THE
JOHN H. JACKSON
MOOT COURT COMPETITION
25TH ANNIVERSARY

elsa
The European Law Students' Association

CASE

Tsikotria - Measures affecting autonomous passenger vehicles from Vahanot

by Sagnik Sinha and Gerard Penalosa

WORLD TRADE ORGANIZATION

25th EDITION | 2026 - 2027

TSIKOTRIA - MEASURES AFFECTING AUTONOMOUS (SELF-DRIVING) PASSENGER VEHICLES FROM VAHANOT

Sagnik Sinha and Gerard Penalosa[1]

On 25 July 2037, the Dispute Settlement Body established the panel in *Tsikotria – Measures affecting autonomous (self-driving) passenger vehicles from Vahanot*.

1 THE PARTIES

1. Vahanot is a developing Member of the World Trade Organization (WTO), with a GDP that has consistently grown over the last fifteen years. The World Bank currently categorizes Vahanot as an upper-middle-income country. Once known as the land of high-quality textiles, Vahanot is presently one of the world's leaders in modern technology industries, including space technology, artificial intelligence (AI) and autonomous (self-driving) passenger vehicles.

2. Tsikotria is a small, high-income, developed Member of the WTO. Like Vahanot, Tsikotria has a well-developed technology industry. Tsikotria's residents enjoy high levels of disposable income and are highly receptive to new technologies. Nearly 100 per cent of residents use internet-based sources for news, product- and service-related information, and entertainment, although a significant portion of the population also enjoys the retail experience, and dining in Tsikotria's many cafes and restaurants. 90 per cent of Tsikotrians with an income of USD 200,000 and above reside in Bluetan, the populous capital of Tsikotria.

3. Bluetan residents are passionate about vehicles, and vehicle ownership has traditionally been common. Bluetan residents love travelling, and it is common for them to travel over weekends to neighbouring cities as well as to the Tsikotrian mountains. Because of limited public transport infrastructure in some of these neighbouring areas, they prefer to use their personal vehicles for this purpose.

2 THE SMALL BUSINESSES OF TSIKOTRIA

4. Due to the high spending power of Bluetan's residents, a large goods and services economy dominated by small businesses has developed in the last couple of decades. These businesses include artisanal cafes and restaurants, fresh produce shops, design houses in industries such as watches and clothing, and influencer channels on WeTv, a web-based video broadcasting platform, covering areas such as travel, politics, and brand reviews.

5. One of the most popular channels on WeTv is "WakeUpTsikos". WakeUpTsikos is the channel of the popular influencer Noruas who has amassed a large following through his free-wheeling discussions on the economy that combines Tsikotrians' historic love of banter and satire with engaging videos created using artificial intelligence tools. While many Tsikotrians have criticized Noruas for making uninformed commentaries on topics he speaks on, this has not affected his popularity among subscribers. WakeUpTsikos has 10 million subscribers in Tsikotria and earns revenue through advertisements on the channel.

[1] This Case has been prepared under our own personal responsibility. The opinions expressed in this Case are ours only. They do not represent the positions or opinions of the WTO or its Members and are without prejudice to Members' rights and obligations under the WTO. Any errors are attributable to us as the authors. We are very grateful to our colleagues, especially Chibole Wakoli, Jenya Grigorova, Müslüm Yilmaz, Leslie Stephenson, as well as the ELSA Academic Board for their invaluable assistance.

3 THE DATA AND AUTOMOTIVE INDUSTRIES, AND TAXI OPERATORS IN TSIKOTRIA AND VAHANOT

3.1 The data industries in Tsikotria and Vahanot

6. GlobeinHand is a company based in Tsikotria that provides navigation services and targeted advertisements across digital devices. Its services may be accessed on laptops, tablets, smartphones, smartwatches, as well as in vehicles.

7. GlobeinHand does not require its users to pay any fees. Instead, it generates revenue through advertisements. GlobeinHand collects data pertaining to its users' tastes and preferences across all devices users log in with their GlobeinHand credentials. GlobeinHand relies on this data to provide targeted advertisements.

8. GlobeinHand's direct competitor in the Tsikotrian market is MarsMaps, a company from Vahanot that also operates in Tsikotria. Just like GlobeinHand, MarsMaps provides navigation services and targeted advertisements across digital devices. Users access MarsMaps' navigation services through applications on their laptops, tablets, smartphones, and smartwatches. MarsMaps did not have any presence in the vehicle sector until its collaboration with StarGazerc, a Vahanot-based manufacturer of autonomous vehicles classified as Level 4 by the Society of Automotive Engineers (SAE). Like GlobeinHand, with the consent of its users, MarsMaps collects data pertaining to its users' tastes and preferences across all devices. This is used to provide targeted advertisements. Like GlobeinHand, MarsMaps does not charge any subscription fees to its users. Instead, it generates revenue by providing targeted advertisements to users.

9. In addition to data generated when their own services are used, GlobeinHand and MarsMaps collect user data across different websites and applications, and purchase third-party data, to build a comprehensive profile of the user's tastes and preferences. Both companies collect data with the consent of their users and scrupulously follow the privacy laws of the countries where they operate, including by removing personal data as required by law. Both companies have developed a software system that connects, through a real-time bidding process, entities that provide advertising space on their websites, mobile applications or other digital platforms with entities that wish to advertise on those spaces.

3.2 The autonomous vehicle industries in Tsikotria

10. Tsikotria has adopted the approach set out by the SAE in J3016[2] to establish the levels of driving automation in vehicles manufactured or sold in Tsikotria.[3] Following this approach, only those vehicles whose automated driving system (ADS) is capable of performing the entire dynamic driving task (DDT) on a sustained basis, while engaged, are considered "autonomous vehicles" in Tsikotria. These are vehicles classified by the SAE as Levels 3, 4, and 5.[4] Level 3 and Level 4 vehicles cannot operate outside their prescribed "operational design domain" (ODD). Following the SAE's classification, Level 2 vehicles in Tsikotria are those with partial driving automation capability.

