



Dispute settlement

- > The WTO reached a significant milestone with the receipt of its 500th trade dispute for settlement. “This shows that the WTO’s dispute settlement system enjoys tremendous confidence among the membership,” said Director-General Roberto Azevêdo.
- > 2015 was the busiest year on record for the WTO’s dispute settlement system, with an average of 30 active panels per month. The Dispute Settlement Body adopted 11 panel reports, compared with nine in 2014.
- > To deal with the increased breadth and complexity of disputes over the last 20 years, the WTO has increased staffing levels in its dispute settlement divisions and is looking into ways of making further improvements to how the system functions.
- > The Dispute Settlement Body reappointed two Appellate Body members, Ujal Singh Bhatia of India and Thomas Graham of the United States, for second four-year terms.

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Background on dispute settlement

WTO members bring disputes to the WTO if they think their rights under trade agreements are being infringed. Settling disputes is the responsibility of the Dispute Settlement Body.

Dispute settlement activity in 2015

The WTO's dispute settlement system experienced its busiest year so far, with an average of 30 active panels per month. During 2015, the WTO received its 500th trade dispute for settlement. Over the year, the Dispute Settlement Body (DSB) received 13 requests for consultations, the first step in the disputes process, more than half of them from developing countries (see Figure 1). It also established 15 new panels to adjudicate 17 new matters. As of 31 December 2015, there were 26 active disputes before the Appellate Body, panels or in arbitration.

The 500th dispute was submitted to the WTO on 10 November, when Pakistan filed a request for consultations with South Africa regarding South Africa's provisional anti-dumping duties on cement from Pakistan. The total of 500 disputes over the 20-year history of the WTO contrasts with the total of 300 disputes brought under the dispute settlement system of the General Agreement on Tariffs and Trade (GATT) — the predecessor to the WTO — over a period of 47 years. "There is no doubt that the WTO dispute settlement system has served the membership extremely well," said Director-General Roberto Azevêdo. "It is a system recognized the world over for providing fair, high quality results that respond to both developing and developed members." Table 1 provides further information on the complainants and respondents involved in disputes since 1995.

In 2015, the DSB adopted 11 panel reports covering eight distinct matters, compared with nine reports on five distinct matters in 2014. Where more than one complaint is filed dealing with the same matter, the complaints may be

adjudicated by a single panel. The DSB also adopted eight Appellate Body reports covering six distinct matters against seven reports on four distinct matters the year before.

The DSB adopted panel and Appellate Body reports in disputes concerning: countervailing duties imposed by the United States on a range of Chinese goods; import measures imposed by Argentina on a variety of goods; anti-dumping measures on frozen warm water shrimp from Viet Nam; prohibitions imposed by India on the importation of US agricultural products purportedly because of concerns related to avian influenza; an "additional duty" imposed by Peru on imports of Guatemalan agricultural products; and Chinese anti-dumping duties imposed on high-performance stainless steel seamless tubes from the European Union and Japan.

In addition, the DSB adopted panel reports in disputes concerning Ukrainian safeguard measures on Japanese cars and measures imposed by the United States on imports of certain meat and meat products from Argentina.

Background on dispute settlement activity

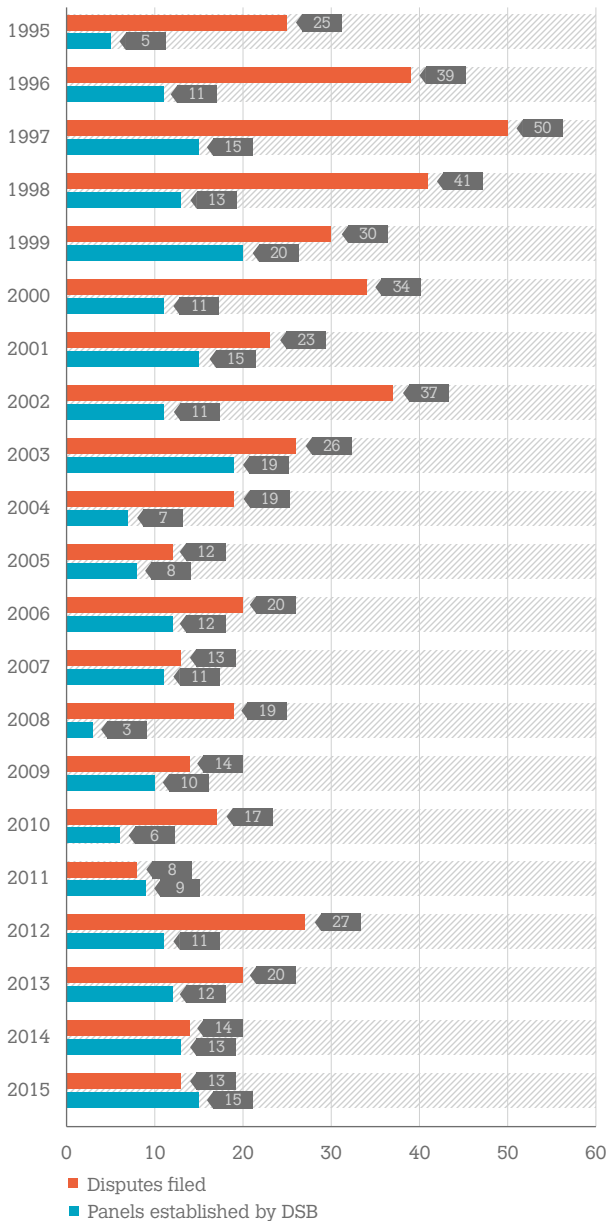
The General Council convenes as the Dispute Settlement Body (DSB) to deal with disputes between WTO members. Such disputes may arise with respect to any agreement contained in the Final Act of the Uruguay Round that is subject to the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU). The DSB has authority to establish dispute settlement panels, refer matters to arbitration, adopt panel, Appellate Body and arbitration reports, maintain surveillance over the implementation of recommendations and rulings contained in such reports, and authorize suspension of concessions in the event of non-compliance with those recommendations and rulings.



