

PHILIPPINES – TAXES ON DISTILLED SPIRITS

Status Report by the Philippines

The following communication, dated 11 October 2012, from the delegation of the Philippines to the Chairperson of the Dispute Settlement Body, is circulated pursuant to Article 21.6 of the DSU.

Status Report Regarding Implementation of the
DSB Recommendations and Rulings in the Disputes
Philippines – Distilled Spirits
(WT/DS396 and WT/DS403)

The Philippines submits this report in accordance with Article 21.6 of the *Understanding on Rules and Procedures Governing the Settlement of Disputes* ("DSU").

On 20 January 2012, the Dispute Settlement Body ("DSB") adopted its recommendations and rulings in *Philippines – Distilled Spirits* (WT/DS396, 403). By letter of 15 February 2012, the Philippines notified the DSB of its intention to comply with the recommendations and rulings of the DSB in this matter in a manner that respects the Philippines' WTO obligations. The Philippines also indicated that it would require a reasonable period of time to comply with the recommendations and rulings of the DSB.

Subsequently, the Philippines, the United States, and the European Communities reached an agreement under Article 21.3(b) of the DSU, pursuant to which the reasonable period of time for the Philippines to implement the recommendations and rulings of the DSB in these disputes would expire on 8 March 2013. This agreement was notified to the DSB on 20 April 2012.

The Philippines Congress is currently deliberating on certain legislative proposals with a view to amending the Philippines excise tax law. The Executive Branch of the Philippines Government is working closely with the Philippines Congress in this implementation process.
