#### **CHAPTER 14**

## CONSULTATIONS AND DISPUTE SETTLEMENT

#### **Article 1: Definitions**

For the purposes of this Chapter:

Parties to the dispute means the complaining Party or Parties and the Party complained against; and

**third Party** means any Party which has joined the proceedings under Article 5.8 or Article 10.1.

## **Article 2: Objectives**

The objective of this Chapter is to provide an effective, efficient and transparent process for consultations and the settlement of disputes arising under this Agreement.

## **Article 3: Scope**

- 1. Except as otherwise provided in this Agreement, this Chapter shall apply with respect to the avoidance or settlement of disputes between the Parties concerning the operation, implementation or application of this Agreement including wherever a Party considers that:
  - (a) a measure of another Party is inconsistent with its obligations under this Agreement;
  - (b) another Party has failed to carry out its obligations under this Agreement; or
  - (c) a benefit that the Party could reasonably have expected to accrue to it directly or indirectly under this Agreement is being nullified or impaired.
- 2. This Chapter shall not apply to the settlement of disputes arising under Chapter 10 (Development and Economic Cooperation).

#### **Article 4: General Provisions**

- 1. This Agreement shall be interpreted in accordance with the customary rules of treaty interpretation of public international law.
- 2. All notifications, requests and replies made pursuant to this Chapter shall be in writing.

- 3. The Parties to the dispute shall, at every stage of a dispute, make every effort to reach a mutually satisfactory solution. Where a mutually satisfactory solution is reached, the terms and conditions of the agreement shall be notified to the other Parties.
- 4. In consultations and the settlement of disputes involving developing country Parties, particular consideration shall be given to the special situation of those Parties. In this regard, Parties shall exercise due restraint in raising matters under this Chapter.
- 5. Any time periods or other rules provided for in this Chapter, including Annex 14-A on Model Rules of Procedure, may be modified by mutual agreement of the Parties to the dispute. In this regard, special consideration shall be given to requests for the extension of timeframes by developing country Parties.

#### **Article 5: Consultations**

- 1. Any Party may request consultations with any other Party with respect to any matter referred to in Article 3.
- 2. During consultations, Parties should give special attention to the particular problems and interests of developing country Parties.
- 3. Any request for consultations shall give the reasons for the request, including identification of the measures at issue and an indication of the legal basis for the complaint.
- 4. A copy of all requests for consultations shall be simultaneously provided to all Parties.
- 5. If a Party requests consultations, the other Party shall reply to the request for consultations and circulate the reply to all Parties within 10 days of the request for consultations, and enter into the consultations in good faith within 30 days of the request. In cases of urgency, including perishable goods, the other Party shall reply and circulate the reply to all Parties within 10 days, and enter into consultations in good faith within 10 days.
- 6. Consultations may be held in person or by any technological means available to the consulting Parties. If in person, consultations shall be held in the capital of the Party to which the request for consultations was made under paragraph 1, unless the consulting Parties agree otherwise.
- 7. The Parties shall make every effort to reach a mutually satisfactory solution through consultations. To this end, the Parties shall:
  - (a) provide sufficient information to enable a full examination of the matter, including how the measures at issue might affect the implementation or application of this Agreement;
  - (b) treat any confidential or proprietary information exchanged in the course of consultations confidentially, in accordance with each Party's domestic legislative requirements; and

- (c) endeavour to make personnel from its government agencies or other regulatory bodies who have responsibility for or expertise in the matter under consultation available for the consultations.
- 8. If a Party other than the Parties engaged in the consultations (Third Party) considers that it has a substantial or systemic interest in the consultations, it may be joined in the consultations upon notifying the Parties engaged in the consultations within 10 days of the request for consultations of its desire to be joined in the consultations. Such notification shall include an explanation of the Party's substantial or systemic interest in the matter and be provided simultaneously to all Parties. Such Party shall be joined in the consultations if the consulting Parties agree.
- 9. Consultations shall be confidential and without prejudice to any proceedings under this Chapter.

