Courtesy translation

BEFORE THE WORLD TRADE ORGANIZATION

UNITED STATES – FINAL ANTI-DUMPING MEASURES ON STAINLESS STEEL FROM MEXICO

(DS344)

REBUTTAL SUBMISSION BY MEXICO

(EXECUTIVE SUMMARY)

Geneva
5 July 2007

I. INTRODUCTION

1. The claims presented by Mexico refer to Zeroing. Mexico seeks findings that the use of model zeroing by the U.S. Department of Commerce ("USDOC") in calculating margins of dumping in original investigations and the use of simple zeroing in periodic reviews is inconsistent with the United States' obligations under Article VI:1 and VI:2 of the GATT 1994 and Articles 2.1, 2.4, 2.4.2, and 9.3 of the *Anti-Dumping Agreement*, both "as such" and "as applied" in the contested final determinations.

2. There are two essential textual foundations to Mexico's claims in this case. The first is the definitions of "dumping" and "margins of dumping" contained in Articles VI:1 and VI:2 of the GATT 1994 and in Article 2.1 of the *Anti-Dumping Agreement*. These terms refer to the dumping of the specific "product" that is under investigation or review (not to individual transactions, models or other sub-groupings within the product). The "product" under investigation or review is the product defined by the investigating authorities taken in its entirety. In the case of the as-applied determinations challenged by Mexico, this would be "stainless steel sheet and strip in coils" as defined by the USDOC. Accordingly, any purported "margins of dumping" that is calculated with respect to stainless steel sheet and strip in coils from Mexico must relate to that product taken as a whole. Any calculation of the margin of dumping that is based on less than, or only part of, the transactions for the product under consideration – such as price differences for certain models or individual transactions – do not reflect the margin of dumping for the "product" at issue and are therefore inconsistent with these fundamental definitions.

3. The second is the fact that the *Anti-Dumping Agreement* and the remedies contained therein are directed toward the conduct of individual producers and exporters. Exporters or producers "dump." Importers do not dump but instead purchase dumped products.

4. The USDOC calculates margins of dumping in original investigations and in periodic reviews in two stages. In the first stage, the USDOC makes intermediate comparisons between export prices and normal value. Such intermediate comparisons can be made using different comparison methodologies, including average-to-average, transaction-to-transaction, or average-to-transaction comparisons. Regardless of the comparison methodology applied, the results of such intermediate comparisons are not "margins of dumping" within the meaning of Article VI of the GATT or Article 2 of the *Anti-Dumping Agreement*. Margins of dumping are instead determined in the second stage, in which the USDOC aggregates the intermediate comparison results to arrive, in the third stage, at a margin of dumping for the exporter or producer for the entire product under investigation or review.

5. Zeroing is concerned with the second step in the margin calculation – the aggregation stage. Zeroing is the rule or norm attributable to the United States of general and prospective effect pursuant to which the USDOC in aggregating intermediate comparison results invariably ignores or treats as zero price comparison results where the export price exceeds the normal value (negative comparison results). Zeroing negative intermediate comparison results violates the covered agreements because the resulting aggregate margin of dumping does not fully, nor does it accurately, reflect the margin of dumping for the product under consideration taken as whole. The margin of dumping resulting from the application of Zeroing at the aggregation stage instead reflects only a part of, or less than, the product under consideration. Moreover, because only negative intermediate comparison results are disregarded or treated as zero, this measure also systematically and unfairly inflates the resulting margin of dumping above its actual magnitude for the product as a whole.

6. The calculation of margins of dumping employing Zeroing results is inconsistent with the definitions of "dumping" and "margins of dumping" as set forth in Articles VI:1 and VI:2 of the GATT 1994 and Article 2.1 of the *Anti-Dumping Agreement* which relate to the dumping of a product taken in its entirety. In the case of periodic reviews, by leading to the collection of duties in excess of the margin of dumping determined under Article 2, this methodology also violates Article 9.3 of the *Anti-Dumping Agreement*. In both original investigations and periodic reviews, by calculating margins of dumping in excess of the margin of dumping for the product as a whole, the resulting calculation is inconsistent with the broad fairness requirement embodied in Article 2.4 of the *Anti-Dumping Agreement*.

