## WORLD TRADE

## **ORGANIZATION**

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## EUROPEAN COMMUNITIES – TRADE DESCRIPTION OF SARDINES

Notification of an Appeal by the European Communities under paragraph 4 of Article 16 of the Understanding on Rules and Procedures Governing the Settlement of Disputes ("DSU")

The following notification, dated 25 June 2002, sent by the European Communities to the Dispute Settlement Body ("DSB"), is circulated to Members. This notification also constitutes the Notice of Appeal, filed on the same day with the Appellate Body, pursuant to the *Working Procedures for Appellate Review*.

Pursuant to paragraph 4 of Article 16 of the Understanding on Rules and Procedures Governing the Settlement of Disputes (the "DSU") and Rule 20 of the Working procedures for Appellate review, the European Communities hereby notifies its decision to appeal to the Appellate Body certain issues of law and legal interpretations covered in the panel report on *European Communities – Trade Description of Sardines* (WT/DS231/R, 29 May 2002).

The Appeal relates to the following issues of law and legal interpretation developed by the Panel in its report:

- (a) The Panel erred in law in finding that Council Regulation (EEC) 2136/89, ("the Regulation") and in particular Article 2 thereof, is a technical regulation relating to preserved *Sardinops Sagax*.
- (b) The Panel erred in law in considering that Article 2.4 of the *TBT Agreement* was applicable to technical regulations prepared and adopted before the WTO Agreement entered into force and in considering that Article 2.4 of the *TBT Agreement* applies to the maintenance of a technical regulation and not just to its adoption.
- (c) The Panel erred in law in its interpretation of the term "relevant international standard" and its application to Codex Stan 94 and the Regulation.
- (d) The Panel erred in law in its interpretation of the Codex Stan-94 and in considering that it is unambiguous.
- (e) The Panel erred in law in its interpretation and application of the term "as a basis for" in Article 2.4 of the *TBT Agreement*.
- (f) The Panel erred in law in its interpretation of Article 2.4 of the *TBT Agreement* and in its application of the burden and standard of proof thereunder.

- (g) The Panel committed several legal errors in coming to the conclusion that Codex Stan 94 is not ineffective or inappropriate to fulfil the legitimate objectives pursued by the EC Regulation under consideration, in particular the Panel erred in law in refusing to consider domestic law as relevant to the question of consumer expectations.
- (h) The Panel failed its obligation to make an objective assessment of the matter before it under Article 11 DSU, <u>inter alia</u> with regard to points (c), (d), and (g) above.
- (i) The Panel erred in law in concluding that the EC Regulation is more trade restrictive than the Codex Stan 94.