

CHAPTER 12 INVESTMENT

Article 12.1: UAE-Serbia Bilateral Investment Treaty

The Parties note the existence of and reaffirm the *Agreement between the Republic of Serbia and the United Arab Emirates on the Promotion and Reciprocal Protection of Investments*, done at Abu Dhabi on 17 February 2013 (“Serbia-UAE Bilateral Investment Agreement”).

Article 12.2: Promotion of Investment

The Parties affirm their desire to promote an attractive investment climate and expand trade in products and services. Consistent with Article 2 of the Serbia-UAE Bilateral Investment Agreement, the Parties shall take appropriate measures to encourage and facilitate the exchange of goods and services and to secure favorable conditions for long-term economic development and diversification of trade between the two countries.

Article 12.3: Technical Council

The Parties shall establish a Serbia-United Arab Emirates Council on Investment (“the Council”), which shall be composed of representatives of both Parties. The side of Serbia will be chaired by the Ministry of Economy of Serbia or its successor and the side of the United Arab Emirates will be chaired by UAE Ministry of Finance. The Council may establish working groups as the Parties deem necessary.

Article 12.4: Objectives of the Council

1. The objectives of the Council are as follows:
 - (a) to promote and enhance economic cooperation between the Parties;
 - (b) to monitor trade and investment relations, to identify opportunities for expanding investment, and to identify issues relevant to investment that may be appropriate for negotiation in an appropriate forum;
 - (c) to hold consultations on specific investment matters of interest to the Parties;
 - (d) to work toward the enhancement of investment flows;
 - (e) to identify and work toward the removal of impediments to investment flows; and
 - (f) to seek the views of the private sector, where appropriate, on matters related to the work of the Council.



2. For further clarification, the Council shall not undertake the role of "Settlement of disputes between a Contracting Party and an investor of the other Contracting Party" nor shall it undertake the role of "Settlement of disputes between the Contracting Parties" as established by Articles 9 and 10 of the Serbia-UAE Bilateral Investment Agreement.

Article 12.5: Role of the Council

The Council shall meet at such times and venues as agreed by the Parties, but the Parties shall endeavour to meet no less than once per year. A Party may refer a specific investment matter to the Council by delivering a written request to the other Party that includes a description of the matter concerned. The Council shall take up the matter promptly after the request is delivered unless the requesting Party agrees to postpone discussion of the matter. Each Party shall endeavour to provide for an opportunity for the Council to discuss a matter before taking actions that could affect adversely the investment interests of the other Party.

Article 12.6: Dispute Settlement

Neither Party shall have recourse to Chapter 15 (Dispute Settlement) of this Agreement for any matter arising under this Chapter.



CHAPTER 13 **SMALL AND MEDIUM-SIZED ENTERPRISES**

Article 13.1: General Principles

1. The Parties, recognizing the fundamental role of small and medium-sized enterprises (“SMEs”) in maintaining dynamism and enhancing competitiveness of their respective economies, shall foster closer cooperation between SMEs of the Parties and cooperate in promoting jobs and growth in SMEs.
2. The Parties recognize the integral role of the private sector in the SME cooperation to be implemented under this Chapter.

Article 13.2: Cooperation to Increase Trade and Investment Opportunities for SMEs

With a view to more robust cooperation between the Parties to enhance commercial opportunities for SMEs, the Parties shall seek to increase trade and investment opportunities, and in particular shall:

- (a) promote cooperation between their small business support infrastructure, including dedicated SME centers, incubators and accelerators, export assistance centers, and other centers as appropriate, to create an international network for sharing best practices, exchanging market research, and promoting SME participation in international trade, as well as business growth in local markets;
- (b) strengthen their collaboration on activities to promote SMEs owned by women and youth, as well as start-ups, and promote partnerships among these SMEs and their participation in international trade;
- (c) enhance their cooperation to exchange information and best practices in areas including improving SME access to capital and credit, SME participation in covered government procurement opportunities, and helping SMEs adapt to changing market conditions; and
- (d) encourage participation in purpose-built mobile or web-based platforms, for business entrepreneurs and counselors to share information and best practices to help SMEs link with international suppliers, buyers, and other potential business partners.

Article 13.3: Information Sharing

1. Each Party shall establish or maintain its own free, publicly accessible website containing information regarding this Agreement, including:
 - (a) the text of this Agreement;



(b) a summary of this Agreement; and

(c) information designed for SMEs that contains:

(i) a description of the provisions in this Agreement that the Party considers to be relevant to SMEs; and

(ii) any additional information that would be useful for SMEs interested in benefitting from the opportunities provided by this Agreement.