7. The issue before the Panel is not whether the covered agreements contain an affirmative obligation to "provide offsets" to margins of dumping, as the United States would have it, but rather, whether the covered agreements permit investigating authorities to systematically ignore or alter the results of intermediate price comparisons in calculating margins of dumping.

8. The Appellate Body, in an unbroken line of reports from *EC – Bed Linen* to *US – Zeroing (Japan)*, has consistently interpreted the text of the covered agreements in precisely the same manner as Mexico and has reached precisely the same legal conclusions – namely that Zeroing violates the obligation under the agreements to calculate a single margin of dumping for each exporter or producer for the product under investigation or review. Mexico urges this Panel to follow the Appellate Body's reasoning.

9. The arguments advanced by the United cannot be squared with the text of the agreements and it relies exclusively on reasoning presented in panel reports that were subsequently reversed on appeal.

ARGUMENT

II. MEXICO'S "AS SUCH" CLAIMS RELATED TO INVESTIGATIONS AND PERIODIC REVIEWS ARE PROPERLY BEFORE THE PANEL

A. Mexico's "As Such" Claims Are Within the Panel's Terms of Reference

10. Mexico specifically challenges the manifestation of the single measure (i.e., Zeroing procedures) in two principal contexts: original investigations and periodic reviews. The structure of Mexico's challenge in no way diminishes the unitary nature of the Zeroing measure at issue. The substantive content of the measure is *identical* in both procedural contexts specifically challenged by Mexico, *i.e.*, pursuant to the challenged measure the USDOC systematically and invariably disregards results where the export price exceeds normal value when aggregating intermediate comparison results to determine the margin of dumping for the exporter or producer. The challenged manifestations and Mexico's "as such" and "as applied" claims are clearly within the scope of this Panel's terms of reference.

B. Mexico Provided Significant – and Sufficient – Evidence of the Existence and Nature of the Zeroing Measure at Issue in this Proceeding

11. Mexico has presented overwhelming evidence demonstrating the specific content of the Zeroing measure, that it is attributable to the United States, and that it constitutes a rule of general and prospective effect. The evidence before this Panel is nearly identical to – and perhaps even more extensive than – the evidence based upon which the Appellate Body in *US – Zeroing (Japan)* found that a single Zeroing measure exists, which can be challenged "as such."

12. With respect to the United States' assertion that Mexico has identified no evidence that United States has actually zeroed in all possible contexts, Mexico is under no obligation to do so. Mexico challenges the manifestation of the single Zeroing measure in two contexts – original investigations and periodic reviews. Mexico has presented ample evidence that the United States has consistently employed the Zeroing Procedures complained of in both contexts.

13. As to the claim that Mexico has provided no evidence that the USDOC cannot – or will not – change its methodology in future cases, the United States misstates the standard for establishing that a measure exists, which can be challenged "as such." The standard requires only that Mexico demonstrate the precise content of the measure, that the measure is attributable to the United States, and that the measure has general and prospective application. Mexico has done so.

14. As the Appellate Body noted in *US – Zeroing (Japan)*, paragraph 85, relying on evidence nearly identical to that presented in the current dispute, "the evidence…'shows that what is at issue goes beyond the simple repetition of the application of a certain methodology to specific case.'" That the USDOC *could* change its methodology is of no significance in this case. The evidence before this Panel demonstrates that the Zeroing measure is a rule or norm that has general and prospective application – indeed, it is a deliberate policy that has been, and continues to be systematically applied by the USDOC.

