

**UNITED STATES – SUBSIDIES ON UPLAND COTTON**

Recourse by the United States to Article 22.6 of the DSU  
and Article 7.10 of the SCM Agreement

*Constitution of the Arbitrator*

Note by the Secretariat

1. At the meeting of the Dispute Settlement Body (DSB) on 18 October 2005, it was agreed that the matter raised by the United States in document WT/DS267/27 be referred to arbitration, as required by Article 22.6 of the DSU and Article 7.10 of the SCM Agreement.

2. Article 22.6 of the DSU provides as follows:

"When the situation described in paragraph 2 occurs, the DSB, upon request, shall grant authorization to suspend concessions or other obligations within 30 days of the expiry of the reasonable period of time unless the DSB decides by consensus to reject the request. However, if the Member concerned objects to the level of suspension proposed, or claims that the principles and procedures set forth in paragraph 3 have not been followed where a complaining party has requested authorization to suspend concessions or other obligations pursuant to paragraph 3(b) or (c), the matter shall be referred to arbitration. Such arbitration shall be carried out by the original panel, if members are available, or by an arbitrator<sup>1</sup> appointed by the Director-General and shall be completed within 60 days after the date of expiry of the reasonable period of time. Concessions or other obligations shall not be suspended during the course of the arbitration."

3. Article 7.10 of the SCM Agreement provides as follows:

"In the event that a party to the dispute requests arbitration under paragraph 6 of Article 22 of the DSU, the arbitrator shall determine whether the countermeasures are commensurate with the degree and nature of the adverse effects determined to exist."

4. The Arbitration will be carried out by the original panel, namely:

Chairman: Mr Darius Rosati

Members: Mr Mario Matus  
Mr Daniel Moulis

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<sup>1</sup> The expression "arbitrator" shall be interpreted as referring either to an individual or a group.