WORLD TRADE

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UNITED STATES - SECTION 110(5) OF THE US COPYRIGHT ACT

Status Report by the United States

The following communication, dated 6 December 2001, from the Permanent Mission of the United States to the Chairman 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

<u>United States – Section 110(5) of the US Copyright Act</u> (WT/DS160)

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

On 24 August 2000, the United States informed the Dispute Settlement Body (DSB) that it intended to implement the recommendations and rulings of the DSB in *United States - Section 110(5)* of the US Copyright Act. The "reasonable period of time" for implementation expires on the date that the current session of the US Congress adjourns or 31 December 2001, whichever is earlier. The United States has been engaged in discussions with the European Communities to find a mutually acceptable resolution of the dispute. In connection with those discussions, the United States and the European Communities took the unprecedented step of resorting to arbitration under Article 25 of the *Understanding on Rules and Procedures Governing the Settlement of Disputes* in order to determine the level of nullification or impairment of benefits caused by Section 110(5)(B) of the US Copyright Act.

In light of the award of the Arbitrators, the European Communities and the United States are engaged in productive discussions with a view to resolving the dispute.