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AUSTRALIA – CERTAIN MEASURES CONCERNING TRADEMARKS, GEOGRAPHICAL INDICATIONS AND OTHER PLAIN PACKAGING REQUIREMENTS APPLICABLE TO TOBACCO PRODUCTS AND PACKAGING

COMMUNICATION FROM THE PANEL

The following communication, dated 22 October 2014, was received from the Chairperson of the Panel with the request that it be circulated to the Dispute Settlement Body (DSB).

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On 7 May 2014, Australia submitted to the Panel a request for a preliminary ruling concerning the consistency of Cuba's request for the establishment of a Panel (WT/DS458/14) with Article 6.2 of the Understanding on Rules and Procedures Governing the Settlement of Disputes.

On 19 August 2014, the Panel issued the attached preliminary ruling to the parties and third parties.

After consulting the parties to the dispute, the Panel decided to inform the Dispute Settlement Body (DSB) of the content of its preliminary ruling. Therefore, I would be grateful if you would circulate this letter and the attached preliminary ruling to the Members of the DSB.

PRELIMINARY RULING BY THE PANEL

1 PROCEDURAL BACKGROUND

1.1. On 7 May 2014, Australia submitted to the Panel a request for a preliminary ruling concerning the consistency of Cuba's panel request with the DSU.

1.2. Australia requested that the Panel make a preliminary ruling on these matters as early as possible (and in particular, that the Panel issue its preliminary ruling before the filing of first written submissions by the parties). Australia also requested the opportunity to respond to any submissions made by Cuba in relation to this preliminary ruling request.

1.3. On 11 June 2014, Cuba responded to Australia's requests. Also on 11 June 2014, the Panel provided the third parties with an opportunity to comment on Australia's preliminary ruling request. On 17 June 2014, the Panel received comments from the European Union. On 18 June 2014, the Panel received comments from Argentina, Brazil, Canada, the Dominican Republic, Guatemala, Honduras, Indonesia, and Mexico.

1.4. On 1 July 2014, the Panel received comments from Australia on Cuba's response to Australia's request for a preliminary ruling. On 8 July, the Panel received from Cuba comments on Australia's comments.

2 AUSTRALIA'S REQUEST FOR PRELIMINARY RULINGS

2.1. Australia requests that the Panel exclude from its terms of reference the following measures and claims:

a. Cuba's claims under Article 2.1 of the TRIPS Agreement (read with Article 6*bis* of the Paris Convention), and Articles 16.3, 15.1 and 17 of the TRIPS Agreement, on the basis that these claims were not included in Cuba's consultations request, and that the inclusion of these claims amounts to an improper expansion of the scope of the dispute;

b. Cuba's claims under Articles 15.1 and 17 of the TRIPS Agreement, on the basis that Cuba's panel request does not provide a brief summary of the legal basis of the complaint sufficient to present the problem clearly; and

c. The "non-exhaustive list of related measures and measures that 'complement or add to' the measures explicitly identified in Cuba's panel request", on the basis that Cuba's panel request does not identify the specific measures at issue.[1]

2.2. We consider these three aspects of Australia's request in turn below.

3 INTRODUCTION OF NEW CLAIMS IN THE PANEL REQUEST

3.1. Australia argues that by adding new claims in the panel request that were not mentioned in the request for consultations, Cuba improperly expanded the scope of the matter before this Panel.

3.2. This request relates to Cuba's claims under:

a. Article 6*bis* of the Paris Convention (read with Article 2.1 of the TRIPS Agreement);

b. Article 16.3 of the TRIPS Agreement;

c. Article 15.1 of the TRIPS Agreement;

d. Article 17 of the TRIPS Agreement.

3.3. We consider these claims in turn, starting with Cuba's claims under Article 16.3 of the TRIPS Agreement and Article 6*bis* of the Paris Convention (through Article 2.1 of the TRIPS Agreement), followed by its claims under Articles 15.1 and 17 of the TRIPS Agreement.

3.1 Claims under Articles 16.3 of the TRIPS Agreement and 6*bis* of the Paris Convention

3.1.1 Main arguments of the parties

3.1.1.1 Australia

3.4. Australia argues that Cuba's panel request contains "fundamentally new claims" that were not notified in its request for consultations. In referring to "new claims" in this context, Australia is referring to the claims Cuba made in its panel request regarding Article 6*bis* of the Paris

[1] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 1.

Convention and Article 16.3 of the TRIPS Agreement.[2] Australia argues that each of these "additional claims" has taken Australia by surprise, and that Cuba did not raise its concerns in relation to either of these claims with Australia during formal consultations. Australia points out that, in the three-year period from April 2011, when Australia notified its measure to the WTO, to April 2014, when Cuba filed its panel request, Cuba did not raise with Australia any concerns that the tobacco plain packaging measure was inconsistent with either of these obligations. Australia argues that it clearly was not afforded any opportunity to consult with Cuba on these claims, or to assess whether the claims could be the subject of a mutually agreed solution, before Cuba resorted to further dispute settlement action.[3]

3.5. Australia argues that Cuba's additional claims expand the scope of this dispute and change the essence of the complaint Cuba raised in consultations, because Cuba's new claims invoke new and discrete obligations, involve different subject matters, or do not even concern obligations at all.[4] Australia argues that "the subject matter of Cuba's well known trademark claims under Article 2.1 of the TRIPS Agreement, read with Article 6*bis* of the Paris Convention, and Article 16.3 of the TRIPS Agreement are distinct from the subject matter of its other trademark claims, including its claim under Article 16.1 of the TRIPS Agreement (which was identified in Cuba's consultations request)". Cuba's "new claims" relate to a specific subset of trademarks, namely, well-known trademarks. Further, Australia notes, Cuba's Article 16.1 claim relates to the rights of existing registered trademark owners. In contrast, Cuba's new and additional Article 16.3 claim is phrased so that it purports to apply with respect to the rights of existing owners of well-known trademarks as well as unidentified owners of future well-known trademarks.[5]

3.6. Australia submits that the subject matter of Cuba's new and additional well-known trademarks claims is distinct from that of Cuba's previously raised claim under Article 16.1 of the TRIPS Agreement, and also that the obligations with which Australia must comply under these well-known trademark claims are in addition to, and distinct from, Australia's obligations under Article 16.1. Australia elaborates that, for example, the protection granted under Article 16.1 of the TRIPS Agreement only applies as regards the use of signs for goods or services that are identical or similar to those in respect of which the trademark is registered. In contrast, in defending a claim under Article 16.3, Australia would be required to defend its tobacco plain packaging measure against allegations that Australia does not protect well-known trademarks against use on goods or services that are *not* similar to those in respect of which the original well-known trademark is registered.[6]

3.7. Australia submits that the factors relied upon by Cuba in asserting that its claims under Article 16.3 and Article 16.1 share the same essence are not sufficient to show that one claim "evolved" from the other.[7] Australia argues that Cuba's submissions that its claims under Article 16.3 and Article 16.1 are directed against the same conduct, relate to Australia's tobacco plain packaging measure, and are sub-clauses of the same provision; do not establish that Cuba's well-known trademarks claims "evolved" from its Article 16.1 claim; nor is such an "evolution" established by the fact that well-known trademarks are a specific subset of trademarks.[8] Australia reiterates that the legal basis of Article 16.3 differs from Article 16.1 both in terms of the subject matter (namely, the types of trademarks) at issue and with respect to the scope of the relevant "rights conferred" in relation to those different types of trademarks.[9]

3.8. As to the subject matter covered by these provisions, Australia posits that the "clear distinction" between well-known trademarks, to which Article 16.3 applies, and registered trademarks, to which Article 16.1 applies, is borne out by the different evidentiary requirements for establishing each type of trademark. Thus, in order for the protection under Article 16.3 to apply, not only must the trademark be registered, it also must be "well-known", a determination for which "specific legal tests must be met and detailed supporting evidence must be provided".[10] In contrast, under Article 16.1, registration alone is sufficient to afford the owner of the registered

[2] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 10.
[3] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 11.
[4] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 12.
[5] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 13.
[6] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 14.
[7] Australia's comments on responses to Australia's requests for preliminary rulings, para. 18.
[8] Australia's comments on responses to Australia's requests for preliminary rulings, para. 19.
[9] Australia's comments on responses to Australia's requests for preliminary rulings, para. 20.
[10] Australia's comments on responses to Australia's requests for preliminary rulings, para. 21.

trademark the protection granted. Australia adds that well-known trademarks are afforded expanded protection under Article 16.3 as compared with the protection afforded to registered trademarks under Article 16.1, and that Article 16.3, unlike Article 16.1, protects well-known trademarks even with respect to the use of a trademark by a third party in relation to goods and services that are not similar.[11]

3.1.1.2 Cuba

3.9. Cuba argues that its claim that the plain packaging measures are inconsistent with Article 16.3 of the TRIPS Agreement may reasonably be said to have evolved from the claim under Article 16.1 of the TRIPS Agreement, which was included in Cuba's consultations request.[12] Specifically, Cuba notes that it claimed in its request for consultations that Australia's plain packaging measures are inconsistent with Article 16.1 of the TRIPS Agreement, because Australia prevents owners of registered trademarks "from enjoying the rights conferred by a trademark".[13] Cuba claimed in addition that Australia's plain packaging measures are inconsistent with Article 16.3 of the TRIPS Agreement because Australia prevents owners of registered trademarks that are well-known or might become well-known from enjoying the rights conferred by such a trademark.[14] Cuba submits that "[b]oth of these claims share the essence that they are directed against Australia's conduct of preventing owners of registered trademarks from 'enjoying the rights conferred by [trademarks]'", and that both of these claims relate to the same measure (that is, Australia's plain packaging measures).[15] Cuba argues that the addition of its Article 16.3 claim relates to well-known registered trademarks, but that this does not imply that the inclusion of the Article 16.3 claim fails to represent a "natural evolution" from Cuba's claim under Article 16.1. Specifically, Cuba argues that Articles 16.1 and 16.3 are closely related in that both are sub-clauses of the same provision, and Article 16.3 deals with a "specific subset" of the subject matter dealt with by Article 16.1.[16]

3.10. Cuba submits that the relationship between Article 16.3 and Article 16.1 of the TRIPS Agreement is comparable to that between Article XVII of the GATS and Article III:4 of the GATT 1994. Specifically, Cuba states that Article XVII of the GATS and Article III:4 of the GATT 1994 impose national treatment obligations but relate to different sectors, namely services and goods. Cuba argues that the fact that Articles 16.1 and 16.3 involve different (but overlapping) subject matters (registered trademarks in general and well-known registered trademarks) is no bar to a finding that a claim under one provision can reasonably be said to evolve from the other provision.

3.11. In Cuba's view, the relationship between Article 16.3 and Article 16.1 of the TRIPS Agreement is also comparable to the relationship between the provisions regulating specific action against dumping and subsidisation in Article 18.1 of the Anti-Dumping Agreement and Article 31.1 of the SCM Agreement. Cuba submits that the relationship is also comparable to that between Articles 7 and 10.6 of the Anti-Dumping Agreement and Articles 17 and 20.6 of the SCM Agreement. For Cuba, although those two sets of provisions regulate different aspects of trade remedy investigations, consultations focussed on compliance with a narrow set of obligations could have reasonably led to claims about compliance with a broader set of related obligations.[17] In the present case, claims relating to a narrower category (the subset of well-known registered trademarks) could reasonably be said to have evolved from claims relating to a broader category (registered trademarks in general).[18] Thus, Cuba submits that its claim under Article 16.3 of the

[11] Australia's comments on responses to Australia's requests for preliminary rulings, para. 22.
[12] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 20.
[13] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 21 (citing Cuba's request for consultations, p. 3).
[14] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 21 (citing Cuba's request for the establishment of a panel, p. 3).
[15] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 21.
[16] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 21.
[17] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 23 (citing Appellate Body Report, *Mexico – Anti-Dumping Measures on Rice*, paras. 142-143).
[18] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 23.

