

# WORLD TRADE ORGANIZATION

RESTRICTED

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## UNITED STATES - TARIFF INCREASES ON PRODUCTS FROM THE EUROPEAN COMMUNITIES

### Request for the Establishment of a Panel by the European Communities

The following communication, dated and received on 19 June 1996, from the Permanent Delegation of the European Commission to the Dispute Settlement Body is circulated at the request of that delegation.

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On 17 April 1996, the European Community requested consultations with the United States of America pursuant to Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU) and Article XXIII of the General Agreement on Tariffs and Trade 1994 concerning Presidential Proclamation No. 5759 of 24 December 1987, any implementing measures thereof and all other related measures.

The measures in question were taken in response to the adoption of EC legislation on the use in livestock farming of certain substances having a hormonal action, and purport to unilaterally settle an issue without resorting to the mechanisms of the WTO. The measures increase the bound rates of duty on imports of certain products from the European Community and appear to be inconsistent with the obligations of the United States of America under the GATT 1994 and under the DSU, more specifically including, but not limited to, the obligations envisaged in Article I, II and XXIII of the GATT 1994, and Articles 3, 22 and 23 of the DSU.

Pursuant to the above-mentioned request, consultations were held in Geneva on 22 May 1996. In the course of the consultations, it emerged on the basis of the information and the argumentation put forward by the United States that the measures in question, including Section 301 of the 1974 Trade Act (as amended) as applied in this case, also appear to be inconsistent with the obligations of the United States under Article XVI:4 of the Agreement Establishing the World Trade Organization. The consultations have failed to settle the dispute, and as a consequence the European Community respectfully requests the establishment of a panel to examine the matter as defined in this letter.

The European Community further asks that a special meeting of the Dispute Settlement Body be convened in order to consider this request.