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Article 3

General Provisions

1. Members affirm their adherence to the principles for the management of disputes heretofore applied under Articles XXII and XXIII of GATT 1947, and the rules and procedures as further elaborated and modified herein.

2. The dispute settlement system of the WTO is a central element in providing security and predictability to the multilateral trading system. The Members recognize that it serves to preserve the rights and obligations of Members under the covered agreements, and to clarify the existing provisions of those agreements in accordance with customary rules of interpretation of public international law. Recommendations and rulings of the DSB cannot add to or diminish the rights and obligations provided in the covered agreements.

3. The prompt settlement of situations in which a Member considers that any benefits accruing to it directly or indirectly under the covered agreements are being impaired by measures taken by another Member is essential to the effective functioning of the WTO and the maintenance of a proper balance between the rights and obligations of Members.

4. Recommendations or rulings made by the DSB shall be aimed at achieving a satisfactory settlement of the matter in accordance with the rights and obligations under this Understanding and under the covered agreements.

5. All solutions to matters formally raised under the consultation and dispute settlement provisions of the covered agreements, including arbitration awards, shall be consistent with those agreements and shall not nullify or impair benefits accruing to any Member under those agreements, nor impede the attainment of any objective of those agreements.

6. Mutually agreed solutions to matters formally raised under the consultation and dispute settlement provisions of the covered agreements shall be notified to the DSB and the relevant Councils and Committees, where any Member may raise any point relating thereto.

7. Before bringing a case, a Member shall exercise its judgement as to whether action under these procedures would be fruitful. The aim of the dispute settlement mechanism is to secure a positive solution to a dispute. A solution mutually acceptable to the parties to a dispute and consistent with the covered agreements is clearly to be preferred. In the absence of a mutually agreed solution, the first objective of the dispute settlement mechanism is usually to secure the withdrawal of the measures concerned if these are found to be inconsistent with the provisions of any of the covered agreements. The provision of compensation should be resorted to only if the immediate withdrawal of the measure is impracticable and as a temporary measure pending the withdrawal of the measure which is inconsistent with a covered agreement. The last resort which this Understanding provides to the Member invoking the dispute settlement procedures is the possibility of suspending the application of concessions or other obligations under the covered agreements on a discriminatory basis vis-à-vis the other Member, subject to authorization by the DSB of such measures.

8. In cases where there is an infringement of the obligations assumed under a covered agreement, the action is considered *prima facie* to constitute a case of nullification or

impairment. This means that there is normally a presumption that a breach of the rules has an adverse impact on other Members parties to that covered agreement, and in such cases, it shall be up to the Member against whom the complaint has been brought to rebut the charge.

9. The provisions of this Understanding are without prejudice to the rights of Members to seek authoritative interpretation of provisions of a covered agreement through decision-making under the WTO Agreement or a covered agreement which is a Plurilateral Trade Agreement.

10. It is understood that requests for conciliation and the use of the dispute settlement procedures should not be intended or considered as contentious acts and that, if a dispute arises, all Members will engage in these procedures in good faith in an effort to resolve the dispute. It is also understood that complaints and counter-complaints in regard to distinct matters should not be linked.

11. This Understanding shall be applied only with respect to new requests for consultations under the consultation provisions of the covered agreements made on or after the date of entry into force of the WTO Agreement. With respect to disputes for which the request for consultations was made under GATT 1947 or under any other predecessor agreement to the covered agreements before the date of entry into force of the WTO Agreement, the relevant dispute settlement rules and procedures in effect immediately prior to the date of entry into force of the WTO Agreement shall continue to apply.²

(footnote original) ² This paragraph shall also be applied to disputes on which panel reports have not been adopted or fully implemented.

12. Notwithstanding paragraph 11, if a complaint based on any of the covered agreements is brought by a developing country Member against a developed country Member, the complaining party shall have the right to invoke, as an alternative to the provisions contained in Articles 4, 5, 6 and 12 of this Understanding, the corresponding provisions of the Decision of 5 April 1966 (BISD 14S/18), except that where the Panel considers that the time-frame provided for in paragraph 7 of that Decision is insufficient to provide its report and with the agreement of the complaining party, that time-frame may be extended. To the extent that there is a difference between the rules and procedures of Articles 4, 5, 6 and 12 and the corresponding rules and procedures of the Decision, the latter shall prevail.

1.2 Article 3.6: Notification of mutually agreed solutions

1. The following table provides information on mutually agreed solutions notified pursuant to Article 3.6 of the DSU. It is updated to July 2016.

