

Article 3 Consultations

1. A party complained against shall accord due consideration to and afford adequate opportunity for consultations regarding a request for consultations made by a complaining party with respect to any matter affecting the interpretation, implementation or application of any covered agreement, wherever the complaining party considers that:

- (a) a measure of the party complained against is inconsistent with its obligations under the covered agreements; or
- (b) the party complained against has otherwise failed to carry out its obligations under the covered agreements,

which results in nullification or impairment of any benefits accruing to the complaining party under the covered agreements or impediment of the attainment of any objective of the covered agreements.¹

2. Any request for consultations shall be submitted in writing, and include the specific measures at issue, and the factual and legal basis (including the provisions of

¹ Non-violation disputes are not permitted under this Agreement.

any of the covered agreements alleged to have been breached and any other relevant provision) of the complaint. The complaining party shall send the request to the party complained against and the rest of the Parties. Upon receipt, the party complained against shall promptly acknowledge receipt of such request to the complaining party and the rest of the Parties at the same time.

3. If a request for consultations is made, the party complained against shall reply to the request within seven (7) days after the date of its receipt and shall enter into consultations in good faith within a period of not more than thirty (30) days after the date of receipt of the request, with a view to reaching a mutually satisfactory solution. If the party complained against does not respond within the aforesaid seven (7) days, or does not enter into consultations within the aforesaid thirty (30) days, then the complaining party may proceed directly to request for the establishment of an arbitral panel under Article 5.

4. The parties to a dispute shall make every effort to reach a mutually satisfactory resolution of any matter through consultations under this Article. To this end, the parties to the dispute shall:

- (a) provide sufficient information to enable a full examination of how the measure might affect the operation of the covered agreement; and
- (b) treat as confidential any information exchanged in the course of consultations which the other party to the dispute has designated as confidential.

5. Consultations shall be confidential and without prejudice to the rights of any Party in any further proceedings under this Agreement or other proceedings before a forum selected by the Parties. The parties to the dispute shall inform the rest of the Parties the outcome of the consultations.

6. In cases of urgency, including those which concern perishable goods, the parties to the dispute shall enter into consultations within a period of no more than ten (10) days after the date of receipt by the party complained against of the request. If the consultations have failed to settle the dispute within a period of twenty (20) days after the date of receipt by the party complained against of the request, the complaining party may proceed directly to request for the establishment of an arbitral panel under Article 5.

7. In cases of urgency, including those which concern perishable goods, the parties to the dispute and arbitral panels shall make every effort to accelerate the proceedings to the greatest extent possible.