

- (2) If such disputes cannot be settled through consultations, they shall, at the request of either Contracting Party, be submitted for settlement to an ad hoc international arbitral panel (hereinafter called "the Panel").
- (3) The Panel mentioned above shall be established as follows: The Panel is composed of three arbitrators. Within two months after receipt through diplomatic channels of the request for arbitration, each Contracting Party shall appoint one arbitrator; the two arbitrators shall propose by mutual agreement the third arbitrator who is a national of a third State which has diplomatic relations with both Contracting Parties, and the third arbitrator shall, upon approval by the two Contracting Parties, be appointed as Chairman of the Panel. The Chairman shall be appointed within two months from the date of appointment of the other two members of the panel.
- (4) If the appointments of the members of the Panel are not made within the periods specified in paragraph (3) of this Article, either Contracting Party may, in the absence of any other arrangement, invite the President of the International Court of Justice to make the necessary appointments within three months. Should the President be a national of one Contracting Party or should he not be able to perform this designation because of other reasons, this task shall be entrusted to the Vice-President of the Court, or to the next senior Judge of the Court who is not a national of either Contracting Party.
- (5) The Panel shall determine its own procedure. The Panel shall decide its award by majority of votes. Such award is final and binding upon the Contracting Parties. Unless otherwise agreed, the decision of the Panel shall be rendered within six months of the appointment of the Chairman in accordance with paragraphs (3) or (4) of this Article.
- (6) Each Contracting Party shall bear the cost of its own member of the Panel and of its representation in the arbitral proceedings. The costs of the Chairman and the remaining costs shall be borne in equal parts by the Contracting Parties. The Panel may, however, in its decision direct that a higher proportion of costs shall be borne by one of the two Contracting Parties, and this award shall be binding on both Contracting Parties.
- (7) Within 60 days after a decision is made by the Panel, the Contracting Parties shall agree on the manner in which to give effect to the decision, which shall normally consist of implementation of such decision. If the Contracting Parties fail to reach agreement, the Contracting Party bringing the dispute shall be entitled to compensation or to suspend benefits of equivalent value to those awarded by the panel.

ARTICLE XVI

Transparency

- (1) The Contracting Parties shall, within a two year period after the entry into force of this Agreement, exchange letters listing, to the extent possible, any existing measures that do not conform to the obligations in subparagraph (3)(a) of Article II, Article IV or paragraphs (1) and (2) of Article V.