

## Client Advisory

April 2005

# EU and Canada Propose Retaliatory Duty

In related actions, Canada and the European Union (EU) have proposed establishing virtually identical additional customs duties on certain imported products originating in the United States (U.S.) as a result of the U.S.'s decision not to repeal the so-called Byrd Amendment.

The Byrd Amendment mandates the annual distribution of anti-dumping and countervailing duties collected in the preceding year to the U.S. companies that originally brought the complaints that resulted in the anti-dumping or countervailing duty orders. In January 2003, the World Trade Organization (WTO) held that the Byrd amendment was inconsistent with U.S. obligations under WTO rules, but the U.S. Congress has, so far, refused to repeal the law.

Beginning May 1, 2005, both of the proposed retaliatory measures will apply an additional duty of 15% to selected products originating in the U.S. and exported to an EU country or to Canada.

The level of duty and the specific list of products subject to the retaliation will be revised annually by each government, based on the latest distribution of duties made under the Byrd Amendment. As necessary to adjust the level of retaliation, each government will remove items from its list of sanctioned products or add additional items from a reserve list of products.

The EU's proposed sanctions contain exceptions for goods for which an import license with a duty exemption or reduction has been granted and goods which are en route to the EU on or before May 1. The Canadian regulation contains no such exceptions.

Canada's initial list of products subject to the additional 15% duty has been attached to this announcement as Annex I. The EU's initial list has been attached as Annex II. The EU's reserve list of products has been attached as Annex III.

## **We Can Help**

Should you have any questions regarding the proposed EU and Canadian sanctions, please contact one of the Katten Muchin Zavis Rosenman Customs and International Trade Department attorneys or trade specialist listed below.

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**Annex I**  
**Goods Subject to Additional Canadian Duty**

**Tariff  
Heading,  
Subheading  
Or Item**

**Product Descripiton**

0103.10.00	Live Swine
0103.91.00	
0103.92.00	
0301.10.00	Ornamental fish
0303.79.00	Fish, frozen, excluding fish fillets and other fish meat of heading 03.04; Other
0307.10.10	Oysters
0307.10.20	
2402.20.00	Cigarettes containing tobacco

## **Annex II**

### **Goods Subject to Additional European Union Duty**

<b>CN codes</b>	<b>Description of products</b>
07104000	Sweetcorn, uncooked or cooked by steaming or by boiling in water, frozen
48201050	Diaries with calendars, of paper or paperboard
48201090	Writing pads and the like, of paper or paperboard
48203000	Binders (other than book covers), folders and file covers, of paper or paperboard
48205000	Albums for samples or collections, of paper or paperboard
48209000	Blotting pads and similar articles of stationery, of paper and paperboard, and book covers of paper or paperboard (excl. registers, account books, Note books, order books, receipt books, letter pads, memorandum pads, diaries, exercise books, binders, folders, file covers, manifold business forms and interleaved carbon sets, and albums for samples or for collections)
61034300	Men's or boys' trousers, bib and brace overalls, breeches and shorts (other than swimwear), knitted or crocheted, of synthetic fibres.
61046300	Women's or girls' trousers, bib and brace overalls, breeches and shorts (other than swimwear), knitted or crocheted, of synthetic fibres.
62034311	Men's or boys' trousers and breeches of synthetic fibres, industrial and occupational (excl. knitted or crocheted and bib and brace overalls)
62034319	Men's or boys' trousers and breeches of synthetic fibres (excl. knitted or crocheted, industrial and occupational, bib and brace overalls and underpants)
62034390	Men's or boys' shorts of synthetic fibres (excl. knitted or crocheted, underpants and swimwear)
62046311	Women's or girls' trousers and breeches, of synthetic fibres, industrial and occupational (excl. knitted or crocheted and bib and brace overalls)
62046318	Women's or girls' trousers and breeches, of synthetic fibres (not of cut corduroy, of denim or knitted or crocheted and excl. industrial and occupational clothing, bib and brace overalls, briefs and track suit bottoms)
62046390	Women's or girls' shorts of synthetic fibres (excl. knitted or crocheted, panties and swimwear)
62046918	Women's or girls' trousers and breeches, of artificial fibres (not of cut corduroy, of denim or knitted or crocheted and excl. industrial and occupational clothing, bib and brace overalls, briefs and track suit bottoms)
62046990	Women's or girls' trousers, bib and brace overalls, breeches and shorts of textile materials (excl. of wool, fine animal hair, cotton or artificial fibres, knitted or crocheted, panties and swimwear)
87051000	Crane lorries (excl. breakdown lorries)
90031930	Frames and mountings for spectacles, goggles or the like, of base metal

