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Page: 1/2

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**EUROPEAN UNION – CERTAIN MEASURES CONCERNING
PALM OIL AND OIL PALM CROP-BASED BIOFUELS**

RECOURSE TO ARTICLE 22.2 OF THE DSU BY INDONESIA

The following communication, dated 6 March 2026, from the delegation of Indonesia to the Chairperson of the Dispute Settlement Body, is circulated pursuant to Article 22.2 of the DSU.

Pursuant to Article 22.2 of the Understanding on Rules and Procedures Governing the Settlement of Disputes ("DSU"), Indonesia requests authorization from the Dispute Settlement Body ("DSB") to suspend concessions and other obligations with respect to the European Union as a result of the European Union's failure to bring its measures into compliance with the recommendations and rulings of the DSB in *European Union – Certain Measures Concerning Palm Oil and Oil Palm Crop-Based Biofuels* (DS593).

On 24 February 2025 the DSB adopted the panel report, in *European Union – Certain Measures Concerning Palm Oil and Oil Palm Crop-Based Biofuels* finding certain measures to be inconsistent with the European Union's obligations under the Agreement on Technical Barriers to Trade ("TBT Agreement") and the GATT 1994.¹

Pursuant to Article 21.3(b) of the DSU, the European Union and Indonesia agreed that the reasonable period of time ("RPT") for the European Union to implement the DSB's recommendations and rulings would expire on 24 February 2026.² In the view of Indonesia, the European Union has failed to comply with the recommendations and rulings of the DSB by the end of the RPT.

In the event of a failure to comply with the recommendations and rulings of the DSB within the RPT, Article 22 of the DSU allows for compensation or the suspension of concessions or other obligations.

Under Article 22.6 of the DSU, the DSB, upon request, shall grant authorization to suspend concessions or other obligations, if no satisfactory compensation has been agreed. There is no agreement on compensation in the present case.

In the light of the foregoing, and in line with the principles and procedures set out in Article 22.3 of the DSU, Indonesia hereby requests authorization from the DSB to suspend concessions and other obligations (including most-favoured nations) on goods and/or other sectors (services sectors and/or intellectual property rights). Indonesia would like to reserve our right in suspending on cross sectors in one or more of the following agreements:

1. the General Agreement on Tariffs and Trade 1994;
2. the General Agreement on Trade in Services; and
3. the Trade Related to Intellectual Property Rights Agreement.

As required by Article 22.4 of the DSU, the annual level of suspension proposed is equivalent to the level of nullification or impairment of benefits accruing to Indonesia from the European Union's failure to bring the measures into compliance with the recommendations and rulings of the DSB.

¹ WT/DS593/R and WT/DS593/R/Add.1 of 10 January 2025

² WT/DS593/18

On this basis, Indonesia intends to suspend benefits at an annual level estimated approximately at the range of US\$ 2.8 billion - 5.6 billion per annum. Indonesia would provide more detailed information to the DSB on the amount and a list of goods or other sectors at the later stage.

Pursuant to Article 22.6 of the DSU, if the European Union objects to the level of suspension proposed, the matter shall be referred to arbitration.

We request that you circulate this request to the Members of the DSB.