TRIPS Agreement can reasonably be said to have evolved from its claim under Article 16.1 of the TRIPS Agreement, which was included in its consultations request.[19]

3.12. Cuba argues that its claim under Article 6*bis* of the Paris Convention (read with Article 2.1 of the TRIPS Agreement) is very closely connected with its claim under Article 16.3 of the TRIPS Agreement. That provision is referenced in Article 16.3 of the TRIPS Agreement and it deals with well-known trademarks. Accordingly, Cuba submits that this claim can also be said to have "reasonably evolved" from the claims presented in Cuba's consultations request under Article 16.1 of the TRIPS Agreement.[20]

3.13. Cuba submits that whether or not the respondent is "surprised" at the inclusion of a particular claim in a panel request is not material to the assessment of whether a claim included in a panel request can be reasonably said to have evolved from the claims set out in a consultations request.[21] In any event, Cuba argues, the inclusion of a provision in Cuba's consultations request specifying that Cuba "… reserves the right to raise additional claims or matters during the course of consultations, and in any future request for panel proceedings"[22], and the fact that claims under Article 16.3 of the TRIPS Agreement were raised in Ukraine's panel request and Indonesia's consultations request (both of which pre-dated Cuba's panel request) should have alerted Australia to the possibility that Cuba could include additional claims in a subsequent panel request. Cuba adds that Australia's contention that "the inclusion of a broad reservation does not permit the addition of new claims that expand the scope or change the essence of a complaint" is not supported by the authority to which Australia makes reference.[23]

3.14. Cuba submits that one should focus on the request for consultations rather than the content of the consultations themselves.[24] Regardless, Cuba accepts that it did not raise specific claims under Article 16.3 of the TRIPS Agreement or Article 6*bis* of the Paris Convention during the consultations. Cuba notes that no specific legal claims were raised or discussed by either side during the consultations, and that they instead focussed on factual matters. Likewise, no settlement proposals were raised or discussed by either side during the consultations. Cuba argues that, against this background, Australia's complaint that it was not afforded any opportunity to consult with Cuba on any of these claims, or on whether the claims could be the subject of a mutually agreed solution, and to establish the nature of Cuba's concerns "rings hollow". Cuba notes that there is nothing that prevents Australia from pursuing a mutually agreed solution outside the context of formal consultations.[25]

3.15. Cuba notes that the mere fact that there are differences between two provisions does not resolve whether one claim can reasonably have evolved from another, and that the Panel must ascertain whether differences are so material that a claim under one provision *cannot* reasonably be said to have evolved from a claim under another provision.[26]

3.16. Regarding the difference between well-known trademarks under Article 16.3 of the TRIPS Agreement, and all trademarks under Article 16.1 of the TRIPS Agreement, Cuba argues that these subject matters overlap because the subject matter of Article 16.3 is fully contained within the subject matter of Article 16.1. This demonstrates that Cuba's Article 16.3 and Article 16.1 claims are closely connected, such that it is therefore perfectly reasonable to maintain that a claim regarding the protection of the subset of well-known trademarks could have evolved out of

[19] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 24.
[20] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 25.
[21] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 30.
[22] Cuba's request for consultations, 3 May 2013, WT/DS458/1, p. 3.
[23] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 31 (referring to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 17 and fn. 15).
[24] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 32 (referring to Appellate Body Report, *US – Upland Cotton*, para. 287).
[25] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 32.
[26] Cuba's further comments on Australia's request for a preliminary ruling in relation to the Cuba's panel request, para. 5. (emphasis original)

consultations regarding the protection of trademarks as a whole pursuant to Article 16.1 of the TRIPS Agreement. Cuba adds that the fact that only certain trademarks meeting "specific legal tests" are treated as well-known trademarks does not alter the fact that they are a "specific subset" of trademarks as a whole.[27]

3.17. Cuba argues that, even if the Panel were to decide that Articles 16.3 and 16.1 deal with altogether different subject matters, it does not follow that the *Mexico – Anti-Dumping Measures on Rice* test is not met. Cuba points out that the panel in *China – Publications and Audiovisual Products* ruled that a claim relating solely to the subject matter of goods (Article III:4 of the GATT 1994) had reasonably evolved from a claim relating solely to the subject matter of services (Article XVII of the GATS), on the basis that a single measure could affect those distinct subject matters.[28] Cuba argues that the same consideration applies here, as Australia's plain packaging measures affect ordinary trademarks as well as well-known trademarks. Therefore, Cuba submits that even if Articles 16.3 and 16.1 of the TRIPS Agreement pertained to entirely different subject matters, this "would not forestall a conclusion that Cuba's claim under Article 16.3 involves a reasonable evolution from its claim under Article 16.1".[29]

3.18. Regarding the difference between the scope of protection (i.e. that Article 16.3 requires that well-known trademarks be protected with respect to use on dissimilar goods and services while Article 16.1 does not impose an equivalent requirement), Cuba recognizes this difference but considers that, despite this difference, its claim under Article 16.3 of the TRIPS Agreement represents a reasonable evolution from the claim under Article 16.1 of the TRIPS Agreement included in its consultations request. Cuba argues that *Mexico – Anti-Dumping Measures on Rice* does not imply that only provisions imposing identical obligations will be treated as having a sufficient nexus with each other. Cuba argues that the Appellate Body ruled that a claim under Article 18.1 of the Anti-Dumping Agreement had naturally evolved from claims under Articles 7 and 10.6 of the Anti-Dumping Agreement, notwithstanding the fact that the scope of the obligations under Article 18.1 of the Anti-Dumping Agreement was different from the scope of the obligations under Articles 7 and/or 10.6 of the Anti-Dumping Agreement.[30]

3.19. Cuba argues that the connections between Articles 16.1 and 16.3 of the TRIPS Agreement are even closer than the connections between the provisions considered by the Appellate Body in *Mexico – Anti-Dumping Measures on Rice*. In support of this, Cuba argues that Article 16.3 deals with a subset of the trademarks that are dealt with in Article 16.1, and that consultations relating to the protection of trademarks in general (under Article 16.1 of the TRIPS Agreement) could easily evolve into a consideration of the protection of the subset of well-known trademarks (under Article 16.3 of the TRIPS Agreement). Moreover, both of these claims relate to the same measures (namely, Australia's plain packaging measures) and arise from sub-clauses of Article 16 of the TRIPS Agreement.[31] Cuba submits that these connections establish that its claim under Article 16.3 represents a reasonable or natural evolution from the legal basis contained in its consultations request.[32]

3.20. Cuba also notes that the panel report in *China – Publications and Audiovisual Products* is not inapposite, as Australia submits, because that panel report does not indicate that a reasonable evolution will only be found where either (1) the scope of the "obligations at issue" is identical or (2) the subject matter is identical. Cuba also refers to Australia's reliance on the panel reports in

[27] Cuba's further comments on Australia's request for a preliminary ruling in relation to the Cuba's panel request, paras. 6-7.

[28] Cuba's further comments on Australia's request for a preliminary ruling in relation to the Cuba's panel request, para. 8 (citing Panel Report, *China – Publications and Audiovisual Products*, paras. 7.127-7.130).

[29] Cuba's further comments on Australia's request for a preliminary ruling in relation to the Cuba's panel request, para. 8

[30] Cuba's further comments on Australia's request for a preliminary ruling in relation to the Cuba's panel request, paras. 9-11 (citing Appellate Body Report, *Mexico – Anti-Dumping Measures on Rice*, paras. 142-143).

[31] Cuba's further comments on Australia's request for a preliminary ruling in relation to the Cuba's panel request, para. 12.

[32] Cuba's further comments on Australia's request for a preliminary ruling in relation to the Cuba's panel request, para. 13.

EC – Fasteners (China) and *China – Broiler Products*, and argues that neither case supports Australia's arguments.[33]

3.21. Regarding Australia's claims of prejudice, Cuba argues that Australia's responses fail to provide a demonstration of how Australia would in fact suffer prejudice in preparing its defence if Cuba were permitted to advance a claim under Article 16.3 of the TRIPS Agreement. Moreover, Australia provides no support for its view that, in assessing Australia's assertions that it would suffer "concrete prejudice" in preparing its defence, the Panel must ignore material facts. Cuba cites one such fact to be that Australia has been able to prepare, without any apparent prejudice its defence to the Article 16.3 claims brought by the other complainants, and the fact that Australia will enjoy "abundant time" to prepare its defence under the timetable.[34] Cuba submits that a ruling in favour of Australia would not avert any concrete procedural prejudice to Australia, and would not alter the task of the Panel because it would still have to resolve claims under Article 16.3 of the TRIPS Agreement advanced by Indonesia and Ukraine. It would also not alter the compliance obligations of Australia if the relevant claims were successful, as Australia would have to implement them on an MFN basis.

3.1.2 Main arguments of the third parties

3.22. **Argentina** submits that it is "difficult to see a natural evolution" from Article 16.1 to Article 16.3 of the TRIPS Agreement, as the protectable subject matter is different under the two provisions. More specifically, Argentina considers that Article 16.3 provides broader protection for those trademarks that are well-known than is provided by Article 16.1 of the TRIPS Agreement for trademarks that are not well-known. Moreover, Article 16.3 deals not so much with the potential capacity of a trademark to distinguish between one product or service and another, as in the case of Article 16.1, but with the protection of a well-known trademark from indiscriminate use that might dilute its effect and attractiveness by being applied to any type of good or service.[35]

3.23. **Brazil**[36] submits that in order to fulfill the substantive conditions of Article 6.2, the panel request must identify the measures targeted in the dispute, and must provide a brief summary of the legal basis of the claims. These two requirements set the limits of the WTO adjudicating bodies' jurisdiction, but also provide the parties and third parties with sufficient information concerning the claim in order to allow them an opportunity to respond to the complainant's case. Brazil submits that Article 6.2 does not require precise and exact identity between the specific measures that were subject to consultations and the measures identified in the panel request. A panel's terms of reference may include a measure properly identified in the panel request even if that measure was not included in the consultations request, provided that doing so does not change the "essence" of the dispute. This allows Members the flexibility to include in the panel request any new piece of legislation related to the measures at issue that may have been enacted after the consultation request. Brazil adds that after better understanding the functioning of the measure at issue, the complainant may add new claims to the panel request provided such claims do not change the essence of the dispute.[37]

3.24. **Canada** argues that the panel must exercise caution in its approach to determining whether a panel request improperly expands the scope of the dispute or changes the essence of the complaint raised in consultations. A narrow interpretation of what constitutes an expansion of the dispute or a change in the essence of the complaint could lead to complainants citing an unnecessarily long list of provisions in consultation requests, and could result in consultations being reduced to a perfunctory exercise which would thus frustrate the opportunity to define and delimit the scope of the dispute. Canada also argues that an overly broad interpretation as to what constitutes an expansion of the dispute or a change in the essence of the complaint could result in complainants withholding claims from the consultation request only to include them in the panel request in order to obtain a strategic advantage over the responding party. Such a result would undermine due process. Canada asks that the panel carefully examine how best to balance the

[33] Cuba's further comments on Australia's request for a preliminary ruling in relation to the Cuba's panel request, paras. 16-17.
[34] Cuba's further comments on Australia's request for a preliminary ruling in relation to the Cuba's panel request, para. 33.
[35] Argentina's third-party comments on Australia's requests for preliminary rulings, paras. 32-36.
[36] Brazil's third-party comments on Australia's requests for preliminary rulings, para. 2.
[37] Brazil's third-party comments on Australia's requests for preliminary rulings, paras. 3-8.

interests at play and preserve the flexibility that is necessary for the proper functioning of the dispute settlement process.[38]

3.25. The **Dominican Republic** agrees with Cuba that claims against Australia's plain packaging measures related to well-known trademarks constitute a "natural evolution" of the claims related to registered trademarks under Article 16.1 of the TRIPS Agreement. This is because it "is logical that Cuba would, after having consulted with Australia about the facts of the plain packaging measures, understand that they affect not only the broad set of registered trademarks, but also the narrower subset of well-known trademarks protected by Article 16.3 of the TRIPS Agreement and Article 6*bis* of the Paris Convention."[39] The Dominican Republic submits that the consultations between Australia and Cuba could have led to one of several outcomes, including *inter alia* (i) a realization by Cuba that the claims under Article 16.1 of the TRIPS Agreement could *not* be justified in view of the facts of the plain packaging measures; or (ii) a realization by Cuba that the claims under Article 16.1 of the TRIPS Agreement were merited and, in fact, should naturally encompass the subset of trademarks known as well-known trademarks, given the particular impact of the plain packaging measures. The Dominican Republic argues that, in this case, the consultations led to the latter realization, and that this constitutes a "natural evolution" of the claims after consultations.[40]

3.26. In addition, the Dominican Republic argues that the extension of the claims from Article 16.1 to include Article 16.3 of the TRIPS Agreement involves a subset of the group of trademarks that were already subject to claims under Article 16.1. Thus, the inclusion of the Article 16.3 claim involves the straightforward application of the principle *a maiore ad minus*, whereby the inclusion of an Article 16.1 claim regarding the protection of a large group of trademarks is extended naturally and reasonably to an Article 16.3 claim regarding the protection of a smaller subset of those same trademarks.[41]

3.27. The **European Union** refers to its comments in relation to Ukraine's panel request regarding whether the evolution of a claim changes the essence of that claim.[42] However, the European Union notes that Article 16.3 of the TRIPS Agreement provides that Article 6*bis* of the Paris Convention shall apply, *mutatis mutandis*, with respect to goods and services that are "not similar". By contrast, Article 16.1 of the TRIPS Agreement refers to goods and services which are "identical or similar". The European Union observes that, at this stage of the proceedings, it remains unclear whether or not all that is involved is a change from the more general to the more specific, or whether or not the scope of the dispute is being enlarged. The European Union submits that, if it is also unclear to the Panel, then it may wish to consider reserving a ruling on this issue until a later stage of the proceedings.[43]

3.28. **Guatemala** considers that Articles 2.1 and 16.3 of the TRIPS Agreement and Article 6*bis* of the Paris Convention appear to be an "evolution" that would not change the "essence" of the original claim in the request for consultations. Guatemala also agrees with Cuba that Article 16.3 and Article 16.1 are closely related as both provisions are sub-clauses of the same provision and the latter deals with a "specific subset" of the subject matter dealt with by the former. Australia acknowledges this as well.[44] Guatemala nonetheless submits that Australia's preliminary ruling request is premature because Cuba should have had the opportunity to submit its first written communication to determine whether the scope of the claim has been enlarged.[45]

3.29. **Honduras** considers that Cuba's claim against Australia's plain packaging measures with respect to well-known marks reflects a "reasonable evolution" of the legal basis of the claims set out in its consultations request. Honduras argues that the test to determine whether additional treaty provisions may be included in the panel's terms of reference should be whether there is a

[38] Canada's third-party comments on Australia's requests for preliminary rulings, paras. 3-9.
[39] The Dominican Republic's third-party comments on Australia's requests for preliminary rulings, para. 21.
[40] The Dominican Republic's third-party comments on Australia's requests for preliminary rulings, paras. 22-23.
[41] The Dominican Republic's third-party comments on Australia's requests for preliminary rulings, para. 24.
[42] The European Union's third-party comments on Australia's requests for preliminary rulings, para. 34.
[43] The European Union's third-party comments on Australia's requests for preliminary rulings, para. 35.
[44] Guatemala's third-party comments on Australia's requests for preliminary rulings, para. 3.8.
[45] Guatemala's third-party comments on Australia's requests for preliminary rulings, para. 3.9.

sufficient nexus between the treaty provision cited in the request for consultations and the new treaty provision cited in the panel request. Honduras argues that there is a sufficient nexus between the provisions cited in Cuba's consultations request and those new provisions cited in Cuba's panel request, because (as noted by Cuba), Article 16.1 and Article 16.3 are "closely related as they are both sub-clauses of the same provision" and the "latter deals with a specific subset [namely, well-known marks] of the subject matter of the former". Similarly, Article 6*bis* of the Paris Convention (read together with Article 2.1 of the TRIPS Agreement) also deals with the same specific subset of well-known marks.[46]

3.30. **Mexico** submits that there is a delicate balance between the request for consultations and the panel request, and this should be maintained. The two requests are very closely related but cannot have the same purpose or the same effects. Mexico agrees that the relationship is a close one, requiring both requests to be of the same nature, and an analysis of the two requests should not be so rigid as to make it impossible to reflect the evolution of the dispute, nor totally lax so as to include unrelated claims or measures.[47]

3.1.3 Analysis by the Panel

3.31. The question we must consider is whether Cuba's claims under Articles 16.3 of the TRIPS Agreement and Article 6*bis* of the Paris Convention (through Article 2.1 of the TRIPS Agreement) are properly before us or whether we should, as Australia requests, exclude them from consideration on the basis that they are not properly within our terms of reference.

