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<u>EUROPEAN COMMUNITIES - REGIME FOR THE IMPORTATION, SALE</u> AND DISTRIBUTION OF BANANAS

Request for Consultations by Ecuador, Guatemala, Honduras, Mexico and the United States

The following communication, dated 5 February 1996, from the Permanent Missions of Ecuador, Guatemala, Honduras, Mexico and the United States to the Permanent Delegation of the European Commission and the Dispute Settlement Body, is circulated in accordance with Article 4.4 of the DSU.

The Permanent Missions in Geneva of Ecuador, Guatemala, Honduras, Mexico and the United States wish to convey to you, on behalf of their respective governments, acting jointly and severally, each in the exercise of the rights accruing to it as a member of the WTO, a request for consultations with the European Communities pursuant to Article 4 of the Understanding on Rules and Procedures governing the Settlement of Disputes, Article XXIII of the General Agreement on Tariffs and Trade 1994, Article 6 of the Agreement on Import Licensing Procedures (to the extent that it relates to Article XXIII of GATT 1994), Article XXIII of the General Agreement on Trade in Services, Article 19 of the Agreement on Agriculture (to the extent that it relates to Article XXIII of GATT 1994), and Article 8 of the Agreement on Trade-Related Investment Measures (to the extent that it relates to Article XXIII of GATT 1994) regarding the EC regime for the importation, sale and distribution of bananas established by Regulation 404/93 (OJ L 47 of 25 February 1993, p. 1), and the subsequent EC legislation, regulations and administrative measures, including those reflecting the provisions of the Framework Agreement on bananas, which implement, supplement and amend that regime.

In the opinion of our Governments the concerned EC regime contains a number of rules inconsistent with EC obligations contracted under the GATT 1994 and the other cited Agreements.

The inconsistencies referred to are, among others, the following provisions:

- (1) Articles I, II, III, X, XI and XIII of the General Agreement on Tariffs and Trade 1994;
- (2) Articles 1 and 3 of the Agreement on Import Licensing Procedures;
- (3) The Agreement on Agriculture;

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- (4) Articles II, IV, XVI and XVII of the General Agreement on Trade in Services; and,
- (5) Articles 2 and 5 of the Agreement on Trade-Related Investment Measures.

These measures also produce distorsions which appear to nullify or impair benefits accruing to Ecuador, Guatemala, Honduras, Mexico and the United States, directly or indirectly under the cited agreements, and to impede the objectives of the GATT 1994 and the other cited Agreements.

We look forward to receiving your reply to this request and to fixing a mutually convenient date for consultations.