The following communication dated 22 August 1988 has been received by the Director-General from the Permanent Mission of Brazil.

1. On July 22nd, 1988, the Government of the United States of America announced its intention to impose trade restrictions on a number of Brazilian export items, because of alleged damage to the US pharmaceutical industry resulting from Brazilian legislation on patents. A list of products was subsequently published in the "Federal Register".

2. This unilateral and discriminatory action constitutes a blatant disrespect of the provisions of the General Agreement. The declared intention of the U.S. Government's action is to force a modification of long-standing Brazilian legislation. This legislation is in full agreement with the appropriate international conventions regarding intellectual property rights.

3. The implementation of the announced measures will cause a serious disruption in the bilateral trade. The mere announcement of this action is already causing serious damage to Brazilian export interests, thus impairing Brazil's rights under the GATT.

4. For these reasons, the Brazilian Government is requesting consultations with the U.S. Government under Article XXIII.1 of the General Agreement.