WORLD TRADE ORGANIZATION

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<u>UNITED STATES – DEFINITIVE SAFEGUARD MEASURES ON IMPORTS</u> <u>OF WHEAT GLUTEN FROM THE EUROPEAN COMMUNITIES</u>

Request for Consultations by the European Communities

The following communication, dated 17 March 1999, from the Permanent Delegation of the European Commission to the Permanent Mission of the United States and the Chairman of the Dispute Settlement Body, is circulated in accordance with Article 4.4 of the DSU.

My authorities have instructed me to request consultations with the Government of the United States of America (USA) under Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU) and pursuant to Article XXII:1 of the General Agreement on Tariffs and Trade (GATT 1994), Article 14 of the Agreement on Safeguards and Article 19 of the Agreement on Agriculture with regard to the definitive safeguard measures imposed by the USA on imports of wheat gluten.

Under the "Proclamation 7103 of 30 May 1998—To Facilitate Positive Adjustment to Competition From Imports of Wheat Gluten" and the "Memorandum of 30 May 1998 Action Under Section 203 of the Trade Act of 1974 Concerning Wheat Gluten" by the President of the USA, published in the Federal Register Vol. 63, No. 106, pp. 30359 and 30363 on 3 June 1998, the USA imposed definitive safeguard measures in the form of a quantitative limitation on imports of wheat gluten effective as of 1 June 1998. The European Communities consider that these measures are in breach of the USA's obligations under the provisions of the Agreement on Safeguards, in particular, but not necessarily exclusively, of Articles 2, 4, 5, 8 and 12 of the said Agreement and in violation of Article 4.2 of the Agreement on Agriculture and Articles I and XIX of GATT 1994.

I look forward to receiving the reaction of your authorities to this request so that we can arrange a mutually convenient date and place to begin consultations, which the European Communities suggest to be held in Geneva during the week beginning 22 March 1999.
