

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

Status Report by the United States

Addendum

The following communication, dated 9 January 2006, from the delegation of the United States to the Chairman 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 Disputes *United States – Continued Dumping and Subsidy Offset Act of 2000*
(WT/DS217 and WT/DS234)

The United States submits this report in accordance with Article 21.6 of the *Understanding on Rules and Procedures Governing the Settlement of Disputes*.

On 27 January 2003, the Dispute Settlement Body ("DSB") adopted its recommendations and rulings in *United States – Continued Dumping and Subsidy Offset Act of 2000* (WT/DS217 and WT/DS234). At the same DSB meeting, the United States informed the DSB of its intention to implement the recommendations and rulings of the DSB in connection with this matter.

On 7 February 2005, the US Administration proposed repeal of the Continued Dumping and Subsidy Offset Act of 2000 ("CDSOA") in its budget proposal for fiscal year 2006. On 3 March 2005, legislation that would repeal the CDSOA was introduced in the US House of Representatives (H.R. 1121). That bill was referred to the Committee on Ways and Means.

On 9 September 2005, an amendment (No. 1680) to appropriations legislation (H.R. 2862, the "Science, State, Justice, Commerce, and Related Agencies Appropriations Act, 2006") was filed in the US Senate. The amendment would prohibit the distribution of CDSOA funds unless distribution of such funds would not be inconsistent with US WTO obligations.

On 26 October 2005, the House Committee on Ways and Means approved a budget reconciliation package (H.R. 4241) that included repeal of the CDSOA. The House Budget Committee approved the package on 3 November 2005. On 18 November 2005, that bill passed the full House. A Conference Committee, tasked with finding a compromise between budget bills passed by the House and Senate, preserved the House provision that would repeal the CDSOA in its Report on 19 December 2005. The House approved the legislation (the "Deficit Reduction Act of 2005") as reported by the Conference Committee the same day. On 21 December 2005, the Senate voted to approve the Deficit Reduction Act of 2005, with one modification unrelated to the CDSOA provision.

Because the Senate modified the legislation after it was approved by the House, the House will need to vote on the modified legislation before it can be presented to the President.

The US Administration will work with the Congress to enact legislation, and will continue to confer with the complaining parties in these disputes, in order to reach a mutually satisfactory resolution of this matter.
