UNITED STATES – CERTAIN METHODOLOGIES AND THEIR APPLICATION TO ANTI-DUMPING PROCEEDINGS INVOLVING CHINA

(AB-2016-7 / DS471)

OPENING STATEMENT OF THE UNITED STATES OF AMERICA

February 27, 2017

Presiding Member and members of the Division:

1. On behalf of the U.S. delegation, I would like to thank you, as well as the Secretariat staff assisting you, for your work on this appeal. The United States appreciates this opportunity to present its views on the issues that China has appealed in this dispute.

2. The U.S. appellee submission discusses in great detail the questions that have been presented to the Appellate Body, and demonstrates that China's appeals lack merit. In this statement, we would like to highlight certain issues that are critical to the Appellate Body's resolution of this matter.

I. China's Appeals Concerning the Pattern Clause of the Second Sentence of Article 2.4.2 of the AD Agreement Lack Merit

3. The pattern clause of the second sentence of Article 2.4.2 of the AD Agreement[1] sets forth one of the two conditions for utilizing the alternative, average-to-transaction comparison methodology that is described in the second sentence of Article 2.4.2. The pattern clause provides that an investigating authority must "find a pattern of export prices which differ significantly among different purchasers, regions or time periods."[2]

4. Under a proper interpretative analysis pursuant to the customary rules of interpretation, the pattern clause requires an investigating authority to find a regular and intelligible form or sequence of export prices that are unlike in an important manner or to a significant extent among different purchasers, regions, or time periods. An investigating authority examining whether there exists a "pattern of export prices which differ significantly"[3] should employ rigorous analytical methodologies and view the data holistically.[4]

5. The pattern clause does not, however, prescribe any particular analytical methodology that an investigating authority *must* use to determine the existence of a pattern of export prices which differ significantly. Indeed, even China has recognized that an investigating authority is not bound by the AD Agreement to "structure [its] enquiry into the existence of a relevant pricing pattern in any specific manner."[5]

6. Despite this recognition, China has argued throughout this dispute for rigid, specific requirements, which China contends Article 2.4.2 imposes on an investigating authority's assessment of the existence of a pattern of export prices which differ significantly. The obligations China asks the Appellate Body to find, though, simply are not supported by the text of the second sentence of Article 2.4.2. China's arguments are based on flawed premises and an

---

1 *Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994* ("AD Agreement").

2 AD Agreement, Art. 2.4.2, second sentence.

3 AD Agreement, Art. 2.4.2, second sentence.

4 *See* Appellee Submission of the United States of America (December 16, 2016) ("U.S. Appellee Submission"), paras. 25-40 (providing an overview of the proper interpretation of the pattern clause).

5 China's First Written Submission (Confidential) (March 6, 2015), para. 154.

apparent misunderstanding of the analysis undertaken by the U.S. Department of Commerce ("Commerce").

7. While Commerce did, in the challenged antidumping investigations, analyze certain numerical data, *i.e.*, weighted-average export prices, the pattern clause of the second sentence of Article 2.4.2 does not require the use of any particular statistical techniques when analyzing that data. There are any number of ways that an investigating authority might examine export prices and identify a "pattern" within the meaning of the pattern clause. Nothing in the second sentence of Article 2.4.2 compels an investigating authority to undertake the particular type of statistical probability analysis that China discusses.

8. China argues that the *Nails* test applied by Commerce in the challenged antidumping investigations is not suitable to perform a particular type of statistical probability analysis. However, the *Nails* test that Commerce applied does not involve the specific type of statistical analysis that China discusses. Accordingly, China's comments simply are inapposite.

9. Furthermore, while Commerce utilized the standard deviation as part of the *Nails* test, it did not do so with the aim of measuring statistical probability or making statistical inferences, as one might do when analyzing a *sample* of data. Rather, in the challenged investigations, Commerce calculated the standard deviation for a given exporter using *all* of the export price data reported by that exporter. Commerce used the standard deviation it calculated as a tool in its *Nails* test for determining, objectively and transparently, whether the average export price to the alleged target was sufficiently low in relation to the average export price for *all* of the exporter's transactions, such that it may be indicative of a "pattern" within the meaning of the pattern clause.[6]

10. Critically, there is a fundamental distinction between Commerce's approach and China's probability-based approach. Commerce's approach measures systematic pricing while China's approach attempts to identify a random, rare, abnormal occurrence. The standard deviation test that Commerce used in connection with the *Nails* test simply is not aimed at finding statistical outliers or at making the particular kind of statistical inferences from a data sample that China discusses.

