My authorities have instructed me to request consultations with the Government of the People's Republic of China ("China") pursuant to Articles 1 and 4 of the *Understanding on Rules and Procedures Governing the Settlement of Disputes*, Article XXIII:1 of the *General Agreement on Tariffs and Trade 1994* ("GATT 1994"), Article 30 of the *Agreement on Subsidies and Countervailing Measures* ("SCM Agreement") (to the extent that Article 30 incorporates Article XXIII of the GATT 1994), and Article 17.3 of the *Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994* ("AD Agreement") with respect to China's measures imposing antidumping duties and countervailing duties on certain automobiles from the United States, as set forth in Ministry of Commerce of the People's Republic of China ("MOFCOM") Notice No. 20 [2011] and Notice No. 84 [2011], including any and all annexes. China's measures appear to be inconsistent with China's obligations including under the provisions of the GATT 1994, the AD Agreement, and the SCM Agreement.

In particular, China's antidumping and countervailing duty measures on certain automobiles from the United States appear to be inconsistent with the following provisions of the GATT 1994, the AD Agreement, and the SCM Agreement:

1. Articles 5.3 and 5.4 of the AD Agreement, and Articles 11.3 and 11.4 of the SCM Agreement, because: (a) China failed to examine the degree of support for, or opposition to, the application expressed by domestic producers of the like product prior to initiating the antidumping and countervailing duty investigations; (b) China initiated the investigations when domestic producers supporting the application accounted for less than 25 per cent of total production of the like product produced by the domestic industry; and (c) China failed to examine or review the accuracy and adequacy of the evidence provided in the application.

2. Article 11.3 of the SCM Agreement because the application for a countervailing duty investigation failed to contain information reasonably available to the applicant and therefore there was insufficient evidence in the application to justify the initiation of a countervailing duty investigation with respect to several programs.

3. Article 6.5.1 of the AD Agreement and Article 12.4.1 of the SCM Agreement because China failed to require the applicant to provide adequate non-confidential summaries of allegedly confidential information.

4. Article 6.9 of the AD Agreement because China failed to adequately disclose the calculations and data used to establish the anti-dumping duty rates it determined.

5. Articles 12.2 and 12.2.2 of the AD Agreement because China failed to provide in sufficient detail the findings and conclusions reached on all issues of fact and law it

considered material, and the reasons for the acceptance or rejection of relevant arguments or claims.

6. Article 6.8, including Annex II, paragraph 1, and Articles 6.9, 12.2, and 12.2.2 of the AD Agreement and Articles 12.7, 12.8, 22.3, and 22.5 of the SCM Agreement because: (a) China improperly based its determination of the "all others" anti-dumping and countervailing duty rates on the facts available; (b) China failed to disclose the essential facts underlying its "all others" rate determinations; (c) China failed to set forth in sufficient detail the findings and conclusions reached on all issues of fact and law it considered material in its "all others" rate determinations; and (d) with respect to the "all others" rates, China failed to make available all relevant information on the matters of fact and law and reasons which have led to the imposition of the final measures.

7. Articles 3.1 and 4.1 of the AD Agreement and Articles 15.1 and 16.1 of the SCM Agreement because China made a determination of injury using an improper definition of the domestic industry and as a result failed to base its determination on positive evidence or conduct an objective examination of the facts with respect to the domestic industry producing the subject imports.

8. Articles 3.1 and 3.2 of the AD Agreement and Articles 15.1 and 15.2 of the SCM Agreement because China's analysis of the effects of imports under investigation on the price of the like product was not based upon an objective examination of the record and positive evidence.

9. Articles 3.1, 3.4, and 3.5 of the AD Agreement and Articles 15.1, 15.4, and 15.5 of the SCM Agreement because: (a) China's analysis of the alleged causal link was not based upon an objective examination of the record and positive evidence, including an examination of all relevant economic factors and indices having a bearing on the state of the industry, an examination of all relevant evidence before the authorities, or an examination of any known factors other than allegedly dumped and subsidized imports which at the same time were injuring the domestic industry, and (b) China failed to meet the requirement that injuries caused by other factors must not be attributed to the allegedly dumped and subsidized imports.

10. Article 6.2 of the AD Agreement because China failed to grant interested parties a full opportunity for the defense of their interests.

11. Article 1 of the AD Agreement as a consequence of the breaches of the AD Agreement described above.

12. Article 10 of the SCM Agreement as a consequence of the breaches of the SCM Agreement described above.

13. Article VI of the GATT 1994 as a consequence of the breaches of the AD and SCM Agreements described above.

China's measures also appear to nullify or impair the benefits accruing to the United States directly or indirectly under the cited agreements.