

CHILE – TAXES ON ALCOHOLIC BEVERAGES

Status Report by Chile

The following communication, dated 30 November 2000, from the Permanent Mission of Chile to the Chairman of the Dispute Settlement Body, is circulated pursuant to Article 21.6 of the DSU.

Status Report on the Implementation of the Recommendations
and Rulings in the Dispute
Chile – Taxes on Alcoholic Beverages

On 12 January 2000, the Dispute Settlement Body adopted the recommendations and rulings of the Panel and Appellate Body reports in the *Chile - Taxes on Alcoholic Beverages* dispute (WT/DS87 and WT/DS110). In accordance with Article 21:3(c) of the DSU, on 23 May 2000 the Arbitrator determined that the reasonable period for Chile to implement the recommendations and rulings in question will be not more than 14 months and 9 days from the date of their adoption, that is to say, until 21 March 2001.

In this connection, the Government of Chile, honouring its international commitments, will fulfill the recommendations and rulings adopted by the DSB within the set period. The Executive Branch, and specifically the Ministry of Finance, is currently drafting the bill for this purpose, which will suitably amend the Additional Tax on Alcoholic Beverages (ILA). Consultations on this bill have been held with the Chilean private sector, and account has also been taken of the views expressed by WTO Members who participated in the dispute. The bill is expected to be tabled in Congress in the coming weeks and adopted by 21 March 2001.
