Dispute Settlement Reform Process Heads of Delegation Meeting

(30 May 2024)

Statement by Hong Kong, China

- Thank you, Madam Facilitator.
- First, I think we should all congratulate ourselves on having you at the helm of the Dispute Settlement (DS) Reform. Your methodical approach to progress the discussion already bears fruit in the timely appointment of the Co-Convenors. More importantly, the appointment is based on the trust of colleagues who have worked with them. Throughout the whole informal process, the level of trust is very crucial to advancing the work given the urgency for us to produce result by the end of this year.
- Hong Kong, China's primary interest in the DS Reform is to restore the binding two-tier DS system. The most important challenge before us is to devise an appeal/review mechanism and produce a more cost-effective and predictable system that upholds the integrity of the multilateral trading system. At present, we still have no text of any sort on this important aspect.
- Hong Kong, China sees merits in progressing the discussion on the scope of appeal/review on the basis of the proposals submitted by Australia, Korea and the UK, which were premised on the availability of an appeal/review mechanism.
- Hong Kong, China is open to further discussion on how to make use of the interim review at the panel stage for the effectiveness of the whole DS system. It would be useful to discuss further among members if there would be any guidelines on the possible coverage of egregious factual errors, how legal errors with "material impact on implementation" would be defined, and the need to adjust the timeframe for the expansion of the interim review stage and the implication on the overall timeline for the review process.

On accessibility, Hong Kong, China agrees that the DS system should be
effectively utilised by all members who see the need to use it, particularly
those Developing Countries and Least Developed countries. To ensure that
they can meaningfully participate in the system, we are open to consider
proposals from Developing Countries and Least Developed countries on
how best to enhance accessibility through technical assistance and capacity
building.

Hong Kong Economic and Trade Office in Geneva May 2024