

**MOLDOVA – MEASURES AFFECTING THE IMPORTATION
AND INTERNAL SALE OF GOODS (ENVIRONMENTAL CHARGE)**

Request for the Establishment of a Panel by Ukraine

The following communication, dated 12 May 2011, from the delegation of Ukraine to the Chairperson of the Dispute Settlement Body, is circulated pursuant to Article 6.2 of the DSU.

On 18 February 2011, Ukraine requested consultations with the Government of the Republic of Moldova pursuant to Article 4 of the *Understanding on Rules and Procedures Governing the Settlement of Disputes* ("DSU") and Article XXII.1 of the *General Agreement on Tariffs and Trade 1994* ("GATT") , which was circulated to the Members in document WT/DS421/1 on 21 February 2011.

The Request for Consultations was with respect to the measures introduced by Moldova affecting the importation and internal sale of goods (environmental charge).

Pursuant to the Law "On Charge for Contamination of Environment" of 25 February 1998 ("Law") Moldova applies "a charge for import of products, the use of which contaminates the environment", ranging from 0,5 % to 5 % of the customs value of imported products. The list of goods is extensive and it seems to be a systemic issue. It appears that like domestic products are not subject to this charge.

Pursuant to the Law Moldova also applies "a charge for a plastic or "tetra-pack" package containing products (except for dairy produce)", ranging from MDL 0,80 to 3,00 per a package. It appears that packages containing domestically produced like products are not subject to this charge.

Ukraine considers that the measure is inconsistent with Moldova's obligations under GATT 1994:

- Moldova seems to have acted inconsistently with Article III:1 and 2 of the GATT 1994, by subjecting the products of the territory of other Members imported into the territory of Moldova, directly or indirectly, to internal taxes or other internal charges of any kind in excess of those applied, directly or indirectly, to like domestic products and affording protection to domestic production;
- Moldova seems to have acted inconsistently with Article III:4 of the GATT 1994, by failing to accord to products of the territory of Ukraine imported into the territory of Moldova treatment no less favorable than that accorded to like products of national origin in respect of all laws, regulations and requirements affecting their internal sale, offering for sale, purchase, transportation, distribution or use.

With a view to reaching a mutually satisfactory solution to this matter, Ukraine proposed that consultations be held as soon as possible on a date to be agreed between our Missions.

Nevertheless, the consultations were not possible since Ukraine had neither received any written reply nor had the Moldovan experts enter the consultations within a period as provided in Article 4 of the DSU, which made it impossible for the experts from Ukraine to meet and discuss the matter in question at consultation stage.

Accordingly, Ukraine respectfully requests, pursuant to Article 6 of the DSU, that the Dispute Settlement Body establish a panel to examine the matter, with the standard terms of reference set out in Article 7.1 of the DSU. Ukraine asks that this request be placed on the agenda of the next meeting of the WTO Dispute Settlement Body.
