

Original: English

## MEXICO - CUSTOMS VALUATION OF IMPORTS

### Request for Consultations by the European Communities

The following communication, dated 27 August 1996, from the Permanent Delegation of the European Commission to the Permanent Mission of Mexico and the Dispute Settlement Body, is circulated in accordance with Article 4.4 of the DSU.

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On behalf of the European Community, I hereby request consultations with Mexico pursuant to Article XXII:1 of the General Agreement on Tariffs and Trade 1994 (GATT 1994) and Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU) concerning the Mexican Customs Law (Ley Aduanera), and the Resolution establishing the general rules governing the application of the customs provisions of the North American Free Trade Agreement (Resolución que establece las reglas de carácter general relativas a la aplicación de las disposiciones en materia aduanera del Tratado de Libre Comercio de América de Norte - Título III: Procedimientos Aduaneros-Artículo 14). On 29 December 1993, Mexico amended its Customs Law to apply CIF value as the basis of customs valuation of imports originating in non-NAFTA countries, and FOB value for imports originating in NAFTA countries. Prior to this amendment, Mexico applied FOB value for all imports.

The European Community wishes to express its concern with its apparent lack of conformity of the Mexican customs valuation system with the obligations of Mexico under GATT 1994. In particular, but not necessarily exclusively, the European Community considers that Mexico's Customs Law may constitute a breach of Article XXIV:5(b) of GATT 1994.

I look forward to receiving your reply to this request from the European Community and to setting a mutually convenient date for these consultations.