

## Article XXV

### *Resolution of Difficulties*

1. The competent authorities of the Parties shall resolve, to the extent possible, any difficulties which arise in interpreting or applying this Agreement according to its spirit and fundamental principles.
2. The Parties shall consult promptly at the request of either Party concerning matters which have not been resolved by the competent authorities in accordance with paragraph 1.
3. Any dispute between the Parties concerning the interpretation of this Agreement which has not been resolved or settled by consultation in accordance with paragraph 1 or 2 shall, at the request of either Party, be submitted to arbitration by an arbitral tribunal.
4. Unless the Parties mutually determine otherwise, the arbitral tribunal shall consist of three arbitrators, of whom each Party shall appoint one within two months from the date of receipt of the request for arbitration, and the two arbitrators so appointed shall appoint, within two months after the last notice of appointment, the third who shall act as president; provided that if either Party fails to appoint its arbitrator or if the two appointed arbitrators fail to agree about the third, the competent authority of the other Party shall invite the President of the International Court of Justice to appoint the arbitrator of the first Party or the two appointed arbitrators shall invite the President of the International Court of Justice to appoint the president of the arbitral tribunal.
5. If the President of the International Court of Justice is a citizen of either Party, the function of appointment shall be transferred to the Vice-president or the next most senior member of the Court who is not a citizen of either Party.
6. The arbitral tribunal shall determine its own procedures, but it shall reach its decisions by a majority of votes.
7. The decision of the arbitral tribunal shall be final and binding.