

Institutional Arrangements
and Dispute Settlement Procedures

INSTITUTIONS

Article 2301: The ^{USA MEX}[North American] Trade Commission

1. The Parties hereby establish the ^{USA MEX}[North American] Trade Commission (the Commission).
2. The Commission shall be composed of representatives of each Party. The principal representative of each Party shall be the cabinet-level officer or Minister primarily responsible for international trade or their designees.
3. The Commission shall:
 - (a) supervise the implementation of this Agreement;
 - (b) oversee its further elaboration;
 - (c) resolve disputes that may arise regarding its interpretation or application;
 - (d) supervise the work of all committees, working groups and expert groups established under this Agreement, as set out in Annex 2301; and
 - (e) consider any other matter that may affect the operation of this Agreement.
4. The Commission may:
 - (a) establish, and delegate responsibilities to, ad hoc or standing committees, working groups or expert groups;
 - (b) seek the advice of non-governmental individuals or groups; and
 - (c) take such other action in the exercise of its functions as the Parties may agree.
5. The Commission shall establish its rules and procedures.
^{MEX USA}[All decisions of the Commission shall be taken by consensus, except as the Commission may otherwise provide.]
6. The Commission shall convene at least once a year in regular session to review the implementation and further

elaboration of this Agreement and to consider any other matter that may affect its operation. Regular sessions of the Commission shall be chaired successively by each Party.

Article 2302: The Secretariat

1. The Commission shall establish and oversee a Secretariat comprising national Sections.
2. Each Party shall:
 - (a) establish a permanent office of its national Section;
 - (b) be responsible for the operation and costs of its Section;
 - (c) designate an individual to serve as Secretary for its Section, who shall be responsible for its administration and management; and
 - (d) notify the Commission of the location of its Section's office.
3. The Secretariat shall:
 - (a) provide assistance to the Commission;
 - (b) provide administrative assistance to the panels established under this Agreement, in accordance with Article 2313; and
 - (c) as the Commission may direct:
 - (i) support the work of committees and other groups established under this Agreement; and
 - (ii) otherwise facilitate the operation of this Agreement.

DISPUTE SETTLEMENT

Article 2303: Cooperation

The Parties shall at all times endeavor to agree on the interpretation and application of this Agreement, and shall make every attempt through cooperation and consultations to arrive at a mutually satisfactory resolution of any matter that might affect its operation.

Article 2304: Recourse to Dispute Settlement Procedures

[Except as otherwise provided in this Agreement,] the dispute settlement provisions of this Chapter shall apply with respect to the avoidance or settlement of all disputes regarding the interpretation or application of this Agreement or whenever a Party considers that an actual or proposed measure of the other Party is or would be inconsistent with the obligations of this Agreement [or cause nullification or impairment in the sense of Article _____].

Article 2305: [GATT Dispute Settlement]

1. [Disputes arising under]¹ both this Agreement and the General Agreement on Tariffs and Trade, and agreements negotiated thereunder (GATT),² may be settled in either forum at the discretion of the complaining Party. Once a dispute settlement proceeding has been initiated pursuant to Article 2308 of this Agreement or [under the MTO], the forum selected shall be used to the exclusion of the other.

¹ We need to explore further the intended meaning and scope of this phrase, including the relationship of the obligations of this Agreement and the GATT, in particular with respect to grandfathered and overlapping provisions.

² Need to review consistency of terminology: "agreement" and "forum" as well as decide whether "Agreements under GATT" includes understandings and decisions under GATT.

2. USA [In the event that there are two complaining Parties and they cannot agree on the forum, the dispute shall be settled exclusively under this Agreement.]¹

3. For the purposes of paragraph 1, proceedings under the MTO are deemed to be initiated by a Party's request for a panel, such as under Article XXIII:2 of the GATT, or for a Committee investigation, such as under Article 20.1 of the Agreement on Implementation of Article VII of the GATT (Customs Valuation Code).²

Article 2306: [FTA Dispute Settlement]³

USA [1. Disputes between Canada and the United States arising under both this Agreement and the Canada-United States Free-Trade Agreement ("CUSFTA") shall be settled under the provisions of this Agreement unless both Parties agree otherwise. For such disputes, once Canada and the United States have initiated proceedings pursuant to Article 2308 of this Agreement or Article 1805 of the CUSFTA, the forum selected shall be used to the exclusion of the other.]⁴

MEX [1. All disputes arising under both this Agreement and the CUSFTA shall be settled under the provisions of this Agreement. Disputes arising exclusively under the CUSFTA provisions listed in Annex 2306 ___ shall be settled pursuant to the provisions of the CUSFTA.]

¹ U.S. will prepare language to the effect that when there are two Parties interested in pursuing a complaint on the same matter, they should consult as to the appropriate forum and should normally agree on the forum in which to pursue the complaint.

² All three sides wish to consider drafting further.

³ Canada agrees that the relationship between the FTA and NAFTA should be defined when the substantive negotiations are completed. It also recognizes that its existing text does not reflect its current thinking; it will develop new text when the substantive provisions have been negotiated.