C. USDOC's Policy Announcement Related to Investigations Has No Effect on Mexico's "As Such" Claims related to Investigations or Reviews

15. The United States notes that it has announced a change in policy as of February 22, 2007. This asserted change in policy does not detract from – nor does it render moot – Mexico's "as such" challenge with respect to the general and prospective nature of the single Zeroing measure.

16. The measure that remains following the change in policy is no different than the measure originally challenged, with the exception that it purportedly no longer manifests itself with respect to the application of one particular calculation methodology (average-to-average) in one type of proceeding (original investigations). Its application is still "general" and "prospective" with respect to all other manifestations including the other manifestation and methodology challenged—simple zeroing in periodic reviews.

17. Even with respect to average-to-average comparisons in original investigations, the general and prospective effect of the rule or norm on investigations prior to February 22, 2007 – in which the Zeroing measure was uniformly applied by the USDOC – fully remains, because the orders issued as a result of these investigations continue to affect imports being made today. That the United States has undertaken to recalculate dumping margins without Zeroing in a handful of specific investigations is of no consequence to the remaining investigations, the results of all of which were – and continue to be – impacted by Zeroing.

III. ZEROING IS NOT PERMITTED IN PERIODIC REVIEWS

A. ARTICLE 2.4.2

1. The "All Comparable Transactions" Clause in Article 2.4.2, First Sentence

18. The United States and Mexico differ on the significance of the "all comparable export transactions" clause in the first sentence of Article 2.4.2 of the *Anti-Dumping Agreement*. The United States claims that

this clause was "integral" to the Appellate Body's original finding in *US – Softwood Lumber V* that Zeroing is prohibited under Article 2.4.2 in the context of average-to-average comparisons in original investigations. The United States goes so far as to claim that the "all comparable export transactions" clause provides "the only textual basis" for the Appellate Body's determination in that case. The United States hopes to persuade the Panel that there is no textual basis for recognizing a general prohibition on Zeroing that extends beyond that context.

19. The United States has misread the Appellate Body's reasoning in *US – Softwood Lumber V* and subsequent Appellate Body reports. The "all comparable export transactions" language did not significantly guide the Appellate Body's reasoning in those cases and is *not* the textual basis for the general prohibition on Zeroing. It is instead the reference to "margins of dumping" in Article 2.4.2, 9.3, and elsewhere, and the interpretation of that term by the Appellate Body that provides the textual foundation to the general prohibition on Zeroing.

a) *US – Softwood Lumber V*

20. The Appellate Body's report in *US – Softwood Lumber V* found that the "all comparable export transactions" clause refers to the manner in which intermediate comparisons are made on an average-to-average basis in the first step of the margin calculation and does not speak to or resolve the question of whether Zeroing is permissible where it actually occurs, in the second aggregation step of the calculation. The latter question is instead an issue of interpreting the terms "dumping" and "margins of dumping."

21. The "all comparable export transactions" language pertains to the first step of the calculation process in which the investigating authority conducts intermediate price comparisons and requires only that investigating authorities include "all" of the "comparable" export transactions within each of the comparison sub-groups.

b) Subsequent Appellate Body Reports

22. Contrary to the United States' claims, there has been no "shift" in the Appellate Body's reasoning with regard to zeroing. Subsequent Appellate Body reports considering the Zeroing issue are consistent with the reasoning followed in *US – Softwood Lumber V* and confirm that the "all comparable export transactions" language is *not* the textual basis for the general prohibition on Zeroing at the aggregation stage (see *US – Zeroing (EC 1)*, *US – Softwood Lumber V (Article 21.5 - Canada)*, and *US – Zeroing (Japan)*).

c) Alleged "Redundancy" of the "All Comparable Export Transactions" Clause

23. The preceding discussion of the Appellate Body's reasoning in *US – Softwood Lumber V* also effectively responds to, and refutes, the claim of the United States that the recognition of a general prohibition on Zeroing renders the "all comparable export transactions" language redundant. As demonstrated above, the prohibition on Zeroing identified in *US – Softwood Lumber V,* and every other Appellate Body decision considering the issue, is not rooted in the "all comparable export transactions" language. Moreover, the "all comparable export transactions" language relates specifically to the manner in which intermediate price comparisons are structured in the first step of the margin calculation where comparisons are made on an average-to-average basis. Thus, the general prohibition on Zeroing

identified by the Appellate Body in no way conflicts with or renders "inutile" the "all comparable export transactions" language in the first sentence of Article 2.4.2.

