

EUROPEAN COMMUNITIES – GENERALIZED SYSTEM OF PREFERENCES

Request for Consultations by Thailand

The following communication, dated 7 December 2001, from the Permanent Mission of Thailand to the Permanent Delegation of the European Commission and to the Chairman of the Dispute Settlement Body, is circulated in accordance with Article 4.4 of the DSU.

I have the honour, upon instruction of my Government, to request consultations with the European Communities (EC) pursuant to Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU), Article XXIII of the General Agreement on Tariffs and Trade 1994 (GATT 1994), and Paragraph 4(b) of the Decision of the GATT Contracting Parties on Differential and More Favourable Treatment, Reciprocity and Fuller Participation of Developing Countries of 28 November 1979¹ (Enabling Clause), regarding measures under the EC's scheme of generalized system of preferences (GSP) that adversely affect imports into the EC of goods originating in the Kingdom of Thailand.

The EC's current scheme of GSP (1995-2004)² is being implemented through Council Regulation (EC) No. 2820/98 of 21 December 1998 applying a multiannual scheme of generalized tariff preferences for the period of 1 July 1999 to 31 December 2001³, and will continue to be implemented through the Amended Proposal for a Council Regulation applying a scheme of generalized tariff preferences for the period 1 January 2002 to 31 December 2004 dated 14 November 2001.⁴

The Kingdom of Thailand considers that, through its GSP scheme as implemented, the EC fails to carry out its obligations under the following provisions of the Marrakesh Agreement Establishing the World Trade Organization (WTO Agreement):

1. Article I of GATT 1994; and
2. The Enabling Clause, as incorporated into GATT 1994.

As a result of this failure by the EC to carry out its obligations under the WTO Agreement, the Kingdom of Thailand considers that the benefits accruing to it directly or indirectly under the WTO Agreement are being nullified or impaired. The Kingdom of Thailand also considers that the application by the EC of the above-mentioned measures nullifies or impairs the benefits accruing to it

¹ BISD 26S/203.

² Guidelines for the Application of the GSP scheme for the Period of 1995-2004, COM(94)212 final.

³ OJ L 357, 30.12.1998.

⁴ COM(2001)688 final.

directly or indirectly under the WTO Agreement pursuant to Article XXIII:1(b) of GATT 1994. The Kingdom of Thailand reserves its right to raise additional factual or legal claims regarding these or related or successor measures during the course of the consultations and any other subsequent actions under the DSU, and looks forward to establishing a mutually convenient date for consultations on this matter.
