
**Dispute Settlement Body
Special Session**

**THIRD AND FOURTH FORMAL MEETINGS OF THE SPECIAL SESSION
OF THE DISPUTE SETTLEMENT BODY**

Report by the Chairman to the Trade Negotiations Committee

1. Since the Chairman's last report to the Trade Negotiations Committee on 9 July 2002, the Special Session of the DSB held its third formal meeting on 15 July 2002 and fourth formal meeting on 10-11 September 2002.
2. With respect to the proposals submitted thus far, the European Communities, Thailand, Thailand and the Philippines jointly, Australia, Ecuador, Korea and Costa Rica had submitted proposals prior to the summer break. Following the summer break, the United States, the African Group, Paraguay, the LDC Group, as well as Cuba, Honduras, India, Malaysia, Sri Lanka, Tanzania and Zimbabwe jointly, have submitted proposals.
3. At the third formal meeting held on 15 July 2002, the discussion centred on three negotiating proposals submitted by Australia (TN/DS/W/8), Ecuador (TN/DS/W/9) and Korea (TN/DS/W11) which were circulated at the second meeting of the Special Session of the DSB held on 21 May 2002. Other proposals were also discussed in an informal mode and, in this context, the European Communities' proposal for permanent panelists was further discussed. At the conclusion of the meeting, the Chairman, recalling the "two-track" approach whereby the general discussions of the issues and objectives for the negotiation would gradually shift to a discussion of specific proposals made by Members, circulated an informal checklist of issues (Job(02)/86) that was produced based on the submissions made by various Members. The purpose of the checklist is to serve as a basis for a structured discussion of specific proposals on an issue-by-issue basis and it would be updated regularly to reflect the new proposals submitted by the delegations. An updated version of the compilation was also circulated (Job(02)/42/Rev.1).
4. At the fourth formal meeting held on 10-11 September 2002, the United States' proposal on transparency (TN/DS/W/13) and Costa Rica's proposal on third party rights (TN/DS/W/12) were formally discussed for the first time. This was followed by an informal examination of the specific proposals reflected in the checklist on an issue-by-issue basis. Members exchanged their views on issues related to consultations, establishment and composition of panels, and panel proceedings. The Chairman's summary of informal aspects of the issue-by-issue discussion (Job(02)/130) was circulated on 27 September 2002.
5. The Chairman again urged all Members to submit their proposals as soon as possible and referred to the work programme whereby the discussion of the specific proposals on an issue-by-issue basis would be concluded in November. The work programme contemplates a further round of discussions in December on various issues that may need further examination.
6. A revised checklist (Job(02)/86/Rev.2) and compilation (Job(02)/42/Rev.3) incorporating the proposals submitted by the African Group (TN/DS/W/15) and Paraguay (TN/DS/W/16) were circulated on 30 September 2002. In light of the expected circulation of the proposal submitted by the

LDC Group and a joint proposal submitted by Cuba, Honduras, India, Malaysia, Sri Lanka, Tanzania and Zimbabwe, a newly revised checklist and compilation will be circulated.

7. For the remainder of the year 2002, the following dates have been reserved for further meetings of the Special Session of the DSB: 14 October; 13, 14 and 15 November; and 16, 17 and 18 December.