2. Each Party shall include in its website links or information through automated electronic transfer to:

(a) the equivalent websites of the other Party; and

(b) the websites of its own government agencies and other appropriate entities that provide information the Party considers useful to any person interested in trading, investing, or doing business in that Party's territory.

3. Subject to each Party's laws and regulations, the information described in paragraph 2(b) may include:

(a) customs regulations, procedures, or enquiry points;

(b) regulations or procedures concerning intellectual property, trade secrets, and patent protection rights;

(c) technical regulations, standards, quality or conformity assessment procedures;

(d) sanitary or phytosanitary measures relating to importation or exportation;

(e) foreign investment regulations;

(f) business registration;

(g) trade promotion programs;

(h) competitiveness programs;

(i) SME investment and financing programs;

(j) taxation or accounting issues;

(k) government procurement opportunities; and

(l) other information which the Party considers to be useful for SMEs.



4. Each Party shall regularly review the information and links on the website referred to in paragraphs 1 and 2 to ensure the information and links are up-to-date and accurate.
5. To the extent possible, each Party shall make the information described in this Article available in English. If this information is available in another authentic language of this Agreement, the Party shall endeavor to make this information available, as appropriate.

Article 13.4: Subcommittee on SME Issues

1. The Parties hereby establish the Subcommittee on SME Issues (“SME Subcommittee”), comprising national and local government representatives of each Party.
2. The SME Subcommittee shall:
 - (a) identify ways to assist SMEs in the Parties’ territories to take advantage of the commercial opportunities resulting from this Agreement and to strengthen SME competitiveness;
 - (b) identify and recommend ways for further cooperation between the Parties to develop and enhance partnerships between SMEs of the Parties;
 - (c) exchange and discuss each Party’s experiences and best practices in supporting and assisting SME exporters with respect to, among other things, training programs, trade education, trade finance, trade missions, trade facilitation, digital trade, identifying commercial partners in the territory of the other Party, and establishing good business credentials;
 - (d) promote seminars, workshops, webinars, mentorship sessions, or other activities to inform SMEs of the benefits available to them under this Agreement;
 - (e) explore opportunities for capacity building to facilitate each Party’s work in developing and enhancing SME export counseling, assistance, and training programs;
 - (f) recommend additional information that a Party may include on the website referred to in Article 13.3;
 - (g) review and coordinate its work program with the work of other subcommittees, working groups, and other subsidiary bodies established under this Agreement, as well as of other relevant international bodies, to avoid duplication of work programs and to identify appropriate opportunities for cooperation to improve the ability of SMEs to engage in trade and investment opportunities resulting from this Agreement;
 - (h) collaborate with and encourage subcommittees, working groups and other subsidiary bodies established under this Agreement to consider SME-related commitments and activities into their work;

- (i) review the implementation and operation of this Chapter and SME-related provisions within this Agreement and report findings and make recommendations to the Joint Committee that can be included in future work and SME assistance programs as appropriate;
- (j) facilitate the development of programs to assist SMEs to participate and integrate effectively into the Parties' regional and global supply chains;
- (k) promote the participation of SMEs in digital trade in order to take advantage of the opportunities resulting from this Agreement and rapidly access new markets;
- (l) facilitate the exchange of information on entrepreneurship education and awareness programs for youth and women to promote the entrepreneurial environment in the territories of the Parties;
- (m) submit on an annual basis, unless the Parties decide otherwise, a report of its activities and make appropriate recommendations to the Joint Committee; and
- (n) consider any other matter pertaining to SMEs as the SME Subcommittee may decide, including issues raised by SMEs regarding their ability to benefit from this Agreement.

3. The SME Subcommittee shall convene within one year after the date of entry into force of this Agreement and thereafter meet annually, unless the Parties decide otherwise.
4. The SME Subcommittee may seek to collaborate with appropriate experts and international donor organizations in carrying out its programs and activities.

Article 13.5: Dispute Settlement

Neither Party shall have recourse to Chapter 15 (Dispute Settlement) of this Agreement for any matter arising under this Chapter.



CHAPTER 14 **ECONOMIC COOPERATION**

Article 14.1: Objectives

1. The Parties shall promote cooperation under this Agreement for their mutual benefit in order to liberalize and facilitate trade and investment between them and foster economic growth.
2. Economic cooperation under this Chapter shall be built upon a common understanding between the Parties to support the implementation of this Agreement, with the objective of maximising its benefits, supporting pathways to trade and investment facilitation, and further improving market access and openness to contribute to the sustainable inclusive economic growth and prosperity of the Parties.

