

- consultations at the request of either Party concerning any measure or any other matter which affects the operation of the Agreement, with a view to arriving at a mutually satisfactory resolution;
- referral to the Canada-United States Trade Commission, should resolution through consultations fail; and
- use of dispute settlement procedures should the Commission fail to arrive at a mutually satisfactory resolution. Procedures are:
  - compulsory arbitration, binding on both Parties, for disputes arising from the interpretation and application of the safeguards provision;
  - mutually agreed arbitration, binding on both Parties, in all other disputes; and
  - panel recommendations to the Commission, which, in turn, is mandated to agree on a resolution of the dispute.

These provisions are in addition to the special dispute settlement mechanism established to deal with anti-dumping and countervailing duty issues.

The Commission is composed of representatives of both Parties. The principal representative of each Party is the ministerial rank official responsible for international trade matters, or his or her designee. Each Party chairs the Commission in alternate years. Regular Commission meetings are held once a year, alternating between the two countries.

Arbitrators are selected by the Commission on such terms and in accordance with such procedures as are adopted by the Commission. Panels are composed of five members: two Canadians, two Americans, and a fifth member of any nationality. Panelists are normally chosen from a roster developed by the Commission. Each Party chooses its national members, while the Commission chooses the fifth member. If the Commission is unable to agree on a choice, the other four members choose; should that fail, the fifth member is selected by lot.