

WTO AND REGIONAL TRADE LIBERALIZATION: IMPLICATIONS FOR ASEAN

LOCKNIE HSU

**Associate Professor, Faculty of Law
National University of Singapore**

A. INTRODUCTION

Trade liberalization has been progressing on both the multilateral and regional fronts over the past decades, ever since the entry into force of the first multilateral trade treaty, the General Agreement on Tariffs and Trade (GATT). A high point in the process was reached at the end of the Uruguay Round, with the formation of the World Trade Organization (WTO) in 1995. This was a high point in the sense that it heralded a new era and system in trade negotiation, trade dispute adjudication and scrutiny over member states' implementation of commitments, all binding under what is known as the "single undertaking" of members. It was also a high point as an unprecedented number of multilateral treaty obligations were entered into by WTO members, committing them to liberalize trade further in the more "traditional" area of trade in goods, as well as newer areas such as trade in services and in investments. Of the ten ASEAN states, eight are now members of the WTO, with the result that a vast majority of ASEAN states are committed to a large extent to the same legal principles governing trade liberalization, even though some specific commitments may differ. This has tremendous impact on both the notion of rule of law in international trade relations, as well as on domestic law and policy-making.

Although the current multilateral negotiations of the Doha Round are suspended, the last fifteen years have seen significant moves within Asia – particularly within ASEAN – toward trade liberalization. An early move toward trade liberalization among Southeast Asian states, which preceded formation of the WTO, was the agreement by ASEAN member

states to form an ASEAN Free Trade Area (AFTA).¹ Another such move comprises the accessions of several Asian economies – Mongolia (1997), China (2001), Taiwan (2002), Cambodia (2004), Nepal (2004) - to the WTO within the last decade. A number of Asian economies are also currently in accession negotiations: Bhutan, Lao PDR and Vietnam.

Within ASEAN, only Lao PDR and Vietnam remain non-members of WTO. This means that a large majority of ASEAN members have already made multilateral liberalization commitments at the WTO. Commitments of members differ in areas where specific negotiated outcomes are required, such as in tariff commitments under the GATT and specific commitments in trade in services under the GATS. General multilateral rules contained in WTO agreements – such as the most-favoured-nation (MFN) principle - will however apply uniformly to all members, whether Asian or developing or otherwise. The MFN principle makes it tremendously advantageous for non-members to seek accession to the WTO. Put another way, it will be highly disadvantageous not to be a member.

Moreover, with the current rapid rise of the economies of China and India, the need for further liberalization by ASEAN members *inter se*, as well as with these economies, is seen as an urgent priority.

B. THE GENERAL DIRECTIONS OF WTO AND REGIONAL TRADE LIBERALIZATION

Two major forces have helped to shape the direction of multilateral trade liberalization negotiations since formation of the WTO. The first is the retention of significant agricultural subsidies and support for domestic producers in major developed countries. The second is the rise of the so-called “G20” group of states since the unsuccessful Cancun Ministerial Conference in 2003.² This group has made up a voice for

¹ See the Agreement on The Common Effective Preferential Tariff (CEPT) Scheme For The ASEAN Free Trade Area, signed on 28 January 1992; text available at <http://www.aseansec.org>.

² The G20 website is at <http://www.g-20.mre.gov.br/>.

developing countries within the WTO – diverse though developing country interests are – in recent negotiations, with a focus on agriculture. Among the G20 (which presently really has 21 members), there are three ASEAN states: Indonesia, the Philippines and Indonesia.³

As a development related to the slow progress of multilateral negotiations, over the last five years, a marked shift toward bilateral and regional trade agreements has been emerging among many WTO members. With WTO negotiations taking a long time to be concluded (if at all), many have decided to seek such agreements to improve market access for their goods and services, since these can be more expeditious to negotiate and complete. With the advent of so many such agreements, it is providing separate impetus for the process of trade liberalization outside the WTO negotiations, albeit on a smaller, preferential basis. Even the European Community, a staunch proponent of preference for multilateral negotiations over bilateral agreements, has most recently stated that it desires bilateral EU-Asia trade agreements.⁴

Bilateral and regional agreements are governed by Article XXIV of the GATT 1994. However, given the inherent ambiguities in that provision, the standard and requirements of liberalization found in many of these agreements may vary considerably. These requirements may be determined by a combination of the bargaining power of the parties to the agreement and the degree of political expediency served by entering it. While the WTO's Committee on Regional Trade Agreements (CRTA) is charged with examining regional agreements, it has had little impact on the content and directions of the growing number of such agreements.