11. Ultimately, each criticism China levels against the *Nails* test comes down to a comparison between the *Nails* test and China's proposed statistical probability analysis. This is true with respect to China's arguments about the first and third alleged quantitative flaws as well as China's arguments about Commerce's use of weighted averages. None of China's criticisms establishes that Commerce's application of the *Nails* test in the challenged antidumping investigations is inconsistent with the terms of the pattern clause of the second sentence of Article 2.4.2.

12. With respect to China's appeal concerning the Panel's findings regarding the first alleged quantitative flaw, contrary to China's contention, Commerce was not required to engage in any

---

[6] *See, e.g.*, Issues and Decision Memorandum for the Antidumping Duty Investigation of Certain Oil Country Tubular Goods from the People's Republic of China, at Comment 2 (Exhibit CHN-77).

"preliminary analysis" of the manner in which the observed export prices in individual cases were distributed.[7] Such a "preliminary analysis" *might* be relevant if one were to undertake the kind of statistical probability analysis that China discusses. But Commerce did not undertake such an analysis, and Article 2.4.2 does not require an investigating authority to do so.

13. As for the third alleged quantitative flaw, China's arguments related to the purportedly "wider price gaps" in the tail of the price distribution also miss the point.[8] These arguments, too, are premised on China's contention that Commerce actually was undertaking the kind of statistical probability analysis that China discusses, despite Commerce's express statements in its determinations that it was not doing so.[9] China simply ignores the evidence of what Commerce actually stated in its determinations.

14. In sum, the pattern clause of the second sentence of Article 2.4.2 of the AD Agreement does not require investigating authorities to employ the kind of statistical probability analysis that China discusses, and the *Nails* test is not inconsistent with the pattern clause simply because it does not involve the kind of statistical methodology that China might prefer.

15. In addition to lacking any substantive foundation, China's appeals of the Panel's findings related to the first and third alleged quantitative flaws also fail on jurisdictional grounds. The Panel found as a factual matter that China failed to establish the factual premises of its claims. The Panel did not need to, and, indeed, did not then continue on to, apply the law to the facts with respect to China's claims. If China wished for the Appellate Body to review the Panel's factual findings and the Panel's weighing and appreciation of the evidence, China needed to request that the Appellate Body examine whether the Panel made an objective assessment of the matter before it under Article 11 of the DSU.[10] And, to make such a claim, China would have needed to demonstrate that the Panel failed to make the required objective assessment – which is a very serious matter. China, however, did not appeal the Panel's findings pursuant to Article 11 of the DSU, nor does China present any tenable argument that the Panel failed to make an objective assessment. Therefore, the Appellate Body should decline to consider China's arguments, as it has done in similar situations in the past.[11]

---

[7] *See* China's Appellant's Submission (Confidential) (November 18, 2016) (China's Appellant Submission"), para. 74.

[8] *See* China's Appellant Submission, para. 74.

[9] *See* OCTG OI Final I&D Memo, at Comment 2. (Exhibit CHN-77) (Commerce explained that it "is not using the standard deviation measure to make statistical inferences."); *see also* Steel Cylinders OI Final I&D Memo, at Comment IV (Exhibit CHN-66) ("As we stated before, we do not use the standard deviation measure to make statistical inferences but, rather, use the standard deviation as a relative standard against which to measure differences between the price to the alleged target and non-targeted group. For this purpose, one standard deviation below the average price is sufficient to distinguish the alleged target from the non-targeted group").

[10] *Understanding on Rules and Procedures Governing the Settlement of Disputes*.

[11] *See* U.S. Appellee Submission, paras. 74-105 (Discussing, *inter alia*, the Appellate Body reports in *EC – Seal Products*, *EC – Bananas III*, *US – Upland Cotton (Article 21.5 – Brazil)*, *US – Softwood Lumber V*, and *China – GOES*. *See id.*, paras. 89-95.).

