

**DOMINICAN REPUBLIC – MEASURES AFFECTING THE IMPORTATION
AND INTERNAL SALE OF CIGARETTES**

Extension of Time Period under Article 21.3 of the DSU

The following communication, dated 14 July 2005, from the delegation of Honduras and the delegation of the Dominican Republic to the Chairman of the Dispute Settlement Body, is circulated at the request of these delegations.

We refer to the communication of 12 July 2005 from Honduras, requesting binding arbitration under Article 21.3(c) of the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU) to determine a reasonable period of time for the Dominican Republic to implement the recommendations and rulings of the Dispute Settlement Body (DSB) in the matter *Dominican Republic – Measures Affecting the Importation and Internal Sale of Cigarettes* (WT/DS302).

Honduras remains ready to hold consultations with the Dominican Republic with a view to reaching agreement on an arbitrator within the 10-day period provided for in footnote 12 to Article 21.3 of the DSU.

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

Bearing in mind that the 90-day period expires on 17 August 2005, Honduras and the Dominican Republic have agreed that the period of time for the binding arbitration shall be completed no later than 60 days after the date of the appointment of the arbitrator. Honduras and the Dominican Republic confirm that the award of the arbitrator within the agreed time period shall be deemed to be the award of the arbitrator for the purpose of Article 21.3(c) of the DSU in order to determine a reasonable period of time for the Dominican Republic to implement the recommendations and rulings of the DSB.

(signed)
Dacio Castillo
Ambassador
Permanent Representative of Honduras

(signed)
Claudia Hernández
Ambassador
Alternate Representative of the
Dominican Republic to the WTO