As ASEAN is currently engaging in negotiations for trade agreements between ASEAN “plus” another country, the ultimate content of these agreements and their impact

³ The other countries are Argentina, Bolivia, Brazil, Chile, China, Cuba, Egypt, Guatemala, India, Mexico, Nigeria, Pakistan, Paraguay, South Africa, Tanzania, Uruguay, Venezuela and Zimbabwe. (Note: Even the total is not 20, the group has retained the moniker “G20” from the time it first gathered at Cancun.)

⁴ Statement by Peter Mandelson, EU Trade Commissioner, “*Mandelson call for bilateral EU-Asian trade agreements*”, Financial Times, 18 September 2006, p. 6.

remain to be seen. Some ASEAN members have, however, already signed a number of bilateral trade agreements. Singapore, for instance, has so far signed ten FTAs, and is negotiating another ten (not counting ASEAN-wide FTAs).⁵

C. REGIONAL TRADE LIBERALIZATION: AFTA, ASEAN FTAs, TIFAS AND THE EAS

1. AFTA

At the regional level, as early as 1992, ASEAN members had decided to establish an ASEAN Free Trade Area.⁶ Apart from the preferential tariff agreement established under the Common Effective Preferential Tariff (CEPT) system of AFTA, arrangements were also initiated to progressively liberalize trade in services and investment regulations. Negotiations are underway under ASEAN's Framework Agreement on Services (FAS) to liberalize service sectors within each member state.⁷ Under the Framework Agreement on the ASEAN Investment Area (AIA),⁸ a time-table of progressive liberalization of investment regulations has been established. This requires member States to immediately open industries for investment to "ASEAN investors" (defined as either a national or a juridical person of a member State), according them national treatment.⁹ For non-"ASEAN investors", such treatment is expected to be provided by 2020.¹⁰

⁵ See <http://www.fta.gov.sg>.

⁶ See footnote 1.

⁷ Signed in 1995. In 2003, a Protocol was signed to enable two or more member States to proceed with services liberalization if they wished, under the "ASEAN – X" approach. See http://www.aseansec.org/AFAS_Amendment_Protocol.pdf.

⁸ Signed in 1998.

⁹ Article 7.

¹⁰ Article 4(b) and (c).

In 2003, ASEAN members further embarked on the ambitious Bali Concord plan on integration and expedited trade and investment liberalization.¹¹ The plan seeks to move the states closer as an economic, political-security and social-cultural community. The aim of the economic community is summarized in paragraph B.1:

“The ASEAN Economic Community is the realisation of the end-goal of economic integration as outlined in the ASEAN Vision 2020, to create a stable, prosperous and highly competitive ASEAN economic region in which there is a *free flow of goods, services, investment and a freer flow of capital*, equitable economic development and reduced poverty and socio-economic disparities in year 2020.” (emphasis added, to highlight trade liberalization objectives).

While ASEAN members are intent on pushing trade liberalization forward – as can be seen by the number of times deadlines have been brought forward for tariff reductions - some flexibility has been shown to members. Several examples illustrate such flexibility. The first relates to the later liberalization deadlines for Cambodia, Lao PDR, Myanmar and Vietnam (collectively, CLMV), which differ from those of other ASEAN members. The second is the recognition of highly sensitive and general exception lists of goods for which liberalization may be especially problematic or not immediately possible. For instance, Malaysia was allowed to defer the transfer of 218 tariff lines of Completely Built-Up (CBU) and Completely Knocked Down (CKD) car kits until 1 January 2005 (it subsequently brought the deadline forward to 2004).¹²

In August 2006, a decision was made to further bring forward the deadline of 2020 to 2015.¹³ This means that despite the existence of exceptions and special transitional

¹¹ Declaration of ASEAN Concord II, text available at <http://www.aseansec.org/15159.htm>.

¹² See ASEAN Secretariat webpage overview at <http://www.aseansec.org/12021.htm>.

¹³ See <http://www.aseansec.org/18722.htm>.

arrangements, the aim towards liberalization in ASEAN is continuing (and accelerating), and will have to be translated into accelerated domestic reform and implementation.

