



# WASHINGTON MONITOR

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*A Weekly Review of U.S. Trade Policy Developments Affecting Japan*

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*The Washington Monitor is a product of the Japan Fair Trade Center in cooperation with the international trade practice of the U.S. law firm of Winston & Strawn LLP. All questions concerning its content should be addressed to:*

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## Trade Briefs

### House Democrats Push USTR to Address Chinese Trade Practices

House Ways & Means Chairman Charles Rangel (D-NY) and Subcommittee on Trade Chairman Sander Levin (D-MI) wrote a letter on October 21, 2008, asking U.S. Trade Representative (USTR) Susan Schwab to more forcefully address alleged trade-distorting practices by China that appear to be inconsistent with that country's agreements to the World Trade Organization (WTO). In particular, Rangel and Levin address practices that affect the trade of steel products and the raw materials required to produce them.

Rangel and Levin say that China effectively restricts exports of raw materials through taxation while also giving rebates on the value-added tax (VAT) on exported finished products. These policies lead to unfair advantages to Chinese domestic producers of items like steel wire, semiconductor chips, and aircraft.

Rangel and Levin specifically point to the damage done to U.S. producers of steel wire and wire products.

While the two congressmen do not explicitly advocate the filing of a WTO case, they call for "concrete and immediate action" that "may include" such a measure. They welcome the recently imposed antidumping (AD) duty order on wire hanger imports, the subject of our report to JISF on September 11, 2008 (RFWT-08-39). However, they say that it cannot make up for the damage done to the domestic industry over the past five years.

It is not clear how USTR Schwab will react to this call for a more assertive approach. The USTR is already preparing a case against China that will focus on export restrictions on raw materials. At that time, sources said that the case would not address China's VAT rebate on steel production inputs. Therefore, Rangel and Levin may be trying to force an expansion of the USTR's case by offering specific complaints about the VAT rebate.

## Dumping Watch

### **DOC Partially Revokes AD Duty Order on Polychloroprene from Japan**

On October 31, the DOC gave notice of final results of a changed circumstances review, partially revoking an antidumping (AD) duty order on polychloroprene rubber from Japan. After a preliminary determination, domestic parties expressed no further interest in the relief provided by the duty with respect to certain polychloroprene rubber from Japan. Therefore, the DOC revoked the order in part, expanding the scope of exempted products containing certain amounts of methacrylic acid comonomer.

### **DOC Extends Time Limit on Review of Investigation into Certain Hot-Rolled Carbon Steel Flat Products from Thailand**

On October 29, the DOC gave notice that it was extending the time limit for final results of a changed circumstances review of an AD duty order on certain hot-rolled carbon steel flat products from Thailand. The final results of this review were due on December 23, 2008. However, the DOC decided that this deadline was not practicable due to the complexities of the investigation. The final results are now due on April 22, 2009.

### **DOC Extends Time Limit on Review of Investigation into Certain Stainless Steel Butt-Weld Pipe Fittings from Taiwan**

Also on October 29, the DOC gave notice that it was extending the time limit for final results of the administrative review of the AD order on certain stainless steel butt-weld pipe fittings from Taiwan. The final results of this review were due November 5, 2008. However, the DOC determined that this deadline was not practicable. The DOC needs additional time to review complex issues and determine whether one respondent is qualified for a constructed export price offset. The deadline for final results was then extended to January 5, 2009.

## **Federal Register Notices**

### *International Trade Administration*

**[A-549-825] Polyethylene Terephthalate Film, Sheet, and Strip from Thailand:** Amended Final Determination of Sales at Less Than Fair Value 73 FR 64912-64913, October 31, 2008.

**[A-552-801] Certain Frozen Fish Fillets From the Socialist Republic of Vietnam:** Extension of Time Limit for the Final Results of the Expedited Sunset Review of the Antidumping Duty Order 73 FR 64913-64914, October 31, 2008.

**[A-588-046] Polychloroprene Rubber from Japan:** Final Results of Changed Circumstances Review and Determination to Revoke Antidumping Duty Finding in Part 73 FR 64914-64916, October 31, 2008.

**[A-570-890] Wooden Bedroom Furniture from the People's Republic of China:** Final Results of Fourth New Shipper Reviews 73 FR 64916-64919, October 31, 2008.