Article 14.2: Scope

1. Economic cooperation under this Chapter shall support the effective and efficient implementation and utilisation of this Agreement through activities that relate to trade and investment.
2. Economic cooperation under this Chapter shall initially focus on the following areas:
 - (a) infrastructure and logistics;
 - (b) tourism;
 - (c) transports;
 - (d) shipping and maritime;
 - (e) investment and trade promotion;
 - (f) digital economy and information communication technology (“ICT”);
 - (g) energy;
 - (h) innovation; and
 - (i) other areas of cooperation identified in other Chapters of this Agreement.
3. The Parties may agree in the Annual Work Program on Economic Cooperation Activities (“Annual Work Program”) to modify the above list, including by adding other areas for economic cooperation.



Article 14.3: Subcommittee on Economic Cooperation

1. For the purposes of the effective implementation and operation of this Chapter, the Parties hereby establish a Subcommittee on Economic Cooperation (“Economic Cooperation Subcommittee”).
2. The Economic Cooperation Subcommittee shall be chaired on the Serbia side by the Serbian Ministry in charge of bilateral economic cooperation and on the UAE side by the UAE Ministry of Economy.
3. The Economic Cooperation Subcommittee shall undertake the following functions:
 - (a) monitor and assess the implementation of this Chapter;
 - (b) identify new opportunities and agree on new ideas for prospective cooperation or capacity building activities;
 - (c) formulate and develop Annual Work Programme proposals and their implementation mechanisms;
 - (d) coordinate, monitor, and review progress of the Annual Work Programme to assess its overall effectiveness and contribution to the implementation and operation of this Chapter;
 - (e) suggest amendments to the Annual Work Programme through periodic evaluations;
 - (f) cooperate with other subcommittees and/or subsidiary bodies established under this Agreement to perform stocktaking, monitoring, and benchmarking on any issues related to the implementation of this Agreement, as well as to provide feedback and assistance in the implementation and operation of this Chapter; and
 - (h) report to and, if deemed necessary, consult with the Joint Committee in relation to the implementation and operation of this Chapter.

Article 14.4: Annual Work Program on Economic Cooperation Activities

1. The Economic Cooperation Subcommittee shall adopt the Annual Work Program based on proposals submitted by the Parties.
2. Each activity in the Annual Work Program developed under this Chapter shall: (i) be guided by the objectives agreed in Article 14.1; (ii) be related to trade or investment and support the implementation of this Agreement; (iii) involve both Parties; (iv) address the mutual priorities of the Parties; and (v) avoid duplicating existing economic cooperation activities.



Article 14.5: Competition Policy

1. The Parties recognise the importance of general cooperation in the area of competition policy. The Parties may cooperate to exchange information relating to the development of competition policy, subject to their domestic laws and regulations and available resources. The Parties may conduct such cooperation through their competent authorities.
2. The Parties may consult on matters related to anti-competitive practices and their adverse effects on trade. The consultations shall be without prejudice to the autonomy of each Party to develop, maintain and enforce its domestic competition laws and regulations.

Article 14.6: Global Value Chains

1. The Parties acknowledge the importance of Global Value Chains (“GVCs”), as a means to modernize and widen bilateral economic relation between their traders and investors.
2. The Parties acknowledge that international trade and investment are engines of economic growth and intend to facilitate their companies’ internationalization and their insertion into GVCs.
3. The Parties affirm the relevance of micro, small and medium enterprises in a country’s productive structure and their impact on employment, and that their adequate insertion into GVCs will contribute to a better allocation of resources and the economic benefits derived from international trade, including the diversification and enhancing of value added in exports.
4. The Parties acknowledge the importance of the participation of the private sector as well as the entrepreneurial community as fundamental actors within GVCs, and the relevance of creating an adequate environment.

Article 14.7: Resources

1. Resources for economic cooperation under this Chapter shall be provided in a manner as agreed by the Parties and in accordance with the laws and regulations of the Parties.
2. The Parties, on the basis of mutual benefit, may consider cooperation with, and contributions from, external parties to support the implementation of the Annual Work Program.

