

Question 1 - Distinguish between legal and diplomatic means of dispute settlement and point out their relative advantages and disadvantages.

The ideal answer should at least cover the following topics:

- Cite article 33(1) of the UN Charter as the relevant legal basis;
- Describe the principle of free choice of means of dispute settlement by agreement between the parties;
- Define and identify the different diplomatic (consultation, good offices, mediation, inquiry and consultation) and legal (arbitration, judicial) means of dispute settlement;
- Evaluate the characteristics of diplomatic and legal means of dispute settlement.

Criteria: see below

Question 2 - What is the legal nature of Stand-by arrangements?

The ideal answer should at least cover the following topics:

- Identify Article V(3)(a) of the IMF Articles of Agreement as the appropriate legal basis for stand-by arrangements as well as the definition in Article XXX(b) of the IMF Articles of Agreement;
- Characterize conditionality procedurally (distinguishing the responsibility of IMF staff – technical visit and consulting – from that of Members – formalizing the Letter of Intent) as well as substantially (scope and criteria for conditionality, consequences of failure to meet agreed targets);
- Discuss the arguments in favour and against considering stand-by arrangements as an international agreement (explaining the unilateral and bilateral perspectives);
- Explain the underlying mechanism of purchases and repurchases of reserve currencies.

Question 3 - Trumnesia, a member of the WTO, made commitments under the GATS regarding all modes of provision of road freight transport. On April 1st, 2020, due to the Coronavirus pandemic, Trumnesia prohibited the circulation in its territory of freight trucks driven by foreign nationals in domestic and international transport, with the exception of nationals of Bolsonarland, a neighbouring country. In the neighbouring Maple Leaf Republic, a member of the WTO, trucking companies locked out of the Trumnesia market are pressuring the Government to take action against Trumnesia. The Maple Leaf Republic's Prime Minister wants your counsel: what are the possible legal basis and main arguments of a complaint to bring before the WTO Dispute Settlement Body?

The ideal answer should at least cover the following topics:

- Qualify the economic activity as a service and the measure as being under the scope of GATS (Article I(3)(a) and (b), and Article XXVIII(a), (b) and (c) and (f)(ii)), linking the hypothetical fact that only foreign national drivers are prohibited from circulating with the disparate impact on foreign service providers, and assessing the relevance of mode 4 in this case (Article I(2)(d));
- Identify a possible breach of the MFN clause, discussing the concept of “no less favourable treatment” (Article II GATS);
- Identify the existence of commitments and assessing their relevance in view of Articles XX and XVII GATS (national treatment), namely, the fact that it is only

- applicable in sectors subject to commitments and the concept of “treatment no less favourable than that it accords to its own like services and service suppliers”;
- Discuss the possibility of justifying the measure under Article XIV(b) and then assessing the impact of the chapeau requirements, given the incoherent application of the ban to neighbouring countries.

According to the Hull formula...

- a. ... International Law prohibits a State from nationalising the property of foreign investors.
- b. ... all States are bound by the international minimum standard with regard to the treatment of foreign investors.
- c. ... International Law allows that States provide appropriate compensation for the nationalisation or expropriation of foreign investors' property.
- d. ... an expropriation or nationalisation is only compatible with International Law where the State provides adequate, prompt and effective compensation.

Correct answer: “an expropriation or nationalisation is only compatible with International Law where the State provides adequate, prompt and effective compensation”.

*Identificação das bases legais (25%):*

- 0 - Não identifica as bases legais (0x25%);
- 1 - Identifica parcialmente as bases legais (0,5x25%);
- 2 - Identifica correctamente as bases legais (1x25%)

*Definição de conceitos (25%)*

- 0 - Não define conceitos/usa conceitos errados (0x25%);
- 1 - Define/usa de forma parcialmente correcta os conceitos relevantes (0,5x25%);
- 2 - Define/usa de forma globalmente correcta os conceitos relevantes (1x25%)

*Fundamentação (25%)*

- 0 - Não fundamenta a resposta/usa fundamentos errados (0x25%);
- 1 - Os fundamentos mostram compreensão do problema mas não são totalmente correctos ou podem levar a soluções erradas (0,5x25%);
- 2 - Os fundamentos estão globalmente correctos (1x25%)

*Expressão/estrutura da resposta (25%)*

- 0 - A resposta é desorganizada/caótica/errática (0x25%)
- 1 - A resposta tem uma organização que a torna compreensível mas apresenta lacunas/deficiências (0,5x25%)
- 2 - A resposta é clara, bem organizada e não apresenta lacunas relevantes (1x25%).