3.32. The basis for Australia's request is the fact that these claims were not included in Cuba's request for consultations. This question therefore involves the relationship between the claims in the request for consultations and the panel request. We first consider the applicable legal provisions in this respect, before turning to an assessment of Australia's request in the light of these requirements.

3.1.3.1 Relationship between the claims in the request for consultations and the panel request

3.33. We first note that our terms of reference, in accordance with Article 7.1 of the DSU, are the following:

> To examine, in the light of the relevant provisions of the covered agreements cited by the parties to the dispute, the matter referred to the DSB by Cuba in document WT/DS458/14 and to make such findings as will assist the DSB in making the recommendations or in giving the rulings provided for in those agreements.[48]

3.34. Our terms of reference are therefore defined with reference to Cuba's panel request.

3.35. As described by the Appellate Body, pursuant to Article 7 of the DSU, a panel's terms of reference are governed by the request for establishment of a panel, and Article 6.2 of the DSU sets forth the requirements applicable to such requests.[49] Article 6.2 provides that:

> The request for the establishment of a panel shall be made in writing. It shall *indicate whether consultations were held*, identify the specific measures at issue and provide a brief summary of the legal basis of the complaint sufficient to present the problem clearly. (Emphasis added).

3.36. We note that, although Article 6.2 requires the complainant to indicate in its panel request "whether consultations were held", it does not require the measures and claims identified in the panel request as basis for the complaint to be *identical* to those identified in the consultations request. Articles 4.4 and 6.2 both refer to the identification of the measures and claims at issue, but do not impose exactly the same requirements in this respect: a request for consultation under

[46] Honduras' third-party comments on Australia's requests for preliminary rulings, paras. 34-37.
[47] Mexico's third-party comments on Australia's requests for preliminary rulings, paras. 23-26.
[48] *Constitution of the Panel established at the request of Cuba*, Communication from the Secretariat, WT/DS458/16.
[49] See Appellate Body Report, *US – Carbon Steel*, paras. 124-125.

Article 4.4 must include an "identification of the measures at issue and *an indication of* the legal basis of the complaint", while the panel request that follows must "identify the specific measures at issue and provide *a brief summary of the legal basis of the complaint*" (emphases added).

3.37. As described by the Appellate Body, "Articles 4 and 6 … set forth a process by which a complaining party must request consultations, and consultations must be held, before a matter may be referred to the DSB for the establishment of a panel".[50] As the Appellate Body has also clarified, it can be expected that information obtained during the course of consultations may enable the complainant to focus the scope of the matter with respect to which it seeks establishment of a panel.[51] In this respect, we note the Appellate Body's observation in *Mexico – Anti-Dumping Measures on Rice* concerning the term "legal basis", as used in both Articles 4.4 and 6.2 of the DSU:

> It does not follow from the use of the same term in both provisions, however, that the claims made at the time of the panel request must be identical to those indicated in the request for consultations. Indeed, instead of such a rigid approach, we consider that the dispute settlement mechanism, which generally requires that a panel request be preceded by consultations, allows for a measure of flexibility to Members in subsequently formulating complaints in panel requests.[52]

3.38. We also note the Appellate Body's further statement that:

> Reading the DSU … to limit the legal basis set out in the panel request to what was indicated in the request for consultations, would ignore an important rationale behind the requirement to hold consultations – namely, the exchange of information necessary to refine the contours of the dispute, which are subsequently set out in the panel request. In this light, we consider that it is not necessary that the provisions referred to in the request for consultations be identical to those set out in the panel request, provided that the "legal basis" in the panel request *may reasonably be said to have evolved from the "legal basis" that formed the subject of consultations*. In other words, *the addition of provisions must not have the effect of changing the essence of the complaint*.[53] (Emphasis added)

3.39. In sum, the DSU does not require "precise and exact identity"[54] between the measures and claims identified in the consultation request and those identified in the subsequent panel request, and it is legitimate for the claims forming the legal basis of the complaint to evolve as a result of the consultations. Nonetheless, claims added in the panel request must not "have the effect of changing the essence of the complaint".[55] This will not be the case if such additional claims can reasonably be said to have evolved from the legal basis identified in the request for consultations.

3.40. We note that the parties have both referred to the rulings cited above in their discussion of this issue and that, as Australia observes, the legal framework for addressing Australia's requests in respect of "new claims" does not appear to be disputed.[56] However, the parties disagree as to whether, in the circumstances of this dispute, Cuba's additional claims have the effect of changing the essence of the complaint.

3.41. With these considerations in mind, we examine below whether the additional claims under Article 16.3 of the TRIPS Agreement and 6*bis* of the Paris Convention (through Article 2.1 of the TRIPS Agreement) introduced by Cuba in its panel request have the effect of "changing the essence of the complaint".

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[50] Appellate Body Report, *Brazil – Aircraft,* para. 131.
[51] See Appellate Body Report, *Brazil – Aircraft*, para. 132.
[52] Appellate Body Report, *Mexico – Anti-Dumping Measures on Rice*, para. 136.
[53] Appellate Body Report, *Mexico – Anti-Dumping Measures on Rice*, para. 138. We note that this ruling was subsequently referred to by the panels in *China – Publications and Audiovisual Products* (para. 7.115), *EC – Fasteners (China)* (para. 7.24), *China – Broiler Products* (para. 7.223) and *EU – Footwear* (para. 7.61).
[54] See Appellate Body Report, *Brazil - Aircraft*, para. 132.
[55] Appellate Body Report, *Mexico – Anti-Dumping Measures on Rice*, para. 138.
[56] See Australia's comments on responses to Australia's requests for preliminary rulings, para. 5.

3.1.3.2 Whether Cuba's additional claims under Article 16.3 of the TRIPS Agreement and Article 6*bis* of the Paris Convention (through Article 2.1 of the TRIPS Agreement) change the essence of the complaint

3.42. As described above, the inclusion of new claims in the panel request would not have the effect of "changing the essence of the complaint" if the legal basis of the panel request can reasonably be said to have evolved from the legal basis that formed the subject of consultations. We must therefore compare the legal basis that formed the subject of consultations in this dispute and that of Cuba's panel request.

3.43. Cuba's request for consultations included, *inter alia,* the following claims:

> Article 2.1 of the TRIPS Agreement read with Article 6*quinquies* of the Paris Convention for the Protection of Industrial Property (as amended by the Stockholm Act of 1967), because trademarks registered in a country of origin outside Australia are not protected by Australia "as is";

and:

> Article 16.1 of the TRIPS Agreement, because Australia prevents owners of registered trademarks from enjoying the rights conferred by a trademark.

3.44. In its panel request, Cuba added the following claims:

> Article 2.1 of the TRIPS Agreement (…) and (ii) Article 6*bis* of the Paris Convention for the Protection of Industrial Property (as amended by the Stockholm Act of 1967), because Australia fails to protect "well-known" trademarks;

and:

> Article 16.3 of the TRIPS Agreement because Australia prevents owners of registered trademarks that are "well-known" or might become "well-known" from enjoying the rights conferred by such a trademark. […].

3.45. As described above, Australia considers that these additional claims, which relate to the protection of well-known trademarks, improperly introduce new obligations and new subject matter within the scope of the dispute. Cuba considers that they can be considered to have evolved from its initial claim under Article 16.1, which also concerns the rights conferred by trademarks. It argues that "the subject matter of Article 16.3 is fully contained within the subject matter of Article 16.1". It adds that the fact that only certain trademarks meeting "specific legal tests" are treated as well-known trademarks does not alter the fact that they are a "specific subset" of trademarks as a whole.[57] Cuba also argues that its claim under Article 6*bis* of the Paris Convention (read with Article 2.1 of the TRIPS Agreement) is very closely connected with its claim under Article 16.3 of the TRIPS Agreement and can accordingly also be said to have "reasonably evolved" from the claims presented in its consultations request under Article 16.1 of the TRIPS Agreement.

3.46. We first note that, as observed by Cuba, wherever an additional legal provision is raised in the panel request, it can be expected that some differences may exist between the specific legal obligation or obligations it contains and the obligations contained in the provisions referred to in the consultations request.[58] The identification of such differences alone would not automatically lead to a conclusion that the additional claims fall outside the scope of the panel's terms of reference. Such an approach would amount to requiring identity between the legal basis identified in the consultation and panel requests, which, as described above, is not required. Rather, our assessment must take into account the elements that form the basis of the complaint at issue as a whole. In this respect, we agree with the panel in *China – Broiler Products* that "at the very least", some connection must exist between the claims set forth in the panel request and those identified

[57] Cuba's further comments on Australia's request for a preliminary ruling in relation to the Cuba's panel request, paras. 6-7.

[58] See Cuba's response to Australia's preliminary Ruling Request, para. 18.

in the request for consultations "in terms of either the provisions cited, the obligation at issue or issue in dispute, or the factual circumstances leading to the alleged violation".[59] With these observations in mind, we now consider the relationship between the legal basis that formed the basis of consultations and the legal basis of Cuba's panel request.[60]

3.47. In its request for consultations, Cuba first identifies the measures at issue ("the Plain Packaging Measures"), which it describes as regulating "the appearance and form of retail packaging used in connection with sales of cigars, cigarettes and other tobacco products" and "the appearance and form of the tobacco products themselves". The measures identified include "The Trade Marks Amendment (Tobacco Plain Packaging) Act 2011". Cuba further identifies a number of specific requirements of the measures in respect of the appearance and form of packaging of tobacco products and of tobacco products themselves. In the second part of its request, Cuba identifies various provisions of the TRIPS and TBT Agreements and GATT 1994 as the legal basis of its complaint. The cited provisions include trademark-related provisions of the TRIPS Agreement, in particular Article 16.1 relating to the rights conferred on registered trademarks. Cuba explains that the measures at issue appear to be in violation of Article 16.1 of the TRIPS Agreement "because Australia prevents owners of registered trademarks from enjoying the rights conferred by a trademark".

3.48. Cuba's request for consultations therefore provided an "indication" that the matter consulted on included matters relating to the consistency of Australia's "Plain Packaging Measures" with certain TRIPS obligations, including how these measures affect "the rights conferred by a trademark" under that Agreement. The further claims introduced in Cuba's panel request under Articles 6*bis* of the Paris Convention and Article 16.3 of the TRIPS Agreement relate to the specific protection accorded to *well-known* trademarks under the TRIPS Agreement, in relation to the same measures.

3.49. Article 16 of the TRIPS Agreement as a whole relates, as its title indicates, to "Rights conferred" by trademarks. Article 16.1 (which was referred to in Cuba's request for consultations) requires Members to confer an exclusive right to the owner of a registered trademark to prevent unauthorized third parties from using identical or similar signs in the course of trade for goods or services identical or similar to those in respect of which the trademark is registered, where such use would result in a likelihood of confusion. Under Article 6*bis* of the Paris Convention (through Article 2.1 of the TRIPS Agreement), well-known trademarks enjoy additional protection: the registration of a sign as a trademark must be refused or cancelled, and its use prohibited in a Member, if that trademark is liable to cause confusion with a mark that is considered well known in that Member and used for identical or similar goods. This protection must be available whether or not the well-known trademark is registered in the country where protection is claimed, and such refusal, cancellation or prohibition of use is to be effected *ex officio* if the Member's legislation so permits, or at the request of an interested party, such as the owner of the well-known mark. Article 16.3 extends the application of Article 6*bis* to the protection of well-known trademarks

[59] Panel Report, *China – Broiler Products*, para. 7.224. We note also the observations of the panel in *China – Publications and Audiovisual Products* that "[w]hile we agree with the United States that the products and activities governed by the challenged measures under both claims is relevant to a determination of whether one has evolved from the other, these are not the only considerations: a panel must also examine the types of products, measures, the obligations cited, and the relationship between those obligations referred to in the consultations request and those referred to in the panel request" (Panel Report, *China – Publications and Audiovisual Products*, para. 7.122).

