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**MEXICO – ADDITIONAL DUTIES ON CERTAIN PRODUCTS FROM
THE UNITED STATES**

REQUEST FOR CONSULTATIONS BY THE UNITED STATES

The following communication, dated 16 July 2018, from the delegation of the United States to the delegation of Mexico, is circulated to the Dispute Settlement Body in accordance with Article 4.4 of the DSU.

My authorities have instructed me to request consultations with Mexico pursuant to Article 4 of the *Understanding on Rules and Procedures Governing the Settlement of Disputes* ("DSU") and Article XXIII of the *General Agreement on Tariffs and Trade 1994* ("GATT 1994") with respect to Mexico's imposition of increased duties with respect to certain products originating in the United States ("additional duties measure").

The additional duties measure does not impose the increased duties on like products originating in the territory of any other WTO Member, and thus appears inconsistent with the most-favored-nation obligation in Article I of the GATT 1994.

The legal instruments through which Mexico imposes the additional duties measure include the following:

- *Decree Modifying the Tariff Schedule of the Law of General Import and Export Taxes, the Decree establishing the General Import Tax Rate applicable during 2003 for goods originating in North America, and the Decree establishing Various Sectoral Promotion Programs* (enacted June 5, 2018; effective June 5, 2018);

as well as any amendments, replacements, related measures or implementing measures.

The additional duties measure appears to be inconsistent with Article I:1 of the GATT 1994, because it fails to extend to products of the United States an advantage, favor, privilege or immunity granted by Mexico with respect to customs duties and charges of any kind imposed on or in connection with the importation of products originating in the territory of other Members.

The additional duties measure appears to nullify or impair the benefits accruing to the United States directly or indirectly under the GATT 1994.

We look forward to receiving your reply to the present request and to fixing a mutually convenient date to hold consultations.