**[A-549-817] Certain Hot-Rolled Carbon Steel Flat Products from Thailand:** Extension of Time Limit for Final Results of Changed Circumstances Review 73 FR 64303-64304, October 29, 2008.

**[A-583-816] Certain Stainless Steel Butt-Weld Pipe Fittings from Taiwan:** Extension of Time Limit for the Final Results of Antidumping Duty Administrative Review 73 FR 64304-64305, October 29, 2008.

**Initiation of Antidumping and Countervailing Duty Administrative Reviews and Deferral of Administrative Review** 73 FR 64305-64307, October 29, 2008.

**North American Free-Trade Agreement, Article 1904; NAFTA Panel Reviews: Notice of Completion of Panel Review** 73 FR 64307, October 29, 2008.

**[A-533-820] Certain Hot-Rolled Carbon Steel Flat Products from India:** Notice of Extension of Time Limits for Preliminary Results of Antidumping Duty Administrative Review 73 FR 63945, October 28, 2008.

**[A-201-805] Initiation of Antidumping Duty Changed Circumstances Review: Circular Welded Non-Alloy Steel Pipe from Mexico** 73 FR 63682-63684, October 27, 2008.

**[A-570-868] Affirmative Preliminary Determination of Circumvention of the Antidumping Duty Order on Folding Metal Tables and Chairs from the People's Republic of China** 73 FR 63684-63686, October 27, 2008.

**[A-201-836] Initiation of Antidumping Duty Changed Circumstances Review: Light-Walled Rectangular Pipe and Tube from Mexico** 73 FR 63686-63687, October 27, 2008.

**[A-588-046] Polychloroprene Rubber From Japan:** Initiation and Preliminary Results of Changed Circumstances Review, and Intent to Revoke Antidumping Duty Finding, in Part 73 FR 63687-63688, October 27, 2008.

**[A-570-894] Certain Tissue Paper Products From the People's Republic of China:** Notice of Initiation of Anti-circumvention Inquiry 73 FR 63688-63692, October 27, 2008.

**[A-533-809] Certain Forged Stainless Steel Flanges from India;** Rescission of Administrative Review 73 FR 63692-63693, October 27, 2008.

**[A-570-932] Certain Steel Threaded Rod from the People's Republic of China:** Amended Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination *73 FR 63693-63695*, October 27, 2008.

**[A-351-825] Stainless Steel Bar From Brazil:** Extension of Time Limit for Preliminary Results of Antidumping Duty Administrative Review *73 FR 63695*, October 27, 2008.

*International Trade Commission*

**[Investigation No. 337-TA-608; Investigation No. 337-TA-612]** Notice of Commission Determination to Review-in-Part a Final Determination on Violation of Section 337; Schedule for Filing Written Submissions on the Issues Under Review and on Remedy, the Public Interest, and Bonding; In the Matter of Certain Nitrile Gloves; and In the Matter of Certain Nitrile Rubber Gloves *73 FR 64636-64638*, October 30, 2008.

**[Investigation No. 337-TA-642] In the Matter of Certain Catheters, Consoles and Other Apparatus for Cryosurgery and Components Thereof;** Notice of Decision Not To Review an Initial Determination Granting a Joint Motion To Terminate the Investigation Based on a Settlement Agreement *73 FR 64369*, October 29, 2008.

**[Investigation No. 337-TA-639] In the Matter of Certain Spa Cover Lift Frames;** Notice of a Commission Determination Not To Review an Initial Determination Amending the Complaint and Notice of Investigation and Terminating a Respondent on the Basis of a Consent Order Stipulation and Consent Order; Issuance of Consent Order; Termination of Investigation *73 FR 63731-63732*, October 27, 2008.

**[USITC SE-08-029] Sunshine Act Meeting Notice** *73 FR 63732*, October 27, 2008.

*Federal Trade Commission*

**[File No. 081 0133] Reed Elsevier NV, Reed Elsevier PLC, Reed Elsevier Group plc, Reed Elsevier Inc., ChoicePoint Inc., ChoicePoint Services Inc., and ChoicePoint Government Services LLC; Analysis of Agreement Containing Consent Order to Aid Public Comment** *73 FR 63711-63713*, October 27, 2008.

**The Week Ahead**

- On Tuesday, November 4, the ITC will hold a vote on five-year sunset review adequacy determinations on cut-to-length carbon steel plate from China, Russia, and Ukraine.