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 Giorgio Sacerdoti
Member Member