11. On 1 January 2029, the Tsikotrian Government decided to permit only vehicles classified by the SAE as Levels 2 and above to operate in Tsikotria. Level 2 vehicles are predominantly used by taxi companies operating in Tsikotria. Private owners in Tsikotria prefer Level 3 vehicles.[5] Domestic industries in Tsikotria do not manufacture Level 4 vehicles.

12. GearG is a major Tsikotrian manufacturer of Level 2 vehicles, accounting for almost 100 per cent of the domestic market in Tsikotria for Level 2 vehicles. GearG's main consumer is the taxi fleet operator GoGo.[6] GearG does not have any collaboration agreement with GlobeinHand, but its main consumer, GoGo, does, as noted below.[7]

---

[2] SAE, Taxonomy and definitions for terms related to driving automation systems for on-road motor vehicles, J3016 (revised April 2021).

[3] See Annex 1.1.

[4] Section 5 of J3016.

[5] See para. 13 below. 95 per cent of LaserFast vehicle sales are to private owners.

[6] 95 per cent of GearG's sales are to GoGo.

[7] See para. 19 below.

13. LaserFast is a major Tsikotrian manufacturer of Level 3 vehicles, accounting for 100 per cent of the domestic market in Tsikotria for Level 3 vehicles. LaserFast manufactures Level 3 vehicles in collaboration with GlobeinHand.[8] Like other Level 3 vehicles, a LaserFast vehicle's ADS can operate autonomously within its ODD. However, it will hand over control to a human driver when it needs to exit its ODD. Its ODD is as follows:

a. A LaserFast vehicle can generally drive autonomously within Bluetan and on highways connecting Bluetan with other neighbouring cities. However, it cannot drive autonomously off-road, through narrow inner-city lanes, or around unexpected major obstacles (such as road repairs).

b. It cannot operate at speeds of more than 100 km per hour but has no minimum speed limit.

14. When exiting its ODD, a LaserFast vehicle gives an audio alert to the driver followed by a flashing red light on the steering wheel requiring the human driver to take over control of the vehicle. If the human driver does not take control, it is not guaranteed that the vehicle will come to a safe stop, thereby requiring the driver to remain alert to the possibility of needing to take over control of the vehicle from the ADS.

15. Pursuant to their collaboration with GlobeinHand, LaserFast vehicles are equipped with an on-board infotainment system that is manufactured by LaserFast based on GlobeinHand's proprietary designs.[9] This system can operate only with GlobeinHand's software. LaserFast does not allow users to bypass this system by connecting their personal devices, such as smartphones, to the vehicle to use applications from other companies for navigation purposes.[10]

3.3 The taxi companies in Tsikotria

16. GoGo had accounted for 100 per cent of the taxi services market in Tsikotria until the launch of a new company called StarFleet in 2031.

3.4 GlobeinHand's targeted advertisements on GoGo's taxis and LaserFast's vehicles in Tsikotria

17. GlobeinHand uses a revenue-sharing business model with GoGo and LaserFast. In this model, GlobeinHand, rather than GoGo or LaserFast, determines the advertising content to be shown on in-vehicle screens. The advertisements shown are those of advertisers that win real-time bids.[11]

3.4.1 GoGo's taxi fleet of GearG Level 2 vehicles

18. Consumers can download GoGo's mobile application and use it to order a taxi. Following an agreement between GoGo and GlobeinHand, users access GoGo services using their GlobeinHand credentials (User ID and password).

19. GoGo vehicles have video touch screens mounted on the back of the front seats, which can be viewed by rear passengers. GlobeinHand provides targeted video advertisements on these screens to users of GoGo taxi services. GlobeinHand can do so because it can identify the user based on their GlobeinHand log-in credentials. GlobeinHand shares revenue generated through these

[8] LaserFast had tried to market its vehicles to taxi companies. But because Level 3 vehicles require supervision by human drivers, and were more expensive than Level 2 vehicles, taxi companies did not find it cost-effective to pay higher prices for LaserFast vehicles while also incurring personnel cost of human drivers.

[9] The infotainment system in LaserFast vehicles is in the middle of the dashboard.

[10] Users may do so to access music playlists.

[11] Real-time bidding is an automated process conducted through GlobeinHand's algorithms. Pursuant to this process, bid requests are sent in real time to agents of advertisers, and these requests include information such as (a) the device on which the advertisement is to be shown, (b) the approximate location, (c) the time of the day and (d) relevant behavioural data of the prospective consumer, based on the consumer's tastes and preferences. The system automatically excludes from the auction any participant that does not meet a prospective consumer's tastes and preferences. For example, if a passenger is vegan, a restaurant that does not offer vegan options will be unable to participate in the auction.

advertisements with GoGo. GoGo provides reduced fares to passengers when they agree not to switch off the in-vehicle video screens during the ride. GlobeinHand collects in-vehicle data pertaining to the user's tastes and preferences.[12] Pursuant to government regulations, advertisements must be muted on Level 2 vehicles so as not to distract the driver.

3.4.2 LaserFast's Level 3 vehicles

20. GlobeinHand uses LaserFast's infotainment system to provide targeted advertisements to users and collects in-vehicle data pertaining to the user's tastes and preferences. In line with government regulations, targeted advertisements may only be provided when LaserFast's ADS is engaged, and a human driver is not in charge of the vehicle. Advertisements on Level 3 vehicles are not required to be muted, but as soon as the ADS alerts the driver to take over, the advertisements automatically switch off.

3.5 Stargazerc

21. In 2030, MarsMaps and the automotive manufacturer StarGazerc, based in Vahanot, collaborated to launch a new Level 4 vehicle called StarGazerc Go.

22. StarGazerc Go is equipped with a "virtual sunroof" designed using MarsMaps' proprietary design.[13] The virtual sunroof, which serves as the vehicle's infotainment system, can be used to project audiovisual content (see Annex 2). Under the agreement between StarGazerc and MarsMaps, user data from the infotainment system is collected and analysed by MarsMaps. StarGazerc maintains control over other types of data that it collects, including safety data and other data critical to the functionality of the vehicles. StarGazerc Go is equipped with a retractable steering wheel, as well as accelerator and brake pedals that deploy when a human driver needs to take over.