Article 14.8: Means of Cooperation

The Parties shall endeavour to encourage technical, technological and scientific economic cooperation, through the following:



- (a) joint organization of conferences, seminars, workshops, meetings, training sessions and outreach and education programs;
- (b) exchange of delegations, professionals, technicians and specialists from the academic sector, institutions dedicated to research, private sector and governmental agencies, including study visits and internship programs for professional training;
- (c) dialogue and exchange of experiences between the Parties' private sector and agencies involved in trade promotion;
- (d) initiation of the knowledge-sharing platform aiming to transfer experience and best practices in the field of government development and modernization to other countries through UAE's Government Experience Exchange Programme;
- (e) promotion of joint business initiatives between entrepreneurs of the Parties; and
- (f) any other form of cooperation that may be agreed by the Parties.

Article 14.8: Dispute Settlement

Neither Party shall have recourse to Chapter 15 (Dispute Settlement) of this Agreement for any matter arising under this Chapter.

CHAPTER 15 **DISPUTE SETTLEMENT**

Article 15.1: Objective

The objective of this Chapter is to establish an effective and efficient mechanism for avoiding and settling disputes between the Parties concerning the interpretation and application of this Agreement with a view to reaching, where possible, a mutually agreed solution.

Article 15.2: Cooperation

The Parties shall endeavor to agree on the interpretation and application of this Agreement, and shall make every attempt through cooperation to arrive at a mutually satisfactory resolution of any matter that might affect its operation.

Article 15.3: Scope of Application

1. Unless otherwise provided for in this Agreement, this Chapter shall apply with respect to the settlement of any dispute between the Parties concerning the interpretation, implementation, or application of this Agreement (hereinafter referred to as "covered provisions"), wherever a Party considers that:
 - (a) a measure of the other Party is inconsistent with its obligations under this Agreement; or
 - (b) the other Party otherwise failed to carry out its obligations under this Agreement.
2. This Chapter shall not cover non-violation complaints and other situation complaints.

Article 15.4: Contact Points

Any request, notification, written submission or other document made in accordance with this Chapter shall be delivered to the other Party through its contact point referred to in Article 17.2 (Communications).

Article 15.5: Request for Information

Before a request for consultations, good offices, conciliation or mediation is made pursuant to Article 15.6 or 15.7 respectively, a Party may request in writing any relevant information with respect to a measure at issue. The Party to which that request is made shall make all efforts to provide the requested information in a written response to be submitted no later than 20 days after the date of receipt of the request.



Article 15.6: Consultations

1. The Parties shall endeavor to resolve any dispute referred to in Article 15.3 by entering into consultations in good faith with the aim of reaching a mutually agreed solution.
2. A Party shall seek consultations by means of a written request delivered to the other Party giving the reasons for the request, including identification of the measures at issue, a description of the factual basis, and an indication of the legal basis specifying the covered provisions that it considers applicable.
3. The Party to which the request for consultations is made shall reply to the request promptly, but no later than 10 days after the date of receipt of the request. Consultations shall be held within 30 days of the date of receipt of the request. The consultations shall be deemed to be concluded within 30 days of the date of receipt of the request, unless the Parties agree otherwise.
4. Consultations on matters of urgency, including those which concern perishable goods, shall be held within 15 days of the date of receipt of the request. The consultations shall be deemed to be concluded within those 15 days unless the Parties agree otherwise.
5. During consultations, each Party shall provide sufficient information so as to allow a complete examination of the measure at issue including how that measure is affecting the operation and application of this Agreement.
6. Consultations, including all information disclosed and positions taken by the Parties during consultations, shall be confidential, and without prejudice to the rights of either Party in any further proceedings.
7. Consultations may be held in person or by any other means of communication agreed by the Parties. Unless the Parties agree otherwise, consultations, if held in person, shall take place in the territory of the Party to which the request is made.
8. If the Party to which the request is made does not respond to the request for consultations within 10 days of the date of its receipt, or if consultations are not held within the timeframes laid down in paragraph 3 or in paragraph 4, respectively, or if the Parties agree not to have consultations, or if consultations have been concluded and no mutually agreed solution has been reached, the Party that sought consultations may have recourse to Article 15.8.

Article 15.7: Good Offices, Conciliation or Mediation

1. The Parties may at any time agree to enter into procedures for good offices, conciliation or mediation. They may begin at any time and be terminated by either Party at any time.
2. Proceedings involving good offices, conciliation or mediation, and the particular positions taken by the Parties in these proceedings, shall be confidential and without prejudice to the

rights of either Party in any further proceedings under this Chapter or any other proceedings before a forum selected by the Parties.

