

## **CHAPTER XX DISPUTE SETTLEMENT**

### **SECTION 1**

#### **Objective, Scope and Definitions**

#### **ARTICLE [1]**

##### **Objective**

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

#### **ARTICLE [2]**

##### **Scope**

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 and application of the provisions of this Agreement.

#### **ARTICLE [3]**

##### **Definitions**

For the purposes of this Chapter:

- (a) “arbitrator” means a member of a panel;
- (b) “Code of Conduct” means the Code of Conduct for Members of a Panel referred to in Article [30] (Rules of Procedure and Code of Conduct);
- (c) “complaining Party” means the Party that requests the establishment of a panel pursuant to Article [7] (Establishment of the Panel);
- (d) “covered provisions” means the provisions of this Agreement covered by this Chapter in accordance with Article [2] (Scope);
- (e) “days” means calendar days “DSB” means the Dispute Settlement Body of the WTO;

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- (f) “panel” means a panel established pursuant to Article [7] (Establishment of the Panel);
- (g) “Party complained against” means the Party against which a dispute has been brought before a panel pursuant to Article [7] (Establishment of the Panel); and
- (h) “Rules of Procedure” means the Rules of Procedure of a Panel referred to in Article [30] (Rules of Procedure and Code of Conduct).

## **SECTION 2**

### **Consultations and Mediation**

#### **ARTICLE [4]**

##### **Request for information**

Before a request for consultations or mediation is made pursuant to Article [5] (Consultations) or [6] (Mediation) respectively, a Party may request in writing any relevant information with respect to a measure at issue. The Party to which such request is made shall make all efforts to provide the requested information in a written response to be submitted within [20] days.

#### **ARTICLE [5]**

##### **Consultations**

1. The Parties shall endeavour to resolve any dispute referred to in Article [2] (Scope) through consultations in good faith with a view to reaching a mutually agreed solution.
2. Either Party may seek consultations concerning any dispute referred to in Article [2] (Scope). Any request for consultations shall be submitted in writing to the other Party. In the request for consultations, the Party which requested consultations shall give the reasons for the request, including identification of the measure at issue and an indication of its factual basis and its legal basis specifying the relevant provisions.
3. During consultations each Party shall provide sufficient information to enable a full examination of the measure at issue including how it might affect the operation and application of this Agreement.

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4. The Party to which the request for consultations is made shall reply to the request within [10] days after the date of its receipt. The Parties shall enter into consultations in good faith within [30] days after the date of receipt of the request. Consultations shall be deemed concluded within [45] days after the date of receipt of the request unless the Parties agree otherwise. Where both Parties consider that the case concerns matters of urgency, including those which concern goods or services that rapidly lose their quality, current condition or commercial value in a short period of time, consultations shall be deemed concluded within [25] days after the date of receipt of the request unless the Parties agree otherwise.
5. Consultations may be held in person or by any other means agreed by the Parties. Unless otherwise agreed by the Parties, consultations, if held in person, shall take place in the Party to which the request is made.
6. Consultations, including all information disclosed and positions taken by the Parties during these proceedings, shall be confidential and without prejudice to the rights of either Party in any further proceedings.

**ARTICLE [6]**

**Mediation**

1. A Party may request the other Party at any time to enter into a mediation procedure with respect to any matter falling within the scope of this Chapter as referred to in Article [2] (Scope), where the matter concerns a measure that adversely affects trade or investment between the Parties.
2. The mediation procedure may begin at any time by agreement of the Parties. It shall be initiated, conducted and terminated in accordance with the Mediation Procedure, adopted by the Joint Committee pursuant to subparagraph [X] of paragraph [Y] of Article [Z] (Joint Committee) of Chapter [XX]
3. If the Parties agree, the mediation procedure may continue while procedures of the panel provided for in this Chapter are in progress.

**SECTION 3**

**Panel Procedure**

**ARTICLE [7]**  
**Establishment of the Panel**

1. The Party that sought consultations pursuant to Article [5] (Consultations) may request the establishment of a panel if:
  - (a) the Party to which the request for consultations is made does not respond to such request within [10] days after the date of its receipt, or does not enter into consultations within [30] days after the date of receipt of the request;
  - (b) the Parties agree not to have consultations; or
  - (c) the Parties fail to resolve the dispute through the consultations within [45] days, or within [25] days in cases of urgency, including those which concern goods or services that rapidly lose their quality, current condition or commercial value in a short period of time, after the date of receipt of the request for consultations unless the Parties agree otherwise.
  