23. Following the success of StarGazerc Go in Vahanot, StarGazerc entered the Tsikotrian market in 2031.

24. In Tsikotria, StarGazerc Go can drive fully autonomously within its ODD. Its ODD is limited based on geographic and weather conditions, as well as speed.

a. StarGazerc Go is geofenced within Bluetan, meaning it can drive fully autonomously only within the city's geographic boundary. It can drive on all roads within the city, including narrow inner-city lanes. But it is not permitted to go off-road. StarGazerc Go can also drive around unexpected major obstacles such as road repairs.

b. It is designed to come to a safe stop under certain weather conditions, specifically heavy storms and excessive rain.

c. It cannot operate at speeds above 80 km per hour but has no minimum speed limit.

25. It can safely exit its ODD, such as during weather conditions that it is not equipped to manage, without requiring any intervention from a human.

26. StarGazerc tried to market StarGazerc Go for personal use in Tsikotria. However, StarGazerc Go is geofenced within Bluetan, and Bluetan residents could not use it to travel outside Bluetan in autonomous mode. These consumers were therefore unwilling to buy StarGazerc Go, which was priced at 30 per cent more than Level 3 LaserFast vehicles, at their then prevailing price.

27. However, these limitations in StarGazerc Go's ODD were acceptable to taxi companies because they were, in any event, authorised to operate only within city limits. Furthermore, speed limits in Bluetan did not exceed 80 km per hour. Finally, whenever, due to weather conditions StarGazerc Go was unable to operate autonomously, the taxi companies could dispatch human drivers to drive

[12] This includes data pertaining (a) to pick-up and drop-off points, as well as intermediate destinations and (b) interaction with advertisements shown in the vehicle.

[13] This virtual sunroof is designed to work exclusively with MarsMaps software.

StarGazerc Go. StarGazerc Go was thus an attractive proposition as a robotaxi for these companies seeking to reduce personnel costs.

28. StarGazerc initiated negotiations for a sales agreement with GoGo. While GoGo showed interest, StarGazerc could not conclude a sales agreement as of 2031-32, and the negotiation between them continued. In the meantime, StarGazerc successfully negotiated a sales agreement with StarFleet, a new taxi startup in Tsikotria that was eager to challenge GoGo's dominance in the Tsikotrian market by distinguishing its services from those of GoGo and considered that offering services through Level 4 vehicles was a way to do so. On 1 February 2031, StarFleet purchased 200 StarGazerc vehicles to launch its "robotaxi fleet", intending to increase it to several thousand more over a five-year period.

4 MARSMAPS' TARGETED ADVERTISEMENTS ON STARFLEET TAXIS

29. When a passenger hailed a StarGazerc Go via StarFleet, they received credit points for allowing targeted advertisements to be shown on StarGazerc Go's virtual sunroof, including promotional content based on the real-time location of the vehicle. MarsMaps used a revenue-sharing business model with StarFleet. The virtual sunroof displayed advertisements of those businesses that had won the real-time bidding process conducted pursuant to MarsMaps' algorithms.[14] Through these advertisements, the businesses could try to divert StarGazerc Go passengers away from establishments that a passenger had intended to visit (either as an intermediate or final destination) by promoting the superiority of their products and services in terms of quality, price, or special offers. In addition, businesses located along the route taken could also provide targeted advertisements to attract StarGazerc Go passengers to their establishments. New data pertaining to actions taken or not taken by the user while inside a StarGazerc Go, including the user's response to targeted advertisements, was, in turn, collected and used to further refine existing data.

30. Because StarGazerc Go was principally used in an autonomous setting, there were no government regulations limiting the volume or timing of the advertisements displayed on these vehicles.[15] The absence of these regulations allowed MarsMaps to display highly engaging targeted advertising content on StarGazerc Go's virtual sunroof. Moreover, advertisers, presuming that passengers in StarFleet vehicles would give undivided attention to their advertisements, and be more responsive to them, were willing to bid exorbitant amounts to win bids. MarsMaps generated significant revenue from targeted advertisements, which it shared with StarFleet. The revenue, in turn, allowed StarFleet to (a) offset the up-front costs of purchasing StarGazerc Go vehicles, which were costly, and (b) substantially subsidise fares of its consumers, and occasionally even offer free rides.

31. However, several surveys by Tsikotrian groups showed that these targeted advertisements had the effect of significantly reducing visibility for businesses that did not win the bidding process, causing them to lose customers to winning bidders. Small businesses were particularly affected because they could not match the excessive amounts that large companies were willing to pay to win bids, especially during peak hours.

32. Moreover, StarFleet's use of StarGazerc Go significantly affected the demand for privately-owned vehicles in Tsikotria. Tsikotrians found the cost of owning vehicles not to be worthwhile considering the reduced cost of using these Level 4 taxi services. Many young Tsikotrians with driving-related anxiety also found these taxi services to be a better alternative to owning and using private vehicles.

5 THE BACKLASH AGAINST MARSMAPS AND STARGAZERC

33. On 1 January 2032, Noruas posted a special episode titled "The Truth about StarGazerc" on his "WakeupTsikos" channel. Using artificial intelligence tools to create this episode, the video took

[14] MarsMaps' algorithm, specifically the content of its bid request, as well as the manner in which a winning bid is selected, is the same as that of GlobeinHand.

[15] In exceptional situations, where StarGazerc Go needed to exit its ODD while operating in Bluetan, StarFleet dispatched human drivers to complete the trip. In these situations, advertisements were muted to avoid distracting the driver. Passengers were not permitted to take control of StarGazerc Go under any circumstances.

inspiration from an old Tsikotrian folklore about an epic fight between a group of Tsikotrian heroes and Gabbar, a mythological villain who came to Tsikotria from another land to persecute Tsikotrians.