[60] In considering the "legal basis that formed the subject of consultations", we rely on the request for consultations itself. We note in this respect the Appellate Body's observations in *US – Upland Cotton*: "Examining what took place in consultations would seem contrary to Article 4.6 of the DSU, which provides that '[c]onsultations shall be confidential, and without prejudice to the rights of any Member in any further proceedings.' Moreover, it would seem at odds with the requirements in Article 4.4 of the DSU that the request for consultations be made in writing and that it be notified to the DSB. In addition, there is no public record of what actually transpires during consultations and parties will often disagree about what, precisely, was discussed. […]" (Appellate Body Report, *US – Upland Cotton*, para. 287). We also note the observations of the panel in *EC – Fasteners*, to the effect that "it would not be appropriate to look into what was actually discussed between China and the European Union in the consultations between the parties" and that it would therefore limit its analysis regarding the scope of consultations to the text of China's request for consultations" (Panel Report, *EC – Fasteners*, para. 7.26). See also Appellate Body Report, *Brazil – Aircraft*, para. 131 and Panel Report, *Korea – Alcoholic Beverages*, paras. 7.65 and 10.19.

against use on goods or services that are not similar to those in respect of which a trademark is registered, subject to certain conditions.[61]

3.50. We acknowledge that the basis for granting protection is not identical under Article 6*bis* and Article 16.1, in that a well-known trademark within the meaning of Article 6*bis* may or may not be registered. We also acknowledge that, as described above, the requirements that will trigger protection are different under Articles 16.1 and 16.3 of the TRIPS Agreement and Article 6*bis* of the Paris Convention. However, we also note that the protectable subject matter under all of these provisions is the same distinctive sign, as defined under Article 15.1 of the TRIPS Agreement. We further note, with respect to Article 16.1 and Article 6*bis* of the Paris Convention, that the aim of both forms of protection is to allow the owner of the trademark to be protected from unauthorized use of that sign on similar goods. We note in this respect that in its request for consultations, Cuba had described its Article 16.1 claim generally with reference to "the rights conferred by a trademark".

3.51. As regards Article 16.3, we note in addition that this claim derives from another sub-paragraph of the provision (Article 16, on Rights Conferred by trademarks) that was the basis for Cuba's original Article 16.1 claim, and also relates to the rights conferred specifically by registered trademarks. In its panel request, Cuba further provides the following narrative: "Article 16.3 of the TRIPS Agreement because Australia prevents owners of registered trademarks that are 'well-known' or might become 'well-known' from enjoying the rights conferred by such a trademark". This explanation makes clear that Cuba's concern under this claim is with the implications of the challenged measures on the ability to protect registered trademarks, which were already the object of its initial Article 16.1 claim, against the type of use covered by Article 16.3. Although Article 16.3 relates to the use of a well-known trademark on goods and services that are not similar to those in respect of which it is registered, the aim of this provision is also to safeguard the interests of the owner of that registered trademark.[62]

3.52. We further note that it is not disputed that all the claims at issue relate to the same set of measures, which regulate, *inter alia,* the use of trademarks on tobacco products. The subject of the rights conferred by trademark protection under the TRIPS Agreement in relation to these measures was clearly part of the legal basis that formed the subject of the consultations, and, in our view, it is reasonable to consider that additional related issues concerning the impact of these measures on the rights conferred in respect of well-known trademarks under the same Agreement could have evolved from that legal basis.

3.53. In light of the above, we consider that the additional claims introduced by Cuba in its panel request are closely related to those that formed the legal basis of its request for consultations and can, in our view, reasonably be said to have evolved from the legal basis that formed the subject of consultations. We are therefore not persuaded that, in the circumstances of this dispute, Cuba's claims under Article 16.3 of the TRIPS Agreement and Article 6*bis* of the Paris Convention (through Article 2.1 of the TRIPS Agreement) have the effect of "changing the essence of the complaint". We consider that their addition in Cuba's panel request remains within the bounds of the "measure of flexibility" accorded to Members in formulating their complaints in their panel request.

3.54. We therefore find that Cuba's claims under Article 16.3 of the TRIPS Agreement and Article 6*bis* of the Paris Convention (through Article 2.1 of the TRIPS Agreement) do not fall outside our terms of reference and reject Australia's request in respect of these claims.

[61] Article 16.2 (which is not specifically identified by Cuba as a legal basis of its complaint), extends the protection provided under Article 6*bis* of the Paris Convention to well-known service marks, and sets out elements for determining whether a trademark is well known. The determination of whether a trademark is well known should take into account "the knowledge of the trademark in the relevant sector of the public, including knowledge in the Member concerned which has been obtained as a result of the promotion of the trademark".

[62] We note that the Appellate Body has explained that under Article 6.2 of the DSU, "the identification of the product at issue is generally not a separate and distinct element of a panel's terms of reference; rather, it is a consequence of the scope of application of the specific measures at issue." (Appellate Body Report, *EC – Chicken Cuts*, para. 165).

3.2 Claims under Articles 15.1 and 17 of the TRIPS Agreement

3.55. As described above, Cuba's panel request also includes claims under Articles 15.1 and 17 of the TRIPS Agreement, which were not mentioned in its request for consultations. Australia requests the Panel to exclude them from its terms of reference.

3.2.1 Main arguments of the parties

3.2.1.1 Australia

3.56. Australia argues that Cuba's panel request contains fundamentally new claims that were not notified in its request for consultations, including Cuba's claim regarding Articles 15.1 and 17 of the TRIPS Agreement.[63] Australia argues that each of these "additional claims" has taken Australia by surprise, and that Cuba did not raise its concerns in relation to any of these claims with Australia during formal consultations.[64] Australia points out that, in the three-year period from April 2011, when Australia notified its measure to the WTO, to April 2014, when Cuba filed its panel request, Cuba did not raise with Australia any concerns that the tobacco plain packaging measure was inconsistent with any of these obligations. Australia argues that it clearly was not afforded any opportunity to consult with Cuba on any of these claims, or to assess whether the claims could be the subject of a mutually agreed solution, before Cuba resorted to further dispute settlement action.[65]

3.57. Australia further submits that "Cuba's new and additional claim under Article 15.1 of the TRIPS Agreement also attempts to expand the scope of the dispute". Australia explains that, although both Article 15.1 and Article 15.4 concern eligibility for the registration of trademarks, Article 15.1 "contains a number of obligations that are beyond the scope of Article 15.4". Thus, while Article 15.4 requires that the "nature of the goods or services to which a trademark is to be applied shall in no case form an obstacle to registration of the trademark", Article 15.1 in contrast provides, *inter alia*, that certain kinds of signs shall be capable of constituting a trademark and also that such signs shall be eligible for registration as trademarks. Australia argues that, in defending Cuba's new and additional Article 15.1 claim, it will need to defend its tobacco plain packaging measure with respect to additional registration eligibility requirements that were not raised in Cuba's consultations request or during consultations.[66]

3.58. Australia also argues that Cuba's claim under Article 17 of the TRIPS Agreement was not included in its consultations request. Australia notes that Article 17 sets out exceptions with respect to the rights conferred by a trademark, and that it is unclear how or why Australia's measure breaches an exception (because it relates to an exception rather than an obligation), and that Cuba's Article 17 claim is fundamentally different and cannot be said to be of the same "essence" as Cuba's other claims under the TRIPS Agreement.[67]

3.59. Australia welcomes Cuba's statement[68] that it will not pursue claims under Articles 15.1 and 17 of the TRIPS Agreement.[69] On this basis, Australia submits that it is appropriate for the Panel to rule that these claims fall outside its terms of reference.[70]

3.2.1.2 Cuba

3.60. Cuba submits, in relation to Articles 17 and 15.1 of the TRIPS Agreement, that it will not seek to make such claims in these proceedings and that no purpose is served in resolving

[63] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 10.
[64] In its request for consultations, Cuba cited Articles III:4 and IX:4 of the GATT 1994, Articles 2.1 and 2.2 of the TBT Agreement; and Articles 2.1 (read with Articles 6*quinquies* and 10*bis* of the Paris Convention for the Protection of Industrial Property), 3.1, 15.4, 16.1, 20, 22.2(b), and 24.3 of the TRIPS Agreement. See WT/DS458/1.
[65] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 11.
[66] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 15.
[67] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 16.
[68] These assurances were given by Cuba in its response to Australia's requests for preliminary rulings and are discussed below.
[69] Australia's comments on responses to Australia's requests for preliminary rulings, para. 24.
[70] Australia's comments on responses to Australia's requests for preliminary rulings, para. 25.

Australia's objection that these claims were not identified in Cuba's consultations request.[71] Cuba notes that its decision regarding Article 17 is in light of Australia's statement that it views Article 17 of the TRIPS Agreement as an exception.[72] In relation to Article 15.1, Cuba notes that it refers to this provision only to provide context for the Article 15.4 claim, but that Cuba does not seek to make a separate and distinct claim under Article 15.1 of the TRIPS Agreement.[73] Notwithstanding this assertion, Cuba submits that if the Panel is minded to enter into this issue, Cuba's position is that any independent claim under Article 17 of the TRIPS Agreement can be said to have "reasonably evolved" from the claim presented in Cuba's consultation request under Article 16.1 of the TRIPS Agreement.[74]

3.61. Cuba therefore argues that the appropriate course of action is for the Panel to decline to rule on Australia's objections to these claims as they are moot.[75]

3.2.2 Main arguments of the third parties

3.62. The **Dominican Republic** notes Cuba's statement that it is not raising claims under these provisions and argues that Cuba refers to Article 15.1 "only to provide context for an Article 15.4 claim", such that Cuba's reference to Article 15.1 is properly to be regarded as part of the argument in support of its Article 15.4 claim rather than as a claim, in and of itself. The Dominican Republic notes that a Member has no obligation to set out arguments in support of its claims in its panel request.[76]

3.63. The **European Union** refers to the preliminary ruling in *United States – Countervailing and Anti-Dumping Measures on Certain Products from China*, where China withdrew certain claims, and the Panel decided not to rule on a request for a preliminary ruling relating to those withdrawn claims.[77]

3.64. **Guatemala** suggests that the Panel consider Cuba's claims under Article 15.1 and 17 of the TRIPS Agreement as withdrawn, such that a ruling on these objections would be unnecessary.[78]

3.65. **Honduras** notes that a Member is free to include additional provisions in its panel request that it may wish to use as context, but that there is no obligation that a Member include such a provision in its panel request.[79]

3.2.3 Analysis by the Panel

3.66. As described above, Cuba has expressly indicated that it does not intend to raise separate claims based on Articles 15.1 and 17 of the TRIPS Agreement in these proceedings. In light of this statement, we consider it unnecessary to make a determination as to whether its claims under these provisions are properly before us, because doing so "would not serve to 'secure a positive solution' to this dispute".[80]

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[71] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 26.

[72] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 27.

[73] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 28.

[74] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 29.

[75] Cuba's further comments on Australia's request for a preliminary ruling in relation to the Cuba's panel request, para. 26.

[76] The Dominican Republic's third-party comments on Australia's requests for preliminary rulings, para. 10 (referring to Appellate Body Report, *EC – Selected Customs Matters*, para. 130).

[77] The European Union's third-party comments on Australia's requests for preliminary rulings, para. 36 (referring to Preliminary Ruling, *US – Countervailing and Anti-Dumping Measures (China)*, paras. 3.1-3.16).

[78] Guatemala's third-party comments on Australia's requests for preliminary rulings, paras. 4.8-4.9.

[79] Honduras' third-party comments on Australia's requests for preliminary rulings, paras. 39-41.

[80] See Appellate Body Report, *Japan – Apples*, para. 215 (quoting Article 3.7 of the DSU) and Appellate Body Report, *Mexico – Anti-Dumping Measures on Rice*, para. 140 (citing Appellate Body Report, *Japan – Apples*, para. 215).

3.67. We therefore take note of Cuba's indication that it will not seek to make claims under Articles 15.1 and 17 of the TRIPS Agreement in these proceedings and decline to rule on whether claims under these provisions are, as argued by Australia, outside of our terms of reference.

3.68. In making this determination, we take no position on the interpretation of either provision or their potential role in our examination of other claims properly before us in these proceedings.

4 PRESENTATION OF THE PROBLEM

4.1. Australia argues that Cuba's panel request fails to present the problem clearly in respect of its claims under Articles 15.1 and 17 of the TRIPS agreement and requests the Panel to rule that these claims are therefore not within its terms of reference.

4.2. As described above, Cuba has expressly indicated that it does not intend to raise separate claims based on these provisions. In light of this statement, we consider it unnecessary to make a determination as to whether Cuba's panel request "presents the problem clearly" in relation to these claims, because doing so "would not serve to 'secure a positive solution to this dispute'".[81]

4.3. In making this determination, we take no position on the interpretation of either provision or their potential role in our examination of other claims properly before us in these proceedings.

5 IDENTIFICATION OF THE MEASURES AT ISSUE

5.1. Australia requests that the Panel make a preliminary ruling excluding from its terms of reference "the non-exhaustive list of related measures and measures that 'complement or add to' the measures explicitly identified in Cuba's panel request", on the basis that the panel request does not identify the specific measures at issue, contrary to the requirements of Article 6.2 of the DSU.[82]

5.2. We first describe below the arguments of the parties and third parties, before proceeding with an assessment of Australia's request.

5.1 Main arguments of the parties

5.1.1 Australia

5.3. Australia submits that it is crucial that a complainant identify in its panel request the specific measures at issue as required by Article 6.2 of the DSU because this sets the panel's terms of reference and also serves an important due process objective.[83] It argues that a complaining party must establish the identity of the precise measures at issue.[84] It further submits that, in determining consistency with Article 6.2 of the DSU, a panel must "analyse whether the measures that the complaining party is contesting were identified, such that the respondent party received 'adequate notice'" of the measures at issue.[85]

5.4. Australia argues that Cuba's request does not identify the specific measures at issue in two key ways. Australia challenges: (i) the use of the term "including", which defines the "related measures" in a non-exhaustive way; and (ii) the attempt to include unspecified measures that "complement or add to" those explicitly named in the panel request ("complementary or additional measures").[86]

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[81] See Appellate Body Report, *Japan – Apples*, para. 215 (quoting Article 3.7 of the DSU) and Appellate Body Report, *Mexico – Anti-Dumping Measures on Rice*, para. 140, citing its earlier determination in *Japan – Apples*.

