GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

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BRAZIL - RESTRICTIONS ON THE IMPORT OF CERTAIN AGRICULTURAL AND MANUFACTURED PRODUCTS

Recourse to Article XXIII:2 by the United States

Communication from the United States

The following communication, dated 10 January 1990, has been received from the United States Trade Representative, with the request that it be inscribed on the Agenda of the Council meeting to be held on 25 January 1990.

I request that in accordance with paragraph F(a) of the "Improvements to the GATT Dispute Settlement Rules and Procedures," approved 12 April 1989 (L/6489) the following communication be circulated to Contracting Parties in connection with this item.

Pursuant to the request of the United States, consultations under Article XXIII:1 of the General Agreement were held on December 11, 1989, between the United States and Brazil regarding restrictions maintained by Brazil on the import of certain agricultural and manufactured products. These consultations did not result in a satisfactory adjustment of the matter. Therefore, the United States requests the formation of a dispute settlement panel under Article XXIII:2 of the General Agreement to examine the matter.

The restrictions and prohibitions maintained by the Government of Brazil on the import of certain agricultural and manufactured products include an import prohibition list of about 1,000 items, company-specific and sectoral restrictions made effective through import licenses and other measures, a lack of transparency in the Brazilian import licensing system, and the simultaneous use of different import restrictions for balance of payments purposes.

The United States believes these restrictions are inconsistent with Brazil's obligations under various provisions of the General Agreement,

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including Article XI, and under the 1979 "Declaration on Trade Measures Taken for Balance of Payments Purposes", and are not justified by any of the exceptions provided in the General Agreement. These import restrictions nullify or impair benefits accruing to the United States within the meaning of Article XXIII:1.

The United States requests the establishment of a dispute settlement panel under Article XXIII:2 at the meeting of the GATT Council on 25 January 1990.