⁴ See U.S. proposal for suspension of certain provisions of the CUSFTA (Article 2506).

CDA[1. Disputes arising under both this Agreement and the *Canada-United States Free Trade Agreement*, or arising under both this Agreement and other trade agreements binding between the Parties to a dispute, may be settled in either forum at the discretion of the complaining Party, according to the rules of that forum.

2. Once the dispute settlement provisions of this Agreement or the *Canada-United States Free Trade Agreement* or that other agreement have been initiated pursuant to Article 2308, the *Free Trade Agreement* or that other agreement, the procedure initiated shall be used to the exclusion of any other.]

CDA[3.] The referral of a dispute for resolution under the CUSFTA shall not affect any rights that Mexico may have under this Agreement with respect to the matter, including its right to initiate dispute settlement procedures under this Chapter.

Article 2307: Consultations

1. Any Party may request in writing consultations with any other Party regarding any actual or proposed measure or any other matter that it considers might affect the operation of this Agreement.

2. The Party requesting consultations shall deliver¹ the request to the other Party, and at the same time deliver a copy of its request to the USA MEX [third Party] CDA [other Parties] and to the Commission.²

3. If USA MEX [the third] CDA [any other] Party considers that it has a substantial interest in the matter, it shall be entitled to participate in the consultations.

¹ A provision on delivery could be added to the Rules of Procedure.

² The manner in which Secretariat deals with this and other notifications might be best addressed explicitly in rules of procedure, whether as part of the Model Rules (for Panel Procedures) or in another set of rules for the Secretariat.

CDA MEX [4. In cases that concern perishable goods, the Parties concerned shall enter into consultations within a period of no more than ten days from the date of delivery of the request.]

5. The consulting Parties shall make every attempt to arrive at a mutually satisfactory resolution of any matter through consultations under this Article or other consultative provisions of this Agreement. To this end, the consulting Parties shall:

- (a) CDA MEX [to the greatest extent possible,] provide sufficient information to enable a full examination of how the actual or proposed measure or other matter might affect the operation of this Agreement;
- (b) treat any confidential or proprietary information exchanged in the course of consultations on the same basis as the Party providing the information; and
- (c) seek to avoid any resolution that adversely affects the interests under this Agreement of CDA [any other] MEX USA [the third] Party.

Article 2308: Initiation of Procedures - Good Offices, Conciliation, Mediation

1. If the Parties participating in consultations pursuant to Article 2307 fail to resolve a matter within:

- (a) 30 days of the delivery of a request for consultations;
- (b) CDA MEX [in cases that concern perishable goods, 20 days of delivery of a request for consultations;]
- (c) 45 days of the delivery of such request if CDA [any other] MEX USA [the third] Party has subsequently requested or has participated in consultations regarding the same matter; or
- (d) such other period as they may agree;

any such Party may request in writing a meeting of the Commission.

2. If the Party to which a request for consultations is made does not enter into consultations within a period of no more than 30 days, or a period otherwise agreed, from the date of the delivery of the request, any Party that has requested consultations may request in writing a meeting of the Commission.

3. The request shall state the measure or other matter complained of, indicate the provisions of this Agreement that are considered relevant, and be delivered to the other Parties and to the requesting Party's Section of the Secretariat.¹

4. Unless otherwise agreed, the Commission shall convene within 10 days of delivery of the request and shall endeavor to resolve the dispute promptly.

5. Any Party that has not participated in consultations pursuant to Article 2307 and that considers that it has a substantial interest in the measure or other matter complained of, on delivery of written notification to the consulting Parties, shall be deemed to be a consulting Party for purposes of this Article.

6. The Commission may call on such technical advisors or may create such working groups or expert groups as it deems necessary or may have recourse to good offices, conciliation, mediation or such other dispute resolution procedures or make such recommendations, as may assist the consulting Parties to reach a mutually satisfactory resolution of the dispute.

[7. The Commission shall consolidate two or more proceedings before it pursuant to this Article regarding:

- (a) the same measure, unless it decides otherwise; and
- (b) matters that it determines are appropriate to be considered together.]

¹ Again, Secretariat procedures to be addressed in rules.

PANEL PROCEEDINGS

Article 2309: Request for Establishment of Non-Binding or
Arbitral Panels

1. If the Commission has convened pursuant to Article 2308(4), and the matter has not been resolved within:

- (a) a period of 30 days thereafter;
- (b) a period of 30 days after the Commission has convened in respect of the matter most recently referred to it, where proceedings have been consolidated pursuant to Article 2308(7); or
- (c) such other period as the consulting Parties have agreed upon,

any Party that has participated in consultations pursuant to Article 2307 may request the establishment of a non-binding or arbitral panel. The request shall be delivered to the other Parties, and to the requesting Party's Section of the Secretariat.

2. Upon delivery of the request, the Commission:

- (a) shall establish an arbitral panel where ^{MEX CDA}[the dispute regards actions taken pursuant to Chapter 8 Safeguards-Emergency Action, Chapter 3 (Rules of Origin), Article 2320 (Suspension of Benefits), ^{MEX}[Chapter 12 (Technical Standards) and Article 505 (Technical Regulations and Standards for Agricultural, Food, Beverage and Certain Related Goods)] in accordance with the provisions of those chapters or Articles, or regards any other dispute, when the disputing Parties have so requested; or
- (b) a non-binding panel, pursuant to any other request.