[82] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 1.

[83] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 34 (citing Panel Report, *Canada – Wheat Exports and Grain Imports*, para. 6.10).

[84] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 35 (citing Panel Report, *Canada – Wheat Exports and Grain Imports*, para. 6.10).

[85] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 35 (citing Panel Report, *China – Publications and Audiovisual Products*, para. 7.20).

[86] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 38.

5.5. In relation to the use of the word "including", Australia argues that Cuba "attempts to include a non-exhaustive and therefore indeterminate list" of "related measures" within the Panel's terms of reference. As a result, Cuba has not provided Australia with adequate notice of the measures being challenged, "or even a complete and specific list" of the "related measures" that it purports to challenge.[87] Australia draws an analogy with the panel request in *China – Raw Materials*, in which the complainants preceded the list of challenged measures with the phrase "among others". In response to this, the panel concluded that the complainants could not use this phrase to include an "open-ended" list of measures, as this would "not contribute to the 'security and predictability' of the WTO dispute settlement system".[88] Australia notes that, in that dispute, only those measures that were explicitly identified by the complainants fell within the panel's terms of reference.[89] Australia submits that the issue before the panel in *China – Raw Materials* is analogous to the one presented in Cuba's panel request. In particular, Cuba attempts to challenge an "open-ended" list of "related measures" and, apart from the categories of "related measures" actually listed, Cuba provides no indication of what "other forms" such unspecified measures could take. Australia therefore argues that it has not been provided with notice of the measures under challenge, which creates "considerable uncertainty" as to the identity, number and content of the measures at issue.[90]

5.6. Australia further submits that Cuba's panel request fails to identify the specific measures at issue because Cuba provides no guidance on what it means when it refers to measures that "complement or add to" the listed instruments. Australia argues that this adds further to the uncertainty regarding the identity, number and content of the laws and regulations under challenge, and "forces Australia to speculate regarding the measures at issue if it is to begin to prepare its defence."[91] Australia submits that Cuba's panel request impermissibly shifts to Australia the burden of attempting to identify the complementary or additional measures at issue.[92]

5.7. Australia notes that whether a panel request identifies the specific measures at issue may depend on the particular context in which those measures operate and may require examining the extent to which they are capable of being precisely identified.[93] Australia submits that in the specific context of tobacco regulation, Cuba's attempt to include complementary or additional measures does not identify the "precise, exact or definite measures at issue" and fails to provide Australia with adequate notice of these measures.[94]

5.8. Australia notes that, "in speculating about the possible complementary or additional measures that Cuba purports to challenge, it has had cause to consider that, in line with established international best practice, its tobacco plain packaging measure is part of a comprehensive range of tobacco control measures" and that this comprehensive approach to tobacco control is mandated by the World Health Organization Framework Convention on Tobacco Control (FCTC), which emphasizes that "comprehensive multisectoral measures and responses" to reduce consumption of all tobacco products are essential to prevent the incidence of diseases, premature disability and mortality due to tobacco consumption and exposure to tobacco smoke.[95] Australia also observes that the FCTC "mandates" that each party to it "develop, implement,

[87] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 39.

[88] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 40 (citing Panel Reports, *China – Raw Materials*, Annex F-1, para. 12, p. F-6).

[89] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 40 (citing Panel Reports, *China – Raw Materials*, Annex F-1, para. 13, p. F-6).

[90] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 40 (referring to Panel Report, *Canada – Wheat Exports and Grain Imports*, para. 6.10).

[91] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 42.

[92] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 42 (referring to Panel Report, *Canada – Wheat Exports and Grain Imports*, para. 6.10).

[93] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 43 (citing Appellate Body Reports, *China – Raw Materials*, para. 220).

[94] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 44.

[95] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 45 (citing the *WHO Framework Convention on Tobacco Control* (FCTC), done at Geneva, 3 May 2003, 2302 U.N.T.S.166; 42 International Legal Materials 518, Article 4.4).

periodically update and review comprehensive multisectoral national tobacco control strategies, plans and programmes" in accordance with the FCTC.[96]

5.9. Australia submits that "the uncertainty regarding the scope of the related measures arises because of the particular context in which Australia's tobacco plain packaging measure exists and operates, namely as part of a comprehensive range of complementary tobacco control measures".[97] It considers that in this context, the references in the panel request of Cuba to a non-exhaustive list of "related" measures, "including" those that "complement" or "add to" the named measures, are not sufficient to identify the specific measures at issue in this dispute. Rather, Australia submits that the inclusion of "these broad and vague terms" in a dispute that concerns one of Australia's tobacco control measures (that is, tobacco plain packaging in its context as part of a complementary range of tobacco control measures) does not identify sufficiently the scope of the measures at issue such that Australia is informed of the case it has to answer.[98]

5.10. Australia notes that if "general tobacco control measures" are "the types of complementary or additional measures Cuba refers to in its panel request (which is not clear and is a matter of speculation)", Australia's tobacco control measures "span back decades" and have been implemented at the federal, state and territory, and local municipality level. Australia identifies a non-exhaustive list of measures[99] it has taken in relation to tobacco control, adding that each of these measures includes multiple laws and regulations that may have been adopted at the federal, state or local level, such that Australia's tobacco control measures number in the hundreds. Australia argues that it cannot be the case that Cuba intends to challenge every current or future tobacco control measure implemented in Australia and that, in these circumstances, Cuba is obliged to identify the specific measures at issue so that Australia is informed of the case it has to answer.[100]

5.11. Australia adds that if Cuba's reference to complementary or additional measures is intended to refer to certain tobacco control measures currently in force in Australia, "there is no reason why these measures could not be explicitly named, other than to prejudice Australia's defence". Australia argues that this is in contrast to amending measures which may not come into existence until after a panel request is submitted and therefore may legitimately be listed by category rather than by the unknown future name of the amending law or regulation.[101]

5.12. Australia concludes that Cuba has not identified the specific measures at issue in a way that is "precise", "exact" or "definite", contrary to Article 6.2 of the DSU, and has not provided reasonable notice to Australia as to the case it has to answer.[102] Observing that "where a panel request fails to identify adequately particular measures or fails to specify a particular claim, then such measures or claims will not form part of the matter covered by the panel's terms of reference"[103], it requests that the Panel find that its terms of reference are limited to the measures

[96] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 46 (citing the *WHO Framework Convention on Tobacco Control* (FCTC), done at Geneva, 3 May 2003, 2302 U.N.T.S.166; 42 International Legal Materials 518, Article 5.1).

[97] Australia's comments on responses to Australia's requests for preliminary rulings, para. 29.

[98] Australia's comments on responses to Australia's requests for preliminary rulings, para. 29.

[99] Australia specifically identifies the following: "increasing excise and excise-equivalent customs duty on tobacco and tobacco-related products; minimum age restrictions on the purchase and sale of tobacco products; comprehensive bans on tobacco advertising and promotion, including bans on internet advertising of tobacco products; retail display bans; bans on smoking in offices, bars, restaurants and other indoor public spaces, and increasingly outdoor places, particularly those where children may be exposed to environmental tobacco smoke; extensive and continuing public education campaigns on the dangers of smoking; compulsory health warnings on the packaging of tobacco products; the listing of nicotine replacement therapies and other smoking cessation supports on Australia's Pharmaceutical Benefits Scheme; "Quitlines" and other smoking cessation support services; investment in anti-smoking social marketing campaigns; support for Aboriginal and Torres Strait Islander communities to reduce smoking rates; and stronger penalties for people convicted of tobacco smuggling offences". Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 47.

[100] Australia's request for a preliminary ruling in relation to Cuba's panel request, paras. 47-48.

[101] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 49.

[102] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 50.

[103] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 52 (quoting Appellate Body Report, *Dominican Republic – Import and Sale of Cigarettes*, para. 120).

specifically identified in the panel request, and that the remainder of its terms of reference be limited in the manner described by Australia.

5.13. Australia further notes that "a deficient panel request will fail to meet the requirements of Article 6.2 of the DSU regardless of whether the respondent is able to defend itself".[104] It observes that a responding party has only a limited timeframe in which to respond to the complainant's first written submission, and that it is therefore critical that a panel request provide a responding party with sufficient clarity as to the case it has to answer in advance of receiving the complainant's first written submission, and that "[t]his due process requirement 'is fundamental to ensuring a fair and orderly conduct of dispute settlement proceedings'".[105] It submits that it cannot begin to gather evidence, or prepare its defence in a meaningful way, when Cuba has not even identified sufficiently the measures at issue.[106] Australia submits that Cuba's failure to meet the requirements of Article 6.2 of the DSU has clearly prejudiced, and continues to prejudice, the preparation of Australia's defence, violating its fundamental right to due process in these proceedings.[107]

5.14. Australia also notes that defects in a panel request cannot be cured by subsequent submissions of the parties during the panel proceedings[108], and that compliance with the requirements of Article 6.2 must be demonstrated on the face of the request for the establishment of a panel.[109] Australia therefore submits that Cuba cannot overcome the deficiencies in its panel request by clarifying the legal basis of this claim in its first written submission.

5.15. Australia refers to the reliance by Cuba on *India – Agricultural Products*, and notes that the panel in that dispute specifically observed that in certain circumstances the reference to "related" or "implementing" measures may be insufficient for meeting the relevant criteria of Article 6.2 of the DSU, and its reference in this regard to *EC – Selected Customs Matters* and *China – Raw Materials*.[110] Australia argues that Cuba's view is not consistent with the reasoning in those disputes. This is because neither the Appellate Body in *EC – Selected Customs Matters* nor the panel in *China – Raw Materials* indicated that the lack of specificity was due to how broadly the primary measures were defined, but instead were based on "the inherent ambiguity created by the inclusion of the reference to secondary measures".[111]

5.16. In addition, Australia observes that none of the complainants have offered a clear or consistent explanation of what is contemplated by "complementary" or "additional" measures, or how they differ from related, implementing, amending or replacement measures. Moreover, the complainants have not indicated why the reference to "related" measures is required, or what other types of "related" measures may or may not be contemplated by the non-exhaustive list included in the description of the related measures at issue in their respective panel requests. Australia adds that it is not challenging the inclusion of terms that would be required to preserve the due process rights of the complainants (i.e. that Australia be prevented from manipulating its measure in the future in such a way as to avoid scrutiny under WTO dispute settlement procedures).[112]

5.17. Australia notes that it understands the assertion by Cuba that it does not intend to challenge existing tobacco control measures other than the tobacco plain packaging measure itself as excluding from the scope of its claims the existing tobacco control measures expressly listed in Australia's preliminary request.[113]

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[104] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 53.
[105] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 54 (citing Appellate Body Report, *Thailand – H-Beams*, para. 88).
[106] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 57.
[107] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 59.
[108] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 58 (citing Appellate Body Report, *US – Carbon Steel*, para. 127).
[109] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 58 (citing Appellate Body Report, *US – Carbon Steel*, para. 127).
[110] Australia's comments on responses to Australia's requests for preliminary rulings, para. 30 (citing Preliminary Ruling, *India – Agricultural Products,* para. 3.45).
[111] Australia's comments on responses to Australia's requests for preliminary rulings, para. 30.
[112] Australia's comments on responses to Australia's requests for preliminary rulings, para. 33.
[113] Australia's comments on responses to Australia's requests for preliminary rulings, para. 34.

5.1.2 Cuba

5.18. Cuba responds that Australia's objection to the description of "related measures" in Cuba's panel request is premature and unfounded, and should not be resolved on an abstract basis at this early stage of the proceedings, but instead should only be resolved if and when Cuba advances a claim with respect to a "related measure" in a written submission to the Panel.[114]

5.19. Cuba argues that its position in this regard is supported by the recent preliminary ruling of the panel in *India – Agricultural Products*, which found that, in the circumstances of that case, it was "premature and indeed unnecessary to make a determination in the abstract, at this preliminary stage, as to precisely which measures fall within the Panel's terms of reference by virtue of the inclusion of the terms 'related measures, or implementing measures' in the panel request. The Panel will revisit this issue in the course of these proceedings should a relevant challenge arise".[115]

5.20. Cuba argues that an additional reason for waiting until Cuba advances claims in respect of "related measures" is that Australia cannot obtain the relief that it currently seeks from the Panel. Cuba argues that the Panel's terms of reference were set by the DSB at its meeting on 25 April, and that they incorporate the description of the measures in Cuba's panel request, such that Australia cannot obtain an order from the Panel which effectively modifies that description by striking out language which is contained in that panel request. Cuba argues that, in contrast, it is open to the Panel at a later stage to refuse to resolve specific claims brought by Cuba on the basis that those claims relate to measures that have not been adequately described in Cuba's panel request.[116]

5.21. Cuba adds that it has named three specific Australian laws and regulations and has described their content and only seeks to include a further category of measures which are "related" to these specifically identified laws and regulations. "To the extent that there was any genuine doubt regarding the breadth of the term 'related measures'", Cuba confirms that it will not seek to challenge any of the 12 specific tobacco control measures that Australia lists in its preliminary ruling request.[117]

5.22. If the Panel is minded to resolve Australia's objection at this stage, Cuba makes three arguments. First, Cuba submits that Australia's contention that a non-exhaustive, indeterminate, and open-ended listing of measures is impermissible does not find adequate support in the case law. Cuba notes that Australia, like many WTO Members, has used such indeterminate, open-ended and non-exhaustive listings in its prior panel requests. Cuba considers inapposite Australia's reliance on the panel rulings in *Canada – Wheat Exports and Grain Imports* and *China – Raw Materials*. Cuba distinguishes the former case because the complainant did not name a single Canadian law or regulation or even specify the precise content of the Canadian laws and regulations that it was challenging, which led the panel to conclude that it had improperly shifted the burden of identifying them to Canada.[118] In relation to *China – Raw Materials*, Cuba argues that the Panel was "heavily influenced" by the "breadth of the listed primary measures" at issue in that case.[119] Cuba distinguishes this case on the basis that there is no lengthy list of primary measures in this case, and that Cuba refers to only three items of Australian law as primary measures. Cuba argues that the decisions in *China – Raw Materials* and in *EC – Selected Customs*

[114] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 36.
[115] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 37 (quoting Preliminary Ruling, *India – Agricultural Products*, paras. 3.49-3.50).
[116] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 38.
[117] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 39.
[118] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 41 (citing Panel Report, *Canada – Wheat Exports and Grain Imports*, para. 6.10).
[119] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 41 (referring to Preliminary Ruling, *India – Agricultural Products*, para. 3.47; and Panel Reports, *China – Raw Materials*, paras. 2.3-2.5; and *EC – Selected Customs Matters*, para. 7.30).