DS No.	Dispute	Date of Notification	Reference
DS5	<i>Korea – Measures Concerning the Shelf-Life of Products</i>	20.7.1995	WT/DS5/5
DS7	<i>European Communities – Trade Description of Scallops (Canada)</i>	5.7.1996	WT/DS7/12 WT/DSB/M/20
DS12	<i>European Communities – Trade Description of Scallops (Peru)</i>	5.7.1996	WT/DS12/12 WT/DSB/M/20
DS14	<i>European Communities – Trade Description of Scallops (Chile)</i>	5.7.1996	WT/DS14/11 WT/DSB/M/20
DS19	<i>Poland – Import Regime for Automobiles</i>	26.8.1996	WT/DS19/2
DS20	<i>Korea – Measures Concerning Bottled Water</i>	24.4.1996	WT/DS20/6
DS21	<i>Australia – Measures Affecting the Importation of Salmonids</i>	27.10.2000	WT/DS21/10
DS28	<i>Japan – Measures Concerning Sound Recordings</i>	24.1.1997	WT/DS28/4

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DS36	<i>Pakistan – Patent Protection for Pharmaceutical and Agricultural Chemical Products</i>	28.2.1997	WT/DS36/4
DS37	<i>Portugal – Patent Protection under the Industrial Property Act</i>	3.10.1996	WT/DS37/2
DS40	<i>Korea – Laws, Regulations and Practices in the Telecommunications Sector</i>	22.10.1997	WT/DS40/2
DS42	<i>Japan – Measures Concerning Sound Recordings</i>	7.11.1997	WT/DS42/4
DS43	<i>Turkey – Taxation of Foreign Film Revenues</i>	14.7.1997	WT/DS43/3
DS72	<i>European Communities – Measures Affecting Butter Products</i>	11.11.1999	WT/DS72/7
DS73	<i>Japan – Procurement of a Navigation Satellite</i>	31.7.1997	WT/DS73/4/R ev.1
DS74	<i>Philippines – Measures Affecting Pork and Poultry</i>	13.1.1998	WT/DS74/5
DS82	<i>Ireland – Measures Affecting the Grant of Copyright and Neighbouring Rights</i>	6.11.2000	WT/DS82/3
DS83	<i>Denmark – Measures Affecting the Enforcement of Intellectual Property Rights</i>	7.6.2001	WT/DS83/2
DS85	<i>United States – Measures Affecting Textiles and Apparel Products</i>	11.2.1998	WT/DS85/9
DS86	<i>Sweden – Measures Affecting the Enforcement of Intellectual Property Rights</i>	2.12.1998	WT/DS86/2
DS91	<i>India – Quantitative Restrictions on Imports of Agricultural, Textile and Industrial Products (Australia)</i>	17.3.1998	WT/DS91/8
DS92	<i>India – Quantitative Restrictions on Imports of Agricultural, Textile and Industrial Products (Canada)</i>	18.3.1998	WT/DS92/8
DS93	<i>India – Quantitative Restrictions on Imports of Agricultural, Textile and Industrial Products</i>	14.9.1998	WT/DS93/8
DS94	<i>India – Quantitative Restrictions on Imports of Agricultural, Textile and Industrial Products (Switzerland)</i>	23.2.1998	WT/DS94/9
DS96	<i>India – Quantitative Restrictions on Imports of Agricultural, Textile and Industrial Products (EC)</i>	7.4.1998	WT/DS96/8
DS99	<i>United States – Anti-Dumping Duty on Dynamic Random Access Memory Semiconductors (DRAMs) of One Megabit or Above from Korea</i>	20.10.2000	WT/DS99/12
DS102	<i>Philippines – Measures Affecting Pork and Poultry</i>	13.1.1998	WT/DS102/6
DS103	<i>Canada – Measures Affecting the Importation of Milk and the Exportation of Dairy Products</i>	9.5.2003	WT/DS103/33
DS113	<i>Canada – Measures Affecting Dairy Exports</i>	9.5.2003	WT/DS113/33
DS115	<i>European Communities – Measures Affecting the Grant of Copyright and Neighbouring Rights</i>	6.11.2000	WT/DS115/3
DS119	<i>Australia – Anti-Dumping Measures on Imports of Coated Woodfree Paper Sheets</i>	13.5.1998	WT/DS119/4
DS124	<i>European Communities – Enforcement of Intellectual Property Rights for Motion Pictures and Television Programs</i>	20.3.2001	WT/DS124/2
DS125	<i>Greece – Enforcement of Intellectual Property Rights for Motion Pictures and Television Programs</i>	20.3.2001	WT/DS125/2

