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JAPAN - TAXES ON ALCOHOLIC BEVERAGES

Surveillance of Implementation of Recommendations and Rulings

Communication from the European Communities

The following communication, dated 16 January 1997, from the Permanent Delegation of the European Commission to the Chairman of the Dispute Settlement Body, is circulated at the request of that delegation.

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As you are aware, on 1 November 1996, the Dispute Settlement Body adopted the Recommendations and Rulings of the panel and the Appellate Body reports on the dispute "Japan - Taxes on Alcoholic Beverages".

On 24 December 1996, the United States, one of the complaining parties in that dispute, requested that the "reasonable period of time" for implementation of those recommendations and rulings be determined by binding arbitration pursuant to paragraph 3(c) of Article 21 of the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU). On 6 January 1997, the United States addressed a letter to the Director-General of the WTO requesting the appointment of an arbitrator as provided in footnote 12 of the DSU.

As one of the complaining parties to the dispute on "Japan - Taxes on Alcoholic Beverages", whose interests will necessarily be affected by the outcome of the arbitration requested by the United States, the European Community considers itself entitled to participate in the arbitration procedure. Accordingly, the European Community expects to be associated at all stages of the procedure.