Matters should not be applied in cases that do not involve "very broad" or "lengthy lists of" measures.[120]

5.23. Second, Cuba argues that there is no material distinction between a listing of "amending measures" or "implementing measures" (which Australia appears to accept is legitimate) and a listing of "complementary or additional measures" (which Australia maintains is illegitimate). Both involve listings of measures by category, such that the individual measures within the category are not specified by name. Cuba argues that this has not prevented the Appellate Body from accepting that descriptions of measures by category can comply with Article 6.2 of the DSU.[121]

5.24. Third, Cuba submits that it has not included a non-exhaustive listing of measures in its panel request, but that the measures at issue have to be (1) related measures, (2) amending measures or (3) replacement measures. The use of the term "including" after the comma in the phrase "any related measures adopted by Australia, including measures that implement, complement or add to these laws and regulations, as well as any measures that amend or replace these laws and regulations" does not imply that that phrase covers measures which fall outside one or more of the three categories of (1) "related measures", (2) "measures that amend" and (3) "measures that ... replace".

5.25. Cuba adds that Australia does not explain how the Panel can grant a remedy which would require it to modify terms of reference that have been set by the DSB. Cuba also notes that Australia does not attempt to explain why it objects to "complementary or additional measures" but not "amending measures" or "implementing measures". Cuba also submits that Australia makes no attempt to justify its assertion that Cuba's panel request includes a listing of non-exhaustive measures.[122]

5.2 Main arguments of the third parties

5.26. **Argentina** considers that, reading the panel request as a whole and taking into account the context of the paragraph in question, it is clear from the text of the challenged paragraph that the complementary or additional measures concerned are directly related to Australia's plain packaging legislation. Argentina submits that among those related measures are the measures that are included, be they measures that complement or add to these laws and regulations. Argentina submits that the text of the request from Cuba refers to the measures that constitute the plain packaging legislation, and not to any other type of measure with no connecting link other than a reference to tobacco or health.[123] Argentina considers that the terms at issue "are included in claims, and that those claims in turn are presented collectively and under the same heading: tobacco plain packaging measures, for which reason Argentina believes that the measures are presented in a clear and distinct manner and that the scope of the complaint is, therefore, precise".[124] Argentina therefore argues that it is unnecessary to make the changes requested by Australia.[125]

5.27. The **Dominican Republic** considers that the Panel should reject Australia's request, for the same reasons as it gave in response to Australia's similar request in relation to its own complaint.[126]

5.28. **Guatemala** observes that the "co-complainants" consistently refer to the challenged measures as "plain packaging measures" and that the words "including", "complement" and "add to" appear to be limited to the reference to plain packaging measures.[127] Guatemala adds that

[120] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 41 (referring to Preliminary Ruling, *India – Agricultural Products*, paras. 3.46-3.48).
[121] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 42 (referring to Panel Report, *EC – Bananas III,* para. 7.27; and Appellate Body Reports, *EC – Bananas III*, para. 140; and *Chile - Price Band System,* paras. 134-144).
[122] Cuba's further comments on Australia's request for a preliminary ruling in relation to the Cuba's panel request, para. 24.
[123] Argentina's third-party comments on Australia's requests for preliminary rulings, paras. 9-15.
[124] Argentina's third-party comments on Australia's requests for preliminary rulings, para. 22.
[125] Argentina's third-party comments on Australia's requests for preliminary rulings, para. 24.
[126] The Dominican Republic's third-party comments on Australia's requests for preliminary rulings, para. 4.
[127] Guatemala's third-party comments on Australia's requests for preliminary rulings, para. 2.8.

nothing in the text of the panel request appears to support the view that there "is uncertainty regarding the identity, number and content of the laws and regulations under challenge." Guatemala states that "[t]he fundamental problem with Australia's objections seems to be requesting the Panel to make a determination in the abstract", and that the circumstances in *India – Agricultural Products* could be "extrapolated" to the circumstances in the present cases. Finally, Guatemala states its agreement with Cuba, in that Australia cannot obtain an order from the Panel which effectively modifies the panel request by striking out parts of its language, as the panel request is not subject to amendments, once a panel is established.[128]

5.29. **Honduras** argues that there is no basis in the text of Cuba's panel request for Australia to claim that it is unclear which, if any, of Australia's current or future tobacco control measures Australia is required to defend in addition to the plain packaging measure. Honduras adds that the additional measures listed in Australia's request would clearly not be "plain packaging measures" and would not be considered measures that are "related" to three specific legal instruments, all of which regulate the packaging of tobacco products.[129]

5.30. Honduras argues that Australia's objection to the use of the term "including" lacks merit because the narrative description of the measure, together with the identification of three specific legal instruments and the residual sub-category of "related" measures, identify the measures at issue as plain packaging measures with sufficient precision. For Honduras, the listing of particular examples within that residual sub-category of "related" measures (through the use of the term "including"), logically cannot create an impermissible open-ended list of measures.[130] In addition, Honduras argues that Australia's objection to the use of the terms "complement" and "add to" also lacks merit as the terms "complement" or "add to" "textually must refer to those measures that are related to the plain packaging measures".[131]

5.31. Honduras adds that residual clauses of the kind used by Cuba are "an important tool by which complainants preserve their right to maintain within a panel's terms of reference future measures that do not alter the essence of the existing measures".[132]

5.32. Honduras also believes that Australia's request is premature and that it is therefore not necessary for the Panel to address Australia's concerns at this point in time. Specifically, there is no evidence that the complainant may be planning to challenge a measure that does not fall "within the four corners" of its panel request, and as such Honduras submits that the current circumstances are the same as those in *India – Agricultural Products*. It would therefore be more prudent for the Panel to revisit this issue if the complainants do attempt to include measures within the Panel's terms of reference that are not "related", "complement" or "add to" the plain packaging measures.[133]

5.33. **Indonesia** argues that the panel request of Cuba, when read in context, clearly allows the Panel to address only plain packaging measures that are not specifically listed in the panel requests.[134] Specifically, the words "including," "complement," and "add to" are clearly limited so as to refer only to plain packaging measures, and are further qualified by the term "related measures" and the description of their function as measures that "establish comprehensive requirement regarding the appearance and form of the retail packaging of tobacco products".[135] Indonesia adds that the attendant circumstances in this case confirm the intended scope of this dispute. Indonesia refers to its statement, and those of the "co-complainants'", at the DSB, the Council for TRIPS, and the TBT Committee, in which they focused on Australia's plain packaging requirements and no other facet of Australia's tobacco control regime.[136]

5.34. Indonesia submits that the challenged language does not prejudice Australia's interests, and that Australia's objection would be more appropriately raised in response to the identification by the parties of a specific measure it believes would fall within the scope of the challenged

[128] Guatemala's third-party comments on Australia's requests for preliminary rulings, paras. 2.1-2.13.
[129] Honduras' third-party comments on Australia's requests for preliminary rulings, paras. 5-13.
[130] Honduras' third-party comments on Australia's requests for preliminary rulings, paras. 14-17.
[131] Honduras' third-party comments on Australia's requests for preliminary rulings, para. 19.
[132] Honduras' third-party comments on Australia's requests for preliminary rulings, paras. 20-21.
[133] Honduras' third-party comments on Australia's requests for preliminary rulings, paras. 22-24.
[134] Indonesia's third-party comments on Australia's requests for preliminary rulings, para. 7.
[135] Indonesia's third-party comments on Australia's requests for preliminary rulings, para. 10.
[136] Indonesia's third-party comments on Australia's requests for preliminary rulings, paras. 11-14.

language.[137] Indonesia likens this case to the circumstances in *India – Agricultural Products*, such that until written briefing in this case has commenced, it is "premature and indeed unnecessary" for the Panel to opine on Australia's request.[138]

5.35. Indonesia also argues that this language is necessary to protect the parties' rights should Australia adopt measures closely connected to the plain packaging measures listed in the panel requests or change the legal nature of the existing plain packaging measures (e.g., by withdrawing and reissuing measures in a slightly different form) during the course of the Panel proceeding. Indonesia states that because measures that come into existence during the course of the Panel's proceeding may be challenged only if the panel request is sufficiently broad to allow for it, "Indonesia's procedural rights could be impaired if the challenged language is struck from its panel request".[139]

5.36. In **Mexico's** view, Australia's objection concerning the words "including measures", "complement" and "add to" may be resolved at a later stage in the proceedings. Mexico believes that the same approach could be taken in the present case as was taken by the Panel in *India – Agricultural Products*, which determined that it was premature and unnecessary to make a determination in the abstract at a preliminary stage as to which measures fall within the Panel's terms of reference. Mexico adds that the Panel could rule as the case progresses and on the basis of the terms of reference which specific measures are included in the terms of reference.[140]

5.3 Analysis by the Panel

5.37. As described above, the question before us is whether Cuba's panel request is consistent with the requirement under Article 6.2 of the DSU to identify the specific measure at issue. In particular, Australia challenges the use of the words "including", and "complement or add to" in Cuba's panel request:

> Any related measures adopted by Australia, *including* measures that implement, *complement or add to* these laws and regulations, as well as any measures that amend or replace these laws and regulations. (emphasis added)

5.38. Australia submits that "the use of the term 'including', which defines the 'related measures' in a non-exhaustive way", and "the attempt to include unspecified measures that 'complement or add to' those explicitly named in the panel request" indicate that Cuba's panel request does not specify the measures at issue.[141] Cuba, for its part, submits that Australia's objection should not be resolved on an abstract basis at this early stage of the proceedings.[142] Cuba also argues that Australia's contention is not supported by case law[143], that there is no material distinction between "amending measures" or "implementing measures"[144], and "complementary or additional measures", and that Cuba's description of the measures is "exhaustive".[145]

5.39. We first consider the requirements of Article 6.2 in respect of the identification of the measures at issue, before turning to an examination of Cuba's panel request in light of these requirements.

5.3.1 The requirement to "identify the specific measures at issue"

5.40. Article 6.2 of the DSU provides as follows:

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[137] Indonesia's third-party comments on Australia's requests for preliminary rulings, para. 15.
[138] Indonesia's third-party comments on Australia's requests for preliminary rulings, paras. 15-19.
[139] Indonesia's third-party comments on Australia's requests for preliminary rulings, paras. 20-23.
[140] Mexico's third-party comments on Australia's requests for preliminary rulings, paras. 27-28.
[141] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 38.
[142] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 36.
[143] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 41.
[144] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 42.
[145] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 43.

> The request for the establishment of a panel shall be made in writing. It shall indicate whether consultations were held, identify the specific measures at issue and provide a brief summary of the legal basis of the complaint sufficient to present the problem clearly.

5.41. As described by the Appellate Body, Article 6.2 contains two distinct requirements, namely (1) the identification of the specific measures at issue and (2) the provision of a brief summary of the legal basis of the complaint (or the claims).[146] Together, these two elements comprise the "matter referred to the DSB", which forms the basis for a panel's terms of reference under Article 7.1 of the DSU.[147]

5.42. Article 6.2 serves the function of establishing and delimiting the panel's jurisdiction.[148] It serves a "pivotal function" in WTO dispute settlement[149] in that, to the extent that a panel request fails to identify "the specific measures at issue" and/or "to provide a brief summary of the legal basis of the complaint", such measures and/or claims do not fall within a panel's terms of reference and that panel would not have jurisdiction to make findings in respect of them.[150]

5.43. In addition, by establishing and defining the jurisdiction of the panel, the panel request fulfils the due process objective of providing the respondent and third parties notice regarding the nature of the complainant's case[151], to enable them to respond accordingly.[152]

5.44. The Appellate Body recently summarized the manner in which a panel must determine whether a panel request fulfils the requirements of Article 6.2. Specifically, the Appellate Body stated that:

> [A] panel must determine compliance with Article 6.2 "'on the face' of the panel request"[153] as it existed at the time of filing. Thus, parties' submissions and statements during the panel proceedings cannot "cure" any defects in the panel request.[154] Nevertheless, these subsequent submissions and statements may be consulted to the extent that they may confirm or clarify the meaning of the words used in the panel request.[155] In any event, the determination of the conformity with Article 6.2 should be done on a case-by-case basis, considering the particular context in which the measures exist and operate.[156] This determination must be done on an objective basis, such that any circumstances taken into account may not contemplate those that are relevant only to a party to the panel proceedings.[157]

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[146] Appellate Body Reports, *China – Raw Materials*, para. 219; and *EC and certain member States – Large Civil Aircraft*, para. 639.