500

Over 500 trade disputes have been submitted to the WTO for settlement since 1995.

Figure 1: Disputes filed by WTO members, and panels established by the DSB, 1995 to 2015



There has been a recent increase in WTO members requesting that an arbitrator determine how long a “losing” member can have to implement the panel and Appellate Body recommendations as adopted by the DSB. During 2015, WTO members made three such requests for arbitration to determine the reasonable period of time for implementation. In the preceding five years, there were only three requests for this form of arbitration. The three cases where arbitrators made their decisions regarding the reasonable period of time in 2015 were “US – Countervailing Measures (China)”, “US – Shrimp II (Viet Nam)”, and “Peru – Agricultural Products”.

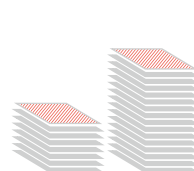
The DSB adopted four compliance panel reports in three distinct matters and three Appellate Body compliance reports covering two distinct matters during 2015. Prior to this, the previous compliance proceedings took place in 2009. A compliance panel is established when there is disagreement between the original parties as to whether the losing party has brought its measure into line with WTO rules following an adjudication process. Members can also challenge the findings and conclusions of a compliance panel report before the Appellate Body.

Panels and the Appellate Body issued compliance reports in disputes brought by Canada and Mexico with regard to revised US labelling requirements for beef and pork imports. The DSB also adopted compliance panel and Appellate Body reports in a challenge brought by Mexico against the US revised regulations setting out the conditions under which tuna products sold in the United States may be labelled as “dolphin-safe”. A panel also issued a compliance report concerning measures taken by China to implement the DSB’s recommendations and rulings in the dispute “China – GOES”, which involved anti-dumping and countervailing duties on grain oriented flat-rolled electrical steel (GOES) from the United States.

Also during 2015, the DSB authorized Canada and Mexico to take retaliation measures against the United States as it had not brought itself into conformity with the DSB’s recommendations and rulings regarding its meat labelling requirements as set out in the panel and Appellate Body compliance reports. The arbitrator set the value of retaliation – the value of the concessions or other obligations that can be suspended – at CA\$ 1,054.729 million annually for Canada and US\$ 227.758 million annually for Mexico.

In May 2015, the European Union and Indonesia informed the DSB that, in light of the mutually agreed solution reached by Indonesia and the United States in the “US – Clove Cigarettes” dispute, the European Union had withdrawn its request for consultations pursuant to Article 22.2 (suspension of concessions). This dispute concerned a US ban on the production and sale of clove cigarettes, as well as most other flavoured cigarettes. Indonesia is the world’s largest producer of clove cigarettes.

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The Dispute Settlement Body adopted 11 panel reports in 2015, up from nine in 2014.

Table 1: WTO members involved in disputes, 1995 to 2015

Member	Complainant	Respondent	Member	Complainant	Respondent
Antigua and Barbuda	1	0	Korea, Republic of	17	15
Argentina	20	22	Malaysia	1	1
Armenia	0	1	Mexico	23	14
Australia	7	15	Moldova, Republic of	1	1
Bangladesh	1	0	Netherlands	0	3
Belgium	0	3	New Zealand	9	0
Brazil	27	16	Nicaragua	1	2
Canada	34	18	Norway	4	0
Chile	10	13	Pakistan	5	3
China	13	34	Panama	7	1
Colombia	5	5	Peru	3	5
Costa Rica	5	0	Philippines	5	6
Croatia	0	1	Poland	3	1
Cuba	1	0	Portugal	0	1
Czech Republic	1	2	Romania	0	2
Denmark	1	1	Russian Federation	4	6
Dominican Republic	1	7	Singapore	1	0
Ecuador	3	3	Slovak Republic	0	3
Egypt	0	4	South Africa	0	5
El Salvador	1	0	Spain	0	3
European Union (formerly EC)	96	82	Sri Lanka	1	0
France	0	4	Sweden	0	1
Germany	0	2	Switzerland	4	0
Greece	0	3	Chinese Taipei	6	0
Guatemala	9	2	Thailand	13	3
Honduras	8	0	Trinidad and Tobago	0	2
Hong Kong, China	1	0	Turkey	2	9
Hungary	5	2	Ukraine	4	3
India	21	23	United Kingdom	0	3
Indonesia	10	13	United States	109	124
Ireland	0	3	Uruguay	1	1
Italy	0	1	Venezuela, Bolivarian Republic of	1	2
Japan	21	15	Viet Nam	3	0

Which WTO members initiated disputes in 2015?

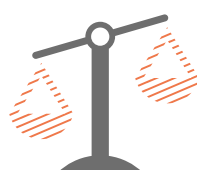
Developing country members initiated seven of the 13 new requests for consultations, the first stage in the disputes process, filed in 2015, compared with six requests initiated by developed countries. Developing country members were the respondents in nine disputes and developed countries in four disputes.

Among the developing country members initiating disputes, Chinese Taipei initiated two dispute settlement proceedings during 2015. In one of the disputes, it has requested consultations with Indonesia regarding a safeguard measure imposed on imports of certain flat-rolled iron or steel products. In a second dispute, it has requested consultations with India regarding anti-dumping duties imposed on imports of USB flash drives originating in Chinese Taipei.

Pakistan has requested consultations with South Africa regarding provisional anti-dumping duties on imports of Portland cement products from Pakistan. Indonesia has commenced consultations with the United States over concerns about the imposition of anti-dumping and countervailing measures on certain coated paper products from Indonesia. Also in 2015, Viet Nam requested consultations with Indonesia regarding a safeguard measure on imports of certain flat-rolled iron or steel products from Viet Nam.

