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**CROATIA – MEASURE AFFECTING IMPORTS  
OF LIVE ANIMALS AND MEAT PRODUCTS**

Request for Consultations by Hungary

The following communication, dated 9 July 2003, from the Permanent Mission of Hungary to the Permanent Mission of Croatia and to the Chairman of the Dispute Settlement Body, is circulated in accordance with Article 4.4 of the DSU.

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My authorities have instructed me to request consultations with the Government of Croatia pursuant to Article XXIII of the General Agreement on Tariffs and Trade 1994 (GATT 1994), Articles 1 and 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU) and Article 11 of the Agreement on Sanitary and Phytosanitary Measures (SPS Agreement) concerning an import measure on live animals and meat products introduced by Croatia.

The import measure was introduced by Croatia on 5 June without either preliminary notification or subsequent notification to the SPS Committee since that date. This measure is purported to aim at the prevention of the spread of the TSE disease. Still it applies apart from the ruminants, to all other animals of any economic significance such as live pigs, poultry and fish and products thereof. The measure prohibits imports unless there is a prohibition in the exporting country on feeding animals with feed containing animal protein (even fish meal is not allowed to be used under all circumstances).

The repeated attempts by the Hungarian authorities have brought no solution to this issue. This practical ban on imports remains in force for many Hungarian products, resulting in major losses to agricultural producers and exporters of live animals and meat products, especially pig products, running into several tens of million USD, based on traditional volumes of trade.

The measure introduced by Croatia is not based on any scientific principle linked to the prevention of the spread of TSE. There is no scientific basis for applying such feeding requirements to animals other than ruminants. The Hungarian authorities are unaware of any case when TSE was proved to be spread through pigs, poultry or fish and meat thereof. It has to be added that Hungary is a BSE free country anyway. Hungary is also not aware of any international standard which would justify such feeding requirements. The Hungarian authorities were not informed of any risk assessment either conducted by the competent Croatian authorities.

Hungary considers that the measure referred to above appears to be inconsistent with the obligations of Croatia under Articles XI and XX of GATT 1994 and under the provisions of the SPS Agreement and in particular, although not limited to, its Articles 2.2, 2.3, 3.1, 5.1, 5.2, 5.3, 5.6, 6.1, 6.2, 7 and Annex B.

We look forward to receiving your reply to this request and to setting a mutually convenient date and place for consultations.

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