

**ARGENTINA – SAFEGUARD MEASURES ON IMPORTS OF FOOTWEAR**

Request for the Establishment of a Panel by the European Communities

The following communication, dated 10 June 1998, from the Permanent Delegation of the European Commission to the Chairman of the Dispute Settlement Body, is circulated pursuant to Article 6.2 of the DSU.

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I have the honour to request the establishment of a Panel pursuant to Article XXIII of the General Agreement on Tariffs and Trade (GATT 1994), Articles 4 and 6 of the Understanding on Rules and Procedures Governing the Settlement of Disputes and Article 14 of the Agreement on Safeguards, with regard to the provisional and the definitive safeguard measures imposed by Argentina on imports of footwear.

Under Resolution 226/97, published in the Official Journal of the Argentina Republic No. 28592 on 24 February 1997, Argentina imposed a provisional safeguard measure in the form of minimum specific duties on imports of footwear effective as of 25 February 1997. Under Resolution 987/97, published in the Official Journal of the Argentine Republic No. 28729 on 12 September 1997, Argentina imposed a definitive safeguard measure in the form of minimum specific duties on imports of footwear effective as of 13 September 1997.

On 3 April 1998, the European Communities (EC) requested consultations with Argentina with a view to reaching a mutually satisfactory solution of the matter. The request was circulated in document WT/DS121/1 dated 8 April 1998. Such consultations, which were held on 24 April 1998 in Geneva, have allowed a better understanding of the respective positions but have not led to a satisfactory resolution of the matter.

Therefore, the EC request that the panel consider and find that these measures are in breach of Argentina's obligations under the provisions of the Agreement on Safeguards, in particular, but not necessarily exclusively, of Article 2 (especially the requirement of determining in an investigation that certain conditions are present and the non-discrimination obligation), Article 4 (in particular that all relevant factors must be investigated and to demonstrate the existence of a causal link), Article 5 (especially the condition that measures must only be applied to prevent or remedy serious injury), Article 6 (in particular the requirement of evidence of "critical circumstances") and Article 12 (especially the notification obligations) of the said Agreement and in violation of Article XIX of GATT 1994 (in particular the lack of "unforeseen developments").

The EC request that the panel be established with the standard terms of reference.

The EC ask that this request be placed on the agenda for the meeting of the Dispute Settlement Body to be held on 22 June 1998.

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