16. China also challenges Commerce's use of weighted-average export prices in connection with the *Nails* test. China's arguments fail, though, because they are premised on China's mistaken belief that the second sentence of Article 2.4.2 requires investigating authorities to apply a particular kind of statistical analysis. China's arguments also fail because nothing in the text of the second sentence of Article 2.4.2 prohibits investigating authorities from using weighted averages when undertaking a numerical analysis pursuant to the pattern clause. China's arguments concerning what it calls "parallelism" are not supported by the text of the pattern clause; China's reliance on the Appellate Body report in *US – Zeroing (Japan)* is misplaced; and China's arguments concerning the meaning of the term "pattern" lack merit. Ultimately, as demonstrated in the U.S. appellee submission, China's arguments concerning Commerce's use of weighted-average export prices lack any legal foundation.

17. China's arguments also lack any logical foundation. As the Panel explained, the text of Article 2.4.2 of the AD Agreement "refers to a pattern of export prices 'which differ significantly among different purchasers, regions or time periods' and thus underlines the differences between the export prices to different purchasers, regions or time periods, and not the differences within the prices to a given purchaser, region or time period."[12] The differences within the prices to a given purchaser, region, or time period are accounted for by calculating a weighted-average export price for the given purchaser, region, or time period, which can then be used to determine whether a pattern exists of export prices which differ significantly "among" different purchasers, regions, or time periods. Commerce's use of weighted-average export prices is a logical approach to the analysis contemplated by the pattern clause.

18. China's arguments under Article 17.6(i) of the AD Agreement also lack merit. Critically, China utterly fails to substantiate its serious claim that the Panel failed in its duty under Article 17.6(i) of the AD Agreement. Instead, China's Article 17.6(i) arguments are redundant of China's substantive arguments under Article 2.4.2 of the AD Agreement. In other situations, the Appellate Body has admonished that, to succeed in a claim under Article 17.6(i) of the AD Agreement, "[a]n appellant must persuade [the Appellate Body], with sufficiently compelling reasons, that [it] should disturb a panel's assessment of the facts or interfere with a panel's discretion as the trier of facts."[13] China has not even attempted to make such a showing.

19. China's appeal concerning the Panel's findings with respect to the qualitative analysis required by the pattern clause also lacks merit. China misreads or misunderstands the Panel's findings. The Panel found that an investigating authority is not required to consider the *reasons* why export prices differ. This finding fully accords with the Appellate Body's finding in *US – Washing Machines* that an investigating authority is "not required to consider the cause of (or reasons for) the price differences."[14] The Panel *did not find*, as China suggests, that an investigating authority is not obligated to consider qualitative factors at all. On the contrary, as

---

[12] *United States – Certain Methodologies and their Application to Anti-Dumping Proceedings Involving China*, Report of the Panel, WT/DS471/R (October 19, 2016) ("Panel Report"), para. 7.123.

[13] *EC – Tube or Pipe Fittings (AB)*, para. 125 (*citing EC – Bed Linen (Article 21.5 – India) (AB)*, para. 170).

[14] *US – Washing Machines (AB)*, paras. 5.66.

evidenced by the panel report itself, the Panel's interpretative findings relating to the requisite qualitative assessment closely track the Appellate Body's findings in *US – Washing Machines*.[15]

20. China argues that seasonality and fluctuating costs are two "objective market factors" that an investigating authority is obligated, in all cases, to examine as part of the requisite qualitative analysis. In reality, China is calling for the investigating authority to consider whether there are reasons "unconnected with targeted dumping" for observed price differences.[16] In *US – Washing Machines*, however, the Appellate Body expressly found that an investigating authority is not required "to ascertain whether the significant differences found to exist are unconnected with 'targeted dumping'."[17] There is no basis – either in the text of the pattern clause or in logic – to require an investigating authority to examine what China improperly calls "objective market factors." Furthermore, given that evidence of seasonality and fluctuating costs likely will not be present in many instances, there certainly is no reason to require an investigating authority to examine those issues in each and every case.

21. For these reasons, which are elaborated fully in the U.S. appellee submission, all of China's appeals related to the Panel's findings concerning the pattern clause of the second sentence of Article 2.4.2 of the AD Agreement lack merit.