2. ASEAN FTAs

ASEAN has been actively negotiating FTAs as a group with Australia and New Zealand (ASEAN-CER), China (ASEAN-China Framework Agreement and Trade in Goods Agreement have been signed and negotiations on Trade in Services are in progress), India and South Korea.¹⁴

3. TIFAs

Within ASEAN, the United States had previously preferred to negotiate trade agreements with individual ASEAN members. So far it has signed a full FTA with Singapore. With Brunei, Malaysia, Philippines, Indonesia and Thailand, the US has signed Trade and Investment Framework Agreements (TIFAs) to pave the way for FTA negotiations.¹⁵ As a result, individual ASEAN states have been negotiating FTAs and other arrangements to promote trade liberalization. Singapore, for instance, has so far signed ten FTAs, and is, at time of writing, negotiating another ten (not counting ASEAN-wide FTAs).¹⁶

¹⁴ As at August 2006, Thailand had not yet signed the ASEAN-South Korea agreement FTA; the other nine ASEAN States signed the agreement in Trade in Goods in August 2006 (see http://www.mofat.go.kr/me/me_a005/me_b022/1209785_1020.html). See for instance http://www.bernama.com.my/bernama/v3/news_business.php?id=215793.

¹⁵ The US has signed TIFAs with several non-Asian states as well. For a list of its TIFAs, see http://www.ustr.gov/Trade_Agreements/TIFA/Section_Index.html.

¹⁶ See <http://www.fta.gov.sg>.

Such FTA negotiations are underway, although outcomes are not certain at the moment. In the cases of Malaysia and Thailand, for instance, for varying reasons, there has not been significant progress in the FTA negotiations over the last two months.¹⁷

However, very recently, the US signed a *Trade and Investment Framework Arrangement* with ASEAN as a group.¹⁸ This arrangement seeks to pave the way for trade liberalization between the US and ASEAN as a whole.

4. East Asia Summit

In 2005, the ASEAN states decided to initiate an East Asian Summit (EAS) with a view to a possible free trade area beyond the Southeast Asia region.¹⁹ A study has also been done on the feasibility of an East Asian Free Trade Area.²⁰

D. TRADE LIBERALIZATION AND CHANGE IN ASEAN

As ASEAN faces increasing pressure to integrate more fully and to liberalize its trade and investment regimes, important legal implications follow. Through the WTO agreements mandating standards of treatment of imported goods, services and of investments, several changes are taking root.

First, the WTO system through its dispute settlement system has strengthened the rule of law in handling of trade disputes. The highly detailed procedures of the Dispute

¹⁷ See, for instance, “*Malaysian ‘dithering’ over FTA worries US*”. Straits Times, 18 September 2006, p. 12.

¹⁸ Signed in August 2006; text available at http://www.ustr.gov/assets/Trade_Agreements/TIFA/asset_upload_file932_9760.pdf at p. 378.

¹⁹ Text of the Kuala Lumpur Declaration on the EAS is available at: <http://www.aseansec.org/18098.htm>.

²⁰ See <http://www.aseansec.org/18711.htm>.

Settlement Understanding and the sophisticated legal reasoning processes in panel and Appellate Body decision-making have contributed to the “judicialization” of the dispute settlement system. This in turn has promoted the rule of law in scrutinizing implementation of WTO obligations. At the domestic level, there is a greater need for ASEAN WTO members to be familiar with the agreements as well as emerging body of case law of WTO. A corresponding increase in need for legal expertise in this field in government as well as among private lawyers advising (particularly international) clients has arisen. The prospect of FTAs by ASEAN and its individual states also reinforces the use of law in regulating these trade relations.

Secondly, requirements of liberalization at WTO have required changes in laws and regulations at the domestic level within ASEAN. At the end of the Uruguay Round, it was agreed that developing and least developed countries would have the benefit of transitional periods of implementation. Expiry of these periods means that the obligations apply in full force. The impressive use of the WTO’s dispute settlement system over the first ten years of WTO operations shows that members are prepared to expend time and energy over such disputes where necessary.

Thirdly, WTO imposes certain standards with regards to transparency of government regulation.²¹ One result of this requirement is the increased need for members to ensure prompt information about legal changes that affect trade – especially in the newly regulated area of trade in services under GATS – and public consultation on such changes. This has important implications as many ASEAN countries do not historically have a custom of consulting interested parties on new legislation.

