

**CHILE – MEASURES AFFECTING THE TRANSIT AND
IMPORTATION OF SWORDFISH**

Request for Consultations by the European Communities

The following communication, dated 19 April 2000, from the Permanent Delegation of the European Commission to the Permanent Mission of Chile and to the Chairman of the Dispute Settlement Body, is circulated in accordance with Article 4.4 of the DSU.

On behalf of the European Communities, I request hereby consultations with the Republic of Chile pursuant to Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes and Article XXIII of the General Agreement on Tariffs and Trade 1994 (GATT 1994) regarding the prohibition on unloading of swordfish in Chilean ports established on the basis of Article 165 of the Chilean Fishery Law (Ley General de Pesca y Acuicultura), as consolidated by the Supreme Decree 430 of 28 September 1991, and extended by Decree 598 of 15 October 1999.

Community fishing vessels, operating in the South East Pacific are not allowed under Chilean legislation to unload their swordfish in Chilean ports either to land them for warehousing or to tranship them onto other vessels. Consequently, Chile makes transit through its ports impossible for swordfish. This prohibition renders also impossible the importation of the affected catches into Chile.

The Chilean measures, by forcing the Community vessels to land or tranship their catches in the ports of other countries cause a loss of competitiveness and consequently cause damage to the Community industry. In addition, they prevent access to certain non-EC markets, as the Chilean ports are essential bases for exporting swordfish to these markets, thus causing adverse trade effects to EC exporters.

The European Communities wish to express their concern with the apparent lack of conformity of the above measures with Chilean obligations under the General Agreement on Tariffs and Trade 1994. In particular, the measures would appear to be in breach of Articles V and XI of GATT 1994.

I look forward to receiving your reply to this request from the European Communities and to setting a mutually convenient date for these consultations.