2. The request for the establishment of a panel pursuant to paragraph 1 shall be made in writing to the Party complained against. The complaining Party shall explicitly identify in its complaint:
  - (a) the measure at issue;
  - (b) the legal basis specifying the covered provisions which are relevant and in a manner sufficient to present clearly how such measure is in breach of those provisions; and
  - (c) the factual basis.

**ARTICLE [8]**  
**Composition of the Panel**

1. A panel shall be composed of three arbitrators.
  
2. Within [10] days of the date of receipt by the Party complained against of the request for the establishment of a panel, the Parties shall consult with a view to

reaching an agreement on the composition of the panel.

3. If the Parties do not reach an agreement on the composition of the panel within the time period provided for in paragraph 2, each Party shall appoint an arbitrator from the sub-list for that Party established pursuant to Article [9] (List of Arbitrators) within [5] days from the expiry of the time period provided for in paragraph 2. If a Party fails to appoint an arbitrator within that time period, the co-chair of the Joint Committee from the complaining Party shall select by lot, within [5] days from the expiry of the time period, an arbitrator from the sub-list for the Party that has failed to appoint an arbitrator, established pursuant to Article [9] (List of Arbitrators). The co-chair of the Joint Committee from the complaining Party may delegate such selection by lot of the arbitrator.
4. If the Parties do not reach an agreement on the chairperson of the panel within the time period provided for in paragraph 2, upon request of either Party, the co-chair of the Joint Committee from the complaining Party shall select by lot, within [5] days after the request, the chairperson of the panel from the sub-list of chairpersons established pursuant to Article [9] (List of Arbitrators). The request shall be copied to the other Party. The co-chair of the Joint Committee from the complaining Party may delegate such selection by lot of the chairperson of the panel.
5. Should any of the lists provided for in Article [9] (List of Arbitrators) not be established or not contain at least nine individuals as referred to in that Article, the following procedures applies:
  - (a) for the selection of the chairperson:
    - (i) when the sub-list of chairpersons contains at least two individuals agreed by the Parties, the co-chair of the Joint Committee from the complaining Party shall select by lot the chairperson from those individuals within [5] days from the request referred to in paragraph 4; or
    - (ii) when the sub-list of chairpersons contains one individual agreed by the Parties, that individual shall act as chairperson; or
    - (iii) when a chairperson cannot be selected pursuant to subparagraphs (i) or (ii) or when the sub-list of chairpersons

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contains no individual agreed by the Parties, the co-chair of the Joint Committee from the complaining Party shall, within [5] days from the request of a Party, select by lot the chairperson from the up to six individuals who had been formally proposed as chairperson by one or both Parties at the time of establishing or updating the list of arbitrators referred to in Article 9 (List of Arbitrators). A Party may propose a new individual if an individual who had been formally proposed for a chairperson by that Party is no longer available.

- (b) for the selection of an arbitrator other than the chairperson:
- (i) when the sub-list of a Party contains at least two individuals agreed by the Parties, that Party shall select an arbitrator from those individuals within [5] days from the expiry of the time period provided in the paragraph 2; or
  - (ii) when the sub-list of a Party contains one individual agreed by the Parties, that individual shall act as an arbitrator; or
  - (iii) when an arbitrator cannot be selected pursuant to subparagraphs (i) or (ii) or when the sub-list of arbitrators for a Party contains no individual agreed by the Parties, the co-chair of the Joint Committee from the complaining Party shall select an arbitrator applying *mutatis mutandis* the procedure referred to in subparagraph 5(a).

6. The date of establishment of the panel shall be the date on which the last of the three arbitrators has notified to the Parties the acceptance of his or her appointment.