Other active WTO members during 2015 included Japan, Russia and the United States, which have each initiated two disputes in areas ranging from measures imposed by Brazil that affect taxation and charges in the automotive sector and the electronics and technology industry (complaint by Japan) to measures adopted by Korea in the wake of the accident at the Fukushima Daiichi nuclear power plant.

Tables 2 and 3 provide further information on the complainants and respondents participating in consultations and on the active panels and appeals at the end of 2015.



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The WTO's dispute settlement system experienced its busiest year so far in 2015, with an average of 30 active panels per month.

Table 2: Requests for consultations in 2015

Title	Dispute number	Complainant	Date of initial request	WTO agreements cited	Status as of 31 December 2015
China – Demonstration Bases	WT/DS489	United States	11 February 2015	Agreement on Subsidies and Countervailing Measures (SCM)	Panel established but not yet composed
Indonesia – Safeguard on Certain Iron or Steel Products (Chinese Taipei)	WT/DS490	Chinese Taipei	19 February 2015	General Agreement on Tariffs and Trade (GATT) 1994 Safeguards Agreement	Panel composed; panel work will commence once there is staff available to assist panel
US – Coated Paper (Indonesia)	WT/DS491	Indonesia	28 September 2015	SCM Anti-Dumping Agreement (ADP)	Panel established but not yet composed
EU – Poultry Meat (China)	WT/DS492	China	8 April 2015	GATT 1994	Panel work has commenced
Ukraine – Ammonium Nitrate	WT/DS493	Russian Federation	7 May 2015	GATT 1994 ADP	In consultations
EU – Cost Adjustment Methodologies (Russia) (II)	WT/DS494	Russian Federation	7 May 2015	GATT 1994 ADP SCM Agreement Establishing the World Trade Organization (WTO)	In consultations
Korea – Radionuclides (Japan)	WT/DS495	Japan	21 May 2015	GATT 1994 Agreement on the Application of Sanitary and Phytosanitary Measures (SPS)	Panel work has commenced

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Title	Dispute number	Complainant	Date of initial request	WTO agreements cited	Status as of 31 December 2015
Indonesia – Safeguard on Certain Iron or Steel Products (Viet Nam)	WT/DS496	Viet Nam	1 June 2015	GATT 1994 Safeguards Agreement	Panel composed; panel work will commence once there is staff available to assist panel
Brazil – Taxation (Japan)	WT/DS497	Japan	2 July 2015	GATT 1994 Trade-Related Investment Measures (TRIMs) SCM	Panel work has commenced
India – USB Flash Drives from Chinese Taipei	WT/DS498	Chinese Taipei	24 September 2015	GATT 1994 ADP	In consultations
Russia – Railway Equipment and Parts	WT/DS499	Ukraine	21 October 2015	GATT 1994 Agreement on Technical Barriers to Trade (TBT)	In consultations
South Africa – Portland Cement (Pakistan)	WT/DS500	Pakistan	9 November 2015	GATT 1994 ADP	In consultations
China – Domestic Aircraft (US)	WT/DS501	United States	8 December 2015	GATT 1994 Protocol of Accession	In consultations

Table 3: Active appeals and panels as of 31 December 2015

WT/DS No.	Title	Complainant	Third parties	Date of panel composition or appeal	Agreements cited
WT/DS353 Article 21.5	US – Large Civil Aircraft (2nd complaint)	European Communities	Australia, Brazil, Canada, China, Japan, Republic of Korea, Russian Federation	30 October 2012 (panel established 23 October 2012)	SCM
WT/DS316 Article 21.5	EC and certain Member States – Large Civil Aircraft	United States	Australia, Brazil, Canada, China, Japan, Republic of Korea	17 April 2012 (panel established 13 April 2012)	SCM
WT/DS453	Argentina – Financial Services	Panama	Australia, Brazil, China, Ecuador, European Union, Guatemala, Honduras, India, Oman, Kingdom of Saudi Arabia, Singapore, United States	Appeal filed 27 October 2015	GATT 1994 GATS
WT/DS497	Brazil – Taxation (Japan)	Japan	Argentina, Australia, Canada, China, Colombia, European Union, India, Republic of Korea, Russian Federation, Singapore, Turkey, Ukraine United States	26 March 2015 (panel established 28 September 2015)	GATT 1994 SCM TRIMs
WT/DS472	Brazil – Taxation	European Union	Argentina, Australia, Canada, China, Colombia, India, Japan, Republic of Korea, Russian Federation, South Africa, Chinese Taipei, Turkey, United States	(panel established 17 December 2014)	GATT 1994 SCM TRIMs
WT/DS496*	Indonesia – Iron or Steel Products (Viet Nam)	Viet Nam	Australia, Chile, China, European Union, India, Japan, Republic of Korea, Russian Federation, Chinese Taipei, Ukraine, United States	9 December 2015 (panel established 28 October 2015)	GATT 1994 Safeguards Agreement
WT/DS490*	Indonesia – Iron or Steel Products (Chinese Taipei)	Chinese Taipei	Australia, Chile, China, European Union, India, Japan, Republic of Korea, Russian Federation, Ukraine, United States, Viet Nam	9 December 2015 (panel established 28 September 2015)	GATT 1994 Safeguards Agreement
WT/DS492	EU – Poultry Meat (China)	China	Argentina, Brazil, Canada, India, Russian Federation, Thailand, United States	20 July 2015 (panel established 3 December 2015)	GATT 1994
WT/DS488*	US – OCTG (Korea)	Republic of Korea	Canada, China, European Union, India, Mexico, Russian Federation, Turkey	13 July 2015 (panel established 25 March 2015)	GATT 1994 ADP