II. China's Appeal Concerning the Alleged Adverse Facts Available Norm Lack Merit

22. With respect to China's appeal concerning the alleged Adverse Facts Available Norm – or alleged AFA Norm – our position is straightforward: there is no reason to proceed to the merits of this issue in light of the United States' decision not to appeal the Panel's findings concerning the Single Rate Presumption Norm. Additional findings on the alleged AFA Norm would not contribute to a "positive solution"[18] and "satisfactory settlement"[19] of this dispute because the predicate for the alleged AFA Norm is the Single Rate Presumption Norm that the Panel found to be WTO inconsistent. The current strains on the resources of the dispute settlement system in general, and on the Appellate Body in particular, also militate in favor of the Appellate Body declining to engage in these issues.

23. China's "as such" claims concerning the alleged AFA norm are predicated on the existence of what the Parties alternatively refer to as a "China government entity" or "NME-wide entity." China's claims concern *only* the rate that is assigned to such an entity, and not Commerce's approach to the selection and application of facts available in any other context. As confirmed by China's own appellant submission, China's claims concerning the alleged AFA Norm are integrally linked to – and contingent – on the existence of the China government entity that is developed through the Single Rate Presumption Norm.[20] Indeed, it is striking that China's

---

15 *Compare* Panel Report, paras. 7.110-7.111 and *US – Washing Machines (AB)*, paras. 5.65-5.66.

16 Panel Report, para. 7.105.

17 *US – Washing Machines (AB)*, para. 5.65.

18 DSU, Art. 3.7

19 DSU, Art. 3.3.

20 *See, e.g.*, China's Appellant Submission, para. 492-496.

appellant submission on the alleged AFA norm refers to an "NME-wide entity" no less than 99 times.

24. Furthermore, the Panel's findings are clear that Commerce cannot *presume* that Chinese producers and exporters are part of a single NME entity. Therefore, the Panel's findings that Commerce's very construction of such entities is WTO inconsistent has rendered moot the secondary question of what rate is assigned to such entities. Thus, the Division should refrain from undertaking the unnecessary work that China proposes; the dispute has been positively resolved.

25. There are two points in particular that militate in favor of the exercise of judicial economy here. First, we concur with the Appellate Body's prior analysis that:

> the extent of the evaluation of the "facts available" that is required, and the form it may take, *depend on the particular circumstances of a given case*, including the nature, quality, and amount of the evidence on the record, and the particular determinations to be made in the course of an investigation.[21]

Any compliance actions may change the circumstances as to whether and how facts available are applied.

26. Second, to the extent that China is arguing that the Appellate Body must reach the *second* alleged unwritten "as-such" measure to preserve these issues for a possible compliance proceeding, China is incorrect. Any measure that a Member adopts in implementing DSB recommendations must be consistent with its WTO obligations.[22] In this dispute, that would include the "facts available" obligations in the AD Agreement, including those in Article 6.8 and Annex II. This Panel noted precisely as much.[23] In short, given that any measure taken to comply must be compliant with the AD Agreement – including the obligations set forth in Article 6.8 and Annex II – it would be purely conjectural to assess the United States' compliance with those provisions when the replacement measure has not come into existence yet.

27. Accordingly, the United States requests that the Appellate Body recognize that judicial economy is not only permissible, but appropriate and particularly fitting in this case. With that point concluded, I would like to now briefly outline why the substance of China's appeal concerning the alleged AFA Norm is without merit.

A. The Panel Correctly Articulated and Applied the Legal Standard for Determining the Existence of Norms of General and Prospective Application

28. First, the Panel correctly articulated and applied the legal standard for determining the existence of an alleged norm of general and prospective application. The Panel's articulation and analysis is fully consistent with what the Appellate Body has set forth in its prior reports.

---

21 *US – Carbon Steel (India) (AB)*, para. 4.421 (emphasis added).

22 *See e.g.*, *Argentina – Import Measures (AB)*, para. 5.198.

23 Panel Report, para. 7.490.

Although China purports to be aggrieved with the articulation of the legal standard – calling it "impossible" to meet[24] – China's actual grievance is that the Panel did not find that China's evidence met what the Appellate Body has recognized to be a "high threshold."[25] Indeed, the notion that the Panel set forth an "impossible" standard is belied by the fact that the Panel articulated and applied the *same* standard with respect to the Single Rate Presumption norm – and found that norm to exist.

