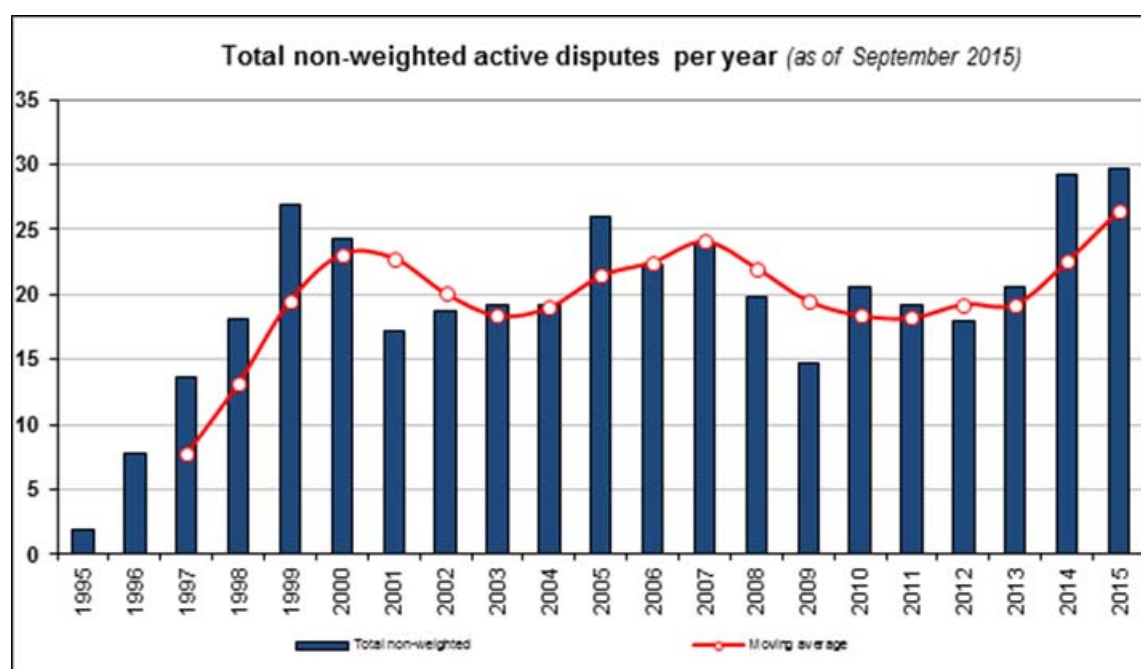


Annex to Director-General's Statement at the DSB Meeting of 28 October 2015**Current Dispute Settlement Activity**

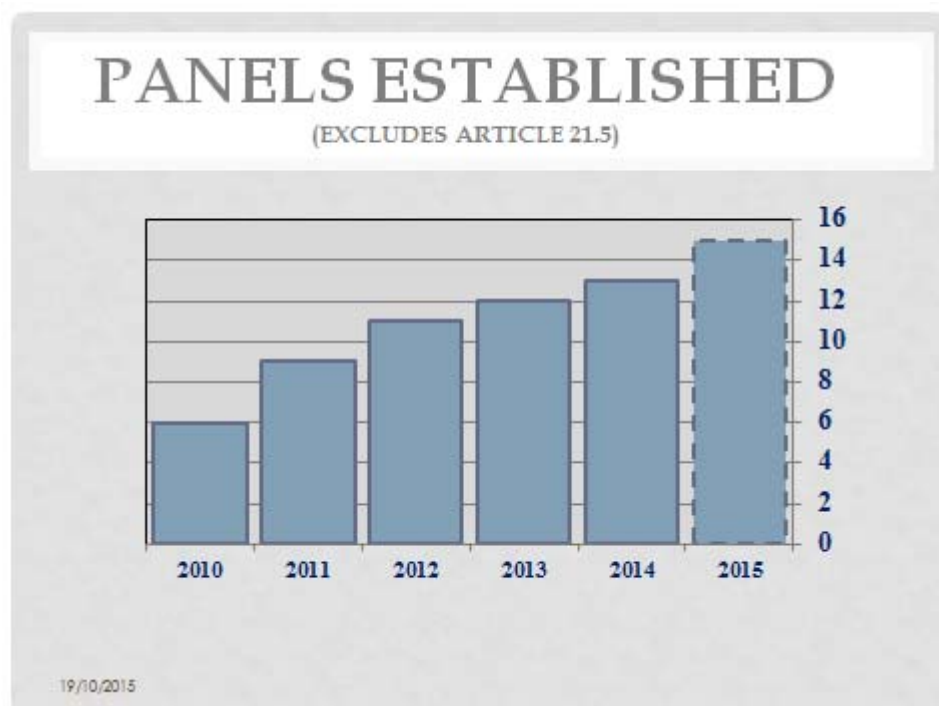
The WTO dispute settlement system is on the cusp of reaching the 500th dispute filed – a remarkable testament to the confidence Members have had in the system during the last 20 years. Today we stand at 499 requests received.

