

3 March 2017

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Original: Spanish

COLOMBIA – MEASURES RELATING TO THE IMPORTATION OF TEXTILES, APPAREL AND FOOTWEAR

COMMUNICATION FROM COLOMBIA

The following communication, dated 27 February 2017, from the delegation of Colombia to the Chairperson of the Dispute Settlement Body, is circulated at the request of that delegation.

With reference to the proposal made to Panama, upon instruction from my authorities, on 22 February of this year regarding the possibility of negotiating and concluding a sequencing agreement in the dispute *Colombia – Measures Relating to the Importation of Textiles, Apparel and Footwear* (DS461), my capital has instructed me to ask that the proposal be circulated to all WTO Members under the symbol for this dispute, DS461.

We take this opportunity to reiterate our willingness to find a logical solution to this issue. At the same time, we would like to thank you for your management of this dispute.

Agreed Procedures under Articles 21 and 22 of the Dispute Settlement Understanding (DSU)

Colombia – Measures Relating to the Importation of Textiles, Apparel and Footwear (WT/DS461)

The Dispute Settlement Body (DSB) adopted its recommendations and rulings in the dispute *Colombia – Measures Relating to the Importation of Textiles, Apparel and Footwear* (WT/DS461) on 22 June 2016.

Panama and Colombia (collectively, "the Parties") have agreed on the following procedures for the exclusive purposes of this dispute. They are designed to facilitate the resolution of the dispute and reduce the scope for procedural disputes and are without prejudice to either Party's views on the correct interpretation of the DSU:

- 1. Panama shall inform the DSB through its Chair of its intention to immediately suspend its request to the DSB (WT/DS461/16) for authorization to suspend the application to Colombia of concessions or other obligations.
- Pursuant to the suspension of Panama's request for authorization to suspend concessions and other obligations, Colombia shall ask the arbitrator to suspend the proceeding under Article 22.6 of the DSU. Moreover, as long as Panama's request for authorization to suspend concessions or other obligations remains suspended, Colombia shall refrain from requesting the establishment of a panel under Article 21.5 of the DSU (WT/DS461/17) for a second time.
- 3. Once the procedures described in points 1 and 2 above have been suspended, Panama shall request consultations with Colombia under Article 21.5 of the DSU. The Parties agree to hold such consultations within 30 days from the date of receipt of the request. After this 30-day period has elapsed, Panama may at any time request the establishment of a panel under Article 21.5 of the DSU.
- 4. The Parties shall cooperate to enable the Article 21.5 panel to circulate its report within 90 days of the panel's establishment, excluding such time during which the panel's work may be suspended pursuant to Article 12.12 of the DSU.
- 5. Either Party may request the DSB to adopt the report of the Article 21.5 panel at a DSB meeting held at least 20 days after the circulation of the report to the Members unless either Party appeals the report.
- 6. In the event of an appeal of the Article 21.5 panel report, the proceedings described in points 1 and 2 above shall remain suspended and the Parties shall cooperate to enable the Appellate Body to circulate its report to the Members within 90 days from the date of notification of the appeal to the DSB. Further, either Party may request the DSB to adopt the reports of the Appellate Body and of the Article 21.5 panel (as modified by the Appellate Body report) at a DSB meeting held within 30 days of the circulation of the Appellate Body report to the Members.
- 7. In the event that the DSB, following a panel or Appellate Body proceeding under Article 21.5 of the DSU, rules that a measure taken to comply does not exist or is inconsistent with a covered agreement, Panama may reactivate its request for authorization to suspend concessions or other obligations pursuant to Article 22.2 of the DSU. Colombia shall not assert that Panama is precluded from obtaining such DSB authorization on the grounds that the request was made outside the 30-day time-period specified in Article 22.6 of the DSU. This is without prejudice to Colombia's right to have the matter referred to arbitration by objecting in accordance with Article 22.6 of the DSU.
- 8. If Panama asks to reactivate its request for authorization to suspend concessions or other obligations pursuant to Article 22.2 of the DSU, Colombia shall have the right to

request the reactivation of the arbitration under Article 22.6 of the DSU concerning the level of suspension of concessions or other obligations and/or the fact that the principles and procedures set forth in Article 22.3 of the DSU have not been followed. initiated at Colombia's request (see document WT/DS461/18).

- 9. The Parties shall cooperate to enable the arbitrator under Article 22.6 of the DSU to circulate its decision within 60 days of the re-initiation of the arbitration.
- 10. If any of the original panelists is not available for either the Article 21.5 compliance panel or the Article 22.6 arbitration (or both), the Parties shall promptly consult on a replacement, and either Party may request the Director-General of the WTO to appoint, within ten days of being so requested, a replacement for the proceeding or proceedings in which a replacement is required. If an original panelist is unavailable to serve in either of the proceedings, the Parties shall further request that, in making this appointment, the Director-General seek a person who will be available to act in both proceedings.
- 11. The Parties shall continue to cooperate in all matters related to these agreed procedures. If, during the application of these procedures, the Parties consider that a procedural aspect has not been properly addressed in these procedures, they shall endeavour to find a solution within the shortest time possible that will not affect the other aspects and steps agreed herein. Similarly, if one of the Parties fails to comply with any of the commitments set forth herein, the other Party shall be under no obligation to comply with its commitments under this Agreement.
- 12. These agreed procedures in no way prejudice other rights of either Party to take any action or procedural step to protect its rights and interests, including recourse to the DSU.