WT/DS No.	Title	Complainant	Third parties	Date of panel composition or appeal	Agreements cited
WT/DS487	US – Tax Incentives	European Union	Australia, Brazil, Canada, China, India, Japan, Republic of Korea, Russian Federation	22 April 2015 (panel established 23 February 2015)	SCM
WT/DS486*	EU – PET (Pakistan)	Pakistan	China, United States	13 May 2015 (panel established 25 March 2015)	GATT 1994 SCM
WT/DS485	Russia – Tariff Treatment	European Union	Australia, Brazil, Canada, Chile, China, Colombia, India, Japan, Republic of Korea, Republic of Moldova, Norway, Singapore, Ukraine, United States	18 June 2015 (panel established 25 March 2015)	GATT 1994 Agreement on Implementation of Article VII (Customs Valuation)
WT/DS483	China – Cellulose Pulp	Canada	Brazil, Chile, European Union, Japan, Republic of Korea, Norway, Singapore, United States, Uruguay	10 March 2015 (panel established 27 April 2015)	GATT 1994 ADP
WT/DS482*	Canada – Welded Pipe	Chinese Taipei	Brazil, China, European Union, Republic of Korea, Norway, United Arab Emirates, United States	10 March 2015 (panel established 12 May 2015)	GATT 1994 ADP
WT/DS480*	EU – Biodiesel	Indonesia	Argentina, Australia, Brazil, Canada, China, India, Japan, Norway, Russian Federation, Singapore, Turkey, Ukraine, United States	31 August 2015 (panel established 4 November 2015)	GATT 1994 ADP WTO
WT/DS479	Russia – Commercial Vehicles	European Union	Brazil, China, India, Japan, Republic of Korea, Turkey, Ukraine, United States	20 October 2014 (panel established 18 December 2014)	GATT 1994 ADP
WT/DS478	Indonesia – Import Licensing Regimes (US)	United States	Argentina, Australia, Brazil, Canada, China, European Union, India, Japan, Republic of Korea, Norway, Paraguay, Singapore, Chinese Taipei, Thailand	8 October 2015 (panel established 20 May 2015)	GATT 1994 Agreement on Agriculture Import Licensing Agreement Agreement on Preshipment Inspection (PSI)
WT/DS477	Indonesia – Import Licensing Regimes (New Zealand)	New Zealand	Argentina, Australia, Brazil, Canada, China, European Union, India, Japan, Republic of Korea, Norway, Paraguay, Singapore, Chinese Taipei, Thailand	8 October 2015 (panel established 20 May 2015)	GATT 1994 Agreement on Agriculture Import Licensing Agreement PSI
WT/DS475	Russia – Pigs (EU)	European Union	Australia, Brazil, China, India, Japan, Republic of Korea, Norway, South Africa, Chinese Taipei, United States	4 December 2014 (panel established 22 July 2014)	GATT 1994 SPS
WT/DS473	EU – Biodiesel	Argentina	Australia, China, Colombia, Indonesia, Malaysia, Mexico, Norway, Russian Federation, Kingdom of Saudi Arabia, Turkey, United States	23 June 2014 (panel established 25 April 2014)	GATT 1994 ADP WTO
WT/DS471	US – Anti-Dumping Methodologies (China)	China	Brazil, Canada, European Union, India, Japan, Republic of Korea, Norway, Russian Federation, Kingdom of Saudi Arabia, Chinese Taipei, Turkey, Ukraine, Viet Nam	28 August 2014 (panel established 26 March 2014)	GATT 1994 ADP
WT/DS467	Australia – Tobacco Plain Packaging (Indonesia)	Indonesia	Argentina, Brazil, Canada, Chile, China, Cuba, Dominican Republic, European Union, Guatemala, Honduras, India, Japan, Republic of Korea, Malawi, Malaysia, Mexico, New Zealand, Nicaragua, Nigeria, Norway, Oman, Peru, Philippines, Russian Federation, Singapore, Chinese Taipei, Thailand, Turkey, Ukraine, United States, Uruguay, Zimbabwe	5 May 2014 (panel established 26 March 2014)	GATT 1994 TBT TRIPS

WT/DS No.	Title	Complainant	Third parties	Date of panel composition or appeal	Agreements cited
WT/DS458	Australia – Tobacco Plain Packaging (Cuba)	Cuba	Argentina, Brazil, Canada, Chile, China, Dominican Republic, European Union, Guatemala, Honduras, India, Indonesia, Japan, Republic of Korea, Malaysia, Mexico, New Zealand, Nicaragua, Nigeria, Norway, Peru, Philippines, Russian Federation, Kingdom of Saudi Arabia, Singapore, South Africa, Chinese Taipei, Thailand, Turkey, Ukraine, United States, Uruguay, Zimbabwe	5 May 2014 (panel established 25 April 2014)	GATT 1994 TBT TRIPS
WT/DS441	Australia – Tobacco Plain Packaging (Dominican Republic)	Dominican Republic	Argentina, Brazil, Canada, Chile, China, Cuba, European Union, Guatemala, Honduras, India, Indonesia, Japan, Republic of Korea, Malaysia, Mexico, New Zealand, Nicaragua, Nigeria, Norway, Peru, Philippines, Russian Federation, Kingdom of Saudi Arabia, Singapore, South Africa, Chinese Taipei, Thailand, Trinidad and Tobago, Turkey, Ukraine, United States, Uruguay, Zimbabwe	5 May 2014 (panel established 25 pril 2014)	GATT 1994 TRIPS TBT
WT/DS435	Australia – Tobacco Plain Packaging (Honduras)	Honduras	Argentina, Brazil, Canada, Chile, China, Cuba, Dominican Republic, European Union, Guatemala, India, Indonesia, Japan, Republic of Korea, Malawi, Malaysia, Mexico, New Zealand, Nicaragua, Nigeria, Norway, Oman, Panama, Peru, Philippines, Singapore, South Africa, Chinese Taipei, Thailand, Turkey, Ukraine, United States, Uruguay, Zambia, Zimbabwe	5 May 2014 (panel established 25 September 2014)	GATT 1994 TRIPS TBT
WT/DS442	EU – Fatty Alcohols	Indonesia	India, Republic of Korea, Malaysia, Thailand, Turkey, United States	18 December 2014 (panel established 25 June 2013)	GATT 1994 ADP