#### **Article 6: Good Offices, Conciliation and Mediation**

- 1. The Parties to the dispute may at any time agree to good offices, conciliation or mediation. Procedures for good offices, conciliation or mediation may begin at any time and be terminated at any time.
- 2. If the Parties to the dispute agree, procedures for good offices, conciliation or mediation may continue while the matter is being examined by a Panel established or reconvened under this Chapter.
- 3. Proceedings involving good offices, conciliation or mediation and positions taken by the Parties to the dispute during these proceedings shall be confidential and without prejudice to the rights of any Parties to the dispute in any further or other proceedings.
- 4. The Secretary-General of the Pacific Islands Forum Secretariat or their nominee may, acting in an *ex officio* capacity, offer good offices, conciliation or mediation with a view to assisting Parties to reach a mutually satisfactory solution.

#### **Article 7: Choice of Forum**

- 1. Where a dispute concerning any matter arises under this Agreement and under another international agreement to which the Parties to the dispute are party, the complaining Party may select the forum in which to address that matter and that forum shall be used to the exclusion of other possible fora in respect of that matter.
- 2. For the purposes of this Article, the complaining Party shall be deemed to have selected the forum in which to settle the dispute when it has requested the establishment of a Panel pursuant to Article 8.1 or requested the establishment of, or referred a matter to, a similar dispute settlement panel under another international agreement.

# Article 8: Request for the Establishment of a Panel

- 1. The complaining Party may make a request to the Party complained against for the establishment of a Panel to consider the dispute if:
  - (a) the Party complained against does not enter into consultations in accordance with Article 5; or
  - (b) the consultations fail to resolve a dispute within 60 days, or 20 days in cases of urgency including perishable goods, or such other period as the Parties may agree.
- 2. A request made pursuant to paragraph 1 shall identify the specific measures at issue and provide details of the factual and legal basis of the complaint (including the provisions of this Agreement to be addressed by the Panel) to present the problem clearly.
- 3. A copy of all such requests shall be provided simultaneously to all Parties. The Party complained against shall immediately acknowledge receipt of the request by way of notification to all Parties indicating the date on which the request was received.

## **Article 9: Procedures for Multiple Complainants**

- 1. Where more than one Party requests the establishment of a Panel related to the same dispute, a single Panel shall be established to examine these complaints, unless the Parties to the dispute agree otherwise.
- 2. The single Panel shall organise its examination and present its findings in such a manner that the rights which the Parties to the dispute would have enjoyed, had separate panels examined the complaints, are in no way impaired.

#### **Article 10: Third Parties**

- 1. Any Party having a substantial interest in a matter before a Panel may notify the Parties to the dispute of this interest within 14 days of the date of receipt by the Party complained against of the request for the establishment of the Panel or the date of a request for a Compliance Review Panel pursuant to Article 16. Such notification shall be simultaneously provided to all Parties. Any Party notifying its substantial interest shall have the rights and obligations of a Third Party as outlined in Annex 14-A on Model Rules of Procedure.
- 2. The Parties to the dispute may agree to provide additional or supplemental rights to Third Parties regarding participation in Panel proceedings. In providing additional or supplemental rights, the Parties to the dispute may impose agreed conditions. Unless agreed otherwise by the Parties to the dispute, the Panel shall not grant any additional or supplemental rights to any Third Parties regarding participation in Panel proceedings.

#### **Article 11: Establishment of Panels**

- 1. Unless the Parties agree otherwise, a Panel requested pursuant to Article 8.1 shall be established in accordance with this Article.
- 2. The Panel shall consist of three panellists, including a chair.
- 3. Each Party to the dispute shall within 30 days of the date of the request for the establishment of a Panel under Article 8.1, appoint one panellist who may be a national of the Party to the dispute and propose up to three candidates to serve as the chair. If there is more than one complaining Party, the complaining Parties shall jointly appoint one panellist. The complaining Parties shall jointly propose up to three candidates to serve as the chair. The chair of the Panel shall not be a national of a Party to the dispute and shall not have their usual place of residence in the territory of a Party to the dispute.
- 4. The Parties to the dispute shall agree on and appoint the chair within 45 days of the date of the request for the establishment of a Panel, taking into account the candidates proposed in accordance with paragraph 3. If appropriate, the Parties to the dispute may jointly consult the panellists appointed in accordance with paragraph 3.
- 5. If any of the three appointments have not been made within 45 days of the date of the request for the establishment of a Panel, on request of any Party to the dispute, any remaining panellists shall be appointed by lot from the list of the candidates proposed in accordance with paragraph 3. The appointment by lot shall be undertaken within seven days of the date of the request for appointment by lot, unless the Parties to the dispute agree otherwise. If more than one panellist including a chair is to be selected by lot, the chair shall be selected first.
- 6. The date of establishment of the Panel shall be the date on which the last panellist is appointed.

