At Canada's request, the Subsidies Code Committee of the General Agreementon Tariffs and Trade (GATT) establishes a panel to examine whether the U.S. imposition of interim bonding measures and the selfinitiation of the countervailing duty investigation violated U.S. trade obligations.

1992

March 5 The DOC makes the preliminary determination of subsidy -- 14.48 percent.

May 28 The DOC makes the final determination of subsidy --6.51 percent.

> The Government of Canada, provincial governments and Canadian industry appeal the final subsidy determination to binding binational panel review under Chapter 19 of the Canada-United States Free Trade Agreement (FTA).

- June 25 The ITC makes a final determination of injury -- affirmative material injury.
- July 24 The Government of Canada, provincial governments and Canadian industry appeal the final injury determination to binding binational panel review under FTA Chapter 19.

<u>1993</u>

- February 19 The GATT Subsidies Code Panel distributes final report to the Subsidies Code Committee. The panel concludes that the United States violated its trade obligations when it used Section 301 of the Trade Act to impose the bonding requirement, but that it possessed sufficient evidence to initiate the countervailing duty investigation.
- May 6 The FTA Chapter 19 Subsidy Panel reports its findings, instructing the DOC to re-examine its original determination on each of the major issues.
- July 26 The FTA Chapter 19 Injury Panel reports its findings, concluding that the ITC's determination of material injury was not supported by substantial evidence on the record.

September 17 The DOC makes a new subsidy determination on remand as a result of review by the FTA Chapter 19 Subsidy Panel.

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