

**THAILAND – CUSTOMS AND FISCAL MEASURES ON CIGARETTES
FROM THE PHILIPPINES**

Status Report by Thailand

Addendum

The following communication, dated 20 August 2012, from the delegation of Thailand to the Chairperson of the Dispute Settlement Body, is circulated pursuant to Article 21.6 of the DSU.

Status Report Regarding Implementation of the
DSB Recommendations and Rulings in the Dispute
Thailand – Customs and Fiscal Measures on Cigarettes from the Philippines
(WT/DS371)

Thailand submits this report in accordance with Article 21.6 of the *Understanding on Rules and Procedures Governing the Settlement of Disputes* ("DSU").

At its meeting on 15 July 2011, the Dispute Settlement Body ("DSB") adopted the Appellate Body report on *Thailand – Customs and Fiscal Measures on Cigarettes from the Philippines* (WT/DS371/AB/R) and the panel report (WT/DS371/R), as modified by the Appellate Body report.

On 23 September 2011, pursuant to Article 21.3(b) of the DSU, Thailand and the Philippines notified the DSB that they had mutually agreed on the reasonable period of time for Thailand to comply with the recommendations and rulings of the DSB. With respect to the DSB's recommendations and rulings regarding paragraphs 8.3(b) and (c) of the panel report, the reasonable period of time to comply shall be 15 months, expiring on 15 October 2012. With respect to the DSB's recommendations and rulings regarding all other measures, the reasonable period of time to comply shall be 10 months, expiring on 15 May 2012.

Article 21.6 of the DSU provides that the issue of implementation of the recommendations or rulings shall be placed on the agenda of the DSB meeting after six months following the date of establishment of the reasonable period of time pursuant to paragraph 3 and shall remain on the DSB's agenda until the issue is resolved. Accordingly, Thailand hereby provides the following status report of its progress in the implementation of the DSB's recommendations and rulings.

On 10 April 2012, Thailand submitted to the DSB its first status report under Article 21.6 of the DSU on its progress in the implementation of the DSB's recommendations and rulings in this matter. This report was circulated to Members as document WT/DS371/15, dated 13 April 2012. On 11 May 2012, Thailand submitted to the DSB its second status report, which was circulated to

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Members as document WT/DS371/15/Add.1, dated 14 May 2012. On 14 June 2012, Thailand submitted to the DSB its third status report, which was circulated to Members as document WT/DS371/15/Add.2, dated 15 June 2012.

Since the last status report, Thailand's Board of Appeals for customs determinations has continued its consideration of the specific entries of merchandise listed in the Philippines' request for the establishment of a panel and the entries involved in the Philippines' claim under Article X:3 of the GATT 1994.

Regarding the findings concerning the administrative requirements for VAT reporting for re-sales of imported and domestic cigarettes, as noted in the previous status report, Thailand expects that the Royal Decree amending these requirements will be in effect by the end of the agreed reasonable period of time for implementation on these items, which expires on 15 October 2012.

Since the last status report, Thailand has engaged in further bilateral discussions with the Philippines, the complainant in this dispute, regarding the status of Thailand's implementation and with a view to achieving a mutually satisfactory outcome to the dispute. Thailand welcomes these discussions and looks forward to continuing to discuss the technical details of Thailand's implementation with the Philippines.

Thailand will continue to provide Members with further details in future status reports.
