Chapter 16
Dispute Settlement

Article 16.1
Scope

Unless otherwise provided for in this Agreement, the dispute settlement procedure of this Chapter shall apply with respect to the avoidance and the settlement of disputes between the Parties arising out of the interpretation and/or application of this Agreement.

Article 16.2
General Principle

The Parties shall at all times endeavor to agree on the interpretation and application of this Agreement. They shall make every attempt through cooperation, consultations or other means to arrive at a prompt and mutually satisfactory resolution of any matter concerning the interpretation and/or application of this Agreement.

Article 16.3
Choice of Forum

1. Nothing in this Chapter shall prejudice any rights of the Parties to have recourse to dispute settlement procedures available under any other international agreement to which both Parties are party, including the WTO Agreement. The complaining Party may select the forum in which to settle the dispute.

2. Notwithstanding paragraph 1, once the complaining Party has requested the establishment of an arbitral tribunal under this Chapter or any other international agreement to which both Parties are party, including a panel under the Understanding on Rules and Procedures Governing the Settlement of Disputes in Annex 2 to the WTO Agreement with respect to a particular dispute, the arbitral tribunal or panel selected shall be used to the exclusion of any other procedure for that particular dispute.

Article 16.4
Consultations

1. Either Party may request in writing consultations to the other Party with respect to any matter on the interpretation and/or application of this Agreement.

2. In the request for consultations referred to in paragraph 1, the complaining Party shall set out the reasons for the request, including identification of the measure at issue and an indication of the legal and factual basis of the complaint.

3. The Party complained against shall promptly respond in writing to such request and enter into consultations with the complaining Party in good faith within 40 days after the date of receipt of the request. In cases of urgency, including those which concern perishable goods, the Party complained against shall enter into consultations within 20 days after the date of receipt of the request.

4. The Parties shall make every effort to arrive at a mutually satisfactory resolution of the matter through consultations under this Article. During the consultations the Parties shall provide to each other sufficient information to enable a full examination of the matter.

5. During the consultations under this Article, the Parties shall endeavor to make available personnel of their relevant agencies and organizations with expertise in the matter subject to the consultations.

6. The consultations under this Article shall be confidential and without prejudice to the rights of either Party in any further proceedings.

7. The consultations under this Article may be held in person or by any technological means available to the Parties upon agreement by the Parties. If the Parties agree to hold consultations in person, the consultations shall be held in a venue agreed upon by the Parties, or if there is no agreement on the venue, in the capital of the Party complained against.