29. To elaborate, the Panel applied the correct legal standard in a consistent manner with respect to the Single Rate Presumption Norm and the alleged AFA Norm. The Panel's findings differ not because of articulation of the legal standard, but because it found the evidence put forward for each to be different. For example, the Panel found the articulation of the Single Rate Presumption Norm in Policy Bulletin No. 05.1 and the Antidumping Manual to be indicative of Commerce's intent to apply the norm in future contexts. The Panel identified and applied the same legal standard to both alleged norms, but found the evidence deficient with respect to the alleged AFA Norm.

30. China tries to evade its evidentiary problems by asking the Division to consider how *other* types of measures have been established in WTO dispute settlement.[26] But China is the party that challenged the alleged AFA Norm as a norm of general and prospective application. Having done so, China is obliged to prove the measure it identified. Indeed, accepting China's logic would deny defending Members the notice of the measure at issue to which they are entitled under the DSU.[27] If a Party can plead one type of measure with certain defined elements, but then subsequently claim that those elements are no longer relevant, then defending Members would be seriously prejudiced in their ability to present a defense.

31. For these reasons, Members are responsible for proving the measures they identify in their panel request; they do not have the right to reframe the measure in the middle of the panel proceeding because they start to recognize their evidence is lacking. In this respect, the Appellate Body's analysis in *Argentina – Import Licensing*, which the Panel invoked, is directly on point:

> the constituent elements that must be substantiated with evidence and arguments in order to prove the existence of a measure challenged will be informed by how such measure is described or characterized by the complainant.[28]

Different types of unwritten measures may require the demonstration of different elements. Here, China, having challenged the alleged AFA Norm as a norm of general and prospective application, needed to prove that the alleged norm possessed general and prospective application.

---

[24] China's Appellant Submission, paras. 24, 32, 204, 212, 219, 252, 367, 373, and 393.

[25] *US – Zeroing (EC) (AB)*, para. 198.

[26] China's Appellant Submission, paras. 319-369.

[27] DSU, Art. 6.2.

[28] *Argentina – Import Measures (AB)*, para. 5.108.

Having failed to do so, the Panel properly found that the measure had not been established and that China was not entitled to any as such findings as a result.

B. China's Claims Concerning the Alleged AFA Norm Are Outside the Terms of Reference for This Dispute

32. Second, China's claims concerning the alleged AFA Norm are outside the terms of reference for this dispute. The Division has seen the language in the Panel Request that we quoted in our appellee submission.[29] I would like to particularly draw your attention now to how China itself characterized its Panel Request, even *after* the United States brought its terms of reference challenge:

> The measures include "the Use of Adverse Facts Available", which China challenges as a rule or norm of general and prospective application, as such. China set forth a claim in relation to this measure; specifically that it is "inconsistent with the obligations of the United States under Article 6.8 and Annex II of the Anti-Dumping Agreement."[30]

This is not a case where China precisely identified the claims in its Panel Request, and then chose to proceed only on a subset of them. Rather, China never identified its claims with the precision required under the DSU *and continued to leave them imprecise* even toward the end of the panel proceedings.

33. In this regard, it is important to recognize the structure and content of Annex II of the AD Agreement. Unlike certain provisions in the covered agreements where a parent article refers to a general obligation and the subparagraphs are specific articulations of the general obligation, Annex II contains multiple and distinct obligations. For example, in *US – Certain EC Products*,[31] the Appellate Body noted that where a particular article of the SCM Agreement prohibits certain conduct and subparagraphs identify examples of that conduct, reference to the parent provision may suffice to capture the specific applications reflected in subparagraphs. But that is not the situation with the structure and obligations of Annex II of the AD Agreement. One cannot say, for example, that by invoking paragraph 2 of Annex II,[32] it would logically implicate paragraph 6.[33]

---

29 U.S. Appellee Submission, para. 382.

30 China's Second Written Submission (Confidential) (August 28, 2015), para. 323.

31 *US – Certain EC Products (AB)*, para. 111.

32 See AD Agreement, Annex II, para. 2 ("…The authority should not maintain a request for a computerized response if the interested party does not maintain computerized accounts and if presenting the response as requested would result in an unreasonable extra burden on the interested party, e.g. it would entail unreasonable additional cost and trouble.").

33 *See* AD Agreement, Annex II, para. 6 ("…If the explanations are considered by the authorities as not being satisfactory, the reasons for the rejection of such evidence or information should be given in any published determinations."

