

Joint Statement by the European Union and Canada on an Interim Appeal Arbitration Arrangement

Following the successful EU-Canada Summit on July 17-18, 2019, leaders from the EU and Canada reaffirmed a shared commitment to the rules-based international order and to preserve and safeguard a functioning World Trade Organization (WTO) dispute settlement system.

Resolution of the blockage of the Appellate Body remains our clear priority. If the current impasse persists, the Appellate Body will be unable to hear new appeals after December 10, 2019.

The EU and Canada share a resolve for rapid and concerted action to address longstanding and unprecedented challenges facing the multilateral trading system, and will continue to work with all WTO members on ideas and potential solutions that seek to modernize and strengthen the WTO.

We strongly support the informal process chaired by Ambassador David Walker to hold solution-oriented discussions with a view to restoring a fully operational Appellate Body without delay. We welcome Ambassador Walker's most recent report to the General Council on July 23, and urgently call on all members to engage fully in this process. This will be critical to its success.

However, in the event these efforts are unsuccessful, due diligence commands that we work together to preserve our rights in WTO disputes. It is with this aim that the EU and Canada have agreed on an interim appeal arbitration arrangement based on existing WTO rules. The interim arrangement will apply to disputes between us in the event the Appellate Body is unable to hear appeals and will remain in effect until the Appellate Body is operational. The WTO Dispute Settlement Body has been notified of the EU-Canada interim appeal arrangement. Taking this step ensures the details of this arrangement are circulated to all WTO members, and reinforces the EU's and Canada's shared commitment to transparency and fairness.

An effective and binding dispute settlement system, which provides for the possibility of appealing panel reports, seeks to preserve the rights and obligations of WTO members. This interim arrangement helps to preserve access to such a system, promoting security and predictability in the resolution of WTO disputes to ensure the stability of international trade. Canada and the EU are proud to have demonstrated leadership in the creation of this interim arrangement.

For more information

[Text of the interim appeal arrangement](#)

[EU Appellate Body reform proposal](#)

[WTO dispute settlement system](#)