

108TH CONGRESS  
1ST SESSION

# H. RES. 441

Condemning the report issued on November 10, 2003, by the World Trade Organization (WTO) dispute settlement Appellate Body in which the Appellate Body determined that imposition by the United States of import restrictions on certain steel products was in violation of international law, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 17, 2003

Mr. ENGLISH (for himself, Mr. REGULA, Ms. HART, Mr. ADERHOLT, Mr. QUINN, Mr. NEY, Mr. HOUGHTON, Mr. WILSON of South Carolina, Mr. LATOURETTE, Mr. HAYES, Mr. BROWN of South Carolina, Mr. BOEHLERT, Mrs. MYRICK, and Mr. BISHOP of Utah) submitted the following resolution; which was referred to the Committee on Ways and Means

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## RESOLUTION

Condemning the report issued on November 10, 2003, by the World Trade Organization (WTO) dispute settlement Appellate Body in which the Appellate Body determined that imposition by the United States of import restrictions on certain steel products was in violation of international law, and for other purposes.

Whereas on March 5, 2002, in response to an increase in the imports of certain steel products which were found to cause or threaten to cause serious injury to the United States steel industry, the President imposed import re-

strictions, or “safeguard measures”, on the imports of such steel products;

Whereas subsequent to the imposition of the United States safeguard measures, a proceeding was initiated in the World Trade Organization (WTO) to consider the consistency of this action with the Agreement on Safeguards (as described in section 101(d)(13) of the Uruguay Round Agreements Act);

Whereas during the WTO proceeding the European Union (EU) has offered a series of arguments with no basis in law to justify its efforts to retaliate against the United States for its safeguard measures;

Whereas on November 10, 2003, a WTO dispute settlement Appellate Body issued a report on the proceeding that was adverse to the United States;

Whereas subsequent to the issuance of report of the WTO Appellate Body, the European Union and others have threatened immediate retaliation against the United States in the form of counter import restrictions which are clearly inconsistent with the requirements and policy of the Safeguards Agreement and the Understanding on Rules and Procedures Governing the Settlement of Disputes (as described in section 101(d)(16) of the Uruguay Round Agreements Act);

Whereas the European Union has failed to adhere to the requirements of the Understanding on Rules and Procedures Governing the Settlement of Disputes, as agreed to by all WTO member countries, and further has made groundless threats of retaliation in an inappropriate attempt to influence the WTO with respect to the proceeding;

Whereas, in addition, the decision of the WTO Appellate Body does not require repeal of the safeguard measures by the United States but only modification of the measures to conform with the Agreement on Safeguards;

Whereas any action to respond to a report of the WTO that is adverse to the United States may only be taken pursuant to the requirements of section 129 of the Uruguay Round Agreements Act, including notification to Congress of administrative action taken pursuant to such section; and

Whereas the WTO dispute settlement process is not working and has been guided by politics rather than by legal principles: Now, therefore, be it

1       *Resolved*, That the House of Representatives—

2               (1) condemns as a deliberate interference with  
3       the clearly justified right of the United States to  
4       protect its own markets against unfair trade practices the adverse report issued by the World Trade  
5       Organization (WTO) dispute settlement Appellate  
6       Body on the proceeding to determine whether the  
7       imposition of import restrictions on certain steel  
8       products by the United States on March 5, 2002,  
9       was consistent with the Agreement on Safeguards  
10       (as described in section 101(d)(13) of the Uruguay  
11       Round Agreements Act);

12               (2) strongly urges the President to repeal all  
13       exclusions to such import restrictions which benefit  
14       European Union (EU) steelmakers if the EU retali-

1       ates against the United States in the form of  
2       counter import restrictions; and

3               (3) strongly urges the President to direct the  
4       United States Trade Representative to use the voice  
5       and vote of the United States at the WTO to ensure  
6       that immediate reforms are made to the WTO dis-  
7       pute settlement process to increase its transparency  
8       and to ensure that it does not unfairly restrict trade  
9       remedy laws, create new obligations, or undermine  
10      legitimate trade actions brought by the United  
11      States or other WTO member countries.

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