2. "Targeted Dumping" and Alleged "Mathematical Equivalence"

24. The United States' First Written Submission claims that "[t]he mathematical implication of a general prohibition of zeroing…is that the targeted dumping clause would be reduced to inutility." The United States' arguments regarding mathematical equivalence are addressed in Mexico's response to Question 9 of the Panel.

B. ARTICLE 2.1 OF THE ANTIDUMPING AGREEMENT AND GATT ARTICLE VI

25. The general prohibition against Zeroing identified by the Appellate Body is rooted in the term "margin of dumping" in Articles 2.4.2 and Article 9.3. As the Appellate Body has found, these terms are defined in Articles VI:1 and VI:2 of the GATT 1994 and Article 2.1 of the *Anti-Dumping Agreement*, and refer to the "product" under investigation or review taken in its entirety.

26. The United States nevertheless continues to challenge the Appellate Body's conclusion that "margins of dumping" necessarily refers to the margin of dumping for the exporter or producer for the product under investigation or review taken as a whole. It insists instead that "dumping" and "margins of dumping" can be interpreted as relating to individual import transactions and other groupings of less than the entire product under review. It advances a series of erroneous arguments in support of this contention

1. Reading the Definitional Provisions of Articles VI:1 and VI:2 of the GATT 1994 and Article 2.1 of the *Anti-Dumping Agreement*

27. The United States asserts that Article 2.1 of the *Anti-Dumping Agreement* and Article VI:1 of the GATT 1994 are definitional provisions that, "read in isolation, do not impose independent obligations." However, Mexico is not proposing to read these provisions in isolation. To the contrary, these definitions are being properly read in connection with and specifically to interpret the operative language contained in Article 2.4.2 ("margins of dumping") and Article 9.3 ("margin of dumping").

2. "Real-World" Commercial Conduct

28. The United States next claims that "dumping" refers to "real-world commercial conduct by which a product is imported into a country, i.e., transaction by transaction." Subjective views held by the United States regarding purported "real-world commercial conduct" cannot override the text of the agreements.

3. Historical Background Documents

29. As in previous disputes, the United States also seeks to rely on a handful of selected historical "background" documents to bolster its claim that "dumping" has in the past been viewed by certain members as applying at the level of individual import transactions. It is only if interpretation under Article 31 of the Vienna Convention leads to an "ambiguous or obscure" meaning and/or a "manifestly absurd or unreasonable" result that this Panel – or any other – would need to resort to supplementary means of interpretation. There is no such meaning or result in this instance, particularly in the light of the Appellate Body's numerous decisions regarding Zeroing.

30. Nevertheless, even if this Panel chose to consider the documents, they would be of no – or at best, extremely limited – probative value in resolving the issues presented. In *US – Softwood Lumber V (Article 21.5 - Canada)*, paragraph 121, the Appellate Body concluded "the historical materials do not provide any additional guidance for the question of whether zeroing under the transaction-to-transaction comparison methodology is consistent with Article 2.4.2 of the *Anti-Dumping Agreement.*" This Panel should similarly reject these documents as irrelevant.

4. Use of Term "Product" Throughout GATT 1994 and *Anti-Dumping Agreement*

31. The United States takes issue with the Appellate Body's interpretation of the word "product" as used in connection with "dumping" and "margins of dumping" as referring to the product taken as a whole. According to the United States, there is evidence that the term "product" as used in the GATT 1994 and the *Anti-Dumping Agreement* does not exclusively refer to the "product as a whole." Mexico responds to the arguments as follows.