34. In the video, Gabbar was shown controlling StarGazerc Go vehicles from a control room, while wearing a StarGazerc T-shirt, and directing them to destroy small local businesses. While the Tsikotrian heroes sought to engage in a battle to defeat Gabbar in the control room, they ultimately failed. Following the airing of the video, Noruas stated that "StarGazerc's actions were part of a conspiracy to destroy small Tsikotrian businesses" but gave no evidence to support this contention. The end credits clarified that GlobeinHand sponsored the episode.

35. The special episode became the most watched episode on WeTv and was reposted by thousands of Tsikotrians. It continued to be the most watched and re-watched show on WeTv. Tsikotrians interviewed by the local press explained that notwithstanding the fact that the video was made with artificial intelligence tools, the video evoked strong negative reactions towards StarGazerc. There were reported cases of vandalism involving StarGazerc Go vehicles following the broadcast of the special episode. The CEO of StarGazerc uploaded a video on WeTv calling the special episode a textbook case of astroturfing.

36. Describing Noruas's statements as categorically false, she explained that StarGazerc would seek redress under Tsikotria's Unfair Competition Act. However, StarGazerc's case was dismissed by the Tribunal set up under the Act. The Tribunal considered in its judgment (Judgment 321) of 1 September 2032 that the case met the exception under Article 5.3 of the Act (See Annex 1.5). WeTv refused several requests by StarGazerc to take down the special episode, and the episode continued to be re-posted by other WeTv channels.

6 THE RED PILL ACT AND EVENTS THAT FOLLOWED

37. In response to pressure from the automotive industry in Tsikotria which was losing sales to StarGazerc, as well as small local businesses affected by StarGazerc Go's operations, Tsikotria enacted the Red Pill Act. The stated objective of the Red Pill Act, as set out in its Preamble, was to "maintain the merit-based nature of Tsikotria's internal market and prevent distortions to the local economy through the digital manipulation of consumers' free will and choices that affect the level playing field for small local businesses". To pursue this objective, Article 2 of the Act banned the importation or sale of vehicles that were (a) Level 4 vehicles; (b) used to provide taxis services and not for personal use; and (c) contained native in-vehicle infotainment systems that used software produced by any entity assessed by the Tsikotrian Automotive Board[16] as meeting the criteria set out under Article 3.2 of the Act.

38. These entities were those that the Board assessed to "have a track record of collecting and analysing data from their users in order to provide targeted advertisements on subject vehicles, where those advertisements have the effect of harming small local businesses in Tsikotria". Following its assessment, on 1 January 2033 the Board included MarsMaps in the list of covered entities. As of 25 July 2037, it is the only entity on that list.

39. Following the enactment of the Red Pill Act, StarGazerc disabled MarsMaps' software in StarGazerc Go vehicles used by StarFleet. Because StarGazerc Go's infotainment system could only operate with MarsMaps' software, StarGazerc had to disable the virtual sunroof on StarGazerc Go. MarsMaps, in turn, terminated its revenue-sharing agreement with StarFleet. The absence of a functional virtual sunroof on StarGazerc Go coupled with loss of revenue because of the termination of the revenue-sharing agreement led StarFleet to cancel its remaining orders with StarGazerc. It instead decided to purchase GearG's Level 2 vehicles. GoGo also decided to end its negotiations to purchase StarGazerc Go vehicles.

40. To leverage the Red Pill Act's exclusion of vehicles used for non-taxi purposes, shortly after the enactment of the Act, StarGazerc decided to aggressively target the personal use segment of the vehicle market. To do so, StarGazerc emphasized that users could deploy the retractable driving system of StarGazerc Go when driving outside Bluetan and be driven stress-free inside Bluetan which was within the vehicle's ODD. However, studies showed that consumers in Tsikotria were not willing

[16] The Tsikotrian Automotive Board is a governmental agency under the Tsikotrian Ministry of Automotive Industry.

to pay more than five per cent above the prices that they would normally pay for Level 3 vehicles. Thus, to compete in this market StarGazerc had to reduce prices of StarGazerc Go by 25 per cent.

41. In 2033, GearG issued a press release declaring that it was working on manufacturing its own Level 4 vehicle. In the same year, LaserFast also announced that it was working on manufacturing its own Level 5 vehicle. Both companies indicated that they had invested more than 200 million USD each in research and development of state-of-the art safety features in their Level 4 and Level 5 vehicles respectively. However, neither company had started on-road testing of these vehicles as of 25 July 2037.

7 THE EVENTS LEADING UP TO THE ENACTMENT OF THE "INCLUSIVE DIGITAL FUTURE ACT" (IDFA)

42. In 2034, Alfred Lanning, a Member of Tsikotria's Parliament, introduced the Inclusive Digital Future Bill aimed at safeguarding Tsikotrians from accidents caused by all autonomous vehicles, i.e. Level 3-5 vehicles. The Bill required manufacturers of autonomous vehicles to report certain information that would be maintained by the Tsikotrian Automotive Board in the "Edge Case Registry of Autonomous Vehicles". This information, as set out in Annex A of the Bill, concerned the response of an autonomous vehicle to a "near miss" scenario, i.e. where the vehicle's "automatic driving system" avoided a collision or accident while operating in autonomous mode.

43. The Bill authorized the Tsikotrian Automotive Board to license this information to entities engaged in, or intending to engage in, the manufacture of Level 3-5 vehicles, provided that the Board was satisfied that these entities (i) intended to use it to enhance the safety of their vehicles and (ii) had made significant investments of their own in research and development relating to safety of Level 3-5 vehicles. Manufacturers of autonomous vehicles that refused to provide the required information would be penalized for failing to do so.

