

Original: English

ARGENTINA - MEASURES AFFECTING
TEXTILES, CLOTHING AND FOOTWEAR

Request for Consultations by the European Communities

The following communication, dated 23 April 1997, from the Permanent Delegation of the European Commission to the Permanent Mission of Argentina and to the Dispute Settlement Body, is circulated in accordance with Article 4.4 of the DSU.

My authorities have instructed me to request consultations with the Government of Argentina under Article XXII.1 of the General Agreement on Tariffs and Trade ("GATT 1994") and pursuant to Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes ("DSU"), Article 14 of the Technical Barriers to Trade Agreement (TBT) and Article 7 of the Agreement on Textiles and Clothing, with regard to recent changes in Argentina's commercial policy concerning the textiles, clothing and footwear sectors.

Under the provisions of different governmental measures and in particular Decree 998/95 Argentina has introduced a range of specific duties on textiles, clothing and footwear products. These changes have resulted in increased duties and in certain circumstances have led to applied tariffs that exceed the 35% binding that Argentina made following the conclusion of the Uruguay Round. The European Community considers that these measures, in having that effect, are in breach of Argentina's concessions under Article II of GATT 1994 and in violation of Article XXVIII of GATT 1994.

With regard to the legislation presently in force concerning labelling requirements for these products (and in particular Resolutions 622/95 and 26/96) the Community has additional concerns. The obligation to include the name of the importer and the number of the affidavit submitted by the importer to the Argentine authorities on labels will act as obstacles to trade. This additional information does not bring any additional benefit for consumers and the Community is therefore of the opinion that these requirements may not be in conformity with in particular, but not necessarily exclusively, the provisions of Article 2 of the TBT Agreement.

With regard to the concerns elaborated above the Community believes that these measures may not be in conformity with in particular, but not necessarily exclusively, Article 7 of the Agreement on Textiles and Clothing.

I am addressing a copy of this request to the Chairpersons of the Council for Trade in Goods, the Dispute Settlement Body and the Textiles Monitoring Body.

I look forward to receiving the reaction of your authorities to this request so that we can arrange a mutually convenient date and place to begin consultations, which the European Community suggests be held in Geneva in the week beginning 12 May 1997.