

VIII. CONCLUSIONS AND RECOMMENDATION

8.1 The Panel *concludes* that:

- (a) Frozen boneless chicken cuts that have been impregnated with salt, with a salt content of 1.2% - 3% (the products at issue) are covered by the concession contained in heading 02.10 of the EC Schedule;
- (b) EC Regulation No. 1223/2002 and EC Decision 2003/97/EC result in the imposition of customs duties on the products at issue that are in excess of the duties provided for in respect of the concession contained in heading 02.10 of the EC Schedule; and
- (c) Accordingly, the European Communities has acted inconsistently with the requirements of Articles II:1(a) and II:1(b) of the GATT 1994 and, thus, nullified or impaired benefits accruing to Brazil.

8.2 Therefore, the Panel *recommends* that the Dispute Settlement Body request the European Communities to bring EC Regulation No. 1223/2002 and EC Decision 2003/97/EC into conformity with its obligations under the GATT 1994.