

**Mexico – Tax Measures on Soft Drinks and Other Beverages
(WT/DS308)**

December 20, 2004

**Answer of the United States to the Question Posed by Mexico to the United States in
Relation to the First Substantive Meeting with the Parties**

**Q. Does the United States continue to adhere to the view expressed in the quotation
cited at paragraph 126 of Mexico's First Written Submission?**

1. The cited quotation helps explain why the United States actively supported the transition from the *General Agreement on Tariffs and Trade 1947* (to which this quotation relates) to the DSU. In this connection, it is interesting that Mexico chose to leave off the sentence immediately following the quotation it cites. That sentence reads: “The way to minimize or avoid unilateralism was to create a credible multilateral system – by strengthening the existing system.”¹ This is, of course, what the Uruguay Round participants did in concluding the Uruguay Round negotiations on the DSU.

2. The United States is now seeking recourse to that dispute settlement system, as is its right under the WTO Agreement. The United States assumes that Mexico, by citing to this quotation, supports the U.S. position on a credible multilateral dispute settlement system and the United States welcomes Mexico’s support.

¹ GATT Document C/163 of March 16, 1989, p. 4.