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BRAZILIAN EMBASSY WASHINGTON, D.C.

THE AMBASSADOR

Nº 285

October 9th, 2003

The Honorable Donald Evans Secretary of Commerce U.S. Department of Commerce 1401 Constitution Avenue, NW Washington, D.C. 20230

Dear Secretary Evans,

This is in reference to the Federal Register Notice of September 9, 2003 concerning the proposed treatment of Section 201 Duties and Countervailing Duties in antidumping procedures.

In the view of the Brazilian Government, a change of methodology such as the one described in the referenced notice would only artificially inflate dumping margins or, in a worst case scenario, create dumping margins where dumping is not occurring when the examined product is already subject to countervailing and/or safeguard duties.

Since the U. S. Department of Commerce does not apply the lesser-duty rule, as provided in Article 9.1 of the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994, this newly suggested practice would amount to unwarranted, additional restrictions to trade.

My Government would like to request your best efforts to reject the proposed change, on the basis that it will only create more distortions and barriers to trade, and that it brings with it the potential of causing a domino effect around the world, as other countries may decide to adopt the same rule, which would end up affecting everyone, including the United States, negatively.

Sincerely,
Rubens A. Barbosa