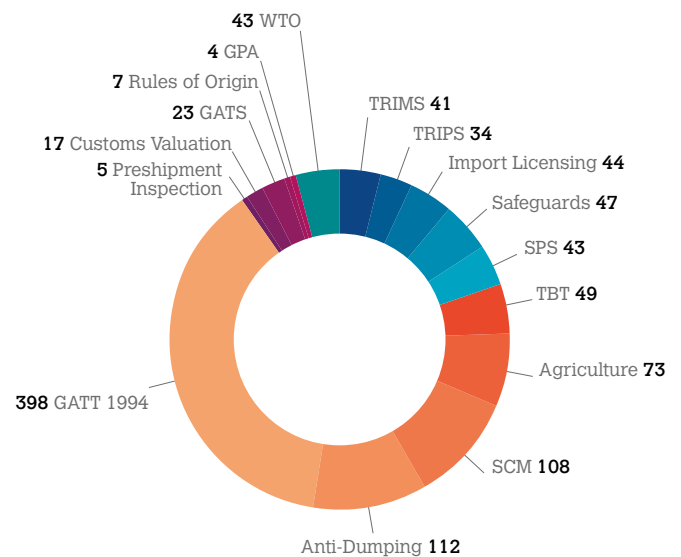
* These panels are considered active because they have been composed. However, work on the disputes has not yet commenced as there are no available lawyers who can be assigned to the disputes to assist the panellists.

Subject matter of the disputes

WTO members continue to litigate in many different trade areas (see Figure 2). Current disputes include Australia's plain packaging requirements for tobacco products, certain measures imposed by Argentina that affect trade in goods and services, a ban imposed by Russia on the importation of European pork products because of concerns related to African swine fever and European Union modifications to its tariff concessions on poultry meat.

Trade remedies disputes under way include EU anti-dumping duties on Indonesian biodiesel, EU anti-dumping measures on the importation of fatty alcohols from Indonesia, India and Malaysia, Russian anti-dumping duties imposed on certain EU commercial vehicles as well as countervailing duties imposed by the European Union on certain polyethylene terephthalate (PET) products from Pakistan. PET is a plastic resin used in containers. Compliance panel proceedings in the trade remedies disputes concerning Boeing and Airbus large civil aircraft are still ongoing.

Figure 2: WTO agreements* referred to in requests for consultations, 1995-2015 (number of times)



* GATS: General Agreement on Trade in Services; GATT 1994: General Agreement on Tariffs and Trade 1994; GPA: Agreement on Government Procurement; SCM: Subsidies and Countervailing Measures; SPS: Sanitary and Phytosanitary Measures; TBT: Technical Barriers to Trade; TRIMS: Trade-Related Investment Measures; TRIPS: Trade-Related Aspects of Intellectual Property Rights; WTO: Agreement Establishing the World Trade Organization.

Reports circulated or adopted by the DSB

As of 31 December 2015, six panel reports had been circulated during the year of which two were appealed to the Appellate Body and then adopted by DSB. Two of the panel reports are pending either appeal to the Appellate Body or adoption by the DSB and the other two panel reports were adopted by the DSB without being appealed.

As for the compliance disputes, three compliance panel reports were circulated during 2015, one report was appealed

to the Appellate Body and the other two reports were adopted without appeal to the Appellate Body. (For information about Appellate Body reports, see page 115.)

Table 4 shows panel and Appellate Body reports adopted or circulated (pending adoption) during 2015. It also shows panel and Appellate Body reports that were circulated in 2014 and adopted in 2015. The table also indicates the agreements that were the subject of the disputes based on the request for consultations.

Table 4: Reports circulated or adopted in 2015

Dispute	Document symbol	Complainant	Respondent	Third parties	WTO agreements covered	Date of adoption by DSB
US – Countervailing Duties (China)	WT/DS437/R WT/DS437/AB	China	United States	Australia, Brazil, Canada, European Union, India, Japan, Republic of Korea, Norway, Russian Federation, Kingdom of Saudi Arabia, Turkey, Viet Nam	GATT 1994 SCM Agreement China's Protocol of Accession [DSU]	16 January 2015
Argentina – Import Measures	WT/DS438/R WT/DS438/AB	European Union	Argentina	Australia, Canada, China, Ecuador, Guatemala, India, Israel, Japan, Republic of Korea, Norway, Kingdom of Saudi Arabia, Switzerland, Chinese Taipei, Thailand, Turkey, United States	Agreement on Agriculture GATT 1994 Import Licensing Agreement Safeguards Agreement TRIMs Agreement	26 January 2015
Argentina – Import Measures	WT/DS444/R WT/DS444/AB	United States	Argentina	Australia, Canada, China, Ecuador, European Union, Guatemala, India, Israel, Japan, Republic of Korea, Norway, Kingdom of Saudi Arabia, Switzerland, Chinese Taipei, Thailand, Turkey	Agreement on Agriculture GATT 1994 Import Licensing Agreement Safeguards Agreement TRIMs Agreement	26 January 2015
Argentina – Import Measures	WT/DS445/R WT/DS445/AB	Japan	Argentina	Australia, Canada, China, Ecuador, European Union, Guatemala, India, Israel, Republic of Korea, Norway, Kingdom of Saudi Arabia, Switzerland, Chinese Taipei, Thailand, Turkey, United States	Agreement on Agriculture GATT 1994 Import Licensing Agreement Agreement on Safeguards TRIMs Agreement	26 January 2015
US – Shrimp II (Viet Nam)	WT/DS429/R WT/DS429/AB	Viet Nam	United States	China, Ecuador, European Union, Japan, Norway, Thailand	Anti-Dumping Agreement DSU GATT 1994 WTO Agreement	22 April 2015
US – COOL (Article 21.5 – Canada)	WT/DS384/RW WT/DS384/AB/RW	Canada	United States	Australia, Brazil, China, Colombia, European Union, Guatemala, India, Japan, Republic of Korea, Mexico, New Zealand	GATT 1994 TBT Agreement	29 May 2015
US – COOL (Article 21.5 – Mexico)	WT/DS386/RW WT/DS386/AB/RW	Mexico	United States	Australia, Brazil, Canada, China, Colombia, European Union, Guatemala, India, Japan, Republic of Korea, New Zealand	GATT 1994 TBT Agreement	29 May 2015
India – Agricultural Products	WT/DS430/R WT/DS430/AB	United States	India	Argentina, Australia, Brazil, China, Colombia, Ecuador, European Union, Guatemala, Japan, Viet Nam	GATT 1994 SPS Agreement	19 June 2015
Ukraine – Passenger Cars	WT/DS468/R	Japan	Ukraine	Australia, European Union, India, Republic of Korea, Russian Federation, Turkey, United States	GATT 1994 Safeguards	20 July 2015

