

PAKISTAN - EXPORT MEASURES AFFECTING HIDES AND SKINS

Request for Consultations by the European Communities

The following communication, dated 7 November 1997, from the Permanent Delegation of the European Commission to the Permanent Mission of Pakistan 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 Pakistan pursuant to Article XXIII:1 of the General Agreement on Tariffs and Trade (GATT 1994) and Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes with regard to the Notification No. S.R.O.674(I)/96 enacted by the Ministry of Commerce of Pakistan on 13 August 1996, other legislative provisions consolidated therein, and any implementing measures taken thereunder, as well as subsequent measures for the modification thereof. This Notification amends the Ministry's Notification No. S.R.O.714(I)/95, dated 20 July 1995 and stipulates a prohibition for export of, *inter alia* Hides and Skins, all sorts (with exceptions) and Wet blue leather made from cow hides and cow calf hides (*covered* respectively under points 11 and 12 of the schedule 1 annexed to the above mentioned Notification). There is no evidence that such restriction is temporary nor that it has the objective of relieving a critical shortage of products essential to the exports of Pakistan.

The European Communities consider that the measure described above appears to violate the obligations of Pakistan under GATT 1994: the European Communities are of the view that the above legislation could contravene in particular, though not necessarily exclusively, the provision of Article XI of GATT 1994.

The European Communities are very concerned by this measure as it appears to nullify or impair the benefits accruing to the European Communities under GATT 1994, particularly because such a measure limits the access of EC industry to competitive sourcing of raw and semi-finished materials.

I look forward to receiving your reply to this request and to fixing a mutually acceptable date for consultations.