44. Several members of Tsikotria's Parliament opposed the inclusion of Level 3 vehicles within the scope of the Bill. They argued that "the operation of Level 3 vehicles and the operation of Level 4 and Level 5 vehicles were fundamentally different, and thus including Level 3 vehicles within the scope of the Act would place onerous burdens on domestic Level 3 manufacturers without a clear benefit to human or animal safety". Realizing that he needed the support of these members to pass the Bill, Lanning modified it by limiting its coverage to Level 4 and 5 vehicles and excluding Level 3 vehicles. The modified Bill passed in Tsikotria's Parliament on 1 December 2034 as the IDFA.

45. The IDFA, which applied to all manufacturers of Level 4 and 5 vehicles, irrespective of origin, did not set out specific rules for its enforcement. During legislative debates leading to the passing of the IDFA, Tsikotrian parliamentarians were of the view that the Act must not set out enforcement rules without examining the "realities on the ground". Instead, they were of the view that the Act must direct the Tsikotrian Automotive Board to study those ground realties and propose appropriate rules to the competent Ministries to enforce the IDFA. Article 3.1 of the IDFA thus directed the Board to conduct such a study.

46. Pursuant to this study, the Board noted that as of 1 December 2035 no Level 4 or Level 5 vehicle was being manufactured by a domestic producer in Tsikotria and no domestic producer had received clearance to conduct on-road tests for a Level 4 or 5 vehicle. Similarly, no Level 5 vehicle was being imported into Tsikotria. The Board thus concluded that enforcement rules against domestic Level 4 and 5 vehicles or imported Level 5 vehicles would be completely theoretical and therefore declined to propose any enforcement rules for this purpose.

47. The Board proposed that the "Ministry of Customs and other Duties of Tsikotria" (Tsikotrian Customs Ministry), which was the competent ministry to regulate importation, adopt enforcement rules applicable to the importation of Level 4 vehicles. Following the text suggested by the Board, the Tsikotrian Customs Ministry adopted those rules on 1 January 2036. Pursuant to these enforcement rules, manufacturers of Level 4 vehicles were required to provide, at the point of importation, a compliance certificate issued by the Tsikotrian Automotive Board. If they failed to do so, the importation would not be permitted unless all vehicle hardware and software for collection or analysis of data, including that critical to the functioning of the vehicle, were disabled. Under the IDFA, a compliance certificate could be issued only to those manufacturers of Level 4 vehicles that

executed an Undertaking stating that they would comply with Article 2.1 of the Act by disclosing information identified in Annex A of the IDFA.

48. StarGazerc expressed strong opposition to the IDFA, arguing that the Act required it to share trade secrets with competitors. It refused to execute the Undertaking required under the IDFA and, accordingly, could not obtain a compliance certificate from the Tsikotrian Automotive Board. StarGazerc subsequently ceased all exports to Tsikotria following the adoption and entry into force of the enforcement rules, describing the enforcement rules as "[f]or all intents and purposes, an import ban on Level 4 vehicles, because once the vehicle's ability to collect or analyse data is taken away, it ceases to be a Level 4 vehicle", and instead "becomes junk that can only be sold as scrap".

8 PROCEEDINGS AT THE WTO

49. On 1 January 2037, Vahanot requested consultations with the Government of Tsikotria pursuant to (a) Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU), (b) Article XXII of the General Agreement on Tariffs and Trade 1994 (GATT 1994), (c) Article 64.1 of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement), and (d) Article 14.1 of the Agreement on Technical Barriers to Trade (TBT Agreement).

50. Consultations held on 1 March 2037 failed to resolve the dispute between Vahanot and Tsikotria.

51. On 1 June 2037, Vahanot filed a request for the establishment of a panel before the Dispute Settlement Body, and the panel was established on 25 July 2037. In its panel request, Vahanot claimed that Tsikotria has acted inconsistently with the provisions of the TRIPS Agreement, the TBT Agreement, and the GATT 1994, as follows:

a. Article 2.1 of the TRIPS Agreement, which incorporates the provisions of the Paris Convention for the Protection of Industrial Property (as amended by the Stockholm Act of 1967), and in particular Article 10bis(1) and (3)(ii) of this Convention, because the Tsikotria Unfair Competition Act, as applied by the Unfair Competition Tribunal in Judgment 321, has failed to assure to nationals of Vahanot effective protection against unfair competition caused by sponsored influencer content containing false allegations in the course of trade that are of such a nature as to discredit the establishment, the goods, or the industrial or commercial activities of StarGazerc.

b. Article 2.1 of the TBT Agreement because the Red Pill regime, which consists of the Red Pill Act and the decision of the Tsikotria Automotive Board pursuant to the powers provided to it under this Act, accords imported Level 4 vehicles from Vahanot treatment less favourable than that accorded to like Level 2 and Level 3 vehicles that are produced domestically.

c. With respect to the Inclusive Digital Future Act and its Enforcement Rules (IDFA regime):

    i. Article 39.2 of the TRIPS Agreement because without the consent of Vahanot nationals, and in a manner contrary to honest commercial practices, the Government of Tsikotria discloses to, and enables acquisition and use by, competitors of Vahanot nationals, information that meets the requirements of Article 39.2(a)-(c).

    ii. Article XI.1 of the GATT 1994 because the IDFA regime, and specifically the enforcement rules of the IDFA, operates as restrictions on the importation of Level 4 vehicles into Tsikotria.

52. The respondent will not invoke Article 73 of the TRIPS Agreement. However, it will invoke Article XX(b) of the GATT 1994 as a defence in relation to Vahanot's claim under Article XI.1 of the GATT 1994.

8.2 Note to participants

53. Having reviewed the services schedules of Tsikotria, Vahanot has decided to not raise any claims under the General Agreement on Trade in Services (GATS).

54. The applicable treaty provisions of the WTO Agreements are those existing as of 15 September 2026.

55. In oral arguments, participants are encouraged to not allocate more than 10 minutes to the claim under Article 2.1 of the TRIPS Agreement.

56. There is no dispute between the parties that the information required in Annex 1 of the IDFA meets the criteria set out in Article 39.2(a)-(c) of the TRIPS Agreement. Instead, Tsikotria's argument is that its actions are not inconsistent with the opening sentence of Article 39.2 of the TRIPS Agreement.