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Dispute	Document symbol	Complainant	Respondent	Third parties	WTO agreements covered	Date of adoption by DSB
Peru – Agricultural Products	WT/DS457/R WT/DS457/AB	Guatemala	Peru	Argentina, Brazil, China, Colombia, Ecuador, El Salvador, European Union, Honduras, India, Republic of Korea, United States	Agreement on Agriculture Customs Valuation Agreement GATT 1994	31 July 2015
China – GOES Article 21.5	WT/DS414/R	United States	China	European Union, India, Japan, Russian Federation	ADP SCM GATT 1994	31 August 2015
US – Animals	WT/DS447/R	Argentina	United States	Australia, Brazil, China, European Union, India, Republic of Korea	GATT 1994 SPS WTO	31 August 2015
China – HP-SSST (Japan)	WT/DS454/R WT/DS454/AB	Japan	China	European Union, India, Republic of Korea, Russian Federation, Kingdom of Saudi Arabia, Turkey, United States	GATT 1994 ADP	28 October 2015
China – HP-SSST (EU)	WT/DS460/R WT/DS460/AB	European Union	China	India, Japan, Republic of Korea, Russian Federation, Kingdom of Saudi Arabia, Turkey, United States	GATT 1994 ADP	28 October 2015
US – Tuna II (Mexico)	WT/DS381/RW WT/DS381/RW	Mexico	United States	Australia, Canada, China, European Union, Guatemala, Japan, Republic of Korea, New Zealand, Norway, Thailand	GATT 1994 TBT	3 December 2015
Argentina – Financial Services	WT/DS453/R	Panama	Argentina	Australia, Brazil, China, Ecuador, European Union, Guatemala, Honduras, India, Oman, Kingdom of Saudi Arabia, Singapore, United States	GATT 1994 GATS	Panel report circulated 30 September 2015 [Appeal filed 27 October 2015]
Colombia – Textiles	WT/DS461/R	Panama	Colombia	China, Ecuador, El Salvador, European Union, Guatemala, Honduras, Philippines, United States	GATT 1994	Panel report circulated 27 November 2015

Director-General's speech to the DSB

On 28 October 2015, Director-General Roberto Azevêdo addressed the DSB on the challenges faced by the dispute settlement system. He said that the increased breadth and complexity of disputes over the last 20 years have changed the face of WTO dispute settlement completely. He acknowledged that the dispute settlement system is highly efficient and faster than other international adjudicatory systems. Nevertheless, WTO members still faced delays as their disputes progressed through the system.

DG Azevêdo noted that he had nearly doubled the number of lawyer posts in the three legal divisions since he had taken office – from 30 to 57. But finding people with the knowledge and experience required to lead teams supporting Appellate Body members and dispute settlement panels had not always been easy. The DG noted that it seemed extremely unlikely that the high volume of casework was just a temporary surge, as 2015 had turned out to be the busiest year on record, with an average of 30 active panels per month.

DG Azevêdo pointed out that many disputes in recent times have been in the area of trade remedies. As a result of this demand in the area of trade remedies, some disputes ended up in a queue waiting for WTO Secretariat staff to become free from other cases to work on them. The Secretariat was focused on recruiting and developing expertise in the trade remedies area, DG Azevêdo said. The Secretariat was exploring other ways of reducing the queue, such as creating a single, flexible pool of junior lawyers available to assist all dispute settlement panels instead of having lawyers assigned to one division and only working on the disputes handled by that division.

In addition, DG Azevêdo said he had asked Deputy Director-General Karl Brauner “to engage with delegations to gather views ... on improving the functioning of the system further, bearing in mind the budgetary constraints and headcount limitation imposed by members”.

Appellate Body

The Appellate Body had a busy year in 2015, issuing eleven Appellate Body reports in seven distinct matters. As of the end of 2015, the Appellate Body had circulated 138 reports. Three arbitration proceedings concerning the reasonable period of time for implementation of Dispute Settlement Body (DSB) recommendations and rulings were carried out in 2015. The DSB appointed two Appellate Body members, Ujal Singh Bhatia of India and Thomas Graham of the United States, for second four-year terms.

Efficiencies in appeal proceedings

In the face of an increasing workload, the Appellate Body has undertaken various efforts to ensure the high quality of its reports and the completion of appellate proceedings in as short a time as possible. These efforts include revising internal processes and adopting, on a trial basis, a new practice regarding executive summaries of the arguments submitted by participants and third-party participants.

The “Guidelines in Respect of Executive Summaries of Written Submissions in Appellate Proceedings” seeks to allow WTO members to summarize their positions and supporting arguments in their own words while encouraging a degree of harmonization in the structure and length of such summaries. The Appellate Body now requests the participants and third-party participants wishing to file a written submission in an appeal to submit an executive summary of their submission at the same time. The length of each summary is limited to 250 words or 10 per cent of the total word count of the submission.

