The Director-General has received the following communication, dated 27 October 1986, from the Permanent Representative of Mexico with the request that it be circulated to the members of the Group of Negotiations on Goods.

On instructions from my Government, I respectfully request you to make the necessary arrangements for the Group of Negotiations on Goods (GNG) established by the Ministerial Declaration on the Uruguay Round, and for the surveillance mechanism to be established to ensure that the commitments entered into by the CONTRACTING PARTIES in connection with standstill and rollback are met, to examine and satisfactorily resolve the situation that has arisen because of the recent adoption by the Government of the United States of America of a law which imposes a tax of 8.2 United States cents per barrel on domestic petroleum and of 11.7 United States cents per barrel on imported petroleum and its derivatives, resulting in a discriminatory tax against imports of 3.5 United States cents per barrel.

The Government of Mexico considers that the adoption of this legislation is contrary inter alia to the provisions of Article III of the General Agreement and the principles of non-discrimination.

Moreover, we consider that this legislation violates the standstill commitment assumed by the Government of the United States of America in the Ministerial Declaration on the Uruguay Round, which entered into force on 20 September 1986.

Similarly, the Government of Mexico considers that the adopted legislation violates the undertaking to grant special and more favourable treatment in cases affecting interests of countries which, like my own, are in process of development.

With reference to all of the above, I would be grateful if you would kindly bring the text of this communication to the attention of the Group of Negotiations on Goods so that the Group, and the mechanism to be designated for surveillance of the commitments entered into, may examine this complaint and take the relevant decisions to resolve it.

At the same time, I take the liberty of formally requesting the secretariat operating under your worthy direction to provide the Group of Negotiations on Goods, and the mechanism to be established, with any further information it may have, as specified in chapter C of the Ministerial Declaration on the Uruguay Round.