

※ 注意：請於試卷內之「非選擇題作答區」標明題號依序作答。

Important Note: All of the following questions must be answered in English.
Otherwise no grade will be given. (所有題目請以英文作答；中文作答不予計分)

Question 1 (50%)

Healthilia is a WTO Member. Considering the rapidly increasing rate of obesity and overweight (i.e., abnormal or excessive fat accumulation to impair health) of its population, Healthilia has decided to adopt a series of measures:

- (1) Not to allow any fast-food chain store to expand in Healthilia. (In Healthilia's Schedule of Specific Commitments, Healthilia had committed to allow free expansion of chain stores from WTO Members.) (20%)
 - (2) To prohibit vending machines to sell any domestic and imported "junk food", which is defined in Healthilia's regulation as food being highly processed or readily prepared, with low or little nutritional value, usually containing high amounts of fat, salt or sugar. (20%)
 - (3) To impose a 20% *ad valorem* "new surcharge" only on imported "junk foods". (10%)
- Please analyze what WTO rules are relevant, whether the above measures are in breach of Healthilia's WTO obligations and whether there is any possible justification or defense available to Healthilia.

Question 2 (50%)

Two recent WTO adopted panel reports have been issued. Country C, as a larger trading country, largely lost its points in the two cases. In the face of the winning parties' possible recourses to retaliation against country C's commercial interests, country C prefers to settle the disputes by mutual agreements while persistently maintaining the offending measures, which have been found to be inconsistent with the WTO law by panels. Country C proposes the following measures towards the winning parties so as to resolve trade disputes.

Proposal 1: A one-time payment of 700 million USD to the winning party country A's cotton association for specific promotion activities or industrial injury remedies. County C would not remove its export subsidy in a dispute.

Proposal 2: A promise not to bring a WTO case challenging an export restriction on raw materials applied by the winning party Country B. County C would not remove its import ban on specific flavored cigarettes in a dispute.

- (1) What provisions of the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU) would be involved in the above facts? (10%)
- (2) Whether proposal 1 violates the DSU provisions? (20%)
- (3) Whether proposal 2 violates the DSU provisions? (20%)

試題隨卷繳回