## 7. All panellists shall:

- (a) have expertise or experience in law, international trade, other matters covered by this Agreement, or the resolution of disputes arising under international trade agreements;
- (b) be chosen strictly on the basis of objectivity, reliability, and sound judgement;
- (c) be independent of, and not be employed by, affiliated with or take instructions from, any Party to the dispute or Third Party;
- (d) not have dealt with the matter in any capacity;
- (e) disclose, to the Parties to the dispute or Third Party, information which may give rise to justifiable doubts as to their independence or impartiality; and

- (f) serve in their individual capacities and not as government representatives, nor as representatives of any organisation.
- 8. If a panellist appointed under this Article resigns or becomes unable to act, a successor panellist shall be appointed in the same manner as prescribed for the appointment of the original panellist and shall have all the powers and duties of the original panellist. The work of the Panel shall be suspended during the appointment of the successor panellist.
- 9. If a Panel is reconvened under Article 16 or Article 17 the reconvened Panel shall, if possible, have the same panellists as the original Panel. If this is not possible, the replacement panellist(s) shall be appointed in the same manner as prescribed for the appointment of the original panellist(s), and shall have all the powers and duties of the original panellist(s).

#### **Article 12: Functions of Panels**

- 1. The Panel shall consult the Parties to the dispute, as appropriate, and provide adequate opportunities for the development of a mutually satisfactory solution.
- 2. The Panel shall make an objective assessment of the dispute before it, including an objective assessment of:
  - (a) the facts of the case;
  - (b) the applicability of the provisions of this Agreement cited by the Parties to the dispute;
  - (c) whether:
    - (i) the Party complained against has failed to carry out its obligations under this Agreement;
    - (ii) the measure at issue is inconsistent with the obligations of this Agreement;
    - (iii) the measure at issue applied by the Party complained against is causing the nullification or impairment of any benefit described in Article 3.1(c); and
  - (d) any other matter that the Parties to the dispute have jointly requested that the Panel address.
- 3. If the Panel makes a finding under paragraph 2(c), it shall issue a determination of the reasonable period of time that the Party complained against shall have to comply with the finding of the Panel, and the reasons for its determination, in accordance with Article 15.4.
- 4. The Panel shall take into account the interests of Third Parties as presented during written or oral submissions.

- 5. Any Panel established or reconvened under this Chapter shall:
  - (a) make its findings by consensus; except where a Panel is unable to reach consensus, it may make its findings by majority vote; and
  - (b) report its findings and recommendations in writing in accordance with this Agreement. The findings and recommendations of the Panel cannot add to or diminish the rights and obligations provided in this Agreement or any other international agreement.
- 6. Unless the Parties agree otherwise within 20 days of the date of the delivery of the request for the establishment of the Panel, the Panel's terms of reference shall be:

"To examine, in light of the relevant provisions of this Agreement cited by the Parties, the matter referenced in the request for the establishment of the Panel, to make findings as provided by Article 12.5(a) and to report its findings and recommendations in writing in accordance with Article 12.5(b)."

#### **Article 13: Panel Procedures**

- 1. The Panel proceedings shall be conducted in accordance with the provisions of this Chapter and, unless the Parties to the dispute agree otherwise, shall follow the Model Rules of Procedure set out in Annex 14-A.
- 2. In examining a complaint against a developing country Party, the Panel shall accord sufficient time for the developing country Party to prepare and present its arguments.
- 3. The Panel may, in consultation with the Parties to the dispute, adopt additional rules of procedure which do not conflict with this Chapter or with Annex 14-A (Model Rules of Procedure).
- 4. A Panel reconvened under Article 16 or Article 17 may establish its own procedures, in consultation with the Parties to the dispute, which do not conflict with this Chapter or Annex 14-A.

