

US urges Antigua to delay WTO sanctions on Internet gambling

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WASHINGTON — The United States Friday urged Antigua to hold off on imposing sanctions authorized by the WTO in a dispute over online gambling, saying Washington was revising its WTO commitments.

US Trade Representative (USTR) spokesman Sean Spicer advised Antigua to delay any action after an arbitrator for the Geneva-based World Trade Organization allowed the Caribbean nation to impose sanctions worth 21 million dollars a year.

Spicer said Washington has initiated a formal process at the WTO to revise its commitments and is in talks with Antigua and six other WTO members that have claimed to be affected.

"We would expect that Antigua would not suspend its WTO commitments to the United States while that process is underway.," Spicer said.

"Once the process of clarifying the US schedule of commitments is complete, any issues in our bilateral dispute with Antigua will be moot, and there will no longer be any basis for suspending WTO commitments."

The action marked the latest twist in a dispute with Antigua and Barbuda, a tiny Caribbean nation that complained in 2003 that the US ban on Internet gambling violated WTO rules.

Antigua has prevailed in its bid at the WTO to have the US ban declared improper. But US officials said earlier this year that Washington was not bound to change its laws to open its borders to the Internet gambling industry because of an "oversight" in a decade-old trade agreement.

Antigua had asked for sanctions worth 3.44 billion dollars, while Washington argued this was "patently excessive" and more than three times the size of the Antiguan economy.

Antigua, with a population of about 70,000, is a centre for offshore Internet gaming operations and attracts large numbers of US residents to its online casino-style games and betting services.

US officials announced in May they were submitting documents to clarify Washington's commitments. They cited a lack of clarity in the 1993-1994 negotiations under the

Uruguay Round of international trade talks that led to the General Agreement on Tariffs and Services (GATS), which took effect in 1995.

On Monday, US officials said Washington would widen access to some of its services to compensate the European Union, Japan and Canada to settle the WTO dispute on Internet gambling with those members.