WTO legal disputes: the panel and appeal processes

The various stages a dispute can go through in the WTO. At all stages, countries in dispute are encouraged to consult each other in order to settle "out of court". At all stages, the WTO director-general is available to offer "good offices", to mediate or to help achieve a conciliation. Articles cited here are from the Dispute Settlement Understanding.

**Consultations**
- **60 days**
- by 2nd DSB meeting

**Panel established (created)**
- by Dispute Settlement Body (DSB)
- **Art.6**

**Terms of reference (Art.7)**
- **Composition** (panellists appointed) **Art.8**

**Panel examination**
- Normally 2 meetings with parties (art.12), 1 meeting with third parties (Art.10)

**Interim review stage**
- **Description part of report** sent to parties for comment (Art.15.1)
- **Interim report** sent to parties for comment (Art.15.2)

**Panel report circulated to parties**
- **Art.12.8; Appendix 3 par 12(j)**

**Panel report circulated to members**
- **Art.12.9; Appendix 3 par 12(k)**

**Adoption**
- by membership (Dispute Settlement Body) of panel/appellate report(s)
  - including any changes to panel report made by appellate report (Art.16.1, 16.4 and 17.14)

**Implementation**
- Report by losing party of proposed implementation within "reasonable period of time" (Art.21.3)

**Failure to implement**
- Parties negotiate compensation pending full implementation (Art.22.2)

**Retaliation**
- If no agreement on compensation, DSB authorises retaliation pending full implementation (Art.22.2)
  - **Cross-retaliation**
    - Same sector, other sector, other agreements (Art.22.3)

**Appeal**
- "Appellate review" (Art.16.4 and 17)
- Usually up to 9 months (no appeal) or 12 months (with appeal) from panel’s establishment

**Dispute over implementation**
- Proceedings possible, including referral of implementation to initial panel

**Reasonable period**
- Member proposes and DSB agrees; or parties in dispute agree; or by arbitrator (approx. 15 months if by arbitrator)

**Possibility of arbitration**
- on scale of retaliation, procedures and principles (Art.22.6, 22.7)

**Note:** some specified times are maximums, some are minimums, some binding, some not. **Source:** WTO