

INDONESIA - CERTAIN MEASURES AFFECTING
THE AUTOMOBILE INDUSTRY

Communication from the Chairman of the Panel

The following communication, dated 11 December 1997, addressed to the Dispute Settlement Body, is circulated in accordance with Article 12.9 of the DSU.

Article 12.8 of the DSU stipulates that the period in which the panel shall conduct its examination, from the date that the composition and terms of reference of the panel have been decided until the date the final report is issued to the parties, shall, as a general rule, not exceed six months.

Article 12.9 of the DSU states that when the panel considers that it cannot issue its report within six months, it shall inform the Dispute Settlement Body (DSB) in writing of the reasons for the delay together with an estimate of the period within which it will issue its report.

The Panel "Indonesia - Certain Measures Affecting the Automobile Industry" was established at the request of Japan and the European Communities by the DSB on 12 June 1997. On 29 July 1997, at the joint request of Japan and the European Communities, the Director-General announced the composition of the Panel. In its request for establishment, the European Communities invoked the 60-day information-gathering procedure provided for in Annex V to the Agreement on Subsidies and Countervailing Measures. The 60-day period ended on 11 August 1997. On 30 July 1997, the DSB agreed to the United States' request for establishment of a panel, and agreed in accordance with Article 9 of the DSU that the Panel established on 12 June 1997 to hear the complaints of Japan and the European Communities also would examine the complaint of the United States. The United States also invoked the 60-day information-gathering procedure provided for in Annex V to the Agreement on Subsidies and Countervailing Measures. Because the 60-day period for the first phase of that procedure, related to the European Communities' claims, had almost ended, the 60-day period related to the United States' claims was a separate, later period, which ended 22 September 1997. All parties agreed that first submissions by complainants should be due four weeks after the end of the second phase of the Annex V procedure (related to the United States' claims), so that all information developed through that procedure could be used in the preparation of the first submissions. This postponement of the deadline for first submissions, to take account of both phases of the Annex V procedure, necessitated an equal postponement of the rest of the Panel's timetable. As a result, the Panel will not be able to issue its report within six months.

The Panel expects to complete its work by the end of April 1998.