3. If the Parties agree, procedures for good offices, conciliation or mediation may continue while the panel procedures proceed.

Article 15.8: Establishment of a Panel

1. The complaining Party may request the establishment of a Panel if:
 - (a) the respondent Party does not reply to the request for consultations within the time frames in Article 15.6;
 - (b) the consultations referred to in Article 15.6 are not held or fail to settle a dispute within 30 days, or 15 days in relation to urgent matters including those which concern perishable goods, after the date of the receipt of the request for consultations by the respondent Party.
2. The request for the establishment of a Panel shall be made by means of a written request delivered to the other Party and shall identify the measure at issue and indicate the factual basis of the complaint and the legal basis specifying the relevant covered provisions in a manner sufficient to present how such measure is inconsistent with those provisions.
3. When a request is made by the complaining Party in accordance with paragraph 1, a Panel shall be established.

Article 15.9: Composition of a Panel

1. Unless the Parties agree otherwise, a Panel shall consist of three panelists.
2. Within 20 days after the establishment of a Panel, each Party shall appoint a panelist. The Parties shall, by common agreement, appoint the third panelist, who shall serve as the chairperson of the Panel, within 40 days after the establishment of a Panel.
3. If either Party fails to appoint a panelist within the time period established in paragraph 2, the other Party may request that the Director-General of the WTO designate the unappointed panelist within 20 days of that request.
4. If the Parties do not agree on the chairperson of the Panel within the time period established in paragraph 2, they shall within the next 10 days, exchange their respective lists comprising three nominees each who shall not be nationals or permanent residents of either Party. The chairperson shall then be appointed by draw of lot from the lists within 10 days after the expiry of the time period during which the Parties shall exchange their respective lists of nominees. The selection by lot of the chairperson of the Panel shall be made by the Joint Committee.

5. If a Party fails to submit its list of three nominees within the time period established in paragraph 4, the chairperson shall be appointed by draw of lot from the list submitted by the other Party.
6. The date of composition of the Panel shall be the date on which the last of the three selected panelists has notified to the Parties the acceptance of his or her appointment.

Article 15.10: Decision on Urgency

If a Party so requests, the Panel shall decide, within 15 days of its composition, whether the dispute concerns matters of urgency.

Article 15.11: Requirements for Panelists

1. Each panelist shall:
 - (a) have demonstrated expertise in law, international trade, and other matters covered by this Agreement;
 - (b) be independent of, and not be affiliated with or take instructions from, either Party;
 - (c) serve in their individual capacities and not take instructions from any organization or government with regard to matters related to the dispute;
 - (d) comply with the Code of Conduct for Panelists established in Appendix 15B; and
 - (e) be chosen strictly on the basis of objectivity, reliability, and sound judgment.
2. The chairperson shall also have experience in dispute settlement procedures.
3. Persons who provided good offices, conciliation or mediation to the Parties pursuant to Article 15.7, in relation to the same or a substantially equivalent matter, shall not be eligible to be appointed as panelists in that matter.

Article 15.12: Replacement of Panelists

If any of the panelists of the original Panel becomes unable to act, withdraws or needs to be replaced because that panelist does not comply with the requirements of the Code of Conduct, a successor panelist shall be appointed in the same manner as prescribed for the appointment of the original panelist and the successor shall have the powers and duties of the original panelist. The work of the Panel shall be suspended during the appointment of the successor panelist.

Article 15.13: Functions of the Panel

Unless the Parties otherwise agree, the Panel:

- (a) shall make an objective assessment of the matter before it, including an objective assessment of the facts of the case and the applicability of and conformity of the measure at issue with the covered provisions;
- (b) shall set out, in its decisions and reports, the findings of fact and law and the rationale behind any findings and conclusions that it makes;
- (c) may make recommendations on the means to resolve the dispute; and
- (d) should consult regularly and simultaneously with the Parties and provide adequate opportunities for the development of a mutually agreed solution.

Article 15.14: Terms of Reference

- 1. Unless the Parties otherwise agree within 15 days after the date of establishment of the Panel, the terms of reference of the Panel shall be: "to examine, in the light of the relevant covered provisions of this Agreement cited by the Parties, the matter referred to in the request for the establishment of the Panel, to make findings on the conformity of the measure at issue with the relevant covered provisions of this Agreement, as well as recommendations, if any, on the means to resolve the dispute, and to deliver a report in accordance with Articles 15.18 and 15.19."
- 2. If the Parties agree on other terms of reference than those referred to in paragraph 1, they shall notify the agreed terms of reference to the Panel no later than five days after their agreement.

