U.S. Seeks WTO Panel on EU Procedures

By REUTERS

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WASHINGTON (Reuters) - The United States is pressing forward with a case against European Union customs procedures that it believes impede American exports after direct talks with Brussels failed to resolve concerns, a U.S. official said on Thursday.

The official, who asked not to be identified, said Washington has asked the World Trade Organization in Geneva to form a panel to hear its complaint that a lack of uniformity in customs procedures among the EU's 25 member states hinders U.S. exports, particularly for small to mid-sized businesses.

The United States asked for consultations with Brussels on the issue in September - the first step in filing a WTO complaint. The decision to proceed with the case now comes just a few days after Washington and Brussels agreed to shelve competing cases involving Airbus (EAD.PA) and Boeing Co. in favor of negotiating a new bilateral agreement aimed at eliminating subsidies for large civilian aircraft.

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U.S. officials said concerns about variations in EU customs procedures were heightened when the union was expanded to include 10 new member states in May. U.S. exports to countries in the EU-25 totaled $155.2 billion in 2003.

The lack of uniform customs administration hurts U.S. producers, farmers and exporters in a number of ways, U.S. officials said.

Goods can be classified differently depending on the EU member state through which they are imported, thus leading to different tariff rates, the officials said.

Exporters also cannot depend that guidance they receive in one member state on how their goods will be valued will be honored in other member states, the official said.