

ARGENTINA - MEASURES AFFECTING IMPORTS OF  
FOOTWEAR, TEXTILES, APPAREL AND OTHER ITEMS

Request for the Establishment of a Panel by the United States

The following communication, dated 9 January 1997, from the Permanent Mission of the United States to the Permanent Mission of Argentina and to the Dispute Settlement Body is circulated at the request of that delegation.

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On 4 October 1996, the United States Government requested consultations with the Government of Argentina pursuant to Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes, Article XXII:1 of the General Agreement on Tariffs and Trade 1994 (GATT 1994), Article 14 of the Agreement on Technical Barriers to Trade, Article 19 of the Agreement on Implementation of Article VII of the GATT 1994, and Article 7 of the Agreement on Textiles and Clothing, regarding certain measures implemented by Argentina affecting imports of textiles, apparel, footwear and other items. The measures in question included:

1. Resolutions 304/95, 305/95, 103/96, 299/96, Decree 998/95 and other measures which impose specific duties on various textile, apparel or footwear items in excess of the bound rate of 35 per cent ad valorem provided in Argentina's Schedule LXIV;
2. Decrees 2277/94, 389/95 and other measures which impose a statistical tax of 3 per cent ad valorem, effective March 1995, on imports from all sources other than MERCOSUR countries; and
3. Resolutions 622/95, 26/96, 850/96 and other measures which were imposed without proper notification and a meaningful opportunity to comment being afforded and which impose unnecessary obstacles to trade, such as requirements relating to affidavits of product components mandating that, among other things, footwear, textile and apparel items be labelled with the number of the corresponding affidavit of product components assigned by the Undersecretariat of Foreign Trade.

The United States and Argentina held consultations in Geneva on 12 November 1996. During the consultations, Argentina represented that it has modified its labelling regime as described in paragraph 3 above. Among other changes, Argentina no longer requires that the number of the corresponding affidavit of product components assigned by the Undersecretariat of Foreign Trade appear on labels of textiles, apparel or footwear. Argentina's representations regarding its revised labelling requirements satisfied the concerns raised by the United States.

The consultations, however, failed to settle the dispute as it relates to Argentina's specific duties and statistical tax, as described in paragraphs 1 and 2 above. The United States considers that these measures are inconsistent with the obligations of Argentina under Articles II, VII, VIII and X of the GATT 1994; Articles 1 through 8 of the Agreement on Implementation of Article VII of the GATT 1994; and Article 7 of the Agreement on Textiles and Clothing.

Accordingly, the United States respectfully requests that a panel to examine this matter be established at the next meeting of the Dispute Settlement Body.