Dispute Settlement

1. A Contracting Party shall notify another Contracting Party of its intention to submit a dispute it has with that Contracting Party to an ad hoc expert panel, hereafter “the Panel”, and the notification shall be accompanied by a full description of the subject matter as well as grounds relied upon. It shall send a copy to the Executive Secretary.

2. The other Contracting Party shall within 15 days decide on whether to accept or disagree to submit the dispute to the Panel. The other Contracting Party shall communicate whether it accepts or not to the Contracting Party that notified its intention and to the Executive Secretary. In the event that the other Contracting Party does not respond within 15 working days it shall be regarded as a disagreement.

3. The Executive Secretary shall promptly transmit a copy of the notification with the documents attached to it to all Contracting Parties.

4. Unless the parties to the dispute agree otherwise, the following shall apply:
   
   a) the Panel shall consist of three members;
   b) each party to the dispute shall appoint one panelist and inform the Executive Secretary of that appointment at the latest 15 days after the communication of the acceptance of the establishment of the Panel by the other party;
   c) the parties to the dispute shall appoint the third panelist by mutual agreement, and inform the Executive Secretary of the appointment at the latest 15 days after the appointment of the two other panelists. If they are unable to agree on the appointment of the third panelist, they may agree at the latest at the end of this 15 days period that the appointment shall be made by the Chairperson of the Commission or any other person. In case that no agreement has been found, the appointment shall be made by the President of the International Tribunal of the Law of the Sea;
   d) the third panelist shall not be a national of any Contracting Party involved in the dispute or of the same nationality as either of the other panelists;
   e) the panelists may be selected from a list of experts established and maintained by the Executive Secretary on the basis of nominations made by the Contracting Parties, who may nominate up to five experts each whose competence in legal, scientific or technical aspects concerning the Convention, and shall provide information on relevant qualifications and experience; and
f) the third panelist shall chair the Panel.

5. As soon as the panelists are nominated, the Executive Secretary shall record the constitution of the Panel, and inform all Contracting Parties accordingly.

6. Any other Contracting Party having the same interests as one of the parties to the dispute, may become a party to the dispute by a notification to the parties involved and to the Executive Secretary within 15 days after receiving the notification pursuant to paragraph 3, and provided that the other parties already involved and having the same interest agree.

7. In the event that two or more Contracting Parties jointly make a notification pursuant to paragraph 1 or one or more Contracting Parties become parties to the dispute pursuant to paragraph 6, the parties shall designate one of them for the official contacts during the work of the Panel.

8. The Panel may adopt such rules of procedures as it considers necessary for effective and expeditious proceedings.

9. The Panel shall inform the Executive Secretary of dates and venue of hearings, who shall inform all Contracting Parties accordingly.

10. Any Contracting Party may, upon notification to the Panel, attend any hearings, and make written or oral submissions.

11. The Panel may seek information or technical advice from any source it considers appropriate.

12. The Panel shall seek to agree on its recommendation to resolve the dispute by consensus. If this is not possible, the Panel shall agree by a majority vote of its members, none of whom may abstain from voting.

13. Unless the parties to the dispute agree on a later date, the panel shall deliver its recommendations within ninety days from the date of its constitution.

14. The recommendations shall be confined to the subject matter of the dispute and set out the reasons on which they are based. The Executive Secretary shall promptly communicate them to all Contracting Parties.

15. Costs of the Panel shall be borne by the two parties to the dispute in equal parts. In the event that a Contracting Party becomes party to the dispute pursuant to paragraph 6 it shall contribute towards the cost borne by the party its support, the percentage of contribution to be agreed between those parties concerned.

16. In the event that a Panel has been requested to be established pursuant to Article 23 (1)(c,d and g), the following shall apply:

   a) the Panel shall consist three members;
   b) the Contracting Party that has requested the establishment of the Panel shall at the time of the request appoint one panelist and the Chairperson of the Commission shall within 15 days appoint the second panelist. If the Chairperson is a national of that Contracting Party, the appointment shall be made by the vice-Chairperson;
   c) the third panelist shall be appointed jointly by the Contracting Party and the Chairperson at the latest 15 days after the two other panelists. If they are unable to agree on the appointment of the third panelist, they may agree at the latest at the end of this 15 days period that the appointment shall be made by any other person. In the case that no agreement has been found, the appointment shall be made by the President of the International Tribunal of the Law of the Sea;
   d) costs of the Panel shall be borne at 70% by the Contracting Party that has requested the establishment of the Panel, while the remainder shall be borne by the Commission; and paragraphs 1 – 14 shall apply mutatis mutandis.