## Annex III

### European Union Reserve List of Products

CN codes	Description of products
48030031	Creped paper for household or sanitary purposes and webs of cellulose fibres 'tissues', in rolls of a width > 36 cm or in square or rectangular sheets with one side > 36 cm and the other side > 15 cm in the unfolded state, weighing ≤ 25 g/m <sup>2</sup> per ply
48182010	Handkerchiefs, cleansing or facial tissues and towels, of paper pulp, paper, cellulose wadding or webs of cellulose fibres
48183000	Tablecloths and serviettes of paper pulp, paper, cellulose wadding or webs of cellulose fibres
48185000	Articles of apparel and clothing accessories, of paper pulp, paper, cellulose wadding or webs of cellulose fibres (excl. footwear and parts thereof, incl. insoles, heel pieces and similar removable products, gaiters and similar products, headgear and parts thereof)
61013010	Men's or boys' overcoats, car-coats, capes, cloaks and similar articles of man-made fibres, knitted or crocheted
61013090	Men's or boys' anoraks, incl. ski-jackets, wind-cheaters, wind-jackets and similar articles of man-made fibres, knitted or crocheted (excl. suits, ensembles, jackets, blazers, bib and brace overalls and trousers)
61023010	Women's or girls' overcoats, car-coats, capes, cloaks and similar articles of man-made fibres, knitted or crocheted
61023090	Women's or girls' anoraks, incl. ski-jackets, wind-cheaters, wind-jackets and similar articles, of man-made fibres, knitted or crocheted (excl. suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, bib and brace overalls)
61044300	Women's or girls' dresses of synthetic fibres, knitted or crocheted (excl. petticoats)
61051000	Men's or boys' shirts of cotton, knitted or crocheted (excl. nightshirts, T-shirts, singlets and other vests)
61052010	Men's or boys' shirts of synthetic fibres, knitted or crocheted (excl. nightshirts, T-shirts, singlets and other vests)
61052090	Men's or boys' shirts of artificial fibres, knitted or crocheted (excl. nightshirts, T-shirts, singlets and other vests)
61061000	Women's or girls' blouses, shirts and shirt-blouses of cotton, knitted or crocheted (excl. T-shirts and vests)
61101110	Jerseys and pullovers containing ≥ 50% by weight of wool and weighing ≥ 600 g/article, knitted or crocheted
61101130	Men's or boys' jerseys, pullovers, cardigans, waistcoats and similar articles, of wool, knitted or crocheted (excl. jerseys and pullovers containing ≥ 50% by weight of wool and weighing ≥ 600 g/article, and wadded waistcoats)
61101190	Women's or girls' jerseys, pullovers, cardigans, waistcoats and similar articles, of wool, knitted or crocheted (excl. jerseys and pullovers containing ≥ 50% by weight of wool and weighing ≥ 600 g/article, and wadded waistcoats)
61101210	Jerseys, pullovers, cardigans, waistcoats and similar articles, of hair of Kashmir 'cashmere' goats, knitted or crocheted, for men or boys (excl. quilted articles)
61101290	Jerseys, pullovers, cardigans, waistcoats and similar articles, of hair of Kashmir 'cashmere' goats, knitted or crocheted, for women or girls (excl. quilted articles)