**ARTICLE [9]**

**List of Arbitrators**

1. The Joint Committee shall, at its first meeting held pursuant to paragraph 2 of Article [X] (Joint Committee) of Chapter [XX] (General/Institutional

Provisions), establish a list of at least nine individuals who are willing and able to serve as arbitrators. The list shall be composed of three sub-lists: one sub-list for each Party and one sub-list of individuals who are not nationals of either Party and who shall act as the chairperson of the panel. Each sub-list shall include at least three individuals. [For the establishment or an update of the sub-list of chairpersons, each Party may propose up to three individuals.] The Joint Committee will ensure that the list is always maintained at this level.

2. The Joint Committee may establish an additional list, consisting of individuals with demonstrated expertise in specific sectors covered by this Agreement, which may be used to compose the panel subject to the agreement of the Parties.

#### **ARTICLE [10]**

#### **Qualifications of Arbitrators**

All arbitrators shall:

- (a) have demonstrated expertise in law, international trade, and other matters covered by this Agreement. The chairperson shall also have experience in arbitration proceedings;
- (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 organisation or government with regard to matters related to the dispute; and
- (d) comply with the Code of Conduct.

#### **ARTICLE [11]**

#### **Replacement of Arbitrators**

If in an arbitration proceeding under this Chapter, any of the arbitrators of the original panel is unable to participate, withdraws, or needs to be replaced because he or she does not comply with the requirements of the Code of Conduct, the procedure set out in Article [8] (Composition of the Panel) shall apply.

#### **ARTICLE [12]**

### **Functions of the Panel**

The panel established pursuant to Article [7] (Establishment of 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 with the covered provisions;
- (b) shall set out, in its decisions, the findings of fact and law and the rationale behind any findings and conclusions that it makes; and
- (c) should consult regularly with the Parties and provide adequate opportunities for the development of a mutually agreed solution.

### **ARTICLE [13]**

#### **Terms of Reference**

1. Unless the Parties agree otherwise within [10] days after the date of the establishment of the panel, the terms of reference of the panel shall be:  
  
*“to examine, in the light of the relevant provisions of this Agreement cited by the Parties, the matter referred to in the request for the establishment of the panel, to decide on the conformity of the measure at issue with the relevant provisions of this Agreement and to issue a report in accordance with Articles [18] (Interim Report) and [19] (Final Report).”*
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 within three days of their agreement.

### **ARTICLE [14]**

#### **Decision on Urgency**

If a Party so requests, the panel shall decide, within [15] days of its establishment, whether the case concerns matters of urgency.

### **ARTICLE [15]**



**Panel Proceedings**

1. Any hearing of the panel shall be open to the public, unless the Parties agree otherwise or unless the submission and arguments of a Party contains confidential information. When hearings are held in closed session their confidentiality shall be respected.
2. The venue for the hearings shall be decided by mutual agreement between the Parties. If there is no agreement, the venue shall alternate between the Parties with the first hearing to be held in the Party complained against.
3. The panel and the Parties shall treat as confidential any information submitted by a Party to the panel which that Party has designated as confidential. Where that Party submits a confidential version of its written submissions to the panel, it shall also, upon request of the other Party, provide a non-confidential summary of the information contained in its submissions that could be disclosed to the public with an explanation why the non-disclosed information is confidential.
4. The deliberations of the panel shall be kept confidential.
5. The Parties shall be given the opportunity to attend any of the presentations, statements, arguments or rebuttals in the proceedings. The Parties shall make available to each other any information or written submissions submitted to the panel, including any comments on the descriptive part of the interim report and responses to questions of the panel as well as written comments on those responses.
6. The interim report and the final report shall be drafted without the presence of the Parties, and in the light of the information provided and the statements made. The arbitrators shall assume full responsibility for the drafting of the reports and shall not delegate this responsibility to any other person.
7. The panel shall attempt to make its decisions, including its final report, by consensus. It may also make its decisions, including its final report, by majority vote where a decision cannot be arrived at by consensus. In no case shall dissenting opinions of arbitrators be published.
8. The decisions of the panel shall be final and binding on the Parties. They shall be unconditionally accepted by the Parties. They shall not add to or diminish the rights and obligations of the Parties under this Agreement. They shall not be construed as creating rights and obligations to natural or legal persons.

**ARTICLE [16]**  
**Rules of Interpretation**

The panel shall interpret the covered provisions in accordance with customary rules of interpretation of public international law, including those codified in the Vienna Convention on the Law of Treaties. The panel shall also take into account relevant interpretations in reports of panels and the Appellate Body adopted by the DSB.

