



Neal Martin

nmartin@mlstrategies.com

David Leiter

djleiter@mlstrategies.com

ML
STRATEGIES

ML Strategies, LLC

701 Pennsylvania Avenue, N.W.

Washington, DC 20004 USA

202 296 3622

202 434 7400 fax

www.mlstrategies.com

AUGUST 07, 2012

CHINA UPDATE

Note on Congressional Schedule

Congress has departed Washington for the annual August recess, and will return after Labor Day.

Senate Foreign Relations Chairman Meets with Chinese Activist

On August 1, Senator John Kerry (D-MA), chairman of the Senate Foreign Relations Committee, met with Chinese human rights activist Chen Guangcheng, who, earlier this year, gained worldwide attention when he escaped from home confinement, sought refuge at the American embassy, and eventually was allowed to come to the U.S. on humanitarian grounds. A press release from Senator Kerry can be found [here](#).

Senators Urge China on Fake IDs

A bipartisan group of Senators including Mark Kirk (R-IL), Dick Durbin (D-IL), Chuck Grassley (R-IA), and Tom Harkin (D-IA), wrote to the Chinese Ambassador to the U.S. on August 6 urging that the Chinese government crack down on high-quality fake identification documents, such as driver's licenses, coming into the U.S. from China. Noting that state identification documents are "one of the most important pieces of identification in the United States" the Senators identity theft and risks to public safety and national security as consequences of the fake identification documents. The letter can be found [here](#).

U.S. House of Representatives Opposes Greater U.N. Control of Internet

On August 2, the House of Representatives approved a resolution, H. Con. Res. 27, urging the Obama administration to oppose proposals to give the United Nation's International Telecommunications Union (ITU) greater control over governance of the Internet. Supported by China and other nations including Brazil, India, and Russia, the proposal could be on the agenda at a conference in Dubai this December. The White House has already indicated that the administration is strongly opposed to the proposal. The resolution, which was approved by a vote of 414-0, can be found [here](#).

Secretary of State Clinton in Africa

Secretary of State Hillary Clinton is in Africa for an 11 day trip that includes stops in Kenya, Malawi, Senegal, South Africa, South Sudan, and Uganda. While in Senegal, delivering remarks at the University of Cheikh Anta Diop, the secretary made what has been viewed as a veiled criticism of China's increasingly

strong involvement on the African continent, as opposed to American ambitions, saying “we are building relationships here in West Africa and across the continent that are not transactional or transitory. They are built to last. And they’re built on a foundation of shared democratic values and respect for the universal human rights of every man and woman. We want to add value to our partners, and we want to add value to people’s lives. So the United States will stand up for democracy, and universal human rights, even when it might be easier or more profitable to look the other way, to keep the resources flowing. Not every partner makes that choice, but we do and we will.” The full statement by Secretary Clinton can be found [here](#).

U.S. to Comply with WTO Ruling on Zeroing by March 2012

On July 31 the World Trade Organization circulated a communication to its members stating that the U.S. would comply, within 8 months, on a ruling that condemns the use of the zeroing methodology in 2 antidumping proceedings by the Department of Commerce related to Chinese shrimp and diamond sawblades. The WTO ruling against the U.S. comes nearly 3 years after Commerce announced that it would impose antidumping orders on these imported products, from China and South Korea. The Chinese responded by initiating dispute proceedings in February 2011 to challenge the duties.

US International Trade Commission Developments

On July 31 the USITC determined that revoking the existing antidumping duty order on Chinese tapered roller bearings would be likely to lead to a continuation or recurrence of material injury to the domestic industry. The decision was made under the requirement of the Uruguay Round Agreements that such duties undergo a 5-year sunset review process. Additional details can be found [here](#).

On August 2 the USITC determined that revoking the existing antidumping duty order on certain lined paper school supplies from China (and India) would likely lead to the continuation or recurrence of material injury to the domestic industry. The decision, under the 50year sunset review process, leaves the orders in place. Additional details can be found [here](#).

On August 6 the USITC voted to expedite the 5-year sunset review process on an antidumping order on polyester staple fiber from China to determine if revocation of the order will likely lead to a continuation or recurrence of material injury to the domestic industry. Additional details can be found [here](#).

USTR Seeking Public Comment on WTO Consultations on Chinese Duties on American Autos

On August 6 the Office of the United States Trade Representative posted a request for public comment in the Federal Register related to WTO consultations on Chinese antidumping and countervailing duties on American automobiles that were imposed in December 2011. The Chinese actions were covered in the December 20 ML Strategies China Update which can be found [here](#). Comments are due on or before August 31 in order to be assured timely consideration, although USTR will accept comments throughout the consultations, which were requested by the U.S. on July 5. The Federal Register notice can be found [here](#). WTO documents related to the case can be found [here](#).

[Click here to view ML Strategies professionals.](#)

Copyright
2012 ML
Strategies.
All rights
reserved.