32. First, the United States' reference to the use of the term "product" in Article VII:3 of the GATT 1994 is not relevant. Article VI is concerned with market-based price discrimination by *exporters or producers* with respect to specified products, whereas the customs valuation provisions of Article VII are concerned with the value of individual import transactions. The two provisions are completely distinguishable. The argument by the United States is reminiscent of the claim made in *US – Softwood Lumber V (Article 21.5 - Canada)* concerning the use of the word "product" in Article II of the GATT. The Appellate Body in that case correctly, and summarily, rejected that comparison.

33. Second, the United States makes reference to the term "product" as used in relation to the "levy" of anti-dumping duties on a "product" under Articles VI:2, VI:3, and VI:6(a) and VI:6(b) of the GATT 1994 as further evidence that "product" may refer to individual import transactions. However, the United States incorrectly conflates rules concerning the determination of margins of dumping on the one hand with *assessment* or levying of the duties on the other. Margins of dumping must be determined with reference to the product taken as a whole. Assessments, on the other hand, may be carried out at the level of individual importers, and Mexico has never contended otherwise. However, the assessment of duties against individual importers remains, by virtue of Article 9.3, subject to an overall cap based on the margin of dumping determined for the product (as a whole) under Article 2.

34. The United States' next argument, based on the fact that dumping is defined as where the export price is "less than" the normal value, does not conflict with Mexico's argument. The definition referred to by the United States identifies the margin of dumping with the "product" under investigation. As repeatedly discussed herein, the "product" at issue refers to the product under investigation as defined by the investigating authorities. Margins of dumping may be calculated only with reference to that product taken as a whole, not with respect to individual transactions or parts thereof.

35. The United States next points to a provision of the GATT heretofore not considered relevant to this dispute, Ad Article VI:1, which deals with "hidden dumping." This reference essentially *supports* Mexico's point that the structure of Article VI should be read to define "product" consistently throughout the *Anti-Dumping Agreement*. The reference to the "margin of dumping" in this provision can hardly be construed as being limited solely to a single importer, if the exporter or producer sells to many importers.

36. The United States also argues that if the Appellate Body's interpretation of the word "product" is adopted, then Article 2.2 of the *Anti-Dumping Agreement* would require constructed value to be calculated for the "product as a whole." This same argument was considered and rejected by the Appellate Body in *US – Softwood Lumber V (Article 21.5 – Canada)*.

C. ARTICLE 9.3

1. Prior Appellate Body Decisions Support Mexico's Claim that the Zeroing Procedures are inconsistent with Article 9.3 of the *Anti-Dumping Agreement*

37. Pursuant to Article 9.3 of the *Anti-Dumping Agreement*: "[t]he amount of the anti-dumping duty shall not exceed the margin of dumping as established under Article 2." The Appellate Body has previously set forth a clear analysis leading to the conclusion that the Zeroing Procedures are inconsistent with Article 9.3 and Mexico fully endorses this conclusion.

38. As indicated by the express language of Article 9.3, for the purposes of duty assessment and collection proceedings, the margin of dumping – which sets the maximum amount of the duties to be imposed – must be calculated in accordance with the provisions set forth in Article 2 of the *Anti-Dumping Agreement*, including Article 2.1. Article 2.1 and Article VI:2 of the GATT 1994 require that "dumping" and "margins of dumping" must be established for the product under review as a whole. Citing to the Appellate Body Report in *US-Softwood Lumber V*, the Appellate Body in *US – Zeroing (EC 1)*, paragraph 127, noted that the reference to Article 2 in Article 9.3 confirms that "the amount of the assessed anti dumping duties shall not exceed the margin of dumping as established 'for the product as a whole'".

