

# WORLD TRADE ORGANIZATION

RESTRICTED

**WT/DS4/2**

22 May 1995

(95-1343)

---

Original: English

## UNITED STATES - STANDARDS FOR REFORMULATED AND CONVENTIONAL GASOLINE

### Request for Establishment of a Panel by Brazil

The following communication dated 19 May 1995 from the Permanent Mission of Brazil to the Dispute Settlement Body (DSB), is circulated to Members.

1. With reference to document WT/DS4/1, dated 12 April 1995, I hereby inform you that consultations between the Governments of Brazil and of the United States on Standards for Reformulated and Conventional Gasoline took place in Geneva on 1 May 1995. Unfortunately, it has not been possible to find a satisfactory solution for the issue raised by Brazil regarding the application of the above-mentioned Regulation by the United States.
2. The Government of Brazil has therefore decided to request the establishment of a panel, at the next meeting of the Dispute Settlement Body, pursuant to Article XXIII of GATT 1994, Article 14 of the Agreement on Technical Barriers to Trade and Articles 4 and 6 of the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU).
3. With a view toward harmonizing the scheduling of this matter with that of the similar complaint by Venezuela, as contemplated in Articles 9.1 and 9.2 of the DSU, Brazil requests that the terms of reference contained in document WT/DS2/3 be amended so as to include a mention to the document attached herewith, it being understood that all rights of Brazil in the proceeding are in no way impaired.
4. The Mission of Brazil kindly asks you to include this request in the agenda of the meeting of the Dispute Settlement Body scheduled for 31 May 1995 and to circulate the attached communication.

UNITED STATES - STANDARDS FOR REFORMULATED  
AND CONVENTIONAL GASOLINE

Request for Establishment of a Panel under Article XXIII of the GATT 1994  
and Article 14 of the Agreement on Technical Barriers to Trade

On 10 April 1995 Brazil requested that the United States enter into consultations concerning the discriminatory application of the "Regulation of Fuels Additives: Standards for Reformulated and Conventional Gasoline" ("Gasoline Regulation"). In accordance with Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes ("DSU"), that request was circulated to Members of the World Trade Organization on 12 April 1995 (WT/DS4/1).

Brazil requested consultations because it believed that the Gasoline Regulation, which became effective on 1 January 1995, denies national treatment to gasoline imported from Brazil. Since the Gasoline Regulation has become effective, Brazil's exports of gasoline to the United States have declined sharply, nullifying and impairing benefits due to Brazil under both GATT 1994 and the Agreement on Technical Barriers to Trade ("TBT Agreement").

The United States and Brazil held consultations in Geneva on 1 May 1995 with a view to reaching a mutually satisfactory resolution of the matter.

Unfortunately, the consultations failed to settle the dispute. The parties have agreed that further consultations are not likely to be productive and, with a view towards harmonizing the scheduling of this matter with that of the panel previously established with regard to the similar complaint of Venezuela, as contemplated by Article 9 of the DSU, Brazil hereby requests that a panel be established at the next meeting of the Dispute Settlement Body, pursuant to Article XXIII of GATT 1994, Article 14 of the TBT Agreement, and Articles 4 and 6 of the DSU.

Brazil requests that the Panel consider and find that:

- (a) The Gasoline Regulation is inconsistent with the most-favoured-nation obligations of Article I of the GATT;
- (b) The Gasoline Regulation is inconsistent with the National Treatment obligations of Article III of the GATT;
- (c) The Gasoline Regulation is inconsistent with Article 2 of the Agreement on Technical Barriers to Trade.

Brazil requests that the Panel be established with the standard terms of reference as set out in Article 7 of the DSU.

Brazil further requests that this request for the establishment of a Panel be inscribed on the agenda of the next meeting of the DSB on 31 May 1995.