Committee on Trade Retaliation,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EC) No 673/2005 is amended as follows:

(1) Article 2 is replaced by the following:

'Article 2

An ad valorem duty of 0,35 % additional to the customs duty applicable under Council Regulation (EEC) No 2913/92 (*) shall be imposed on the products originating in the United States of America listed in Annex I to this Regulation.

(*) OJ L 302, 19.10.1992, p. 1.;

(2) Annex I is replaced by the text set out in the Annex to this Regulation.

⁽¹⁾ OJ L 110, 30.4.2005, p. 1.

Official Journal of the European Union

L 90/7

Artide 2

This Regulation shall enter into force on the day of its publication in the Official Journal of the European

It shall apply from 1 May 2014.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 25 March 2014.

For the Commission The President José Manuel BARROSO

ANNEX

'ANNEX I

The products on which additional duties are to apply are identified by their eight-digit CN codes. The description of products classified under these codes can be found in Annex I to Council Regulation (EEC) No 2658/87 of 23 July 1987 on the tariff and statistical nomenclature and on the Common Customs Tariff (1) as amended by Regulation (EC) No 1810/2004 (2).

0710 40 00

9003 19 30

8705 10 00

6204 62 31

⁽¹) OJ L 256, 7.9.1987, p. 1. (²) OJ L 327, 30.10.2004, p. 1.