2015 has been the busiest on record, with a high of 30 active panels per month, on average.



The high volume of casework has not been just a temporary surge. Seventeen new requests for consultations have been filed since I spoke to the DSB last September. Of those 17 new requests, 11 have been in the Rules area, and 6 in Legal Affairs.

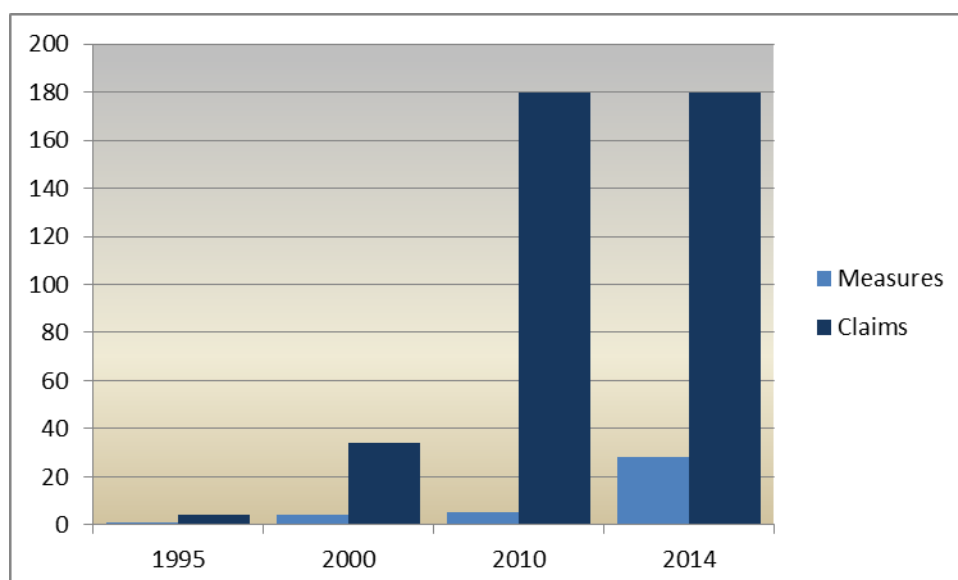
By this time of year, 2014 was moving faster than 2013 in terms of number of panels established. Today, 2015 is moving even faster than 2014 did. As of the end of September 2015, 15 panels had been established, which were added to those already in operation. This slide illustrates the trend.