Rather than using the executive summaries to assist in drafting its own description of the participants’ arguments, the Appellate Body now includes these executive summaries as an addendum to its reports. This ensures that members’ positions are reflected in their own words in Appellate Body reports. It also enables the Appellate Body to make optimal

use of its limited resources. This new approach has been implemented, on a trial basis, starting with the appeals in “Peru – Agricultural Products” and “China – High Performance Stainless Steel Seamless Tubes (HP-SSST) from Japan” plus “China – HP-SSST (EU)”.

The Appellate Body is also considering whether adopting limits to the length of written submissions could allow for better management of appellate proceedings and reduce the workload for the Appellate Body and users of the dispute settlement system. In October 2015 the Appellate Body initiated discussions with WTO members on this issue, including whether and how such limits might affect: (i) the number of issues that participants may choose to appeal and the number of arguments they raise in their written submissions; (ii) the focus of submissions on the key issues on appeal; (iii) the quality and clarity of the participants’ written submissions; and (iv) the ability of the participants to present their cases and exercise their due process rights before the Appellate Body.

The Appellate Body has suggested that WTO members may wish to consider whether it would be appropriate to adopt one general limit on the length of all written submissions in all appeals and, if so, what this limit should be. Alternatively, if limits should be set on a case-by-case basis, the Appellate Body has invited WTO members to consider objective criteria on how such limits should be determined. These criteria could take into account: (i) the length of the corresponding panel report; (ii) the number of distinct claims addressed in the panel report; or (iii) the number of issues raised in an appeal or cross-appeal. To date, three WTO members have posted comments addressing these questions in a dedicated section of the WTO members’ website.

Background on the Appellate Body

The Appellate Body consists of seven members appointed by the Dispute Settlement Body. Each member is appointed for a term of four years, with the possibility of being appointed for one further four-year term. Three members of the Appellate Body hear an appeal of a panel’s ruling. Any party to a dispute may appeal the panel report to the Appellate Body. The appeal is limited to issues of law covered in the panel report and legal interpretations developed by the panel.

Appeals

Eight panel reports concerning seven matters were appealed in 2015 (see Figure 3 and Table 5). Eight reports were circulated to members (see Figure 4 and Table 6). In addressing the appeals, the Appellate Body clarified several issues of systemic significance. These included issues arising under the Anti-Dumping Agreement, the Agreement on Agriculture, the general exceptions in Article XX of the General Agreement on Tariffs and Trade (GATT) 1994, the Technical Barriers to Trade Agreement, the Sanitary and Phytosanitary Measures Agreement and the disciplines governing subsidies and countervailing duties.



8

8 reports were circulated by the Appellate Body in 2015, the same number as in 2014.

