

**MEXICO – TAX MEASURES ON SOFT DRINKS  
AND OTHER BEVERAGES**

Agreement under Article 21.3(b) of the DSU

The following communication, dated 3 July 2006, from the delegation of Mexico and the delegation of the United States to the Chairman of the Dispute Settlement Body, is circulated in accordance with Article 21.3(b) of the DSU.

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Mexico and the United States wish to inform you that, pursuant to Article 21.3(b) of the *Understanding on Rules and Procedures Governing the Settlement of Disputes* (DSU), we have mutually agreed that the reasonable period of time for Mexico to comply with the recommendations and rulings of the Dispute Settlement Body in the dispute *Mexico – Tax Measures on Soft Drinks and other Beverages* (WT/DS308) shall be nine months and 8 days, expiring on 1 January 2007. However, if the Mexican Congress enacts legislation between 1 December and 31 December 2006, repealing the soft drink and distribution taxes found inconsistent with the covered agreements, the reasonable period of time shall be ten months and 7 days, expiring on 31 January 2007.

We further wish to inform you that, in light of this agreement, the United States withdraws its request for arbitration pursuant to Article 21.3(c) of the DSU.

For Mexico

(signed)  
Fernando de Mateo y Venturini  
Ambassador

For the United States

(signed)  
Peter F. Allgeier  
Ambassador

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