## WORLD TRADE

## **ORGANIZATION**

WT/DS102/2 G/L/194 G/AG/GEN/14 G/LIC/D/14 G/TRIMS/D/10

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## PHILIPPINES - MEASURES AFFECTING PORK AND POULTRY

## Communication from the Philippines

The following communication, dated 15 October 1997, from the Permanent Mission of the Philippines to the Permanent Mission of the United States and the Dispute Settlement Body is circulated at the request of the Philippines.

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On behalf of my authorities, I acknowledge receipt of your request, dated 7 October 1997, for consultations pursuant to Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU), Article XXII of GATT 1994, and the relevant provisions of the Agreements on Agriculture, on Import Licensing and on Trade Related Investment Measures, on the matter concerning the Philippines implementation of its tariff rate quotas for pork and poultry.

I note with deep regret that the United States makes this request against the background where formal consultations had already been requested on the same subject last 1 April 1997, and that we had believed that the concerns of the United States had since been adequately addressed.

You will recall that the Philippines readily consulted with the United States and with other Members which requested to join the consultations (the European Communities and Canada) on 30 April 1997.

You will also recall the following said consultations, the appropriate domestic procedures in the Philippines were commenced in July, as committed to the United States and other parties, to consider revisions to Administrative Order No. 9 (AO9), which implemented Republic Act No. 8178. By the end of August, a revision of AO9 was already in place in the form of Administrative Order No. 8 (AO8), which in turn became effective on 22 September 1997.

I need not emphasize that AO8 is a product of intense consultations not only with the concerned sectors in the Philippines, but also with the United States, whose delegation was well placed to provide comments and its position throughout the process of the revision in Manila, and was formulated on the basis of written comments from other Members who joined - and who did not join, but were nonetheless interested in - the consultations.

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I also need to note that AO8 was expeditiously implemented in response to the incessant diplomatic representations of the United States.

The Philippines believes that A08 is a serious and sincere response to the concerns of the United States and other parties; and that at the same time it is consistent with our tradition of fulfilling all our commitments in the WTO.

Unfortunately, the United States, on 24 September 1997, presented the Philippines with additional demands with the end in view of further revisions to AO8, including the deletion of a provision that the United States itself had insisted on during the July-August revision exercise.

These demands were appropriately and promptly transmitted for the earnest consideration of my authorities, who in turn have not had ample opportunity to consider the said demands.

In tandem with these developments, parallel moves by the United States to stage a review of the benefits we receive from the Generalized System of Preferences (GSP), perhaps as retribution for our alleged inability to fulfil commitments in the WTO, are at best lamentable. The GSP issue is obviously not within the ambit of the WTO and should not be pursued further in this context.

I therefore trust that you will appreciate the regretful circumstances under which I receive the United States' new request for consultations.

Nonetheless, as a responsible Member of the WTO, and on behalf of my authorities, I accept your request for consultations pursuant to paragraphs 2 and 3 of Article 4 of the DSU, and wish to indicate that we will be available for said consultations on a mutually agreed schedule.