**ARTICLE [17]**  
**Receipt of Information**

1. At the request of a Party, or upon 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 such information.
2. Upon the request of a Party or its own initiative, the panel may seek any information it deems appropriate from any source. The panel also has the right to seek the opinion of experts as it deems appropriate.
3. The panel may receive *amicus curiae* submissions from natural persons of a Party or legal persons established in a Party in accordance with the Rules of Procedure.
4. Any information obtained by the panel under this Article shall be made available to the Parties and the Parties may provide comments on that information.

**ARTICLE [18]**  
**Interim Report**

1. The panel shall issue an interim report to the Parties setting out the descriptive part and its findings and conclusions within [120] days after the date of its establishment in a manner enabling the Parties to review it. 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 issue its interim report. Under no circumstances, shall

the period of the delay exceed [30] days after the deadline.

2. Each Party may submit to the panel written comments and a written request to review precise aspects of the interim report within [15] days after the date of issuance of the interim report. After considering any written comments and request by each Party on the interim report, the panel may modify interim report and make any further examination it considers appropriate.
3. In cases of urgency, including those which concern goods or services that rapidly lose their quality, current condition or commercial value in a short period of time,
  - (a) the panel shall make every effort to issue its interim report within [60] days and, in any case, no later than [75] days after the date of its establishment; and
  - (b) each Party may submit to the panel written comments and a written request to review precise aspects of the interim report, within [7] days of the issuance of the interim report.

## **ARTICLE [19]**

### **Final Report**

1. The panel shall issue its final report to the Parties within [30] days after the date of the issuance of the interim report. 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 issue its final report. Under no circumstances, shall the period of the delay exceed [30] days after the deadline.
2. In cases of urgency, including those which concern goods or services that rapidly lose their quality, current condition or commercial value in a short period of time, the panel shall make every effort to issue its final report within [15] days and, in any case, no later than [30] days after the date of the issuance of the interim report.
3. The final report of the panel shall include a sufficient discussion of the written comments and request made by the Parties on the interim report. The panel may, in its final report, suggest ways in which the final report could be

implemented.

4. The Parties shall make the final report publicly available in their entirety within 10 days of its issuance. The Parties may decide to publish the final report only in parts, or not to publish the final report, in order to protect confidential information.

#### **ARTICLE [20]**

##### **Compliance with the Final Report**

1. The Party complained against shall take any measure necessary to comply promptly and in good faith with the final report issued pursuant to Article [19] (Final Report).
2. The Party complained against shall, within [30] days after the date of issuance of the final report, notify the complaining Party of the length of the reasonable period of time for complying with the final report and the Parties shall endeavour to agree on the time required for compliance. If there is disagreement between the Parties on the length of the reasonable period of time for complying with the final report, the complaining Party may, within [20] days after the receipt of the notification made under this paragraph by the Party complained against, request in writing the original panel to determine the length of the reasonable period of time. Such request shall be notified simultaneously to the other Party. The original panel shall notify its determination to the Parties within [30] days from the date of the submission of the request.
3. The length of the reasonable period of time may be extended by mutual agreement of the Parties.
4. The Party complained against shall inform the complaining Party in writing of its progress to comply with the final report at least one month before the expiry of the reasonable period of time, unless otherwise agreed by the Parties.

#### **ARTICLE [21]**

##### **Compliance Review**

1. The Party complained against shall notify the complaining Party no later than

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the expiry of the reasonable period of time of any measure that it has taken to comply with the final report.

2. Where there is disagreement as to the existence or consistency with the covered provisions of measures taken to comply with the final report, the complaining Party may request in writing the original panel to examine the matter. The request shall be notified simultaneously to the Party complained against.
3. The request under paragraph 2 shall provide the factual and legal basis for the complaint, including the specific measures at issue and in a manner to present clearly how such measures are inconsistent with the covered provisions.
4. The panel shall notify its decision to the Parties within [90] days after the date of the referral of the matter.

