2. Any dispute between the Contracting Parties as to the interpretation or application of the provisions of this Agreement shall, as far as possible, be settled through diplomatic channels by means of negotiations.

3. If the dispute referred to in paragraph 2 above is not satisfactorily adjusted by diplomacy, it shall be referred for decision to an arbitration board. Such arbitration board shall be composed of three arbitrators, with each Contracting Party appointing one arbitrator within a period of thirty days from the date of receipt by either Contracting Party from the other Contracting Party of a note requesting arbitration of the dispute, and the third arbitrator to be agreed upon as President by the two arbitrators so chosen within a further period of thirty days, provided that the third arbitrator shall not be a national of either Contracting Party.

4. If the third arbitrator is not agreed upon between the arbitrators appointed by each Contracting Party within the further period of thirty days referred to in the provisions of paragraph 3 above, the Contracting Parties shall request the President of the International Court of Justice to appoint the third arbitrator who shall not be a national of either Contracting Party.

5. The arbitration board shall within a reasonable period of time reach its decisions by a majority of votes. Such decisions shall be final and binding.

6. Each Contracting Party shall bear the cost of its own arbitrator and its representation in the arbitral proceedings. The cost of the President of the arbitration board in discharging his or her duties and the remaining costs of the arbitration board shall be borne equally by the Contracting Parties.

Article 16

1. For the purposes of this Article, an investment dispute is a dispute between a Contracting Party and an investor of the other Contracting Party that has incurred loss or damage by reason of, or arising out of, an alleged breach of any right conferred by this Agreement with respect to the investor of that other Contracting Party or its investments in the Area of the former Contracting Party.

2. Any investment dispute shall, as far as possible, be settled amicably through consultation between the parties to the investment dispute.

3. If the investment dispute cannot be settled through such consultations within three months from the date on which the investor requested the consultation in writing, the investment dispute shall at the request of the investor concerned be submitted to either:

(1) conciliation or arbitration in accordance with the provisions of the Convention on the Settlement of Investment Disputes between States and Nationals of Other States done at Washington D.C. on March 18, 1965 so long as the Convention is in force between the Contracting Parties, or conciliation or arbitration under the Additional Facility Rules of the International Center for Settlement of Investment Disputes so long as the Convention is not in force between the Contracting Parties; or

(2) arbitration under the Arbitration Rules of the United Nations Commission on International Trade Law, adopted by the United Nations Commission on International Trade Law on April 28, 1976.

4. A Contracting Party which is a party to an investment dispute hereby consents to the submission of the investment dispute to international conciliation or arbitration referred to in paragraph 3 above in accordance with the provisions of this Article.

5. The decision of arbitration shall be final and binding upon both parties to the investment dispute. This decision shall be executed by the laws and regulations concerning the execution of decision in force in the country in whose Area such execution is sought.

6. So long as an investor of either Contracting Party is seeking judicial or administrative settlement in the Area of the other Contracting Party or arbitral decision in accordance with any applicable previously agreed dispute-settlement procedures, concerning an investment dispute, or in the event that a final judicial settlement on such dispute has been made, such dispute shall not be submitted to arbitration referred to in the provisions of this Article.

7. Nothing in this Article shall be construed so as to prevent an investor from seeking judicial or administrative settlement in the Area of the Contracting Party which is a party to an investment dispute.