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developing countries that are contingent on compliance with TRIMs (in the form of local content requirement) and that are permitted during the transition period provided under Article 5 of the TRIMs Agreement, are not prohibited by Article 3.1(b) of the SCM Agreement, for the transition period specified in Article 27.3 of the SCM Agreement.

We find that there is no general conflict between the SCM Agreement and the TRIMs Agreement. Therefore, to the extent that the Indonesian car programmes are TRIMs and subsidies, both the TRIMs Agreement and the SCM Agreement are applicable to this dispute."⁵

1.2.2 Order of analysis between claims under Article 2 of the TRIMs Agreement and Article III:4 of the GATT 1994

4. The Panel in *EC – Bananas III* found that the allocation of import licences to a particular category of operators was inconsistent with Article III:4 of GATT 1994.⁶ With respect to the claim that this measure was also inconsistent with Article 2 of the TRIMs Agreement, the Panel, further to noting that the TRIMs Agreement essentially interprets and clarifies the provisions of Article III where trade-related investment measures are concerned, exercised judicial economy:

"[W]e first examine the relationship of the TRIMs Agreement to the provisions of GATT. We note that with the exception of its transition provisions

Agreement that deals most directly, specifically and in detail' with the challenged aspects of the measures at issue in that case)."²¹

1.3 Article 2.2 and the

and WTO panel and Appellate Body reports, where measures that did not directly regulate goods, or the importation of goods, have nonetheless been found to contravene GATT obligations. Thus, for example, restrictions imposed on investors, wholesalers, and manufacturers, as well as on points of sale and ports of entry, have been found to be inconsistent with Article III:4 or Article XI:1 of the GATT 1947 or 1994. In addition, the Illustrative List in Annex 1 to the *Agreement on Trade-Related Investment Measures* (the '*TRIMs Agreement*')

"We consider that the present case is not unlike th