Fourthly, ASEAN members in WTO also have a voice in the multilateral debates on liberalization in the General Council of the WTO and other committees and bodies. That

²¹ Under GATT 1947, Article X already governed the publication and administration of trade regulations. Under GATS, Article III requires a measure of transparency with respect to measures affecting trade in services.

voice could be further harnessed to advance the interests of ASEAN states as much as possible.²²

Fifthly, momentous changes are needed in the way ASEAN regulates (or does not regulate) in newer areas of liberalization, such as intellectual property rights in relation to trade, agriculture, subsidies, investment (particularly in respect of local content requirements) and trade in services.

Lastly, increased trade and investment liberalization has an impact on the way state-owned enterprises are operated. Even under GATT 1947, disciplines already existed under Article XVII. Under GATS, Article VIII regulates trade by monopolies and exclusive service suppliers, which can include state-owned enterprises. Members are obliged to ensure that such monopolies and exclusive service suppliers do not “act in a manner inconsistent with” their obligations under Article II (on MFN treatment) and their specific commitments. In addition, further liberalization under FTAs by ASEAN members may see more disciplines relating to trade conducted by state-owned enterprises. For example, under Chapter 12 of the US-Singapore FTA, signed in 2003, Singapore has made an express commitment that (*inter alia*) its government enterprises, as defined in that Chapter:

“acts solely in accordance with commercial considerations in its purchase or sale of goods or services, such as with regard to price, quality, availability, marketability, transportation, and other terms and conditions of purchase or sale, and provides non-discriminatory treatment to covered investments, to goods of the United States, and to service suppliers of the United States, including with respect to its purchases or sales...”

²² The most recent statements by ASEAN vis-à-vis the stalled Doha negotiations can be found at: <http://www.aseansec.org/18711.htm> and <http://www.aseansec.org/18695.htm>.

E. FURTHER IMPLICATIONS OF LIBERALIZATION FOR ASEAN

Three main implications of trade liberalization are highlighted here.

1. Scrutiny of national laws at WTO and under the FTAs

One aspect of WTO membership is the continual scrutiny that is placed over a member's trade laws, regulations and policies through the Trade Review Policy Mechanism (TPRM). Depending on the level of development, the reviews under this mechanism place a member's economic regime under regular 'peer review' at the WTO. Each review calls for a detailed report on economic laws, regulations and policies by the member's government, as well as an independent report by the WTO Secretariat.

While there remains a great deal of policy space for ASEAN's developing country members of WTO to regulate, such scrutiny requires continual vigilance that there is compliance with and implementation of commitments. From the legal perspective, government lawyers do not only have to ensure that existing laws and regulations comply; new legislation and regulations also have to be viewed with a view to compliance. This is because under Article XVI:4 of the WTO Agreement, each member is obliged to comply on an ongoing basis as follows:

“Each Member shall ensure the conformity of its laws, regulations and administrative procedures with its obligations as provided in the annexed Agreements.”

Apart from the regular scrutiny at the WTO level, individual FTAs may contain review mechanisms as well as dispute mechanisms for challenging the implementation of obligations. The increased scrutiny leads to greater exposure to risk of complaints. As a result there is a heavy responsibility among states that are parties to WTO and FTAs to ensure that their laws and regulations comply with commitments, and that implementation schedules are adhered to.

2. Scrutiny under the WTO Dispute Settlement system and Importance of WTO Dispute Settlement Case Law

In view of the extensive body of case law that has emerged over the last ten years from the WTO system, some examples of interest to ASEAN are highlighted below.

a) Examples of ASEAN members at the WTO dispute settlement system

Over the first ten years of WTO operations, ASEAN members have gained some experience with its dispute settlement system. Singapore, Thailand and the Philippines have initiated complaints. Malaysia, Thailand and the Philippines have participated as third parties. At the appellate level, Indonesia, the Philippines and Thailand have participated as third parties. In addition, Malaysia, the Philippines and Thailand have acted as either appellants or appellees. In *US – Shrimp*,²³ Malaysia and Thailand were complainant parties as well as appellees. In *Indonesia – Automobiles*,²⁴ the first case ever brought against Indonesia, the investment rules of that country were scrutinized in a challenge by Japan, US and the EC. While use by ASEAN members of the Dispute Settlement Understanding (DSU) system of the WTO has not been particularly frequent (compared with other countries such as the US, the EC and India), the possibility of use, and of challenge thereunder, are important reasons to keep abreast of the case developments.