34. In addition, here, we are even one-step further removed because China only identified Annex II, rather than any particular paragraphs in Annex II, in its Panel Request. If China is allowed to proceed, the protections of DSU Article 6.2 will be vitiated. Could a Member cite just Article 2 of the AD Agreement? The latter third? Of course not. As the Appellate Body has correctly found, a Member must always identify the specific provisions it is raising. Where an article has multiple obligations – like Annex II – the complaining Member's identification must be more precise.[34] Here, China failed to identify the pertinent obligation with the requisite level of precision necessary to ensure procedural fairness in this dispute.

C. China Fail to Establish that Commerce's Use of the Alleged AFA Norm is Inconsistent with Annex II

35. China also has failed to establish that Commerce's use of facts available is inconsistent with any obligation under the AD Agreement.

36. First, despite China's rhetoric and innuendo, there is no evidence, nor Panel findings, that Commerce has acted in a punitive manner with respect to the selection of facts available in relation to the China government entity.[35] China's argument boils down to the fact that there are different producers and exporters within the China government entity, and that Commerce does not consider them individually when applying facts available to the China government entity.[36] But this argument – on its face – concerns the Single Rate Presumption Norm – and thus reinforces why invoking judicial economy is so appropriate in this case. More critically though, the obligations under Article 6.8 and Annex II must be assessed against the China government entity itself. Here, the China government entity failed to cooperate, and Commerce considered this lack of cooperation, among other facts and circumstances, when resorting to, and selecting from among, the facts available. Contrary to China's argument, the treatment that China complains of is appropriately addressed by Articles 6.10 and 9.2 of the AD Agreement.

37. Second, China's assertion that Commerce failed to exercise special circumspection because it allegedly arrived at the "same outcome" in every instance is erroneous. The drawing of adverse inferences and selection of adverse facts by Commerce following instances of non-cooperation by the China government entity merely reflects Commerce's consideration of the China government entity's non-cooperation. As the Panel found, the purportedly "adverse facts" selected by Commerce are simply those that do not lead to a result that is more favorable than if the China government entity had fully cooperated.[37] Suffice it to say, no interested party has a right under the AD Agreement to a result better than what its own data would establish. Accordingly, the determinations that China cites simply reflect the text in paragraph 7 in Annex II – "if an interested party does not cooperate and thus relevant information is being withheld

---

34 *Korea – Certain Paper (AB)*, para. 124.

35 China's Appellant Submission, para. 473.

36 China's Appellant Submission, paras. 498-506.

37 Panel Report, para. 7.453.

from the authorities, this situation could lead to a result which is less favourable to the party than if the party did cooperate."

38. Finally, contrary to China's contentions, the Panel did not find that the result of drawing an adverse inference was the selection of the highest rate on the record or punitive in any other respect. We want to emphasize to the Division not to mistake the nomenclature for the substance. An adverse inference simply means that Commerce considers non-cooperation in its application of facts available. That is all. There are also no Panel findings suggesting that the drawing of adverse inferences prevents Commerce from taking into account other procedural circumstances and information pertinent to the missing information.

39. In sum, the AD Agreement explicitly provides that an investigating authority can take account of instances of non-cooperation in applying facts available, and China has provided no basis for any claim that Commerce has acted inconsistently with the facts available obligations under the AD Agreement.

D. The Record Lacks the Uncontested Findings that Would Support a Request to Complete the Legal Analysis

40. The final point I make is that China's request that the Division complete the legal analysis is untenable. Indeed, the above discussion of the facts available issues highlights the intensely fact-specific nature of the facts available issues raised by China, which in turn would render impracticable any attempt to complete the analysis in this dispute. Here, I would emphasize one particular example: the Panel made no findings as to the nature of the adverse inference, other than it reflected that Commerce has found the entity non-cooperative. In other words, the only thing undisputed is that Commerce is cognizant of non-cooperation, not that Commerce failed to take into account other particular circumstances to ensure the ultimate facts it selects are reasonable and accurate to replace the missing information. For this reason, the record does not include uncontested facts that would provide a basis to draw a conclusion regarding whether Commerce's approach is consistent with paragraph 7 of Annex II.

41. Accordingly, due to the absence of requisite findings, the Division is not in a position to complete the legal analysis.

III. Conclusion

42. Presiding Member, members of the Division, this concludes our opening statement. We would be pleased to respond to your questions.