## WORLD TRADE

## **ORGANIZATION**

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## <u>UNITED STATES - ANTI-DUMPING DUTY ON</u> <u>DYNAMIC RANDOM ACCESS MEMORY SEMICONDUCTORS (DRAMS)</u> OF ONE MEGABYTE OR ABOVE FROM KOREA

## Request for Consultations by Korea

The following communication, dated 14 August 1997, from the Permanent Mission of Korea to the Permanent Mission of the United States and to the Dispute Settlement Body, is circulated in accordance with Article 4.4 of the DSU.

My authorities have instructed me to request consultations with the Government of the United States pursuant to Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes, Article XXIII:1 of the General Agreement on Tariffs and Trade 1994 (GATT 1994), and Article 17.3 of the Agreement on Implementation of Article VI of the GATT 1994 (the AD Agreement) regarding the 16 July 1997 decision of the US Department of Commerce (DOC) not to revoke the anti-dumping duty on dynamic random access memory semi-conductors (DRAMs) of one megabyte or above originating in the Republic of Korea.

The DOC's afore-mentioned decision was made despite the finding that the Korean DRAM producers have not dumped their products for a period of more than three and a half consecutive years, and despite the existence of evidence demonstrating conclusively that Korean DRAM producers will not engage in dumping DRAMs in the future. Further, the standard for revocation adopted by the DOC appears to be impermissible under Article 11 of the AD Agreement and is impossible for producers in such a cyclical industry to meet.

Moreover, the DOC improperly imposed on the Korean producers the burden of providing that dumping is not likely to occur in the future, and it failed to consider the proper time period in examining whether a continuation of the anti-dumping duty order is necessary to counteract or offset dumping. In addition, the DOC has extended the scope of the proceeding arbitrarily to cover products that did not exist at the time of the original investigation and therefore were never found to have been dumped or to have caused injury.

The Republic of Korea considers that these measures violate the obligations of the United States under Articles 6 and 11 of the AD Agreement and Article VI of GATT 1994. In addition, the denial of revocation also appears to nullify or impair benefits accruing to the Republic of Korea under, or otherwise impedes the attainment of objectives of, the cited agreements.

The Republic of Korea reserves its right to raise further factual claims and legal matters during the course of consultations.

We look forward to receiving your reply to the present request and to fixing a mutually convenient date for consultations.