9 INDICATIVE REFERENCES[17]

9.1 Technical articles, reports and regulations on autonomous vehicles to facilitate understanding of the facts

1. UNECE World Forum for Harmonization of Vehicle Regulations. United Nations Global Technical Regulation on Automated Driving Systems (ADS). Adopted June 24, 2026.

2. Society of Automotive Engineers. *Taxonomy and definitions for terms related to driving automation systems for On-road motor vehicles*. Standard J3016. Revised April 2021.

3. McKinsey & Company. *Car Data: Paving the Way to Value-Creating Mobility: Perspectives on a New Automotive Business Model*, Advanced Industries Report, March 2016 https://www.mckinsey.com/industries/automotive-and-assembly/our-insights/creating-value-from-car-data?utm

4. Mattioli, Michael. "Autonomy in the Age of Autonomous Vehicles." Boston University Journal of Science and Technology Law 24, no. 2 (2018): 277-298.

9.2 Article 2.1 of the TRIPS Agreement read with Article 10bis(1) and (3)(ii) of the Paris Convention for the Protection of Industrial Property (as amended by the Stockholm Act of 1967)

9.2.1 WTO panel and Appellate Body reports

1. Panel Reports, *Australia – Certain Measures concerning Trademarks, Geographical Indications and other Plain Packaging Requirements applicable to Tobacco Products and Packaging*.

9.2.2 Commentary

1. Bodenhausen, GHC. *Guide to the Application of the Paris Convention for the Protection of Industrial Property as Revised at Stockholm in 1967*. Geneva: World Intellectual Property Organization, 1968.

2. Riffel, Christian. *The Protection against Unfair Competition in the WTO TRIPS Agreement: The Scope and Prospects of Article 10bis of the Paris Convention for the Protection of Industrial Property*. Leiden: Brill Nijhoff, 2016.

3. Ricketson, Sam. *The Paris Convention for the Protection of Industrial Property: A Commentary*. Oxford: Oxford University Press, 2015.

[17] Nothing provided in the Indicative List of references is meant to exhaust the scope of research on a particular topic. Instead, the references provided are meant to assist participants in further research.

4. Senftleben, Martin. "Article 10bis of the Paris Convention as the Common Denominator for Protection against Unfair Competition in National and Regional Contexts." *Journal of Intellectual Property Law & Practice* 19, no. 2 (2024): 81–89.

5. Senftleben, Martin. *Status Report on the Protection Against Unfair Competition in WIPO Member States*. WIPO/STrad/INF/8 Prov. Geneva. World Intellectual Property Organization, 2022.

9.3 Article 2.1 of the TBT Agreement

9.3.1 WTO panel and Appellate Body reports

1. Panel and Appellate Body Reports, *US – Clove Cigarettes*.

2. Panel and Appellate Body Reports, *US – Tuna II (Mexico)* (including in the compliance proceedings).

3. Panel and Appellate Body Reports, *US – COOL* (including in the compliance proceedings).

4. Panel and Appellate Body Reports, *EC – Asbestos*.

5. Panel and Appellate Body Reports, *EC – Seal Products*.

6. Panel Report, *EU and Certain Member States – Palm Oil (Malaysia)*.

7. Panel Report, *EU – Palm Oil (Indonesia)*.

9.4 Article 39.2 of the TRIPS Agreement

9.4.1 Commentary

1. Solovy, Eric M., and Deepak Raju. "Compulsory Licensing of Trade Secrets: Illegality Under International and Domestic Laws." *The International Lawyer* 55, no. 2 (2022): 221–250.

2. Gurgula, Olga., and John Hull. "Compulsory Licensing of Trade Secrets: Ensuring Access to COVID-19 Vaccines via Involuntary Technology Transfer." *Journal of Intellectual Property Law & Practice* 16, no. 11 (2021): 1242–1261.

9.5 Article XI.1 of the GATT 1994

9.5.1 WTO panel and Appellate Body reports

1. Panel Report, *India – Autos*.

2. Panel Report, *Dominican Republic – Import and Sale of Cigarettes*.

3. Panel Report, *EU and Certain Member States – Palm Oil (Malaysia)*.

4. Panel Report, *EU – Palm Oil (Indonesia)*.

9.6 Article XX(b) and chapeau

1. Appellate Body Report, *US – Shrimp*.

2. Appellate Body Report*, US – Tuna II (Mexico) (Article 21.5 – Mexico)*.

3. Appellate Body Report, *US – Shrimp*.

4. Appellate Body Report, *US – Gasoline*.

ANNEX 1.1

CLASSIFICATION SYSTEM FOR DRIVING AUTOMATION IN TSIKOTRIA FOLLOWING THE LEVELS OR CATEGORIES OF DRIVING AUTOMATION SET OUT BY THE SAE IN DOCUMENT J3016[18]

1. Definitions in SAE J3016

Abbreviation	Description in full
ADS	Automated driving system[19]
DDT	Dynamic driving task[20]
ODD	Operational design domain[21]
OEDR	Object and event detection and response[22]

2. Level 2 vehicles (Partial Driving automation)

The sustained and ODD-specific execution by a driving automation system of both the lateral and longitudinal vehicle motion control subtasks of the DDT with the expectation that the driver completes the OEDR subtask and supervises the driving automation system.

3. Level 3 vehicles (Conditional driving automation)

The sustained and ODD-specific performance by an ADS of the entire DDT under routine/normal operation with the expectation that the DDT fallback-ready user is receptive to ADS-issued requests to intervene, as well as to DDT performance-relevant system failures in other vehicle systems and will respond appropriately.

4. Level 4 vehicles (High Driving Automation)

The sustained and ODD-specific performance by an ADS of the entire DDT and DDT fallback.

5. Level 5 vehicles (High Driving Automation)

The sustained and unconditional (i.e., not ODD-specific) performance by an ADS of the entire DDT and DDT fallback.

