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UNITED STATES – CERTAIN COUNTRY OF ORIGIN LABELLING (COOL) REQUIREMENTS

RECOURSE BY CANADA TO ARTICLE 22.7 OF THE DSU

The following communication, dated 7 December 2015, from the delegation of Canada to the Chairperson of the Dispute Settlement Body, is circulated pursuant to Article 22.7 of the DSU.

Canada submits this request, pursuant to Article 22.7 of the Dispute Settlement Understanding ("DSU"), for authorization from the Dispute Settlement Body (DSB) to suspend the application of certain tariff concessions and related obligations to the United States under the GATT 1994 in the amount of CDN \$ 1,054.729 million on an annual basis, in connection with the continued non-compliance of the United States with its WTO obligations in the *US – COOL* dispute.

On 29 May 2015, the DSB adopted the Report of the Appellate Body (WT/DS384/AB/RW) and Report of the Panel (WT/DS384/RW and WT/DS384/RW/Add.1), as modified by the Appellate Body Report, in the compliance proceedings in this dispute. At the DSB meeting held on 17 June 2015, pursuant to Article 22.2 of the DSU, Canada requested authorization from the DSB to suspend the application of certain tariff concessions to the United States (WT/DS384/35). The United States objected to the level of suspension of concessions requested by Canada and the matter was referred to arbitration under Article 22.6 of the DSU (WT/DS384/36).

In its decision circulated on 7 December 2015 (WT/DS384/ARB), the arbitrator, composed under Article 22.6 of the DSU, determined the level of nullification and impairment suffered by Canada on an annual basis as a result of the COOL measure to be CDN \$ 1,054.729 million.

Article 22.7 of the DSU provides that, "[t]he DSB shall [...] upon request, grant authorization to suspend concessions or other obligations where the request is consistent with the decision of the arbitrator, unless the DSB decides by consensus to reject the request." Accordingly, Canada requests authorization to suspend the application of concessions and related obligations to the United States in conformity with the decision of the arbitrator referred to above. Canada will provide to the DSB a list of goods and the level of the tariffs to be applied to those goods in due course.
