

VI. Findings and Conclusions

147. For the reasons set out in this Report, the Appellate Body:

- (a) reverses the Panel's finding, in paragraphs 5.66 and 6.1 of the Panel Report, that the USDOC's Section 129 Determination is not inconsistent with Article 2.4.2 of the *Anti-Dumping Agreement* and finds, instead, that the use of zeroing by the USDOC in the Section 129 Determination is inconsistent with the United States' obligations under Article 2.4.2 of the *Anti-Dumping Agreement*;
- (b) reverses the Panel's finding, in paragraphs 5.78 and 6.1 of the Panel Report, that the USDOC's Section 129 Determination is not inconsistent with Article 2.4 of the *Anti-Dumping Agreement* and finds, instead, that the use of zeroing in the Section 129 Determination is inconsistent with the "fair comparison" requirement in Article 2.4; and
- (c) consequently, reverses the Panel's conclusion, in paragraph 6.2 of the Panel Report, that "the United States has implemented the recommendations and rulings of the DSB in *US – Softwood Lumber V*, to bring its measure into conformity with its obligations under the [*Anti-Dumping*] *Agreement*".

148. The Appellate Body recommends that the Dispute Settlement Body request the United States to bring its measure into conformity with its obligations under the *Anti-Dumping Agreement*.

Signed in the original in Geneva this 28th day of July 2006 by:

Georges Abi-Saab
Presiding Member

Luiz Olavo Baptista
Member

Giorgio Sacerdoti
Member