[147] Appellate Body Report, *US – Countervailing and Anti-Dumping Measures (China)*, para. 4.6 (citing Appellate Body Report, *EC and certain member States – Large Civil Aircraft*, para. 639 (referring to Appellate Body Reports, *Guatemala – Cement I*, paras. 72 - 73; *US – Carbon Steel*, para. 125; *US – Continued Zeroing*, para. 160; *US – Zeroing (Japan) (Article 21.5 – Japan)*, para. 107; and *Australia – Apples*, para. 416)).

[148] Appellate Body Report, *US – Countervailing and Anti-Dumping Measures (China)*, para. 4.6 (citing Appellate Body Reports, *Brazil – Desiccated Coconut*, p. 22, DSR 1997:I, p. 186; *US – Continued Zeroing*, para. 161; and *EC and certain member States – Large Civil Aircraft*, para. 640).

[149] Appellate Body Reports, *China – Raw Materials*, para. 219.

[150] See, for example, Appellate Body Report, *US – Continued Zeroing*, para. 161 ("[A]s a panel's terms of reference are established by the claims raised in panel requests, the conditions of Article 6.2 serve to define the jurisdiction of a panel").

[151] Appellate Body Report, *US – Countervailing and Anti-Dumping Measures (China)*, para. 4.7 (citing Appellate Body Reports, *Brazil – Desiccated Coconut*, p. 22, DSR 1997:I, p. 186; *US – Carbon Steel*, para. 126; and *EC and certain member States – Large Civil Aircraft*, para. 640).

[152] Appellate Body Report, *US – Countervailing and Anti-Dumping Measures (China)*, para. 4.7 (citing Appellate Body Reports, *Brazil – Desiccated Coconut*, p. 22, DSR 1997:I, p. 186; *Chile – Price Band System*, para. 164; and *US – Continued Zeroing*, para. 161).

[153] (footnote original) Appellate Body Report, *US – Continued Zeroing*, para. 161 (quoting Appellate Body Report, *US – Carbon Steel*, para. 127).

[154] (footnote original) Appellate Body Report, *EC and certain member States – Large Civil Aircraft*, para. 787 (referring to Appellate Body Reports, *EC – Bananas III*, para. 143; and *US – Carbon Steel*, para. 127).

[155] (footnote original) See e.g. Appellate Body Report, *US – Carbon Steel*, para. 127.

[156] (footnote original) Appellate Body Report, *EC and certain member States – Large Civil Aircraft*, para. 641.

[157] Appellate Body Report, *US – Countervailing and Anti-Dumping Measures (China)*, para. 4.9.

5.45. The requirement to identify the specific measures at issue serves to define the "object of the challenge", or, more precisely, "the measure that is alleged to be causing the violation of an obligation contained in a covered agreement".[158] The Appellate Body has observed that "the clear identification of the specific measures at the outset is central to define the scope of the dispute to be addressed by a panel".[159] It also serves to ensure that the respondent is in a position to defend itself:

> The word "specific" in Article 6.2 establishes a specificity requirement regarding the identification of the measures that serves the due process objective of notifying the parties and the third parties of the measure(s) that constitute the object of the complaint.[160]

5.46. Whether or not a panel request satisfies this requirement must be assessed "on the merits of each case, having considered the panel request as a whole, and in the light of attendant circumstances".[161] The Panel must therefore "scrutinize carefully the panel request, read as a whole, and on the basis of the language used".[162] In addition, "whether a panel request identifies the 'specific measures at issue' may depend on the particular context in which those measures operate and may require examining the extent to which they are capable of being precisely identified".[163]

5.47. In light of the nature of Australia's request, we will consider how this requirement applies in relation to panel requests that define the measures at issue in part without naming them (that is, in a manner other than by specifically enumerating the measures at issue, such as, for example, by referring to "related" measures, "implementing" measures, or "amending" measures). We note that such references are not uncommon in panel requests, and have been challenged in previous disputes.

5.48. For example, the panel request in *EC – Bananas III* referred to EC Regulation 404/93 and "subsequent EC legislation, regulations and administrative measures, including those reflecting the provisions of the Framework Agreement on bananas, which *implement, supplement and amend* that regime".[164] The panel considered that the "banana regime" challenged by the complainants was "adequately identified", even if the "subsequent EC legislation, regulations and administrative measures that further refine and implement the basic regulation" were not identified. The Appellate Body agreed that the request contained "sufficient identification of the specific measures at issue to satisfy the requirements of Article 6.2 of the DSU".[165] We understand this to indicate that general references to unnamed measures, such as, in that case, measures that "implement, supplement and amend" a primary measure explicitly identified in the panel request, may be capable of satisfying the specificity requirement in Article 6.2 of the DSU.

5.49. We also note that in some cases, by contrast, similar general references have been found insufficient to meet the specificity requirement in Article 6.2. Thus, in *EC – Selected Customs Matters*, the Appellate Body found that the phrase "implementing measures and other related measures" was "vague and does not allow the identification of the specific instruments that the reference aims to cover", such that it did not "identify the specific measures at issue", as required by Article 6.2 of the DSU.[166] In *China – Raw Materials*, the panel similarly held that the term

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[158] Appellate Body Report, *US – Countervailing and Anti-Dumping Measures (China)*, para. 4.12; (citing Appellate Body Report, *EC – Selected Customs Matters*, para. 130).

[159] Appellate Body Report, *EC – Chicken Cuts*, para. 155.

[160] Appellate Body Report, *EC – Selected Customs Matters*, para. 152.

[161] Appellate Body Report, *US – Carbon Steel*, para. 127. See also Appellate Body Report, *Korea – Dairy*, paras. 124-127; Panel Report, *Canada – Wheat Exports and Grain Imports*, para. 6.10, sub-para. 14.

[162] Appellate Body Report, *EC – Fasteners (China)*, para. 562 (citing Appellate Body Reports, *US – Carbon Steel*, para. 127; *US – Oil Country Tubular Goods*, paras. 164 and 169; *US – Continued Zeroing*, para. 161; *US – Zeroing (Japan) (Article 21.5 – Japan)*, para. 108).

[163] Appellate Body Reports, *China – Raw Materials*, para. 220 (citing Appellate Body Report, *EC and certain member States – Large Civil Aircraft*, para. 641).

[164] WT/DS27/6 (emphasis added).

[165] Panel Reports, *EC – Bananas III*, para. 7.27; Appellate Body Report, *EC – Bananas III*, para. 140.

[166] In that dispute, the United States had challenged the EC's Community Customs Code, the regulation implementing the Customs Code, the regulation on the tariff and statistical nomenclature and on the Common Customs Tariff, and the Integrated Tariff of the European Communities, as well as "implementing measures and other related measures". Appellate Body Report, *EC – Selected Customs Matters*, paras. 2 and 152, footnote 369.

"related measures" was too broad and did not allow China to know clearly what specific measures were being challenged.[167] As observed by the panel in *India – Agricultural Products,* the broad scope of the enumerated measures in these two disputes appears to have contributed to the conclusion that the terms at issue were insufficiently precise, in the context of those disputes, to meet the specificity requirement of Article 6.2 of the DSU.[168]

5.50. Overall, these rulings suggest to us that a reference to unnamed measures such as those discussed above is not *per se* inconsistent with the specificity requirement in Article 6.2. In particular, as noted by Australia, such an approach may allow the complainant to preserve its due process rights[169] and thereby assist in ensuring that a positive solution to the dispute can be secured.[170] Such language may in particular serve to protect the interests of the complainant in respect of relevant measures not yet in existence at the time of filing the panel request.[171] However, whether such a reference meets the specificity requirements of Article 6.2 will depend importantly on the circumstances of the case. Just as with any assessment under this element of Article 6.2, a finding of whether such language is consistent with the specificity requirement under this provision must be based, as described above, on a consideration of the panel request as a whole and of any attendant circumstances, on a case-by-case basis.[172]

5.51. In this respect, we note the following observations of the panel in *Japan – Film*:

> To fall within the terms of Article 6.2, it seems clear that a 'measure' not explicitly described in a panel request must have a clear relationship to a 'measure' that is specifically described therein, so that it can be said to be 'included' in the specified measure. In our view, the requirements of Article 6.2 would be met in the case of a 'measure' that is subsidiary or so closely related to a "measure" specifically identified, that the responding party can reasonably be found to have received adequate notice of the scope of the claims asserted by the complaining party.[173]

5.52. That panel also stressed that the two elements – close relationship and notice – are inter-related, so that "only if a 'measure' not explicitly identified is subsidiary or closely related to an identified 'measure' will notice be adequate".[174]

5.53. Like that panel, we are mindful of the role of the panel request in fulfilling due process objectives, for both parties. Due process is a fundamental principle of WTO dispute settlement,[175]

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[167] Panel Reports, *China – Raw Materials*, Annex F-1, para. 17.

[168] Preliminary Ruling, *India – Agricultural Products*, paras. 3.45-3.47.

[169] Australia's comments on responses to Australia's requests for preliminary rulings, para. 28.

[170] In this regard we note the determination of the panel in *EC – Chicken Cuts* that two subsequent measures cited by the complainants in the course of the proceedings did not fall within its terms of reference, based on its determination that Brazil's and Thailand's respective panel requests were "much more narrowly drafted" than the "broadly worded" panel requests at issue in previous cases where panels had found measures not identified specifically in the panel requests to be nevertheless within their terms of reference. (See Panel Reports, *EC – Chicken Cuts (Brazil)*, paras. 7.20-7.32 and *EC – Chicken Cuts (Thailand)*, paras. 7.20-7.32). On appeal, the Appellate Body was not persuaded that the subsequent measures in question could be considered as amendments to the two original measures as argued or that the two sets of measures were, in essence, the same. It also noted that the objective of securing a positive and effective resolution of a dispute "cannot be pursued at the expense of complying with the specific requirements and obligations of Article 6.2" (Appellate Body Report, *EC – Chicken Cuts*, paras. 157-158 and 161).

[171] See for example Appellate Body Report, *Chile – Price Band System*, paras. 137 and 138.

[172] Appellate Body Report, *US – Carbon Steel*, para. 127. See also Appellate Body Report, *Korea – Dairy*, paras. 124-127; Panel Report, *Canada – Wheat Exports and Grain Imports*, para. 6.10, sub-para. 14.

[173] Panel Report, *Japan – Film*, para. 10.8. We note that this test has been referred to by subsequent panels in assessing whether certain measures not expressly identified in the panel request nonetheless fell within the scope of their terms of reference. For instance, the panel in *US – Carbon Steel* referred to the *Japan – Film* panel and concluded that a measure not identified in the panel request was not a measure that was subsidiary, or so closely related to, any of the measures specifically identified that the responding party could reasonably be found to have received adequate notice of the scope of the claims asserted by the complaining party (see Panel Report, *US – Carbon Steel,* para. 8.11). The panel in *Australia – Salmon (Article 21.5 – Canada)* also considered whether measures not expressly named in the panel request were "so closely related" to the measures named in the panel request that the respondent "can reasonably be found to have received adequate notice" of the scope of the complainant's claims (see Panel Report, *Australia – Salmon (Article 21.5 – Canada)*, para. 7.10, subpara. 27).

[174] Panel Report, *Japan – Film*, para. 10.8.

which informs various provisions of the DSU.[176] As we understand it, the requirements of due process imply, in this context, both that the complainant is able to define the scope of its complaint so as to secure a positive solution to the dispute[177] and that the panel request identifies the measure(s) at issue with such specificity that all parties and third parties receive adequate notice regarding the nature of the complainant's case.[178]

5.54. We further note that these requirements of due process continue to manifest themselves in the course of panel proceedings. We note, in this respect, the observations of the Appellate Body in *Chile – Price Band System*:

> [G]enerally speaking, the demands of due process are such that a complaining party should not have to adjust its pleadings throughout dispute settlement proceedings in order to deal with a disputed measure as a "moving target". If the terms of reference in a dispute are broad enough to include amendments to a measure … *and if it is necessary to consider an amendment in order to secure a positive solution to the dispute* … then it is appropriate to consider the measure as amended in coming to a decision in a dispute.[179] (emphasis added)

5.55. In determining whether a specific amendment identified in the course of the panel proceedings could be considered to be properly before the panel in that case, the Appellate Body considered not only the terms of the panel request, which included a general reference *inter alia* to "complementary provisions and/or amendments", but also the fact that the amendment in question did not change the "essence" of the original measure at issue.[180] We note that the panel in *China – Raw Materials* considered that the same approach applied in respect of "replacement measures".[181]

5.56. Thus, even where the language of a panel request is, on its face, broad enough to encompass certain additional instruments not identified by name in the request, this would not provide a basis for the complainant to expand the scope of the dispute or modify its essence through the invocation of such instruments in the course of the panel proceedings. This is consistent, in our view, with the fact that it is the panel request that determines the scope of the

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[175] The Appellate Body has held that "the protection of due process is an essential feature of a rules-based system of adjudication, such as that established under the DSU", and that "due process is fundamental to ensuring a fair and orderly conduct of dispute settlement proceedings". (Appellate Body Reports, *Canada – Continued Suspension / US – Continued Suspension*, para. 433; and *Thailand – H-Beams*, para. 88, respectively. See also Appellate Body Report, *Chile – Price Band System*, para. 176).

[176] See Appellate Body Report, *Mexico – Corn Syrup (Article 21.5 – US)*, para. 107. See also Appellate Body Reports, *India – Patents (US)*, para. 94; and *Chile – Price Band System*, para. 176.

