WORLD TRADE

ORGANIZATION

WT/DS56/8

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

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

The following notification, dated 21 January 1998, sent by Argentina 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*.

Pursuant to Article 16.4 of the *Understanding on Rules and Procedures Governing the Settlement of Disputes* (DSU) and Rule 20 of the *Working Procedures for Appellate Review*, the Republic of Argentina hereby notifies the Appellate Body of the World Trade Organization of its decision to appeal certain issues of law covered in the report of the Panel on "Argentina - Measures Affecting Imports of Footwear, Textiles, Apparel and Other Items" (WT/DS56/R) as well as specific legal interpretations developed by that Panel.

The legal interpretations and errors of law developed by the Panel which Argentina requests the Appellate Body to review are the following:

- 1. The Panel erred in law in interpreting that the obligation set out in Article II (paragraphs 1(a) and 1(b)) of the GATT 1994 and the *Understanding on the Interpretation of Article II:1(b) of the GATT 1994*, does not permit a Member to apply a type of duty other than that which is bound, without taking into account whether the level of protection ensuing from the application of that duty is or is not higher than the bound level of protection.
- 2. The Panel also erred in law in considering that Argentina infringed its obligations under Article II of the GATT 1994 in all cases in which it applied the Minimum Specific Import Duties (DIEM).
- 3. The Panel erred in law when interpreting Article VIII of the GATT 1994 in relation to the statistical tax applied by the Republic of Argentina, without taking into account the existence of cross-obligations as between Argentina/WTO and Argentina/IMF, both institutions in which the United States, through its participation in them, has concurred in giving rise to the said obligations for our country with regard to the IMF.

4. The Panel has not complied with its obligation to make an objective assessment of the matter before it in accordance with Article 11 of the DSU in two specific instances: (i) by accepting the additional evidence submitted by the United States, and granting Argentina only two weeks to rebut it; and (ii) by not acceding to the request of the parties to gather information and consult with the IMF, so as to obtain its opinion on specific aspects of the matter.