

ANNEX VII

REFERRED TO IN PARAGRAPH 2 OF ARTICLE 31

CONSTITUTION AND FUNCTIONING OF THE ARBITRAL TRIBUNAL

1. In its written notification made pursuant to Article 31 of this Agreement, the Party or Parties referring the dispute to arbitration shall designate one member, who may be its national.
 2. Within twenty days from the receipt of the notification referred to in paragraph 1, the Party or Parties to which it was addressed shall, in turn, designate one member, who may be its national.
 3. Within sixty days from the receipt of the notification referred to in paragraph 1, the two members already designated shall agree on the designation of a third member who shall be confirmed by the parties to the dispute within 15 days. The third member shall not be a national of either party to the dispute, nor permanently reside on the territory of either Party. The member thus appointed shall be the President of the arbitral tribunal.
 4. If all three members have not been designated or appointed within sixty days from the receipt of the notification referred to in paragraph 1, the necessary designations shall be made, at request of either party to the dispute, by the President of the International Court of Justice. If the President is unable to act under this paragraph or is a national of a party to the dispute, the designations shall devolve on the Vice-President of the Court. If the latter, in turn, is unable to act or is a national of a party to the dispute, the designations shall be effected by the next senior member of the Court who is neither unable to act nor a national of a Party.
 5. The tribunal shall lay down its own rules of procedure and take its decisions by majority vote.
 6. The arbitral award shall be rendered within six months of the date at which the President of the Tribunal was appointed. At the request of the tribunal the Joint Committee may grant an extension of this time period up to six additional months. In the event of a dispute over the meaning and scope of the award, any party to the dispute can, within 60 days from the communication of the arbitral award, ask for clarification by the tribunal. The tribunal shall deliver its clarification within 60 days from the day the issue was brought before it.
 7. The expenses of the Tribunal, including the remuneration of its members, shall be borne by the parties to the dispute in equal shares.
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