

BRAZIL - EXPORT FINANCING PROGRAMME FOR AIRCRAFT

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

The following notification, dated 3 May 1999, sent by Brazil 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*.

The Government of Brazil hereby notifies the Appellate Body and the Dispute Settlement Body of its decision to appeal to the Appellate Body certain issues of law addressed by the Panel Report in *Brazil – Export Financing Programme for Aircraft* (WT/DS46/R), circulated 14 April 1999, and certain legal interpretations developed by the Panel in the Report.

Brazil gives this notice pursuant to Article 4.8 of the Agreement on Subsidies and Countervailing Measures, Paragraph 4 of Article 16 of the Understanding on Rules and Procedures Governing the Settlement of Disputes, and Rules XX and XXXI(1) of the Working Procedures for Appellate Review.

Brazil asks the Appellate Body to review the following issues of law addressed in the Panel Report and legal interpretations developed by the Panel:

1. the Panel's conclusion that measures about which the Parties did not consult were properly before the Panel;
 2. the Panel's conclusion that the level of export subsidies should not be measured by budgeted amounts for purposes of Article 27.4 of the Agreement on Subsidies and Countervailing Measures;
 3. the Panel's conclusion that subsidies result from interest equalization payments for the financing of exports of civil aircraft, made pursuant to Brazil's Programa de Financiamento às Exportações ("PROEX"), at the time an aircraft is exported;
 4. the Panel's conclusion that PROEX interest equalization payments for aircraft are used to secure a material advantage in the field of export credit terms;
 5. the Panel's conclusion that Brazil should withdraw the subsidy within 90 days.
- _____