

BRAZIL - MEASURES AFFECTING DESICCATED COCONUT

Request for Consultations by the Philippines

The following communication, dated 27 November 1995, from the Permanent Mission of the Philippines to the Permanent Mission of Brazil was notified to the Dispute Settlement Body and is circulated at the request of the Permanent Mission of the Philippines in accordance with Article 4.4 of the DSU.

In connection with the countervailing duty imposed by Brazil on Philippine's exports of desiccated coconut, I wish to request formal consultations with Brazil under Article XXIII:1 of GATT 1994.

I understand that Brazil has reservation about our recourse to WTO dispute settlement procedures. It is the view of the Philippines that provisions of the Tokyo Round Agreement on the Interpretation and Application of Articles VI, XVI and XXIII of the GATT (Tokyo Round Agreement), are an elaboration of the fundamental obligations of Article VI of GATT 1947, and that these fundamental obligations subsist under GATT 1994.

Furthermore, the Philippines wishes to refer Brazil to paragraph 2(a) of the Decision of 8 December 1994 by the Preparatory Committee for the WTO with respect to the Transitional Co-Existence of the Agreement on the Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade and the Marrakesh Agreement Establishing the World Trade Organization.¹

In the consultations we request, we would like to state our position with respect to the inconsistency of Brazil's countervailing duty on Philippine's exports of desiccated coconut products with, *inter alia*, paragraphs 3 and 6(a) of Article VI of GATT 1994, with the end in view of arriving at a mutually agreed solution.

Finally, notwithstanding this request for consultations under Article XXIII:1, I wish to reserve our rights under the Tokyo Round Agreement.

¹See document PC/15-L/7586.