Article 15.15: Rules of Interpretation

- 1. The Panel shall interpret the covered provisions in accordance with customary rules of interpretation of public international law.
- 2. When appropriate, the Panel may also take into account relevant interpretations in reports of prior panels established under this Agreement and reports of panels and the Appellate Body adopted by the Dispute Settlement Body of the WTO.

Article 15.16: Procedures of the Panel

- 1. Unless the Parties otherwise agree, the Panel shall follow the model rules of procedure set out in Appendix 15A.
- 2. The Panel may, after consulting with the Parties, adopt additional rules of procedure consistent with the model rules of procedure and which ensure equal treatment between the Parties.
- 3. There shall be no ex parte communications with the Panel.

4. The deliberations of the Panel and the documents submitted to it shall be kept confidential.
5. A Party asserting that a measure of the other Party is inconsistent with the provisions of this Agreement shall have the burden of establishing such inconsistency. A Party asserting that a measure is subject to an exception under this Agreement shall have the burden of establishing that the exception applies.
6. The Panel should consult with the Parties as appropriate and provide adequate opportunities and simultaneous participation for the development of a mutually agreed solution.
7. The Panel shall adopt its decisions, including its reports, by consensus, but if consensus is not possible then by a majority of its members. Any member of the Panel may furnish separate opinions on matters not unanimously agreed, but dissenting opinions of members shall in no case be disclosed.

Article 15.17: Receipt of Information

1. Upon the request of a Party, or on its own initiative, the Panel may seek from the Parties relevant information it considers necessary and appropriate. The Parties shall respond promptly and fully to any request by the Panel for information.
2. Upon request of a Party or on its own initiative, the Panel may seek from any source any information that it considers appropriate. The Panel also has the right to seek the opinion of experts, as it considers appropriate, and subject to any terms and conditions agreed by the Parties, where applicable.
3. Upon request of a Party, or on its own initiative, the Panel may seek information and technical advice from any individual or body that it deems appropriate, provided that the Parties agree and subject to such terms and conditions as the Parties agree.
4. Any request submitted and information obtained by the Panel under this Article shall be made simultaneously available to both the Parties and the Parties may provide comments on that information.

Article 15.18: Interim Report

1. The Panel shall deliver an interim report to the Parties within 90 days after the date of composition of the Panel. When the Panel considers that this deadline cannot be met, the chairperson of the Panel shall notify the Parties in writing, stating the reasons for the delay and the date on which the Panel plans to deliver its interim report. Under no circumstances shall the delay exceed 30 days after the deadline.
2. The interim report shall set out a descriptive part and the Panel's findings, and conclusions and may make recommendations.

3. Each Party may submit to the Panel written comments and a written request to review precise aspects of the interim report within 15 days of the date of issuance of the interim report, subject to notification to the other Party. A Party may comment on the others Party's request within six days of the delivery of the request.
4. After considering any written comments and requests by each Party on the interim report, the Panel may modify the interim report and make any further examination it considers appropriate.

Article 15.19: Final Report

1. The Panel shall deliver its final report to the Parties within 120 days of the date of composition of the Panel. When the Panel considers that this deadline cannot be met, the chairperson of the Panel shall notify the Parties in writing, stating the reasons for the delay and the date on which the Panel plans to deliver its final report. Under no circumstances shall the delay exceed 30 days after the deadline.
2. The final report shall include a discussion of any written comments and requests made by the Parties on the interim report. The Panel may, in its final report, suggest ways in which the final report should be implemented.
3. The final report shall be made public within 15 days of its delivery to the Parties, unless the Parties otherwise agree to publish the final report only in parts or not to publish the final report. Upon request of a Party, the published version of the final report shall not contain confidential information, in accordance with its legislation.

Article 15.20: Implementation of the Final Report

1. Where the Panel finds that the respondent Party has acted inconsistently with a covered provision, the respondent Party shall take any measure necessary to comply promptly and in good faith with the findings and conclusions in the final report.
2. The respondent Party shall promptly comply with the ruling of the Panel. If it is impracticable to comply immediately, the respondent Party shall, no later than 30 days after the delivery of the final report, notify the complaining Party of the length of the reasonable period of time necessary for compliance with the final report and the Parties shall endeavour to agree on the reasonable period of time required for compliance with the final report.

