

22 August 2022

(22-6294) Page: 1/1

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TURKEY - CERTAIN MEASURES CONCERNING THE PRODUCTION, IMPORTATION AND MARKETING OF PHARMACEUTICAL PRODUCTS

COMMUNICATION FROM TÜRKIYE

The following communication, dated 18 August 2022, was received from the delegation of Türkiye with the request that it be circulated to the Dispute Settlement Body (DSB).

My government has instructed me to request the circulation of the communication presented below to the Members of the DSB.

"On 22 March 2022, Türkiye and the European Union notified Agreed Procedures for Arbitration ("WT/DS583/10") under Article 25 of the Understanding on Rules and Procedures Governing the Settlement of Disputes ("DSU") to the Dispute Settlement Body ("DSB") with a view to decide any appeal from any final panel report as issued to the parties in the dispute *Türkiye – Certain Measures Concerning the Production, Importation and Marketing of Pharmaceutical Products (DS583).*

On 25 April 2022, Türkiye notified the DSB of its decision to initiate an arbitration under Article 25 of the DSU through a notice of recourse to arbitration, attaching the Panel Report, in accordance with paragraph 5 of the Agreed Procedures.

Consequently, the Arbitrators issued their Award on 25 July 2022 (WT/DS583/ARB25 and WT/DS583/ARB25/Add.1) and on the same day, in accordance with Article 25.3 of the DSU, the Award was notified to the DSB, the Council for Trade in Goods, the Committee on Subsidies and Countervailing Measures and the Committee on Trade-Related Investment Measures. However, pursuant to paragraph 15 of the Agreed Procedures, the Award is not to be adopted by the DSB.

Pursuant to paragraphs 9 and 15 of the Agreed Procedures, the Award is binding and final and the findings of the Panel that were not challenged in the context of the Arbitration, form an integral part of the Award together with the Arbitrators' findings.

In this regard, my authorities have instructed me to advise the DSB of the intentions of Türkiye with respect to implementation of the recommendations and rulings of the Arbitrators and the Panel, in accordance with Article 21.3 of the DSU. Accordingly, Türkiye is informing the DSB of its intentions through this letter, rather than at a special meeting of the DSB held for that purpose. This statement will be reiterated at the DSB meeting scheduled for 29 August 2022.

It is the intention of Türkiye to implement the recommendations and rulings of the Arbitrators and the Panel in this dispute in a manner that respects its WTO obligations, and we have begun to evaluate options for doing so. Türkiye will need a reasonable period of time to do this. Türkiye stands ready to discuss this matter with the European Union, in accordance with Article 21.3(b) of the DSU.

Türkiye respectfully requests that you circulate this communication to the Members of the DSB. In addition, Türkiye requests the DSB to include the implementation of this dispute in the agenda of the regular DSB meeting to be held on 29 August 2022 to reconfirm our intentions."