## **ARTICLE [22]**

### **Temporary Remedies in Case of Non-Compliance**

1. The Party complained against shall, upon request of the complaining Party, enter into consultations with a view to developing mutually satisfactory compensation or any alternative arrangement if:
  - (a) in accordance with Article [21] (Compliance Review), the original panel finds that the measures taken to comply with the final report as notified by the Party complained against is inconsistent with the covered provisions;
  - (b) the Party complained against fails to notify any measure taken to comply with the final report before the expiry of the reasonable period of time determined in accordance with paragraph 2 of Article 20 (Compliance with the Final Report); or
  - (c) the Party complained against notifies the complaining Party that it is impracticable to comply with the final report within the reasonable period of time determined in accordance with paragraph 2 of Article 20 (Compliance with the Final Report).
2. If the complaining Party decides not to make a request under paragraph 1, or, in case such request is made, if no mutually satisfactory compensation or any

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alternative arrangement has been agreed within [20] days after the date of receipt of the request made in accordance with paragraph 1, the complaining Party may notify the Party complained against in writing that it intends to suspend the application to the Party complained against of concessions or other obligations under the covered provisions. The notification shall specify the level of intended suspension of concessions or other obligations.

3. The complaining Party shall have the right to implement the suspension of concessions or other obligations referred to in paragraph 2 [10] days after the date of receipt of the notification by the Party complained against, unless the Party complained against has requested arbitration under paragraph 6.
4. The suspension of concessions or other obligations:
  - (a) shall be at a level equivalent to the nullification or impairment that is caused by the failure of the Party complained against to comply with the final report; and
  - (b) may be applied to other sectors covered by this Chapter in accordance with Article [2] (Scope) than the sector or sectors in which the panel has found nullification or impairment, in particular if the complaining Party is of the view that such suspension is effective in inducing compliance.

NOTE: JPN reserves its right to come back on this subparagraph depending on the negotiations on the car annex

5. The suspension of concessions or other obligations or the compensation or any alternative arrangement referred to in this Article shall be temporary and shall only apply until the inconsistency of the measure with the covered provisions which has been found in the final report has been removed, or the Parties have reached a mutually agreed solution.
6. If the Party complained against objects to the level of intended suspension of concessions or other obligations, it may request in writing the original panel to examine the matter. The request shall be notified simultaneously to the complaining Party. The original panel shall notify to the Parties its decision on the appropriate level of suspension of concessions or other obligations within [30] days after the date of the submission of the request. Concessions or other obligations shall not be suspended until the original panel has notified its decision. The suspension of concessions or other obligations shall be consistent

with the decision.

7. If the Party complained against considers that the suspension of concessions or other obligations does not comply with paragraph [4], it may request the original panel to examine the matter. The panel shall notify to the Parties its decision on the matter within [30] days after the date of the submission of the request.

### **ARTICLE [23]**

#### **Compliance Review after the Adoption of Temporary Remedies**

1. Upon the notification by the Party complained against to the complaining Party of the measure it has taken to comply with the final report of the panel,
  - (a) in a situation where the right to suspend concessions or other obligations has been exercised by the complaining Party in accordance with Article [22] (Temporary Remedies in Case of Non-Compliance), the complaining Party shall terminate the suspension of concessions or other obligations within [30] days from the receipt of the notification, with the exception of cases under paragraph 2; or
  - (b) in a situation where mutually satisfactory compensation or alternative arrangement has been agreed, the Party complained against may terminate the application of such compensation or arrangement after [30] days from its notification, with the exception of cases under paragraph 2.
2. If the Parties do not reach an agreement on whether the notified measure is consistent with the covered provisions within [30] days of the date of receipt of the notification, the complaining Party shall request in writing the original arbitration panel to examine the matter. The request shall be notified simultaneously to the Party complained against. The decision of the panel shall be notified to the Parties within [45] days of the date of the submission of the request. If the panel decides that the measure taken to comply is consistent with the covered provisions, the suspension of concessions or other obligations, or compensation or any alternative arrangement, shall be terminated within [15] days. Where relevant, the level of suspension of concessions or other obligations, or of compensation or any alternative arrangement, shall be adapted

in light of the decision of the panel.