<b>CN codes</b>	<b>Description of products</b>
61101910	Jerseys, pullovers, cardigans, waistcoats and similar articles, of fine animal hair, knitted or crocheted, for men or boys (excl. from hair of Kashmir 'cashmere' goats and quilted articles)
61101990	Jerseys, pullovers, cardigans, waistcoats and similar articles, of fine animal hair, knitted or crocheted, for women or girls (excl. from hair of Kashmir 'cashmere' goats and quilted articles)
61102010	Lightweight fine knit roll, polo or turtle neck jumpers and pullovers of cotton, knitted or crocheted
61102091	Men's or boys' jerseys, pullovers, cardigans, waistcoats and similar articles, of cotton, knitted or crocheted (excl. lightweight fine knit roll, polo or turtle neck jumpers and pullovers and wadded waistcoats)
61103010	Lightweight fine knit roll, polo or turtle neck jumpers and pullovers of man-made fibres, knitted or crocheted
61103091	Men's or boys' jerseys, pullovers, cardigans, waistcoats and similar articles, of man-made fibres, knitted or crocheted (excl. lightweight fine knit roll, polo or turtle neck jumpers and pullovers and wadded waistcoats)
61103099	Women's or girls' jerseys, pullovers, cardigans, waistcoats and similar articles, of man-made fibres, knitted or crocheted (excl. lightweight fine knit roll, polo or turtle neck jumpers and pullovers and wadded waistcoats)
61109010	Jerseys, pullovers, cardigans, waistcoats and similar articles, of flax or ramie, knitted or crocheted (excl. wadded waistcoats)
61109090	Jerseys, pullovers, cardigans, waistcoats and similar articles, of textile materials, knitted or crocheted (excl. of man-made fibres, wool, fine animal hair, cotton, flax or ramie, and wadded waistcoats)
62011210	Men's or boys' overcoats, raincoats, car-coats, capes, cloaks and similar articles, of cotton, of a weight per garment of $\leq 1$ kg (excl. knitted or crocheted)
62011290	Men's or boys' overcoats, raincoats, car-coats, capes, cloaks and similar articles, of cotton, of a weight per garment of $> 1$ kg (excl. knitted or crocheted)
62011310	Men's or boys' overcoats, raincoats, car-coats, capes, cloaks and similar articles, of man-made fibres, of a weight per garment of $\leq 1$ kg (excl. knitted or crocheted)
62011390	Men's or boys' overcoats, raincoats, car-coats, capes, cloaks and similar articles, of man-made fibres, of a weight per garment of $> 1$ kg (excl. knitted or crocheted)
62019200	Men's or boys' anoraks, incl. ski-jackets, wind-cheaters, wind-jackets and similar articles, of cotton (excl. knitted or crocheted, suits, ensembles, jackets, blazers and trousers)
62019300	Men's or boys' anoraks, incl. ski-jackets, wind-cheaters, wind-jackets and similar articles, of man-made fibres (excl. knitted or crocheted, suits, ensembles, jackets, blazers and trousers)
62021100	Women's or girls' overcoats, raincoats, car-coats, capes, cloaks and similar articles, of wool or fine animal hair (excl. knitted or crocheted)
62029300	Women's or girls' anoraks, incl. ski-jackets, wind-cheaters, wind-jackets and similar articles, of man-made fibres (excl. knitted or crocheted, suits, ensembles, jackets, blazers and trousers)
62034231	Men's or boys' trousers and breeches of cotton denim (excl. knitted or crocheted, industrial and occupational, bib and brace overalls and underpants)
62044200	Women's or girls' dresses of cotton (excl. knitted or crocheted and petticoats)

<b>CN codes</b>	<b>Description of products</b>
62044300	Women's or girls' dresses of synthetic fibres (excl. knitted or crocheted and petticoats)
62044400	Women's or girls' dresses of artificial fibres (excl. knitted or crocheted and petticoats)
62044910	Women's or girls' dresses of silk or waste silk (excl. knitted or crocheted and petticoats)
62046231	Women's or girls' cotton denim trousers and breeches (excl. industrial and occupational, bib and brace overalls and panties)
62052000	Men's or boys' shirts of cotton (excl. knitted or crocheted, nightshirts, singlets and other vests)
62053000	Men's or boys' shirts of man-made fibres (excl. knitted or crocheted, nightshirts, singlets and other vests)
62063000	Women's or girls' blouses, shirts and shirt-blouses of cotton (excl. knitted or crocheted and vests)
62064000	Women's or girls' blouses, shirts and shirt-blouses of man-made fibres (excl. knitted or crocheted and vests)
63013010	Blankets and travelling rugs of cotton, knitted or crocheted (excl. electric, table covers, bedspreads and articles of bedding and similar furnishing of heading 9404)
63013090	Blankets and travelling rugs of cotton (excl. knitted or crocheted, electric, table covers, bedspreads and articles of bedding and similar furnishing of heading 9404)
63014010	Blankets and travelling rugs of synthetic fibres, knitted or crocheted (excl. electric, table covers, bedspreads and articles of bedding and similar furnishing of heading 9404)
63014090	Blankets and travelling rugs of synthetic fibres (excl. knitted or crocheted, electric, table covers, bedspreads and articles of bedding and similar furnishing of heading 9404)
64021900	Sports footwear with outer soles and uppers of rubber or plastics (excl. waterproof footwear of heading 6401, ski-boots, cross-country ski footwear, snowboard boots and skating boots with ice or roller skates attached)
64031900	Sports footwear, with outer soles of rubber, plastics, leather or composition leather and uppers of leather (excl. ski-boots, cross-country ski footwear, snowboard boots and skating boots with ice or roller skates attached)
64041100	sports footwear, incl. tennis shoes, basketball shoes, gym shoes, training shoes and the like, with outer soles of rubber or plastics and uppers of textile materials
84672199	Drills of all kinds for working in the hand, with self-contained electric motor operating with an external source of power (excl. electropneumatic drills)
90091100	Electrostatic photocopying apparatus, operating by reproducing the original image directly onto the copy [direct process]
90091200	Electrostatic photocopying apparatus, operating by reproducing the original image via an intermediate onto the copy [indirect process]
94037090	Furniture of plastic (excl. for civil aircraft, medical, dental, surgical or veterinary, and seats)
94060011	Mobile homes
94060038	Buildings, prefabricated, whether or not complete or already assembled, made entirely or mainly of iron or steel (excl. Mobile homes and greenhouses)
96081010	Ball-point pens with liquid ink

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