[18] Participants are advised to consult SAE J3016, which can be downloaded without payment from the website of the SAE.

[19] ADS, Definition, paragraph 3.2 of SAE J3016.

[20] DDT, Definition, paragraph 3.10 of SAE J3016.

[21] ODD, Definition, paragraph 3.21 of SAE J3016.

[22] OEDR, Definition, paragraph 3.19 of SAE J3016. In addition, participants are encouraged to review the definition of other key terms in SAE J3016.

ANNEX 1.2

THE RED PILL ACT

Preamble

Desiring to maintain the merit-based nature of Tsikotria's internal market and prevent distortions to the local economy through the digital manipulation of consumers' free will and choices that affect the level playing field for small local businesses, the Parliament of Tsikotria enacts the Red Pill Act on this 10th day of October 2032.

Article 1

The importation or sale of any vehicle that meets the criteria set out in Article 2 of this Act is prohibited. Vehicles in operation at the time of the enactment of the Act that meet the criteria set out in Article 2 must be brought into compliance with the provisions of this Act within a period of six months following the enactment of this Act, failing which their authorization to operate in Tsikotria shall be rescinded.

Article 2

1. The provisions of this Act shall apply only to vehicles that meet all of the criteria set out in paragraphs (a) to (c) below (hereinafter, "subject vehicles"):

(a) The vehicle meets the definition of a Level 4 autonomous vehicle, as defined by the Society of Automotive Engineers and adopted in Tsikotrian laws and regulations.

(b) The vehicle is used to provide taxi services and not for personal use.

(c) The vehicle is equipped with a native in-vehicle infotainment system that uses software produced by any entity that meets the criteria set out in Article 3.2 of this Act ("covered entities").

2. For greater clarity, nothing in this Act applies to the collection or analysis of data necessary for the safety and core operation of the vehicle.

Article 3

1. The Tsikotrian Automotive Board shall establish and revise, as appropriate, by way of decision, a list of covered entities. The list shall be subject to review every five years.

2. For the purposes of this Act, covered entities are entities that the Board finds, pursuant to its assessment, have a track record of collecting and analysing data from their users in order to provide targeted advertisements on subject vehicles, where those advertisements have the effect of harming small local businesses in Tsikotria.

***

ANNEX 1.3

INCLUSIVE DIGITAL FUTURE ACT

Preamble

Recognizing the economic and social benefits created by the advancement of technologies for the operation of autonomous vehicles;

Noting the importance of continued research and development on automotive safety to harness these benefits and to prevent threats to human and animal life;

Conscious of the importance of cooperation to mitigate threats to human and animal life;

The Parliament of Tsikotria enacts the Inclusive Digital Future Act on this 1st day of December 2034.

Article 1

The provisions of this Act apply to all manufacturers of vehicles classified as Levels 4 and 5 by the SAE and under the laws of Tsikotria, irrespective of their intended use. This Act shall apply irrespective of the geographical origin of the covered vehicles.

Article 2

1. Manufacturers of Level 4 and Level 5 vehicles shall disclose the information identified in Annex A on a bi-annual basis to the Tsikotrian Automotive Board.

2. Manufacturers shall execute an Undertaking that they shall comply with the requirement set out in Article 2.1. The Board shall issue a revocable compliance certificate to manufacturers who provide this Undertaking and shall monitor a manufacturer's compliance with the requirements under Article 2.1.

3. The Board shall revoke a certificate where it is satisfied that the holder has failed to comply with the requirements of Article 2.1.

4. Information provided pursuant to Article 2.1 shall be maintained in the Tsikotrian Automotive Board's Edge Case Registry of Autonomous Vehicles. The Board is authorized to license this information to entities engaged in, or intending to engage in, the manufacture of Level 4 or Level 5 vehicles, provided that the Board is satisfied that these entities (i) intend to use it to enhance the safety of their vehicles and (ii) have made significant investments of their own in research and development relating to the safety of Level 4 or Level 5 vehicles.

Article 3

1. The Tsikotrian Automotive Board is hereby directed to prepare a study on the best possible manner in which this Act is to be enforced, and for this purpose, to propose enforcement rules for consideration by the competent Ministries in Tsikotria.

2. The competent Ministries shall adopt and implement rules for the enforcement of the provisions of this Act based on the proposal of the Tsikotrian Automotive Board.

3. The Tsikotrian Automotive Board shall review every three years whether an amendment to existing enforcement rules, or the adoption of new rules, is necessary to advance the objectives of this Act.

Annex A of the Inclusive Digital Future Act

The purpose of this Annex is to identify specific information concerning the response of a Level 4 or 5 autonomous vehicle to a "near miss" scenario, i.e. where the vehicle's "automatic driving system" avoided a collision or accident while operating in autonomous mode. This information shall be maintained in the Tsikotrian Automotive Board's Edge Case Registry of Autonomous Vehicles.

Data Storage System for Automated Driving (DSSAD) Event Log
1. DSSAD Triggering Event as defined in paragraph 2.11.1 of the UN Global Technical Regulation on Automated Driving System (ADS). 2. Confirmation that the ADS was active during this DSSAD Triggering Event. 3. Timestamp. 4. Whether, and what aspect of, the safety-critical function was engaged. 5. State of the vehicle.

ANNEX 1.4

ENFORCEMENT RULES UNDER THE INCLUSIVE DIGITAL FUTURE ACT

1. These enforcement rules shall apply on the importation of all Level 4 vehicles into Tsikotria.

2. Level 4 vehicles may be imported into Tsikotria upon presentation, to the Ministry of Customs and other Duties of Tsikotria, of a valid compliance certificate issued by the Tsikotrian Automotive Board pursuant to Article 2.2 of the IDFA.

3. If no compliance certificate is presented at the time of importation, the importation of the Level 4 vehicles shall not be permitted unless all vehicle hardware and software for collection or analysis of data are disabled.

