

Geneva, 16 August 2005

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Dominican Republic – Measures Affecting the Importation and Internal Sale of Cigarettes

Arbitration under Article 21.3(c) of the DSU

Sir,

The Dominican Republic and Honduras have mutually agreed that the reasonable periods of time for the Dominican Republic to implement the recommendations and rulings of the Dispute Settlement Body (the "DSB") in *Dominican Republic – Measures Affecting the Importation and Internal Sale of Cigarettes* (WT/DS202) are as follows:

1. In respect of the finding of the Panel specified in paragraph 8.1(b) of the Panel Report relative to the transitional surcharge for economic stabilisation, found to be inconsistent with the provisions of Article II:1(b) of the GATT 1994, the Dominican Republic shall immediately bring the measure into conformity with its obligations under the GATT 1994.
2. In respect of the finding of the Panel specified in paragraph 8.1(e) of the Panel Report relative to the requirement that a tax stamp be affixed to all cigarette products in its territory and under the provisions of the Local tax

In respect of the measures that have to be brought into conformity immediately (the measures referred to in paragraphs 8.1(b) and 8.1(e) of the Panel Report, *i.e.*, the ~~transitional arrangements~~ for economic stabilization and the requirement that a tax stamp be