CHAPTER IV

DISPUTE SETTLEMENT PROCEDURE BETWEEN CONTRACTING PARTIES

ARTICLE 40

Amicable Settlements

All disputes between the Contracting Parties relating to the interpretation or application of this Agreement shall be, whenever possible, settled amicably by consultations within the Joint Commission.

ARTICLE 41

Submission to a Special Arbitral Group

- 1. If a dispute cannot be settled by consultation within the Joint Commission, it shall, at the request of one of the Contracting Parties, be submitted to a special arbitral group for decision.
- 2. A special arbitral group shall be constituted for each dispute. Within two months after receipt through diplomatic channels of the request for arbitration, each Contracting Party shall appoint one member to the special arbitral group. The two members shall then select a national of a third State who, upon approval by the two Contracting Parties, shall be appointed Chair of the special arbitral group. The Chair shall be appointed within 60 days from the date of appointment of the other two members of the special arbitral group.

ARTICLE 42

Referral to the International Court of Justice for Appointments

- 1. In the case where the Contracting Parties have not proceeded with the appointments within the time limits set out in Article 41 (Submission to a Special Arbitral Group), each Contracting Party may invite the President of the International Court of Justice to proceed with the appointments.
- 2. If the President of the International Court of Justice is a national of one of the Contracting Parties or if he or she cannot fulfil this function for another reason, the Vice-President shall be invited to proceed with the required appointments.