Article 15.21: Reasonable Period of Time for Compliance

1. If the Parties have not agreed on the duration of the reasonable period of time, the complaining Party may, no later than 20 days after the date of receipt of the notification made by the respondent Party in accordance with Article 15.20.2 request in writing the original Panel to determine the length of the reasonable period of time. Such request shall

be notified simultaneously to the respondent Party. The 20-day period referred to in this paragraph may be extended by mutual agreement of the Parties.

2. The original Panel shall deliver its decision to the Parties within 20 days from the relevant request.
3. The duration of the reasonable period of time for compliance with the final report may be extended by mutual agreement of the Parties.

Article 15.22: Compliance Review

1. The respondent Party shall deliver a written notification of its progress in complying with the final report to the complaining Party at least one month before the expiry of the reasonable period of time for compliance with the final report unless the Parties agree otherwise.
2. The respondent Party shall, no later than at the date of expiry of the reasonable period of time, deliver a notification to the complaining Party of any measure that it has taken to comply with the final report along with a description of how the measure ensures compliance sufficient to allow the complaining Party to assess the measure before the expiry of the reasonable period of time.
3. Where the Parties disagree on the existence of measures to comply with the final report, or their consistency with the covered provisions, the complaining Party may request in writing the original panel to decide on the matter before compensation can be sought or suspension of benefits can be applied in accordance with Article 15.23.1(c). Such request shall be notified simultaneously to the respondent Party.
4. The request shall provide the factual and legal basis for the complaint, including the identification of the specific measures at issue and an indication of why any measures taken by the respondent fail to comply with the final report or are otherwise inconsistent with the covered provisions.
5. The Panel shall deliver its decision to the Parties within 60 days of the date of delivery of the request.

Article 15.23: Temporary Remedies in Case of Non-Compliance

1. If the respondent Party:
 - (a) fails to notify any measure taken to comply with the final report before the expiry of the reasonable period of time;
 - (b) notifies the complaining Party in writing that it is not possible to comply with the final report within the reasonable period of time; or

(c) the original Panel finds that no measure taken to comply exists or that the measure taken to comply with the final report as notified by the Party complained against is inconsistent with the covered provisions;

the respondent Party shall, on request of the complaining Party, enter into consultations with a view to agreeing on a mutually satisfactory agreement or any necessary compensation.

2. If the Parties fail to reach a mutual satisfactory agreement or to agree on compensation within 20 days after the date of receipt of the request made in accordance with paragraph 1, the complaining Party may deliver a written notification to the respondent Party that it intends to suspend the application to that Party of benefits or other obligations under this Agreement. The notification shall specify the level of intended suspension of benefits or other obligations.
3. The complaining Party may begin the suspension of benefits or other obligations referred to in the preceding paragraph 20 days after the date when it served notice on the Party complained against, unless the respondent Party made a request under paragraph 6.
4. The suspension of benefits or other obligations:
 - (a) shall be at a level equivalent to the nullification or impairment that is caused by the failure of the respondent Party to comply with the final report; and
 - (b) shall be restricted to benefits accruing to the respondent Party under this Agreement.
5. In considering what benefits to suspend in accordance with paragraph 2, the complaining Party shall apply the following principles:
 - (a) the complaining Party should first seek to suspend benefits in the same sector or sectors as that affected by the measure that the Panel has found to be inconsistent with this Agreement or have caused nullification or impairment;³⁴
 - (b) the complaining Party may suspend benefits in other sectors, if it considers that it is not practicable or effective to suspend benefits or other obligations in the same sector;
 - (c) in the selection of the benefits to suspend, the complaining Party shall endeavor to take into consideration those which least disturb the implementation of this Agreement.
6. The suspension of benefits or other obligations shall be temporary and shall only apply until the inconsistency of the measure with the relevant covered provisions which has been

³⁴ For purposes of this paragraph, “sector” means: (i) with respect to goods, all goods; (ii) with respect to services, a principal sector as identified in the current “Services Sectoral Classification List” which identifies such sectors.

found in the final report has been removed, the Parties have reached a mutually satisfactory agreement, or have agreed on any necessary compensation.

7. If the respondent Party considers that the suspension of benefits does not comply with paragraphs 4 and 5, that Party may request in writing the original Panel to examine the matter no later than 15 days after the date of receipt of the notification referred to in paragraph 2. That request shall be notified simultaneously to the complaining Party. The original Panel shall notify to the Parties its decision on the matter no later than 30 days of the receipt of the request from the respondent Party. Benefits or other obligations shall not be suspended until the original Panel has delivered its decision. The suspension of benefits or other obligations shall be consistent with this decision.