## **Article 14: Suspension and Termination of Proceedings**

1. The Parties to the dispute may at any time agree that the Panel suspend its work for a period not exceeding 12 months from the date of such agreement. In such an event the Parties to the dispute shall jointly notify the chair of the Panel. The suspended Panel proceeding shall be resumed on the request of any Party to the dispute. If the work of the Panel has been continuously suspended for more than 12 months, the authority for establishment of the Panel shall lapse, unless the Parties to the dispute agree otherwise.

2. The Parties to the dispute may agree to terminate the proceedings of a Panel in the event that a mutually satisfactory solution has been found. In such event the Parties shall jointly notify the chair of the Panel.

## **Article 14bis: Interim Reports**

- 1. The Panel shall circulate the entirety of its interim report to the Parties to the dispute, with a view to the correction of factual or clerical errors, 30 days prior to the presentation of the final report of the Panel, or a period otherwise agreed by the Panel and the Parties to the dispute. The Parties to the dispute shall provide written submissions to the Panel 30 days after the interim report has been circulated if necessary.
- 2. After written submissions have been lodged with the Panel, a Party to the dispute may request that the Panel hold meetings with the Parties to the dispute on the interim report within 60 days, unless agreed otherwise by the Parties to the dispute. The Panel shall meet with the Parties to the dispute at a time to be agreed by the Parties to the dispute.
- 3. The Panel shall consider the submissions by the Parties to the dispute and the outcomes of any meetings before proceeding to finalise the report in accordance with Article 15. The findings of the final report shall include a discussion of any comments made by the Parties to the dispute.

## **Article 15: Implementation**

- 1. The findings of the Panel shall be final and binding on the Parties to the dispute.
- 2. If the report of a Panel finds that:
  - (a) a measure is inconsistent with the obligations of this Agreement or the Party complained against has failed to carry out its obligations under this Agreement, the Party complained against has an obligation to bring that measure into conformity with the Agreement; or
  - (b) the measure is causing nullification and impairment in the sense of Article 3.1(c), the Party complained against has an obligation to eliminate the nullification and impairment or reach a mutually satisfactory solution with the complaining Party.
- 3. When implementing the findings of the Panel, particular attention should be paid to matters affecting the interests<sup>1</sup> of developing country Parties with respect to measures which have been subject to dispute settlement.
- 4. Within 30 days of the date of the presentation of the Panel's final report to the Parties to the dispute, the Party complained against shall notify the complaining Party:

<sup>&</sup>lt;sup>1</sup>For greater certainty, interest may include the essential export interests of a developing country Party.

- (a) of its intentions with respect to implementation, including an indication of possible actions it may take to comply with the obligations in paragraph 1; and
- (b) whether such implementation can take place immediately.
- 5. Unless the Parties to the dispute agree otherwise within 45 days of the presentation of the final report, the determination made by the Panel in respect of the reasonable period of time shall apply.
- 6. If a Party which requested the establishment of a Panel considers that an action proposed or subsequently taken by the Party complained against does not comply with the findings and recommendations of the Panel, the Parties shall enter into consultations with a view to developing a mutually satisfactory solution.

## **Article 16: Compliance Review**

- 1. If the Parties have entered into consultations in accordance with Article 15.6 and have failed to agree on a mutually satisfactory solution within 30 days, or the Parties have not entered into such consultations within 30 days of the request for consultations, the dispute shall be decided through recourse to a Panel reconvened for this purpose (Compliance Review Panel) in accordance with Article 11.9.
- 2. A Compliance Review Panel shall consult the Parties to the dispute, as appropriate, and provide adequate opportunities for the development of a mutually satisfactory solution.
- 3. A Compliance Review Panel shall make an objective assessment of the matter or complaint before it, including an objective assessment of:
  - (a) the factual aspects of any implementation action taken by the Party complained against; and
  - (b) whether the Party complained against has complied with the obligation in Article 15.1.
- 4. If a Compliance Review Panel is requested to reconvene in accordance with paragraph 1, it shall reconvene within 30 days of the date of the request and fix the timetable for the compliance review process, taking into account the time periods specified in this Chapter and Annex 14-A.

