

2. Dispute settlement

Contents

- [In focus](#)
- [Background](#)
- [PHM Comment](#)
- [Notes of discussion](#)

In focus

Retain two tier dispute settlement or (follow the US and) abolish the Dispute Settlement Tribunal (and allow the US to continue to use trade sanctions for foreign policy purposes).

Background

[Tracker links to recent reports](#) on WTO deliberations regarding dispute settlement

PHM Comment

Dispute settlement reform came onto the agenda with the US refusal to agree to filling vacancies on the Disputes Settlement Tribunal.

This was a consequence of decisions of the Tribunal which cast doubt on the US use of the 'Security exception' to impose tariffs and import restrictions. The US claims the determination of a security exception (largely deployed against China) is a sovereign decision which should not be reviewed in the DS process. The Tribunal did not agree.

Action on DS reform at MC13 was a commitment of MC12. However, it appears that the US is standing firm, refusing to contemplate a return to two tier settlement reform, notwithstanding the large majority of WTO members who want to see two tier settlement returned.

Notes of discussion