



27 June 2018

(18-4080)

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**UNITED STATES – COUNTERVAILING DUTY MEASURES
ON CERTAIN PRODUCTS FROM CHINA**

RECOURSE TO ARTICLE 21.5 OF THE DSU BY CHINA

COMMUNICATION FROM THE APPELLATE BODY

The following communication, dated 26 June 2018, from the Chair of the Appellate Body to the Chair of the Dispute Settlement Body, is being circulated to Members.

I am writing pursuant to Article 17.5 of the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU), which states that, as a general rule, the Appellate Body will circulate its Report no later than 60 days after the appellant has formally notified the Dispute Settlement Body (DSB) of its decision to appeal. Article 17.5 further states that when the Appellate Body considers that it cannot provide its Report within 60 days, "it shall inform the DSB in writing of the reasons for the delay together with an estimate of the period within which it will submit its Report. In no case shall the proceedings exceed 90 days."

The United States notified the DSB on 27 April 2018 of its decision to appeal certain issues of law covered in the Panel Report and legal interpretations developed by the Panel in this case. As a result the 60-day period expires on 26 June 2018. The Appellate Body is not able to circulate its Report by that date.

In view of the backlog of appeals pending with the Appellate Body at present, and the overlap in the composition of all divisions resulting in part from the reduced number of Appellate Body Members, Division Members can currently spend only very little time preparing for this appeal. It will not be possible for the Division to focus on the consideration of this appeal for some time, that is, schedule internal meetings, fully staff it, and schedule the hearing. Thus, it will not be possible for the Appellate Body to circulate its report within the 90 day timeframe required by Article 17.5 of the DSU.

As soon as we know more precisely when the division can schedule the hearing in this appeal, we will communicate appropriately with the participants and DSB Members