## Article 17: Compensation and Suspension of Concessions or Other Obligations

1. Neither compensation nor the suspension of concessions or other obligations is preferred to compliance with the obligation under Article 15.1. Compensation is voluntary and, if granted, shall be consistent with this Agreement.

- 2. The Party complained against shall, if so requested by the complaining Party, enter into negotiations within 20 days of the date of the request with a view to agreeing upon mutually satisfactory compensation if:
  - (a) the Party complained against has notified the complaining Party under Article 15.2 that it does not intend to comply with the obligation in Article 15.1;
  - (b) the Party complained against has not implemented the obligation in Article 15.1 within a reasonable period of time in accordance with Article 15.3; or
  - (c) a failure to comply with the obligation in Article 15.1 has been established in accordance with Article 16.
- 3. If no satisfactory compensation has been agreed within 30 days of the date of a request made under paragraph 2, the complaining Party may at any time thereafter notify the Party complained against that it intends to suspend the application to the Party complained against of concessions or other obligations, and shall have the right to begin suspending concessions or other obligations 30 days after the date of notification.
- 4. The right to suspend concessions or other obligations arising under paragraph 3 shall not be exercised if:
  - (a) a review is being undertaken pursuant to paragraph 9; or
  - (b) a mutually satisfactory solution has been agreed.
- 5. A notification made under paragraph 3 shall specify the level of concessions or other obligations that the complaining Party proposes to suspend, and the relevant Chapter and sector or sectors to which the concessions or other obligations are related. Any suspension of benefits shall be restricted to benefits accruing to the Party complained against under this Agreement.
- 6. In considering which concessions or other obligations to suspend, the complaining Party shall apply the following principles:
  - (a) the complaining Party should first seek to suspend concessions or other obligations in the same sector or sectors affected by the measure; and
  - (b) if the complaining Party considers that it is not practicable or effective to suspend concessions or other obligations in the same sector, it may suspend concessions or other obligations in other sectors.
- 7. The level of suspension of concessions or other obligations shall be equivalent to the level of nullification and impairment that is attributable to the failure of the Party complained against to implement the obligation in Article 15.1.

- 8. The suspension of concessions or other obligations shall be temporary and shall only be applied until such time as the obligation in Article 15.1 has been complied with or a mutually satisfactory solution is reached between the Parties to the dispute.
- 9. If the right to suspend concessions or other obligations has been exercised under this Article, and the Party complained against considers that:
  - (a) the level of concessions or other obligations suspended by the complaining Party is not equivalent to the level of the nullification and impairment; or
  - (b) any measure it has taken subsequent to the notification of the suspension of benefits in paragraph 3 complies with the obligation in Article 15.1,

it may request the Panel to reconvene to examine the matter. The Panel shall reconvene within 15 days of the date of the request, unless the original panellists are unavailable, in which case the Panel shall reconvene in accordance with the procedure in Article 11.9.

10. If the Panel determines that the level of benefits suspended is excessive, it shall determine the level of benefits it considers to be of equivalent effect to the level of nullification or impairment found by the Panel, adjusted to reflect any loss sustained by a Party as a result of excessive suspension. A report under Article 17.10 shall be final and binding on the Parties.

## **Article 18: Expenses**

- 1. Unless the Parties to the dispute agree otherwise, each Party to the dispute shall bear the costs of its own expenses and legal costs.
- 2. Unless the Parties to the dispute agree otherwise, the expenses of a Panel, including the remuneration of the panellists, the costs of the chair, and other expenses associated with the conduct of the proceedings shall be borne by the Parties to the dispute in equal shares.

#### ANNEX 14-A:

#### MODEL RULES OF PROCEDURE

1. Any reference made in these Rules to an Article is a reference to the appropriate Article in Chapter 14 (Consultations and Dispute Settlement).

