

**PHILIPPINES – TAXES ON DISTILLED SPIRITS**

Communication from the Philippines

The following communication, dated 15 February 2012, from the delegation of the Philippines to the Chairperson of the Dispute Settlement Body (DSB), is circulated at the request of the Philippines.

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The Dispute Settlement Body (DSB), during its 20 January 2012 meeting, adopted its recommendations and rulings in the dispute "*Philippines - Taxes on Distilled Spirits*" (DS396/DS403). Pursuant to Article 21.3 of the *Understanding on Rules and Procedures Governing the Settlement of Disputes* (DSU), the Philippines would like to inform the DSB of its intentions with respect to the implementation of the recommendations and rulings of the DSB. With the agreement of the European Union and United States, the Philippines hereby informs the DSB of its intentions in writing, rather than at a special meeting of the DSB.

The Philippines intends to implement the recommendations and rulings of the DSB in this dispute in a manner that respects its WTO obligations, and we are currently conducting internal consultations on the options for doing so. As the Philippines will need a reasonable period of time in which to do this, my delegation will shortly engage in discussions on this matter with the European Union and the United States, in accordance with Article 21.3(b) of the DSU.

The Philippines kindly requests the circulation of this communication to the Members of the DSB.

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