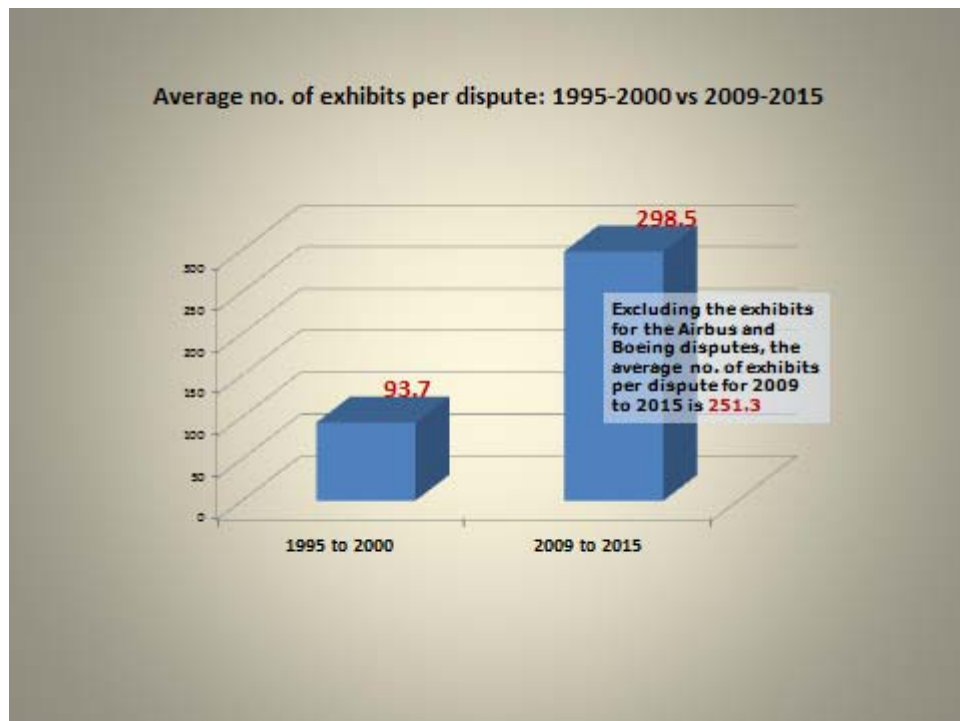
Currently, there are 19 panels in the system (12 in trade remedies areas and 7 in other areas), as well as 3 appeals, 2 arbitrations, and 11 panels in composition. This is counting multiple panels like *Australia—Tobacco Plain Packaging* as 1. As of today, 6 panels in the trade remedies area stand composed but cannot get under way due to unavailability of staff.

But, it is not only the *number* of disputes that is affecting the system's ability to respond; it is the *nature* of WTO dispute settlement today that lies at the heart of the problem. The increased breadth and complexity of disputes has changed the face of WTO dispute settlement completely from what it was when the system was designed 20 years ago.

In the early days of WTO dispute settlement, most disputes involved a challenge to a single measure and involved only 3 or 4 claims. Five years into the system, the norm was 3 or 4 measures per dispute and about 34 claims. By 2010, disputes involved on average 5 measures, while the average number of claims had ballooned to about 180 per dispute. And today, each dispute involves on average 28 measures and 180 claims.



The evidentiary burden before panels is also more demanding. One ongoing dispute (not one of the aircraft disputes) had reached more than 1700 exhibits, even before holding the second meeting with the panel. On average, there are three times as many exhibits per panel now than in early WTO days, as this graphic demonstrates.



Another complexity relates to additional procedural rulings. In practice, the system has added a new phase to dispute settlement – one that is not provided for in the DSU or in panel timetables, namely the preliminary ruling phase. Preliminary rulings are regularly issued by panels *prior to* the interim report, and in some cases multiple such rulings are issued during the proceedings. It used to be that this occurred in about one-third of cases. In 2014, this happened in more than three-quarters of cases. Moreover, the number of issues dealt with in each such ruling has doubled. These proceedings multiply the number of written submissions and exhibits to be addressed.

Similar issues arise at the appellate stage, where increasingly complex appeals of voluminous panel reports and records must be dealt with. The overall appeal rate remains high, at the level of two thirds of all panel reports. The Appellate Body recently circulated a non-paper on the length of written submissions, where they point out that, during the last five years, the number of words contained in appellants', other appellants' and appellees' submissions has increased by almost 30 per cent. An average of 13 issues is raised per appeal, and appeal submissions contain on average 10,000 words per issue appealed.