#### Timetable

- 2. After consulting the Parties to the dispute, a Panel shall, as soon as practicable and whenever possible within 15 days of the establishment of the Panel, fix the timetable for the Panel process. The Panel process, from the date of establishment until the date of the final report shall, as a general rule, not exceed a period of 270 days, unless the Parties to the dispute agree otherwise.
- 3. In determining the timetable for the Panel process, the Panel shall provide sufficient time for the Parties to the dispute to prepare their respective submissions and for at least one hearing for the Parties to present their case to the Panel. The Panel shall set precise deadlines for written submissions by the Parties to the dispute and the Parties shall respect those deadlines.
- 4. Any time period applicable to the Panel proceeding shall be suspended for a period that begins on the date on which any panellist resigns or becomes unable to act and ends on the date on which the successor panellist is appointed.
- 4bis. In fixing the timetable, positive consideration shall be given to requests by any developing country Parties to the dispute for an extension of the time frames to enable them to adequately prepare their submissions.
- 5. A Panel may, in consultation with the Parties to the dispute, modify any time period applicable in the Panel proceeding and make such other procedural or administrative adjustments as may be required in the proceeding, unless agreed otherwise by the Parties.

## Operation of Panels

- 6. The chair of the Panel shall preside at all of its meetings. A Panel may delegate to the chair authority to make administrative and procedural decisions.
- 7. Except as otherwise provided in these Rules, the Panel may conduct its business by any means, including by telephone, facsimile, email and any other means of electronic communication.
- 8. Only panellists may take part in the deliberations of the Panel. The Panel may, in consultation with the Parties to the dispute, retain such number of assistants or designated note takers as may be required for the proceeding and permit them to be present during its deliberations. Any such arrangements established by the Panel may be modified by the agreement of the Parties to the dispute.

- 9. The Panel's deliberations shall be confidential. The panellists and the persons retained by the Panel shall maintain the confidentiality of Panel proceedings and deliberations. There shall be no *ex parte* communications with the Panel concerning matters under consideration by it.
- 10. If a procedural question arises that is not addressed by these Rules, a Panel may, after consulting the Parties, adopt an appropriate procedure that is consistent with this Agreement.
- 11. The interests of Third Parties and other Parties shall be fully taken into account during the Panel proceedings. Any information or written submissions provided to the Panel by a Party to the dispute or a Third Party shall be made available to the other Parties to the dispute.

#### Written Submissions and Other Documents

- 12. Each Party to the dispute shall deliver to the Panel a first submission in writing setting out the facts of its case and its arguments. Unless the Parties to the dispute otherwise agree, a complaining Party shall deliver its first submission to the Panel and to the Party complained against within 14 days of the date of the establishment of the Panel. The Party complained against shall deliver its first submission to the Panel and to the complaining Party within 21 days of the date of receipt of the first submission of the complaining Party. Any subsequent written submissions shall be submitted simultaneously.
- 13. Any Third Party shall have an opportunity to make written submissions to the panel. These submissions shall also be given to the parties to the dispute and shall be reflected in the panel report.
- 14. A Party to the dispute shall deliver no less than four copies of its written submissions to the Panel and one copy to the other Parties to the dispute. Third Parties shall receive the submissions of the Parties to the dispute prior to the first substantive hearing.
- 15. In respect of any request, notice or other document related to the Panel proceeding that is not covered by Rules 12 and 14, each Party to the dispute may deliver a copy of the document to the other Party to the dispute by facsimile, email or other means of electronic transmission.
- 16. A Party to the dispute may at any time correct minor errors of a clerical nature in any request, notice, written submission or other document related to the Panel proceeding by delivering a new document clearly indicating the changes.

## Hearings

17. At the first substantive hearing of the Panel, each Party to the dispute shall present the facts of its case and its arguments. The complaining Party shall present its position first. The Parties to the dispute shall be given an opportunity for final statements, with the complaining Party presenting its statement first.

- 18. All Third Parties shall be invited to present their views during a separate session of the first substantive hearing of the Panel set aside for that purpose. All Third Parties may be present during the entirety of this session.
- 19. The Parties to the dispute and Third Parties shall make available to the Panel written versions of their oral statements and responses to questions made in hearings with the Panel.
- 20. A Panel shall hold its hearings in open session, unless the Parties to the dispute agree otherwise.

