WORLD TRADE ORGANIZATION

WT/DS54/12 WT/DS55/11 WT/DS59/10 WT/DS64/9 27 August 1998

(98-3300)

Original: English

INDONESIA – CERTAIN MEASURES AFFECTING THE AUTOMOBILE INDUSTRY

Communication from Indonesia

The following communication, dated 21 August 1998, from the Permanent Mission of Indonesia to the Permanent Delegation of the European Commission, the Permanent Missions of Japan and the United States and to the Dispute Settlement Body, is circulated pursuant to Article 21.3 of the DSU.

On 23 July 1998, the Dispute Settlement Body adopted the Panel Report on Indonesia-Certain Measures Affecting the Automobile Industry, complaint by Japan, the European Communities and the United States. Further to my statement made during the DSB meeting of 23 July 1998, I would like to inform you that pursuant to Article 21.3 of the Understanding on Rules and Procedures Governing the Settlement of Disputes (the "DSU"), Indonesia would fully comply with the recommendations and rulings of the DSB adopted on 23 July 1998.

With regard to the February 1996 car programme, I am pleased to inform the DSB that Presidential Decree No.20/1998 dated 21 January 1998 revoked Presidential Instruction No.2/1996 and Presidential Decree No.42/1996, thereby terminating the authority for import duty and luxury tax exemption subsidies to producers of national car. Moreover, Minister of Industry and Trade Decree No.19/MPP/Kep/1/1998, dated 21 January 1998, revoked Minister of Industry and Trade Decree No.31/MPP/SK/2/1996 and all regulations implementing Presidential Instruction No.2/1996.

The Government of Indonesia believes that the above mentioned measures taken on 21 January 1998 constitute appropriate implementation of the recommendations and rulings of the DSB concerning the February 1996 car programme.

As regards the 1993 car programme, while intending to act expeditiously, Indonesia would require a reasonable period of time in which to examine all the options to meet its WTO obligations. In this context, Indonesia would require time until no later than 23 October 1999. I would appreciate it if the DSB approves Indonesia's request with regard to the reasonable period of time for the implementation of the DSB recommendations regarding the 1993 car programme.