

**EUROPEAN COMMUNITIES AND ITS MEMBER STATES – TARIFF TREATMENT  
OF CERTAIN INFORMATION TECHNOLOGY PRODUCTS**

Communication from the European Union and the Separate Customs Territory of  
Taiwan, Penghu, Kinmen and Matsu concerning Article 21.3(c) of the DSU

The following communication, dated 26 November 2010, from the delegation of the European Union and the delegation of the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu to the Chairman of the Dispute Settlement Body, is circulated at the request of these delegations.

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On 21 September 2010, the Dispute Settlement Body ("DSB") adopted its recommendations and rulings in the dispute *European Communities and its Member States - Tariff Treatment of Certain Information Technology Products* (WT/DS377). In its communication of 13 October 2010 (WT/DS375/14, WT/DS376/14, WT/DS377/12), the European Union notified the DSB that it intends to implement the recommendations and rulings of the DSB in this dispute in a manner that respects its WTO obligations. The European Union also stated that it would need a reasonable period of time for implementation. The European Union subsequently recalled this notification at the meeting of the DSB held on 25 October 2010.

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 the parties to discuss a mutually agreed period, the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu and the European Union (i) agree 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 the European Union to implement the recommendations and rulings of the DSB.

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

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