## Availability of Information

- 21. Subject to Rules 22 and 23, each Party's written submissions, written versions of its oral statements, and written responses to questions from the Panel may be made available to the public by the Parties to the dispute.
- 22. A Party may designate, for confidential treatment, specific information it includes in its submissions, to the extent it considers strictly necessary to protect privacy or legitimate commercial interests of particular enterprises, public or private, or to address essential confidentiality concerns.
- 23. The Parties to the dispute shall treat as confidential information submitted by another Party which that Party has designated as confidential. If a Party designates information as confidential, that Party shall, on request of another Party, provide the Panel and other Parties to the dispute with a non-confidential summary of the information contained in its written submissions that could be disclosed to the public.
- 24. The report presented to the Parties to the dispute in accordance with Article 12.2 and any comments on it shall be confidential.
- 25. Each Party shall take such reasonable steps as are necessary to ensure that its individuals involved in Panel proceedings, including its experts, interpreters, translators, and court reporters (designated note takers) maintain the confidentiality of the Panel proceedings.

## *Information Gathering*

- 26. The Parties to the dispute and Third Parties shall respond promptly and fully to any request by the Panel for any information the Panel considers necessary and appropriate.
- 27. On the request of a Party to the dispute, or on its own initiative, the Panel may seek information and technical advice from any individual or body which it deems appropriate. However, before doing so the Panel shall seek the views of the Parties to the dispute. If the Parties to the dispute agree that the Panel should not seek the additional information or technical advice, the Panel shall not proceed to seek such information or technical advice. The Panel shall provide the Parties to the dispute with any information or technical advice it receives and an opportunity to provide comments.

## Reports

- 28. Unless the Parties to the dispute agree otherwise, a Panel shall base its report solely on the relevant provisions of this Agreement, the submissions and arguments of the Parties to the dispute, and other information provided to it in accordance with Rule 24. A Panel shall only make the findings and recommendations provided for in this Agreement.
- 29. A Panel established in accordance with Article 11 shall set out in its report: a descriptive section summarising the arguments of the Parties to the dispute and Third Parties; and its findings, and reasons for its findings, under each relevant subparagraph of Article 12.2. The Panel may suggest ways in which the Party complained against could implement the findings. Unless the Parties to the dispute agree otherwise, the Panel shall present to the Parties to the dispute an interim report containing its initial assessment within 90 days of its establishment, or within 45 days in cases of urgency, and a final report to the Parties to the dispute within 30 days of presentation of the interim report. If the Panel finds that the Party complained against is not in compliance with its obligations under this Agreement, the Panel shall make a determination as to what constitutes a reasonable period of time for the Party complained against to implement its obligations under this Agreement.
- 30. The interim report and final report of the Panel shall be drafted without the presence of the Parties to the dispute. Opinions expressed in the reports of the Panel by its individual members shall be anonymous.
- 31. The Parties to the dispute shall release the final report to the public within 15 days of its presentation, subject to the protection of confidential information.
- 32. A Panel reconvened in accordance with Article 16 shall set out in its report: a descriptive section summarising the arguments of the Parties to the dispute and Third Parties; and its findings, and reasons for its findings, under each subparagraph of Article 16.3. Unless the Parties to the dispute agree otherwise, the Panel shall present to the Parties to the dispute an interim report containing its initial assessment within 60 days of the date it reconvened and a final report to the Parties to the dispute within 30 days of presentation of the interim report.
- 33. A Panel reconvened in accordance with Article 17.9(a) shall provide its assessment to the Parties to the dispute within 30 days of the date it reconvened, unless the Parties to the dispute agree otherwise. Where a Panel reconvenes pursuant to Article 17.9(b), Article 16.2 and 16.3 shall apply.

#### Venue

34. The venue for the Panel hearings shall be decided by mutual agreement between the Parties to the dispute. If there is no agreement, the venue shall alternate between the capitals of the Parties to the dispute with the first hearing to be held in the capital of the Party complained against.

# Remuneration and Payment of Expenses

35. The Panel shall keep a record and render a final account of all general expenses incurred in connection with the proceedings, including those paid to its assistants, designated note takers or other individuals that it retains pursuant to Rule 8.