ANNEX 1.5

TSIKOTRIA UNFAIR COMPETITION ACT (EXCERPT)

Article 5

1. Any act of competition contrary to honest practices in industrial or commercial matters constitutes an act of unfair competition.

2. The following in particular shall be prohibited:

(a) all acts of such a nature as to create confusion by any means whatever with the establishment, the goods, or the industrial or commercial activities, of a competitor;

(b) false allegations in the course of trade of such a nature as to discredit the establishment, the goods, or the industrial or commercial activities, of a competitor;

(c) indications or allegations the use of which in the course of trade is liable to mislead the public as to the nature, the manufacturing process, the characteristics, the suitability for their purpose, or the quantity, of the goods.

3. Nothing in this Article shall be construed to impinge on an individual's right to express opinions on matters of public interest provided no reasonable observer would view those expressions as statements of facts.

Article 6

The Unfair Competitions Tribunal set up pursuant to this Act shall be authorized to hear all complaints arising under this Act.

ANNEX 2[23]

STARFLEET'S STARGAZERC GO VEHICLE

VIRTUAL SUNROOF DISPLAY ON STARFLEET'S STARGAZERC

[23] The pictures in this annex are AI-generated. They are meant to be illustrative, and not to depict any vehicle, object or entity existing as on date.

ANNEX 3[24]

ARTICLE IN THE TIMES OF TSIKOTRIA, 1 JULY 2032 BY EPOTIS TOTS

"MY DAY WITH STARGAZERC GO AND HOW IT FARES AGAINST THE COMPETITION"

I own a LaserFast and regularly use GoGo's taxi services that use GearG vehicles. I have reported on automobiles for 20 years. So, when I heard about StarFleet's StarGazerc Go taxis I just had to try it.

Yesterday morning I went for a test run on StarFleet's StarGazerc Go taxi. It was remarkably easy to order this taxi. I just signed in using my MarsMaps credentials on the MarsMaps application on my mobile phone. My home address is already saved on the platform, and all I had to do was to provide the destination, in this case, my office, and ask StarFleet to pick me up. So far so good. This is exactly how I order my GoGo vehicles using my GlobeinHand credentials, and thus I am very familiar with how this works.

But the experience starts to diverge when my taxi shows up. It is coloured yellow with blue stripes, like those Bluetan taxis that were phased out thirty years ago. There is nothing historic about StarGazerc Go though. There is no human driver to greet me with a big smile (or an irritated "here you are again"). Instead, the vehicle detects my presence through my mobile phone and the doors open automatically.

Inside, it is almost like I am in a movie theatre. The advertisements start after a brief welcome. They are targeted to my interests. My LaserFast vehicle and GoGo taxis also provide targeted advertising, and thus I am not surprised to see targeted advertisements. What is surprising is how engaging the content is. It is like travelling on a bus with a tourist guide, except one that keeps pitching products and services based on where the vehicle is driving through.

In my GoGo taxis, the videos in front of the rear passenger seats keep running, and I can always request a detour to the advertised business if I wish to. But there is no audio and I often tend to doze off or zone out. My LaserFast vehicle does the same, with audio and video. But only when the automatic driving system (ADS) is engaged. Paranoid as I am, I can never really focus on the advertisements that are displayed on the infotainment system right in front of the driver. Instead, I always wait for that takeover alert from my ADS. This is not a particular problem for my children, aged 25 and 30, as well as their peers, who appear to be savvy enough to watch audiovisual content when the ADS is active, and takeover when the alert appears. But somehow, I am still quite old school, and this process just does not work for me.

I am en route to my office, but as is my routine I decide to make an intermediate stop at "O Henry" my favourite coffee shop. Looking outside, admiring my city that is changing so rapidly, I hear "Do you know you can get coffee at 20 per cent discount from Barako Coffee Shop?". There is a message on StarGazerc Go's virtual sunroof wondering why I am overpaying for my coffee. I can apparently use my credit points with MarsMaps to pay for my coffee too. Now who can argue with that?

I decide to go for it, and as soon as I give a voice command asking that I be taken to Barako Coffee Shop, StarGazerc Go changes my intermediate destination from O Henry to Barako Coffee Shop.

I do not regret my decision because Barako coffees are almost as good, and cheaper.

I arrive at my office with my new favourite coffee. Part of me wonders if this is the new world where the O Henry's of the world will lose out to Barako Coffee Shop. I am not sure. It is like I am in the middle of a Stanley Kubrick movie, with no clue on how this will end.

[24] The authors have included this article in the Annex to facilitate the participants' understanding of the factual issues.

ANNEX 3

TIMELINE OF RELEVANT EVENTS

Date	Event
1 January 2029	Tsikotria decided to permit only vehicles classified as SAE Level 2 or higher to operate in Tsikotria.
2030	MarsMaps and StarGazerc launched StarGazerc Go in Vahanot.
1 February 2031	StarFleet's robotaxi was launched in Tsikotria. MarsMaps entered into a revenue sharing agreement with StarFleet.
1 January 2032	Noruas posted "The Truth about StarGazerc" on his "WakeupTsikos" channel.
1 September 2032	The Tribunal set up under the Tsikotria Unfair Competition Act issued its judgement No. 321.
10 October 2032	The Red Pill Act was enacted.
1 January 2033	MarsMaps was included by the Automotive Board in Annex 1 of the Red Pill Act.
2033	GearG and LaserFast announced that they are working on manufacturing their own Level 4 and Level 5 cars, respectively.
1 December 2034	Alfred Lanning's bill was passed into law as the "Inclusive Digital Future Act" (IDFA).
1 December 2035	As of this date, no level 4 or level 5 vehicle was being manufactured domestically in Tsikotria.
1 January 2036	IDFA's Enforcement Rules covering level 4 vehicles were adopted in Tsikotria.
1 January 2037	Vahanot requested consultations with Tsikotria.
1 March 2037	Vahanot and Tsikotria held consultations but failed to resolve the dispute.
1 June 2037	Vahanot requested the DSB to establish a panel.
25 July 2037	The panel was established by the DSB.