39. The Appellate Body in *EC – Bed Linen* and *US – Softwood Lumber V* expressly held that the provisions of Article 2.1 of the *Anti-Dumping Agreement* are neither expressly nor implicitly limited to any particular phase or phases of an anti-dumping proceeding. In *US – Softwood Lumber V*, the Appellate Body therein stated "unambiguously" that its conclusion that "the terms 'dumping' and 'margins of dumping' in Article VI of the GATT 1994 and the *Anti-Dumping Agreement* apply to the product under investigation as a whole." As previously demonstrated by Mexico, this conclusion was not based solely on the first sentence of Article 2.4.2, but "also on the context found in Article 2.1 of the *Anti-Dumping Agreement*." Therefore, the requirement to calculate margins of dumping for the product as a whole clearly applies to periodic reviews under Article 9.3.

2. Importers do not engage in "dumping"

40. Mexico disagrees with the United States' claim that, if applied, Mexico's interpretation of Article 9.3 would prevent anti-dumping duties "from fulfilling their intended purpose under Article VI:2 of the GATT 1994, because importers that contribute the most to injurious dumping would be favored over other importers (and domestic competitors) that price fairly." This argument improperly focuses on the behavior of importers rather than the behavior of exporters. It is well-established that "dumping" describes the price discriminatory behavior engaged in by exporters or foreign producers, not by importers. The importer does not set the export price and does not have any part in setting the normal value for a product, which is the benchmark against which dumping must be measured. It is only by altering the export price or the normal value, both of which relate to the exporter that dumping can be eliminated.

3. The elimination of Zeroing is not inconsistent with prospective systems

41. Mexico disagrees with the United States that retrospective and prospective systems are intended to be fundamentally different in their operation and results or that Article 9.4(ii) may be interpreted as endorsing the concept of transaction-specific margins of dumping in prospective normal value systems. The systems are not intended to, and cannot reasonably be interpreted as allowing for different definitions of "dumping," "margins of dumping," or "product". The difference between prospective and retrospective assessment systems is that in the former, the duties deposited at the time of importation are definitive, while in the latter they are not. However, "the rules on the *determination* of the margin of dumping are distinct and separate from the rules on the *imposition and collection* of anti-dumping duties." In order to conform to the requirements of the *Anti-Dumping Agreement*, a collection system must provide for a refund procedure if the duties actually assessed and collected exceed the "margin of dumping" calculated under Article 2.

42. This is clearly reflected in the text of Article 9.3.2 concerning prospective normal value systems. That provision requires refund procedures "upon request" and clearly distinguishes between "the anti-dumping duty assessed on a prospective basis" and the "margin of dumping," requiring refunds where the former exceeds the latter. The interpretation proffered by the United States holds that the amount assessed on a prospective basis is a "margin of dumping." If that were so, then amounts assessed would always equal the margin of dumping and the entire refund obligation under Article 9.3.2 would be rendered a nullity.

43. The U.S. argument that Mexico's interpretation of Article 9.3 (requiring the aggregation of the results of all comparisons on an exporter-specific basis) "would require that retrospective reviews be conducted" in all cases, including in prospective normal value systems is also incorrect. As the Appellate Body determined in *US – Zeroing (Japan)*, paragraph 162, prospective normal value systems may collect definitive anti-dumping duties from importers, and those importers will not be liable for any additional anti-dumping duties. However, such payments are necessarily subject to refund procedures to the degree that the total amount of anti-dumping duties collected exceeds the "margin of dumping".