Figure 3: Number of notices of appeal filed, 1995 to 2015

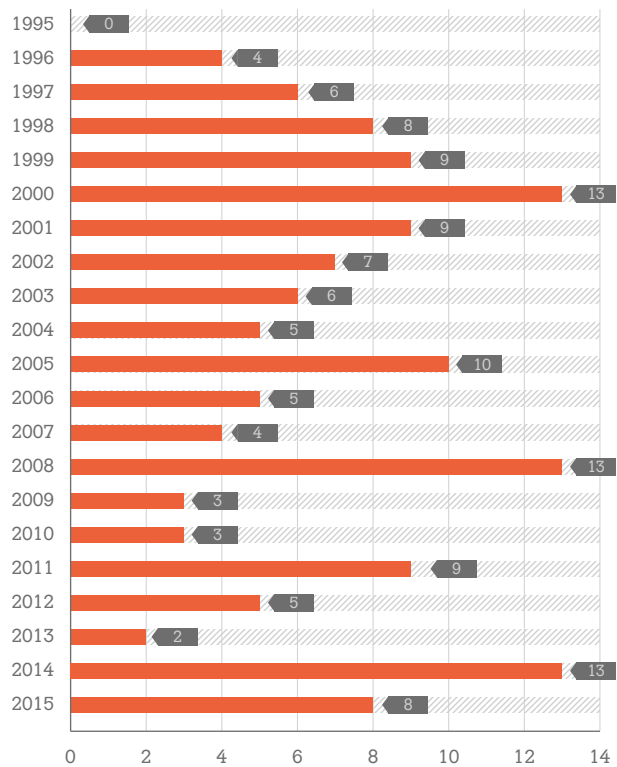


Table 5: Appeals filed in 2015

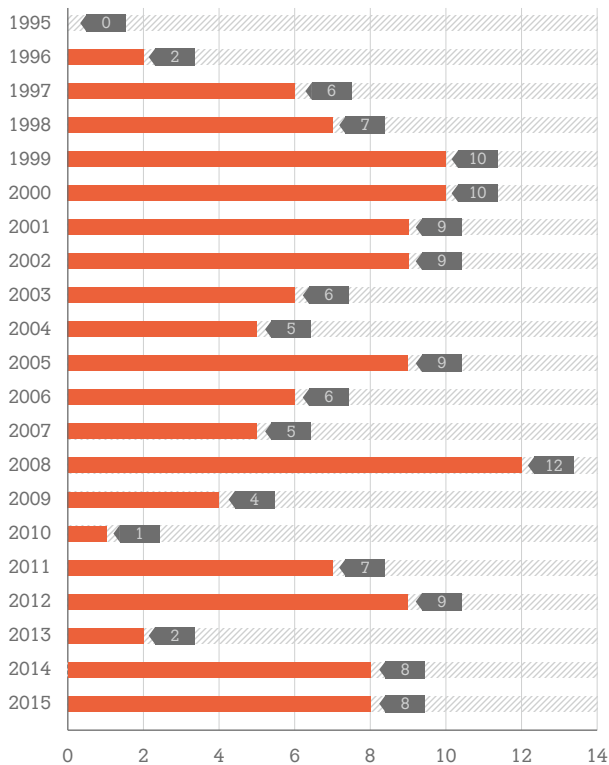
Panel reports appealed	Date of appeal	Appellant	Document number for notification of an appeal	Other appellant	Document number for notification of an other appeal
United States – Anti-Dumping Measures on Certain Shrimp from Viet Nam	6 January 2015	Viet Nam	WT/DS429/5	No other appeal	-
India – Measures Concerning the Importation of Certain Agricultural Products	26 January 2015	India	WT/DS430/8	No other appeal	-
Peru – Additional Duty on Imports of Certain Agricultural Products	25 March 2015	Peru	WT/DS457/7	Guatemala	WT/DS457/8
China – Measures Imposing Anti-Dumping Duties on High-Performance Stainless Steel Seamless Tubes (“HP-SSST”) from Japan*	20 May 2015	Japan	WT/DS454/7	China	WT/DS454/8
China – Measures Imposing Anti-Dumping Duties on High-Performance Stainless Steel Seamless Tubes (“HP-SSST”) from the European Union*	20 May 2015	China	WT/DS460/7	European Union	WT/DS460/8
United States – Measures Concerning the Importation, Marketing and Sale of Tuna and Tuna Products – Recourse to Article 21.5 of the DSU by Mexico	5 June 2015	United States	WT/DS381/24	Mexico	WT/DS381/25
European Communities – Definitive Anti-Dumping Measures on Certain Iron or Steel Fasteners from China – Recourse to Article 21.5 of the DSU by China	9 September 2015	European Union	WT/DS397/21	China	WT/DS397/22
Argentina – Measures Relating to Trade in Goods and Services	27 October 2015	Panama	WT/DS453/7	Argentina	WT/DS453/8

* Appellate Body reports concerning disputes with the same title were circulated as a single document.



Members of the Appellate Body as of 31 December 2015, from left to right: Ujal Singh Bhatia, Peter Van den Bossche, Shree Baboo Chekitan Servansing, Thomas R. Graham, Yuejiao Zhang, Seung Wha Chang and Ricardo Ramirez-Hernández (Chair of the Appellate Body in 2015).

Figure 4: Number of Appellate Body reports circulated, 1995 to 2015*



* Appellate Body reports concerning disputes with the same title were circulated as a single document.

Reappointment of two Appellate Body members

The first four-year terms of Ujal Singh Bhatia and Thomas Graham expired on 10 December 2015. Mr Bhatia and Mr Graham both expressed their interest to be reappointed for a second four-year term. The Chair of the DSB, Harald Neple (Norway), undertook informal consultations with interested delegations. In the light of these consultations, the DSB decided, at its meeting on 25 November 2015, to reappoint Mr Bhatia and Mr Graham for a second four-year term starting on 11 December 2015.

As of 31 December 2015, the seven Appellate Body members were:

- › Ujal Singh Bhatia (India) (2011-19)
- › Seung Wha Chang (Republic of Korea) (2012-16)
- › Thomas R. Graham (United States) (2011-19) – Chair of the Appellate Body in 2016
- › Ricardo Ramirez-Hernández (Mexico) (2009-17)
- › Shree Baboo Chekitan Servansing (Mauritius) (2014-18)
- › Peter Van den Bossche (Belgium) (2009-17)
- › Yuejiao Zhang (China) (2008-16)

Table 6: Appellate Body reports circulated in 2015

Panel reports appealed	Date of appeal	Appellant	Document number for notification of an appeal	Other appellant	Document number for notification of an other appeal	Circulation date of report
Argentina – Measures Affecting the Importation of Goods*	26 September 2014	Argentina	WT/DS438/15	European Union	WT/DS438/16	15 January 2015
Argentina – Measures Affecting the Importation of Goods*	26 September 2014	Argentina	WT/DS444/14	-	-	15 January 2015
Argentina – Measures Affecting the Importation of Goods*	26 September 2014	Argentina	WT/DS445/14	Japan	WT/DS445/15	15 January 2015
United States – Certain Country of Origin Labelling (COOL) Requirements – Recourse to Article 21.5 of the DSU by Canada *	22 August 2014	United States	WT/DS384/29	Canada	WT/DS384/30	18 May 2015
United States – Certain Country of Origin Labelling (COOL) Requirements – Recourse to Article 21.5 of the DSU by Mexico*	22 August 2014	United States	WT/DS386/28	Mexico	WT/DS386/29	18 May 2015
United States – Anti-Dumping Measures on Certain Shrimp from Viet Nam	6 January 2015	Viet Nam	WT/DS429/5	-	-	7 April 2015
India – Measures Concerning the Importation of Certain Agricultural Products	26 January 2015	India	WT/DS430/8	-	-	4 June 2015
Peru – Additional Duty on Imports of Certain Agricultural Products	25 March 2015	Peru	WT/DS457/7	Guatemala	WT/DS457/8	20 July 2015
China – Measures Imposing Anti-Dumping Duties on High-Performance Stainless Steel Seamless Tubes (“HP-SSST”) from Japan*	20 May 2015	Japan	WT/DS454/7	China	WT/DS454/8	14 October 2015
China – Measures Imposing Anti-Dumping Duties on High-Performance Stainless Steel Seamless Tubes (“HP-SSST”) from the European Union*	20 May 2015	China	WT/DS460/7	European Union	WT/DS460/8	14 October 2015
United States – Measures Concerning the Importation, Marketing and Sale of Tuna and Tuna Products: Recourse to Article 21.5 of the DSU by Mexico	5 June 2015	United States	WT/DS381/24	Mexico	WT/DS381/25	20 November 2015

* Appellate Body reports concerning disputes with the same title were circulated as a single document.