**ARTICLE [24]**  
**Suspension and Termination of Proceedings**

When the Parties make a joint request, the proceedings of the panel shall be suspended at any time for a period agreed by the Parties not exceeding 12 consecutive months. In the event of such a suspension, the relevant time periods shall be extended by the amount of time for which the proceedings of the panel were suspended. The proceedings of the panel shall be resumed at any time upon the joint request of the Parties, or at the end of the agreed suspension period at the written request of either Party. The request shall be addressed to the chairperson of the panel, as well as to the other Party, where applicable. If the proceedings of the panel have been suspended for more than 12 consecutive months, the authority for establishment of the panel shall lapse and the proceedings of the panel shall be terminated. The Parties may agree to terminate the proceedings of the panel at any time by a joint notification to the chairperson of the panel.

**SECTION 4**  
**General Provisions**

**ARTICLE [25]**  
**Administration of the Dispute Settlement Procedure**

1. Each Party shall:
  - (a) designate an office that shall be responsible for the administration of the dispute settlement procedure under this Chapter;
  - (b) be responsible for the operation and costs of its designated office; and
  - (c) notify the other Party in writing of the office's location and contact information within [x months] after the entry into force of this Agreement.
2. Notwithstanding paragraph 1, the Parties may agree to entrust jointly an external body to provide support for certain administrative tasks for the dispute settlement procedure under this Chapter.



**ARTICLE [26]**

**Mutually Agreed Solution**

1. The Parties may reach a mutually agreed solution at any time with respect to any dispute referred to in Article [2] (Scope).
2. If a mutually agreed solution is reached during panel proceedings or a mediation procedure, the Parties shall jointly notify any such solution to the chairperson of the panel or the mediator, respectively. Upon such notification, the panel proceedings or the mediation procedure 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 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 [27]**

**Choice of Forum**

1. Where a dispute arises regarding a particular measure in alleged breach of an obligation under this Agreement and a substantially equivalent obligation under any other international agreement to which both Parties are parties, including the WTO Agreement, the complaining Party may select the forum in which to settle the dispute.
2. Once a Party has selected the forum and initiated a dispute settlement procedure under this Chapter or under the other international agreement with respect to the particular measure referred to in paragraph 1, that Party shall not initiate a dispute settlement procedure in another forum with respect to that particular measure, unless the forum selected first fails to make findings on the issues in dispute for jurisdictional or procedural reasons.
3. For the purposes of paragraph 2:
  - (a) a dispute settlement procedure under this Chapter is deemed to be

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- initiated when a Party requests the establishment of a panel in accordance with paragraph 1 of Article [7] (Establishment of the Panel);
- (b) a dispute settlement procedure under the WTO Agreement is deemed to be initiated when a Party requests the establishment of a panel in accordance with Article 6 of the Understanding on Rules and Procedures Governing the Settlement of Disputes of the WTO; and
  - (c) a dispute settlement procedure under any other agreement is deemed to be initiated in accordance with the relevant provisions of that agreement.
4. Nothing in this Agreement shall preclude a Party from implementing the suspension of concessions or other obligations authorised by the DSB. The WTO Agreement shall not be invoked to preclude a Party from suspending concessions or other obligations under the covered provisions.

#### **ARTICLE [28]**

##### **Time Period**

- 1. All time periods provided for in this Chapter shall be counted in calendar days from the day following the act to which they refer.
- 2. Any time period provided for in this Chapter may be modified for a particular dispute by mutual consent of the Parties. The panel may at any time propose to the Parties to modify any time limit referred to in this Chapter, stating the reasons for the proposal. Upon requests from either Party, the panel shall, decide whether to modify the time period referred to in paragraph 2 and 3(b) of Article 18 (Interim Report), stating the reasons therefor, inter alia, in view of the complexity of the particular dispute.

#### **ARTICLE [29]**

##### **Expenses**

Unless the Parties agree otherwise, the expenses of the panel, including the remuneration of its arbitrators, shall be borne by the Parties in equal shares in accordance with the Rules of Procedure.

#### **ARTICLE [30]**

##### **Rules of Procedure and Code of Conduct**

*Limited*

EU-Japan FTA/EPA  
(Negotiator Use Only)

Without prejudice

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The panel proceedings provided for in this Chapter shall be conducted in accordance with the Rules of Procedure of a Panel and the Code of Conduct for Members of a Panel, adopted by the Joint Committee pursuant to subparagraph [X] of paragraph [Y] of Article [Z] (Joint Committee) of Chapter [XX].

*Limited*