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INDONESIA – IMPORTATION OF HORTICULTURAL PRODUCTS, ANIMALS AND ANIMAL PRODUCTS

COMMUNICATION FROM INDONESIA, NEW ZEALAND AND THE UNITED STATES CONCERNING ARTICLE 21.3(C) OF THE DSU

The following communication, dated 11 January 2018, from the delegation of Indonesia, the delegation of New Zealand and the delegation of the United States to the Chairperson of the Dispute Settlement Body, is circulated at the request of these delegations.

At its meeting on 22 November 2017, the Dispute Settlement Body ("DSB") adopted its recommendations and rulings in the disputes *Indonesia — Importation of Horticultural Products*, *Animals and Animal Products* (DS477 / DS478). In its letter of 18 December 2017, Indonesia stated that it would need a reasonable period of time to implement the DSB's recommendations and rulings in these disputes.

Article 21.3(c) of the *Understanding on Rules and Procedures Governing the Settlement of Disputes* ("DSU") provides that, in the absence of an agreement between the parties on a period of time, the reasonable period of time shall be determined "through binding arbitration within 90 days after the date of adoption of the recommendations and rulings."

In order to allow sufficient time for Indonesia, New Zealand, and the United States (the parties) to discuss a mutually agreed period or for an arbitration to be completed, the parties (i) confirm their common understanding that, in the event an arbitration under Article 21.3(c) of the DSU is requested, it shall be completed no later than 60 days after the date of the appointment of an arbitrator, unless the arbitrator, following consultation with the parties, considers that additional time is required; and (ii) hereby confirm that any award of the arbitrator (including an award not made within 90 days after the date of adoption of the DSB recommendations and rulings) shall be deemed to be an award of the arbitrator for the purposes of Article 21.3(c) of the DSU in determining the reasonable period of time for Indonesia to implement the recommendations and rulings of the DSB.

We respectfully request that you circulate this notification to the Members of the DSB.