Article 15.24: Review of any Measure Taken to Comply After the Adoption of Temporary Remedies

1. Upon the notification by the respondent Party to the complaining Party of the measure taken to comply with the final report:
 - (a) in a situation where the right to suspend benefits or other obligations has been exercised by the complaining Party in accordance with Article 15.23, the complaining Party shall terminate the suspension of benefits or other obligations no later than 30 days after the date of receipt of the notification, with the exception of the cases referred to in paragraph 2; or
 - (b) in a situation where necessary compensation has been agreed, the respondent Party shall terminate the application of such compensation no later than 30 days after the date of receipt of the notification, with the exception of the cases referred to in paragraph 2.
2. If the Parties do not reach an agreement on whether the measure notified in accordance with paragraph 1 is consistent with the relevant covered provisions within 30 days after the date of receipt of the notification, the complaining Party shall request in writing the original Panel to examine the matter. That request shall be notified simultaneously to the respondent Party. The decision of the Panel shall be notified to the Parties no later than 30 days after the date of submission of the request. If the Panel decides that the measure notified in accordance with paragraph 1 is consistent with the relevant covered provisions, the suspension of benefits or other obligations, or the application of the compensation, shall be terminated no later than 15 days after the date of the decision. If the Panel determines that the notified measure achieves only partial compliance with the covered provisions, the level of suspension of benefits or other obligations, or of the compensation, shall be adapted in light of the decision of the Panel.

Article 15.25: Suspension and Termination of Proceedings

If both Parties so request, the Panel shall suspend its work for a period agreed by the Parties and not exceeding 12 consecutive months. In the event of a suspension of the work of the Panel, the relevant time periods under this Chapter shall be extended by the same period of time for which

the work of the Panel was suspended. The Panel shall resume its work before the end of the suspension period at the written request of both Parties. If the work of the Panel has been suspended for more than 12 consecutive months, the authority of the Panel shall lapse and the dispute settlement procedure shall be terminated.

Article 15.26: Choice of Forum

1. Unless otherwise provided in this Article, this Chapter is without prejudice to the rights of the Parties to have recourse to dispute settlement procedures available under other international trade agreements to which they are both parties.
2. When a dispute arises with regard to the alleged inconsistency of a particular measure with an obligation under this Agreement and a substantially equivalent obligation under another international trade agreement to which both Parties are party, including the WTO agreements, the complaining Party may select the forum in which to settle the dispute.
3. Once the complaining Party has requested the establishment of, or referred a matter to, a dispute settlement Panel under an agreement referred to paragraph 2, the forum selected shall be to the exclusion of other fora.
4. For the purpose of paragraph 3:
 - (a) dispute settlement proceedings under this Chapter are deemed to be initiated when a Party requests the establishment of a Panel in accordance with Article 15.8;
 - (b) dispute settlement proceedings under the WTO Agreement are deemed to be initiated when a Party requests the establishment of a panel in accordance with Article 6 of the DSU; and
 - (c) dispute settlement proceedings under any other agreement are deemed to be initiated when a Party requests the establishment of a dispute settlement panel in accordance with the relevant provisions of that agreement.

Article 15.27: Costs

1. Unless the Parties otherwise agree, the costs of the Panel and other expenses associated with the conduct of its proceedings shall be borne in equal parts by both Parties.
2. Each Party shall bear its own expenses and legal costs in the Panel proceedings.

Article 15.28: Mutually Agreed Solution

1. The Parties may reach a mutually agreed solution at any time with respect to any dispute referred to in Article 15.3.



2. If a mutually agreed solution is reached during the Panel procedure, the Parties shall jointly notify that solution to the chairperson of the Panel. Upon such notification, the Panel shall be terminated.
3. Each Party shall take measures necessary to implement the mutually agreed solution within the agreed time period.
4. No later than at the expiry of the agreed time period, the implementing Party shall inform the other Party, in writing, of any measure that it has taken to implement the mutually agreed solution.

Article 15.29: Time Periods

1. All time periods laid down in this Chapter shall be counted in calendar days from the day following the act to which they refer.
2. Any time period referred to in this Chapter may be modified by mutual agreement of the Parties.

Article 15.30: Appendices

The Joint Committee may modify Appendices 15A (Rules of Procedure) and 15B (Code of Conduct for Panelists).



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