

**CHILE – PRICE BAND SYSTEM AND SAFEGUARD MEASURES RELATING TO
CERTAIN AGRICULTURAL PRODUCTS**

Notification of an Appeal by Chile
under paragraph 4 of Article 16 of the Understanding on Rules
and Procedures Governing the Settlement of Disputes (DSU)

The following notification, dated 24 June 2002, sent by Chile to the Dispute Settlement Body (DSB), is circulated to Members. This notification also constitutes the Notice of Appeal, filed on the same day with the Appellate Body, pursuant to the *Working Procedures for Appellate Review*.

Pursuant to Article 16 of the *Understanding on Rules and Procedures Governing the Settlement of Disputes* (DSU) and Rule 20 of the *Working Procedures for Appellate Review*, Chile hereby notifies of its decision to appeal to the Appellate Body certain issues of law covered in the Panel Report on *Chile – Price Band System and Safeguard Measures Relating to Certain Agricultural Products* (WT/DS207/R) and certain legal interpretations developed by the Panel in that Report.

Chile seeks review by the Appellate Body of certain Panel conclusions which are in error and are based upon erroneous findings on issues of law and on related legal interpretations.

(1) Chile appeals the Panel's finding that the Chilean Price Band System (PBS) was inconsistent with Article II:1(b), second sentence, of GATT 1994, on grounds that such a finding was not within the Panel's mandate and was inconsistent with Article 11 of the DSU, since Argentina requested no finding and made no claim nor argument under the second sentence of Article II:1(b).

(2) Chile appeals the Panel's conclusion that the Chilean PBS is inconsistent with Article II:1(b) of GATT 1994, based on the Panel's erroneous finding that the duties imposed by Chile are "other duties or charges" and therefore banned under the second sentence of Article II:1(b) and the Understanding on the Interpretation of Article II:1(b).

(3) Chile appeals the Panel's conclusion that the Chilean Price Band System is inconsistent with Article 4.2 of the *Agreement on Agriculture*. This conclusion was based on erroneous interpretations and findings of law under that Article, including erroneous findings that the Chilean PBS constituted a measure "similar" to a "variable import levy" and a "minimum import price system" and that the duties imposed under the PBS were not "ordinary customs duties" within the meaning of Article 4.2 and the footnote thereto.
