

PHILIPPINES – TAXES ON DISTILLED SPIRITS

Status Report by the Philippines

Addendum

The following communication, dated 6 December 2012, from the delegation of the Philippines to the Chairperson 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 Disputes
Philippines – Distilled Spirits
(WT/DS396 and WT/DS403)

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

On 20 January 2012, the Dispute Settlement Body ("DSB") adopted its recommendations and rulings in *Philippines – Distilled Spirits* (WT/DS396, 403). By letter of 15 February 2012, the Philippines notified the DSB of its intention to comply with the recommendations and rulings of the DSB in this matter in a manner that respects the Philippines' WTO obligations. The Philippines also indicated that it would require a reasonable period of time to comply with the recommendations and rulings of the DSB.

Subsequently, the Philippines, the United States, and the European Communities reached an agreement under Article 21.3(b) of the DSU, pursuant to which the reasonable period of time for the Philippines to implement the recommendations and rulings of the DSB in these disputes would expire on 8 March 2013. This agreement was notified to the DSB on 20 April 2012.

On 11 October 2012, the Philippines submitted to the DSB its first status report under Article 21.6 of the DSU on its progress in the implementation of the DSB's recommendations and rulings in this matter. The report was circulated to Members as document WT/DS396/15 and WT/DS403/15, dated 12 October 2012. On 7 November 2012, the Philippines submitted to the DSB its second status report, which was circulated to Members as WT/DS396/15/Add.1 and WT/DS403/15/Add.1, dated 9 November 2012.

Since the last status report, the Philippine Congress has continued its deliberation and consolidation of certain legislative proposals with a view to amending the Philippines' Excise Tax Law.

The Philippines expects to be able to provide a more detailed update on its implementation in future status reports.