[177] As the Appellate Body has said, "due process may … require a panel to take appropriate account of the need to safeguard … an aggrieved party's right to have recourse to an adjudicative process in which it can seek redress in a timely manner, and the need for proceedings to be brought to a close" (Appellate Body Report, *Thailand – Cigarettes (Philippines)*, para. 150).

[178] Appellate Body Report, *US – Countervailing and Anti-Dumping Measures (China)*, para. 4.7 (citing Appellate Body Reports, *Brazil – Desiccated Coconut*, p. 22, DSR 1997:I, p. 186; *US – Carbon Steel*, para. 126; *EC and certain member States – Large Civil Aircraft*, para. 640).

[179] Appellate Body Report, *Chile – Price Band System*, para. 144.

[180] See Appellate Body Report, *Chile – Price Band System*, paras. 139-144. In that case, the panel request identified a primary law and existing amendments, "as well as the regulations and complementary provisions and/or amendments". In the course of the proceedings, an amendment was discussed, that added a paragraph to the primary law, and set out the maximum *ad valorem* tariff that could be applied (which was in any case evident from Chile's tariff bindings). The Appellate Body considered that the measure was not, in essence, different as a result of the amendment (see Appellate Body Report, *Chile – Price Band System*, paras. 137-139).

[181] The panel in *China – Raw Materials* considered that this approach should also apply to "replacement measures that are of the same essence as original measures specifically identified in the [p]anel [r]equest", because the Appellate Body's "rationale for including amendments of the same essence applies equally to replacement measures so that replacement measures of the same essence should also be assessed by a panel in order to secure a positive solution to a dispute". Panel Reports, *China – Raw Materials*, para. 7.16. Similarly, the panel in *China – Publications and Audiovisual Products* analysed whether China could be considered to have received adequate notice of a particular measure, based on the language of the panel request as a whole, notwithstanding the fact that it included a general reference to "amendments, related measures, or implementing measures" (Panel Report, *China – Publications and Audiovisual Products*, para. 7.60, footnote 105).

dispute before the Panel and with the due process objectives served by the panel request in this respect.

5.57. Bearing in mind these elements, we now turn to Cuba's panel request to determine whether it sufficiently identifies the "specific measures at issue" consistently with Article 6.2 of the DSU.

5.4 Whether Cuba's panel request identifies the specific measures at issue

5.58. As described above, Australia challenges some of the terms used by Cuba in its panel request to identify the measures at issue in its complaint.

5.59. In order to determine whether these terms meet the requirements of Article 6.2, we must "scrutinize carefully the panel request, read as a whole, and on the basis of the language used".[182] We therefore start our analysis with a consideration of the terms of Cuba's panel request.

5.60. Section A of Cuba's panel request is entitled "Measures at issue". That section provides as follows:

> The measures at issue (collectively the "Plain Packaging Measures") are the following:
>
> - The Tobacco Plain Packaging Act 2011, Act No. 148 of 2011, "An Act to discourage the use of tobacco products, and for related purposes";
> - The Tobacco Plain Packaging Regulations 2011 (Select Legislative Instrument 2011, No. 263), as amended by the Tobacco Plain Packaging Amendment Regulation 2012 (No.1) (Select Legislative Instrument 2012, No. 29) ("the Regulations");
> - The Trade Marks Amendment (Tobacco Plain Packaging) Act 2011, Act No. 149 of 2011, "An Act to amend the Trade Marks Act 1995, and for related purposes"; and
> - Any related measures adopted by Australia, including measures that implement, complement or add to these laws and regulations, as well as any measures that amend or replace these laws and regulations.[183]

5.61. The panel request then states "[t]he Plain Packaging Measures regulate the appearance and form of retail packaging used in connection with sales of cigars, cigarettes and other tobacco products. They also regulate the appearance and form of the tobacco products themselves".[184] The panel request then proceeds to elaborate on the manner in which the cited measures regulate the enumerated products.[185]

5.62. Australia's challenge focuses on the fourth "dot point" of Cuba's enumeration of the measures at issue. Specifically, Australia challenges the use of the terms "including", and "complement or add to" in that context, on the basis that they are "indeterminate"[186] and may potentially cover a broad range of measures relating to tobacco control, such as public education campaigns or the listing of nicotine replacement therapies. Australia submits that "the uncertainty regarding the scope of the related measures arises because of the particular context in which Australia's tobacco plain packaging measure exists and operates, namely as part of a comprehensive range of complementary tobacco control measures".[187]

5.63. We first observe that each of the terms challenged by Australia is used to describe instances of "related" measures. The term "related measures" itself is to be read against the context of the enumeration that precedes it in the first three "dot points" under which the measures at issue are

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[182] Appellate Body Report, *EC – Fasteners (China)*, para. 562.
[183] Cuba's request for the establishment of a panel, p. 1.
[184] Cuba's request for the establishment of a panel, p. 1.
[185] Cuba's request for the establishment of a panel, p. 2.
[186] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 57.
[187] Australia's comments on responses to Australia's requests for preliminary rulings, para. 29.

listed. In order to properly understand the terms at issue as part of the panel request "as a whole", we must therefore consider them as they are used in this particular context.

5.64. As described above, Cuba's panel request identifies the measures at issue collectively as "the 'Plain Packaging Measures'". It then elaborates on this category of measures in three separate ways. First, it enumerates three specific acts and regulations (namely, the Tobacco Plain Packaging Act 2011, the Tobacco Plain Packaging Regulations 2011, and the Trade Marks Amendment (Tobacco Plain Packaging) Act 2011). These may be described as the "primary" measures identified in this dispute. Second, immediately following this enumeration, it provides that the Plain Packaging Measures are also "any related measures (…) including measures that implement, complement or add to these laws and regulations and any measures that amend or replace these laws and regulations". Finally, the panel request provides a narrative that further defines "the Plain Packaging Measures" as measures that "regulate the appearance and form of retail packaging used in connection with sales of cigars, cigarettes and other tobacco products" and that "also regulate the appearance and form of the tobacco products themselves".

5.65. A plain reading of this language on its face suggests that the term "related" measures, as used here, necessarily refers to the three primary measures enumerated above, i.e. the three listed measures specifically addressing "tobacco plain packaging". Only measures related to these three specifically listed instruments could therefore fall within the scope of the term "related" measures. The final narrative element of the definition of "Plain Packaging Measures" further clarifies that the measures at issue are defined *only* as measures that regulate "the appearance and form of retail packaging used in connection with sales of cigars, cigarettes and other tobacco products" or "the appearance and form of the tobacco products themselves". We consider that this narrative element further clarifies and delimits the scope of measures within the Panel's terms of reference, insofar as measures falling within the scope of the three primary measures, or of "related measures, including measures … that … complement or add to" the primary measures, would also need to regulate the appearance and form of "retail packaging used in connection with sales of cigars, cigarettes and other tobacco products" or of "the tobacco products themselves" in order to fall within our terms of reference.

5.66. In view of these limitations on the scope of measures covered, we do not consider that the language of the panel request in relation to "related measures", and in particular with respect to related measures that "add to" or "complement" the primary listed measures, is as open as Australia has suggested. Australia has argued that Cuba, through the language of its panel request, "attempts to include a non-exhaustive and therefore indeterminate list" of "related measures" within the Panel's terms of reference.[188] Specifically, Australia has identified a range of "tobacco control" measures that it argues could fall within the scope of the language of Cuba's panel request, including (for example) public education campaigns, the listing of nicotine replacement therapies and other smoking cessation supports on Australia's Pharmaceutical Benefits Scheme, or Quitlines and other smoking cessation support services.[189] In the light of our understanding of the terms of the panel request, and the parameters created by the language therein, it is not apparent to us how such measures could fall within the scope of the panel request and thus within our terms of reference. Specifically, we are not persuaded that such indeterminacy exists when the terms "including" and "complement or add to" are read in the context of the remainder of the panel request. We are therefore of the view that the terms "including" and "complement or add to" do not unduly broaden the scope of the dispute in the manner that Australia argues.

5.67. Recalling our discussion in Section 5.3.1 above, we further observe that the language used by Cuba is similar to that used by the complainants in *EC – Bananas III*. We recall that the panel request in that case referred to a specific EC Regulation and "subsequent EC legislation, regulations and administrative measures, including those reflecting the provisions of the Framework Agreement on bananas, which *implement*, *supplement* and *amend* that regime".[190] Notwithstanding such similarities, we are mindful of the requirement that we must "scrutinize carefully the panel request, read as a whole, and on the basis of the language used".[191] With this in mind, we note the broader context in which these words appeared in the complainants' panel

[188] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 39.
[189] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 47.
[190] WT/DS27/6. (emphasis added)
[191] Appellate Body Report, *EC – Fasteners (China)*, para. 562.

request in *EC – Bananas III*. In particular, we observe that the panel request in that dispute explicitly identified an impugned measure and then identified, by way of a narrative description, related unnamed measures (that is, "subsequent EC legislation, regulations and administrative measures, including those reflecting the provisions of the Framework Agreement on bananas, which implement, supplement and amend that regime").[192]

5.68. As discussed, Cuba has defined the measures at issue as the "Plain Packaging Measures", which it defines with explicit reference to three measures (the Tobacco Plain Packaging Act 2011, the Tobacco Plain Packaging Regulations 2011, and the Trade Marks Amendment (Tobacco Plain Packaging) Act 2011). Moreover, Cuba has further identified the measures at issue by reference to their application and effect ("[t]he Plain Packaging Measures regulate the appearance and form of retail packaging used in connection with sales of cigars, cigarettes and other tobacco products" and "also regulate the appearance and form of the tobacco products themselves").[193] We consider that this approach is also similar to that taken by the complainants in *EC – Bananas III*. In particular, we consider that the scope of the primary measures is well delineated, such that the qualifying role played by the terms "complement" and "add to" is similar to that of the term "supplement" in the context of *EC – Bananas III*. Bearing this similarity in mind, as well as the similarity between the words "implement, supplement and amend" and "complement or add to" themselves, we do not consider that there is any material difference between the language used by Cuba in its panel request, and that endorsed by the panel and Appellate Body in *EC – Bananas III*.[194] This confirms us in our view that this language is sufficiently specific to satisfy Article 6.2 of the DSU.

5.69. We note Australia's argument that the circumstances in this dispute are analogous to those in *China – Raw Materials*, in which the complainants referred in their panel requests to a series of measures, preceded by the phrase "among others".[195] In its preliminary ruling, the panel in that case found that the complainants could not include additional measures other than those enumerated in the panel requests, because "[s]uch an 'open ended' list would not contribute to the 'security and predictability' of the WTO dispute settlement system as required by Article 3.2 of the DSU".[196] Australia submits that the language used by Cuba is similarly open-ended and "does not provide Australia with notice of the measures under challenge and creates considerable uncertainty as to the identity, number and content of the measures at issue".[197]

5.70. As discussed above, the language in Cuba's panel request establishes parameters that circumscribe the measures at issue through reference to (i) the narrative description of "Plain Packaging Measures", (ii) the three primary measures, and (iii) the reference to measures "related to" such measures, which includes measures that "complement" and "add to" those measures, which do not change the essence of the dispute, and of which Australia has notice. In contrast, the panel request in *China – Raw Materials* did not contain such parameters. We are not persuaded that Cuba's panel request, and the parameters therein, give rise to a similarly "open-ended" list. In particular, as discussed above, we do not consider that these terms, read in context, imply that the broad range of "general tobacco control measures" not directly related to tobacco plain packaging that are the basis for Australia's concern would be covered.

5.71. In light of the above, we consider that the terms "including", "complement" and "add to", as used in Cuba's panel request, are not, on their face, inconsistent with the requirement under Article 6.2 of the DSU to identify the specific measures at issue.

5.72. In making this determination, we make no assessment, at this stage of our proceedings, as to whether any particular measure that may be invoked by Cuba in the course of these proceedings as "related" to the plain packaging measures as described above, including measures that may "add to or complement" the listed measures, is or is not within our terms of reference.

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[192] WT/DS27/6.

[193] WT/DS458/14.

[194] Panel Report, *EC – Bananas III*, para. 7.27; Appellate Body Report, *EC – Bananas III*, para. 140. We also note the comparable language in *Chile – Price Band System* to "complementary provisions and/or amendments" (See Appellate Body Report, *Chile – Price Band System*, para. 135).

[195] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 40.

[196] Panel Reports, *China – Raw Materials*, Annex F-1, para. 12.

[197] Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 40.

5.73. We are mindful in this regard that "a clear identification of the specific measures at the outset is central to define the scope of the dispute to be addressed by a panel"[198] and recall the important due process role played by the panel request, as discussed in paragraphs 5.53. to 5.56. above. We note the observation of the panel in *EC – IT Products* that it did not consider "that the mere incantation of the phrase 'any amendments, or extensions and any related or implementing measures' in a panel request will permit Members to bring in measures that were clearly not contemplated in the panel request".[199] Similarly, in the present proceedings, the use of such terms would not provide a legitimate basis for the complainant to seek to expand or otherwise modify the scope of the dispute in the course of the proceedings. In addition, we would expect any invocation in the course of the proceedings of a measure not identified by name in the panel request to take place in a timely manner.

5.74. Finally, we take note of Cuba's confirmation that it will not seek to challenge any of the 12 specific tobacco control measures that Australia lists in its request "at any stage of these proceedings".[200]

5.75. This preliminary ruling will become an integral part of the Panel's report, subject to any modifications or elaboration of the reasoning, either in a subsequent ruling or in the Panel's report, in the light of comments received from the parties in the course of the proceedings.

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[198] See para. 5.45. above.
[199] Panel Report, *EC – IT Products*, para. 7.140.
[200] Cuba's response to Australia's request for a preliminary ruling in relation to Cuba's panel request, para. 39.