²³ WT/DS58/AB/R, Appellate Body report adopted 6 November 1998.

²⁴ WT/DS54/R, WT/DS55/R, WT/DS59/R, WT/DS64/R, Panel report adopted 23 July 1998.

b) Example of a developing state seeking to enforce a ruling against a developed state

An interesting decision is that which arose in the long battle against the European Community's import and distribution regime with regards to bananas. In *EC – Bananas (Ecuador)*,²⁵ Ecuador, a developing member of WTO, chose to challenge the EC's implementation of a ruling by the Appellate Body. As the WTO system relies on trade retaliation in enforcement, such retaliation has to be taken in an area with impact on the non-implementing state. At the same time, under the DSU, the enforcing party generally has to take retaliatory measures in the same sector. In this case, Ecuador would have found it ineffective to impose retaliatory measures over the same sector of goods. It became therefore the first party to seek and obtain approval for cross-retaliation against the EC. This case is interesting to ASEAN - which comprises mainly developing and least developed countries – in that the DSU system provides the possibility of departing from the original sector in question, to ensure effective pressure for implementation.

Another example of a developing member having to deal with a developed member is that of *US – Gambling Services*.²⁶ In that case, Antigua brought the US to WTO dispute settlement for US rules governing the provisions of online gambling services and won. This case also shows the importance of clarity in setting out intended (and unintended) commitments in a country's Schedule of Specific Commitments.²⁷

²⁵ *EC – Bananas, Art. 22.6 Arbitration (Ecuador)*, WT/DS27/ARB/ECU, Panel report adopted 24 March 2000.

²⁶ WT/DS285/AB/R, Appellate Body report adopted 20 April 2005.

²⁷ The US had a difficult time convincing the panel and Appellate Body over its intended meaning of its commitment as to gambling services, as a matter of interpretation of language used in the US Schedule of Specific Commitments.

c) Examples of WTO case law having relevance in regional trade agreement disputes

While WTO case law is of importance within the DSU system as it builds on understanding of WTO agreements, it is apparent that such case law may have implications beyond WTO panels. This is because panels outside the WTO may resort to interpretations of FTA provisions where they contain similar language as WTO provisions. Such references, found in NAFTA dispute tribunals, show that WTO case law and interpretations can have an influence on bilateral or regional FTA disputes. Examples of such references can be found in the rulings by the NAFTA tribunals in *US – Broom Corn Broom* and *Cross-border Trucking Services*.²⁸ WTO and NAFTA panels also rule on international law principles, such as customary law principles of interpretation of treaties. As ASEAN's own dispute settlement mechanism is very much based on the DSU system,²⁹ potential members of the ASEAN dispute panels would do well to be familiar with WTO jurisprudence on such principles and concepts as well. In addition, new dispute settlement mechanisms are arising from ASEAN's FTA negotiations with its Asian neighbours.³⁰

Secondly, important principles governing common trade concepts such as “like products” have been emerging from WTO cases and ASEAN legal advisers should follow such developments. This helps to ensure continuing compliance in laws and regulations, by understanding the application of such important terms in WTO provisions. It also helps when ASEAN members are negotiating further regional trade agreements where such terms are proposed to be used.

²⁸ Respectively, *US Safeguard Action Taken on Broomcorn Brooms from Mexico*, NAFTA Chapter 20 Panel Report, 30 January 1998, available at www.sice.oas.org/DISPUTE/naftadispe.asp, and *In the Matter of the Cross-Border Trucking Services*, NAFTA Chapter 20 Panel Report, 6 February 2001, available at <http://www.sice.oas.org/DISPUTE/nafta/english/U98081ae.asp>.

²⁹ For the text of the ASEAN Protocol on the Enhanced Dispute Settlement Mechanism of 29 November 2004, see <http://www.aseansec.org/16754.htm>.