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DS126	<i>Australia – Subsidies Provided to Producers and Exporters of Automotive Leather</i>	24.7.2000	WT/DS126/11
DS151	<i>United States – Measures Affecting Textiles and Apparel Products</i>	24.7.2000	WT/DS151/10
DS171	<i>Argentina – Patent Protection for Pharmaceuticals and Test Data Protection for Agricultural Chemicals</i>	31.5.2002	WT/DS171/3
DS190	<i>Argentina – Transitional Safeguard Measures on Certain Imports of Woven Fabrics of Cotton and Cotton Mixtures Originating in Brazil</i>	27.6.2000	WT/DS190/2
DS196	<i>Argentina – Certain Measures on the Protection of Patents and Test Data</i>	31.5.2002	WT/DS196/4
DS198	<i>Romania – Measures on Minimum Import Prices</i>	26.9.2001	WT/DS198/2
DS199	<i>Brazil – Measures Affecting Patent Protection</i>	5.7.2001	WT/DS199/4
DS210	<i>Belgium – Administration of Measures Establishing Customs Duties for Rice</i>	18.12.2001	WT/DS210/6
DS231	<i>European Communities – Trade Description of Sardines</i>	25.7.2003	WT/DS231/18
DS235	<i>Slovakia – Safeguard Measure on Imports of Sugar</i>	11.1.2002	WT/DS235/2
DS236	<i>United States – Preliminary Determinations with respect to certain Softwood Lumber from Canada</i>	12.10.2006 23.2.2007	WT/DS236/5 + Add.1
DS237	<i>Turkey – Certain Import Procedures for Fresh Fruit</i>	22.11.2002	WT/DS237/4
DS245	<i>Japan – Measures Affecting the Importation of Apples</i>	30.8.2005	WT/DS245/21
DS247	<i>United States – Provisional Anti-Dumping Measure on Imports of Certain Softwood Lumber from Canada</i>	12.10.2006 23.2.2007	WT/DS247/2 + Add.1
DS250	<i>United States – Equalizing Excise Tax Imposed by Florida on Processed Orange and Grapefruit Products</i>	28.5.2004	WT/DS250/3
DS257	<i>United States – Final Countervailing Duty Determination with respect to certain Softwood Lumber from Canada</i>	12.10.2006 23.2.2007	WT/DS257/26 + Add.1
DS261	<i>Uruguay – Tax Treatment on Certain Products</i>	8.1.2004	WT/DS261/7
DS264	<i>United States – Final Dumping Determination on Softwood Lumber from Canada</i>	12.10.2006 23.2.2007	WT/DS264/29 + Add.1
DS277	<i>United States – Investigation of the International Trade Commission in Softwood Lumber from Canada</i>	12.10.2006 23.2.2007	WT/DS277/20 + Add.1
DS281	<i>United States – Anti-Dumping Measures on Cement from Mexico</i>	16.5.2007	WT/DS281/8
DS287	<i>Australia – Quarantine Regime for Imports</i>	9.3.2007	WT/DS287/8
DS292	<i>European Communities – Measures Affecting the Approval and Marketing of Biotech Products</i>	15.7.2009	WT/DS292/40
DS293	<i>European Communities – Measures Affecting the Approval and Marketing of Biotech Products</i>	19.3.2010	WT/DS293/41
DS297	<i>Croatia – Measure Affecting Imports of Live Animals and Meat Products</i>	30.1.2009	WT/DS297/2
DS305	<i>Egypt – Measures Affecting Imports of Textile and Apparel Products</i>	20.5.2005	WT/DS305/4
DS309	<i>China – Value Added Tax on Integrated Circuits</i>	5.10.2005	WT/DS309/8

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DS311	<i>United States – Reviews of Countervailing Duty on Softwood Lumber from Canada</i>	12.10.2006 23.2.2007	WT/DS311/2 + Add.1
DS313	<i>European Communities – Anti-Dumping Duties on Certain Flat Rolled Iron or Non-Alloy Steel Products from India</i>	22.10.2004	WT/DS313/2
DS323	<i>Japan – Import Quotas on Dried Laver and Seasoned Laver</i>	23.1.2006	WT/DS323/5
DS327	<i>Egypt – Anti-Dumping Duties on Matches from Pakistan</i>	27.3.2006	WT/DS327/3
DS329	<i>Panama – Tariff Classification of Certain Milk Products</i>	6.10.2005	WT/DS329/2
DS348	<i>Colombia – Customs Measures on Importation of Certain Goods from Panama</i>	1.12.2006	WT/DS348/10
DS354	<i>Canada – Tax Exemptions and Reductions for Wine And Beer</i>	17.12.2008	WT/DS354/2
DS361	<i>European Communities – Regime for the Importation of Bananas</i>	8.11.2012	WT/DS361/3
DS364	<i>European Communities – Regime for the Importation of Bananas</i>	8.11.2012	WT/DS364/3
DS391	<i>Korea – Measures Affecting the Importation of Bovine Meat and Meat Products from Canada</i>	19.6.2012	WT/DS391/9
DS406	<i>United States – Measures Affecting the Production and Sale of Clove Cigarettes</i>	3.10.2014	WT/DS406/17
DS4811	<i>Indonesia – Recourse to Article 22.2 of the DSU in the US – Clove Cigarettes Dispute</i>	6.5.2015	WT/DS481/5
DS404	<i>United States – Anti-Dumping Measures on Certain Shrimp from Viet Nam</i>	18.07.2016	WT/DS404/12
DS429	<i>United States – Anti-Dumping Measures on Certain Shrimp from Viet Nam</i>	18.07.2016	WT/DS429/16

Current as of: July 2016