D. ARTICLE 2.4

44. In its First Written Submission, the United States argues that there is no independent standard of "fairness" that is violated by Zeroing and that Mexico's argument with regard to Article 2.4 is entirely "consequential" to its Article 9.3 argument. Mexico disagrees. The "fair comparison" language in Article 2.4 "creates an independent obligation," the scope of which is not limited to the general subject matter addressed in paragraph 4 (*i.e.,* price comparison). This independent obligation applies to all comparison methodologies employed in all types of anti-dumping proceedings. WTO precedents recognize the "inherent bias" of the Zeroing methodology in all types of proceedings The Zeroing methodology inflates the margins contrary to the terms of the *Anti-Dumping Agreement* and indeed turns a negative dumping margin into a positive one. It is this fundamental "unfairness" – the biased and distortive effects of Zeroing – which underlies Mexico's argument with respect to Article 2.4.

IV. ARTICLE XVI:4 OF GATT AND ARTICLE 18.4 OF THE ANTI-DUMPING AGREEMENT

45. The United States asserts that Mexico's claims concerning Article XVI:4 of the WTO Agreement and Article 18.4 of the *Anti-Dumping Agreement* "depend upon a finding of inconsistency with other provisions of the *Anti-Dumping Agreement* and the GATT 1994."

46. Even if the Panel agrees with this position, it should make findings in favor of Mexico's argument (which is set forth in more detail in its First Written Submission) that the Zeroing Procedures are inconsistent with Article XVI:4 of the WTO Agreement and Article 18.4 of the *Anti-Dumping Agreement*.

V. AS APPLIED CLAIM WITH RESPECT TO THE ORIGINAL INVESTIGATION

47. In its First Written Submission, the United States recognizes that the USDOC zeroed in the original investigation being challenged "as applied" in this proceeding, and that such Zeroing has been found to be "inconsistent with Article 2.4.2." Mexico welcomes this acknowledgment. However, for reasons relating to implementation, Mexico maintains its request for a finding of WTO-inconsistency with respect to this claim.

VI. MEXICO'S REQUEST FOR A SUGGESTION

48. There is no doubt regarding the Panel's authority to make suggestions concerning implementation, as Mexico has requested in this dispute. Article 19.1 of the DSU states that "[i]n addition to its recommendations, the panel or Appellate Body may suggest ways in which the Member concerned could implement the recommendations." Dispute settlement panels have exercised this discretion in past cases to suggest that implementation be achieved through revocation of the anti-dumping measure (see *Argentina – Definitive Anti-Dumping Duties on Poultry from Brazil* and *Guatemala – Definitive Anti-Dumping Measures on Grey Portland Cement from Mexico*). Panels in disputes involving other types of measures have also suggested that their recommendations be implemented by specific means of outright revocation or repeal of the entire measure at issue. In yet other cases, Panels have made even more specific suggestions with respect to compliance.

VII. CONCLUSION

49. For the foregoing reasons, and in order to be consistent with the Mexico's request for the establishment of a panel, Mexico respectfully requests that the Panel find that:

(a) Zeroing, as applied in the original investigation of Stainless Steel Sheet and Strip in Coils from Mexico, is inconsistent with Articles VI:1 and VI:2 of the GATT 1994 and Articles 2.1, 2.4, 2.4.2, and 18.4 of the Anti-Dumping Agreement; and Article XVI:4 of the WTO Agreement;

(b) Zeroing in original investigations is, as such, inconsistent with Articles VI:1 and VI:2 of the GATT 1994 and Articles 2.1, 2.4, 2.4.2, and 18.4 of the Anti-Dumping Agreement; and Article XVI:4 of the WTO Agreement;

(c) Zeroing in periodic reviews is, as such, inconsistent with Articles VI:1 and VI:2 of the GATT 1994 and Articles 2.1, 2.4, 9.3, and 18.4 of the Anti-Dumping Agreement, and Article XVI:4 of the WTO Agreement; and

(d) Zeroing, as applied in the five listed periodic reviews of Stainless Steel Sheet and Strip in Coils from Mexico, is inconsistent with Articles VI:1 and VI:2 of the GATT 1994 and Articles 2.1, 2.4, 9.3, and 18.4 of the Anti-Dumping Agreement, and Article XVI:4 of the WTO Agreement.