³⁰ See for instance the agreement on the ASEAN-South Korea dispute settlement mechanism, signed 13 December 2005; text available at: <http://www.aseansec.org/18130.htm>.

d) Examples of intra-ASEAN trade disputes

In 2003, a dispute arose over implementation of the Common Effective Preferential Tariff obligations under the AFTA by the Philippines. Singapore claimed compensation against the Philippines for its suspension of petrochemical tariffs in 2003.³¹

In the field of investments, a Singapore party has sought to claim against Myanmar for government measures affecting his investment (the matter rested on a jurisdictional point).³²

3. Newer ASEAN members seeking WTO membership

Of the ten ASEAN members, two remain outside the WTO. Lao PDR and Vietnam, which are in the process of accession, will face challenges in implementing the numerous liberalization and reform commitments. For the most part, developing countries have to meet the same requirements as developed countries in WTO.³³

At the regional level, a parallel series of obligations that need to be addressed are those arising out of the ASEAN-wide agreements being negotiated, as these will bind the newer members as well. However, to some extent, CLMV members have been given some flexibility (unlike the other members) in the ASEAN integration and liberalization process. Plans to assist these countries to narrow the gap with the first six ASEAN members include the Initiative for ASEAN Integration (IAI) and ASEAN Integration System of Preference

³¹ See http://www.ustr.gov/assets/Document_Library/Reports_Publications/2004/2004_National_Trade_Estimate/2004_NTE_Report/asset_upload_file19_4791.pdf#search=%22AFTA%20implementation%20problem%20Philippines%20%22 and <http://www.iro.bsp.gov.ph/downloads/pressrelease/06-16-petrochem%20tariffs.pdf#search=%22Philippines%20AFTA%20compensation%22>.

³² *Yaung Chi Oo v Myanmar*, ASEAN I.D. Case No. ARB/01/1.

³³ While there may be “special and differential treatment” and transitional provisions within WTO agreements to assist developing country members, these do not take away obligations to comply with most disciplines within the agreements.

(AISP).³⁴ In addition, special arrangements have been included to give these countries more time in which to implement their obligations under the AFTA.

Other non-treaty cooperation plans to boost trade within parts of ASEAN include the Brunei Darussalam-Indonesia-Malaysia-Philippines East Asia Growth Area (BIMP-EAGA) plan and the ASEAN-Mekong Basin Cooperation framework.

F. CONCLUSION

Efforts at trade liberalization are continuing within ASEAN despite the currently-stalled WTO negotiations. The existing obligations of liberalization under WTO agreements continue to require implementation; new obligations are being entered into on a bilateral and regional basis. At the same time, regions other than ASEAN are engaging in similar negotiations.³⁵

On the accession front, several economies around and outside Asia are vying to enter the WTO, making it imperative for remaining non-members within Asia (and ASEAN) to accede as well. Accession will ensure a number of trade liberalization commitments in these states, speeding up the process of reform and legal implementation in these domestic systems.

Finally, the increased scrutiny over liberalization implementation at WTO as well as at FTA level make it important to keep abreast with legal interpretations of WTO and FTA treaty obligations, as well as to be fully conversant with legal options should a dispute arise under either WTO or an FTA. This raises an important implication for ASEAN in terms of

³⁴ For documentation relating to the IAI, see <http://www.aseansec.org/14013.htm>. For information on the AISP, see <http://www.aseansec.org/543.htm>. See also the general roadmap for further integration and liberalization in the Vientiane Action Program, text available at: <http://www.aseansec.org/VAP-10th%20ASEAN%20Summit.pdf>.

³⁵ An example is the South Asian states, under the SAARC: <http://www.saarc-sec.org/main.php>.

developing knowledge of legal commitments at all levels of government, as well as ensuring legal expertise in WTO and FTA law to meet any potential disputes. As the *US – Shrimp* dispute has demonstrated an ASEAN WTO member – such as Malaysia - may not only use such knowledge in defence, but may do so on the offensive as a complainant. Such knowledge is crucial in ensuring that the interests of ASEAN producers and suppliers are adequately protected, both multilaterally as well as in FTAs that are entered into. On the other hand, the *Indonesia – Automobiles* dispute illustrates the importance of ensuring continuing compliance with WTO obligations.

It is interesting that since accession to the WTO in 2001, China has been a third party to about 50 WTO disputes, allowing her valuable direct insight into the operation of the WTO DSU system. ASEAN members could perhaps take a leaf out of this book to participate in the DSU process in cases of interest, particularly since the ASEAN Dispute Settlement Mechanism contains so many similar features as the DSU.