

**Article 15**  
**Compensation and the Suspension of Concessions or Benefits**

1. Compensation and the suspension of concessions or benefits are temporary measures available in the event that the recommendations are not implemented within a reasonable period of time. However, neither compensation nor the suspension of concessions or benefits is preferred to full implementation of the recommendations to bring a measure into conformity with the covered agreements. Compensation is voluntary and, if granted, shall be consistent with the covered agreements.

2. If the party complained against fails to bring the measure found to be inconsistent with the relevant covered agreement into compliance with the recommendations of the arbitral panel within the reasonable period of time determined pursuant to paragraph 3 of Article 14, the party complained against shall, if so requested, enter into negotiations with the complaining party with a view to reaching a mutually satisfactory agreement on any necessary compensatory adjustment.

3. If no mutually satisfactory agreement on compensation has been reached within twenty (20) days after the date of receipt of the request of the complaining party to enter into negotiations on compensatory adjustment, the complaining party may at any time thereafter provide a written notice to the party complained against and the rest of the Parties that it intends to suspend the application to the party complained against of concessions or benefits of equivalent effect and may begin suspending concessions or benefits thirty (30) days after the date of receipt of the notice. The notice shall specify the level of concessions or benefits proposed to be suspended and the relevant covered agreement and sector(s) which the concessions or benefits are related to. Within thirty (30) days from the date of receipt of the notice, the party complained against may request the original arbitral panel to rule on whether the benefits which the complaining party proposes to suspend are equivalent to those affected by the measure found to be inconsistent with the relevant covered agreement, and whether the proposed suspension is in accordance with paragraphs 4 and 5. The ruling of the arbitral panel shall be given within forty-five (45) days from the date of receipt of that request. Concessions or benefits shall not be suspended until the arbitral panel has issued its ruling.

4. Any suspension of concessions or benefits shall be restricted to the concessions or benefits granted to the party complained against under the relevant covered agreement, subject to paragraph 5. The party complained against and the

rest of the Parties shall be informed of the commencement and details of any such suspension.

5. In considering what concessions or benefits to suspend under paragraph 3:
  - (a) the complaining party should first seek to suspend concessions or benefits in the same sector or sectors as that affected by the measure or other matter that the arbitral panel has found to be inconsistent with the relevant covered agreement or to have caused nullification or impairment; and
  - (b) the complaining party may suspend concessions or benefits in other sectors if it considers that it is not practicable or effective to suspend concessions or benefits in the same sector.

6. The suspension of concessions or benefits shall be temporary and shall only be applied until such time as the measure found to be inconsistent with the relevant covered agreement, has been removed, or the party complained against that must implement the arbitral panel's recommendations has done so, or a mutually satisfactory solution is reached.

7. If the party complained against considers that:
  - (a) the level of concessions or benefits suspended by the complaining party is manifestly excessive; or
  - (b) it has eliminated the non-conformity, or the nullification or impairment that the arbitral panel has found;

it may request the original arbitral panel to determine the matter. The arbitral panel shall present its determination to the parties to the dispute within thirty (30) days after it reconvenes.