3. If ^{CDA}[any other] ^{MEX USA}[the third] Party considers that it has a substantial interest in the matter, it shall be entitled to join as a complaining Party, on delivery to the other Parties and the Commission at the earliest possible time, and in any event no later than seven days after the date of a request by a Party for

the establishment of a panel, of written notice of its intention to participate.

[4. If [such other] [the third] Party does not join as a complaining Party, it normally shall refrain thereafter from challenging the measure at issue under this Agreement or under substantially equivalent provisions of the GATT in the absence of a significant change in economic or commercial circumstances.]¹

5. Unless otherwise specified in this Chapter, or agreed by the disputing Parties, the panels shall be established and performed their functions in a manner consistent with the provisions of this Chapter.

Article 2310: Roster

1. The Parties shall establish and maintain a roster of up to 30 persons who are willing and able to serve as panelists. The roster members shall be appointed by consensus for terms of three years, and may be reappointed.

2. Roster members shall:

- (a) have expertise or experience in law, international trade, other matters covered by this Agreement, or the resolution of disputes arising under international trade agreements, and shall be chosen strictly on the basis of objectivity, reliability and sound judgement;
- (b) be independent of, and not be affiliated with or take instructions from, any Party; and
- (c) comply with a code of conduct to be established by the Commission.

Article 2311: Qualifications of Panelists

1. All panelists shall meet the qualifications set out in Article 2310(2).

¹ The U.S. will propose a redraft of this paragraph for purposes of clarification.

2. Persons may not serve as panelists for a dispute in which they have participated pursuant to Article 2308(6).

Article 2312: Panel Selection

1. In disputes involving two Parties:

- (a) The panel shall comprise five members.
- (b) The disputing Parties shall endeavor to agree on the chair of the panel within 15 days of the establishment of the panel. If the disputing Parties are unable to agree on the chair within this period, the disputing Party chosen by lot shall select as chair a person who is not a national of that Party.
- (c) Each disputing Party shall then select two panelists who are nationals of the other disputing Party.
- (d) If a Party fails to select its panelists within 15 days of the selection of the chair, such panelists shall be selected by lot from among the roster members who are nationals of the other disputing Parties.

2. In disputes involving ^{CAN}[more than two] ^{USA MEX}[three] Parties:

- (a) The panel shall comprise five members.
- (b) The disputing Parties shall endeavor to agree on the chair of the panel within 15 days of the establishment of the panel. If the disputing Parties are unable to agree on the chair within this period, the Party or Parties on the side of the dispute chosen by lot shall select a chair who is not a national of such Party or Parties.
- (c) The Party complained against shall then select two panelists, one of whom is a national of a complaining Party, and the other of whom is a national of ^{USA MEX}[the other] ^{CAN}[another]

complaining Party. The complaining Parties shall select two panelists who are nationals of the Party complained against.

- (d) If any disputing Party fails to select its panelist within 15 days of the selection of the chair, such panelist shall be selected by lot in accordance with the nationality criteria of subparagraph (c).

3. Panelists shall normally be selected from the roster. Any disputing Party may exercise a peremptory challenge against any person not on the roster who is proposed as a panelist by a disputing Party.

4. If a disputing Party believes that a panelist is in violation of the code of conduct, the disputing Parties shall consult and if they agree, the panelist shall be removed and a new panelist shall be selected in accordance with the procedures of this Chapter.

CDA[5. Unless the Parties to a dispute involving financial services agree otherwise, panels shall include a majority of members possessing financial services expertise.]

Article 2313: Rules of Procedure

1. The Commission shall establish Model Rules of Procedure, in accordance with the following principles:

- (a) The procedures shall assure a right to at least one hearing before the panel as well as the opportunity to provide initial and rebuttal written submissions.
- (b) The proceedings of the panel ^{MEX} CDA[shall be confidential.] ^{USA}[, the written submissions and oral arguments of the Parties, and the panel's initial report shall not be disclosed other than to the Parties, the Secretariat, the panelists, and their assistants.]
- (c) ^{MEX} ^{USA}[A Party asserting that a ^{USA}[standards-related measure or other] measure of another Party

is inconsistent with the provisions of this Agreement shall have the burden of establishing such inconsistency.]¹

2. Unless the disputing Parties agree otherwise, the panel shall conduct its proceedings in accordance with the Model Rules of Procedure.
3. Unless the disputing Parties agree otherwise within 20 days from the establishment of the panel, the terms of reference shall be those set out in the Model Rules of Procedure.
4. If a complaining Party wishes to argue that a matter has nullified or impaired benefits it reasonably expected to accrue to it, the terms of reference should so indicate.

Article 2314: Role of Experts

At the request of a disputing Party, or at its own initiative, and subject to the terms and conditions set out in the Model Rules of Procedure established pursuant to Article 2313(1), the panel shall have the right to seek information and technical advice from any person or body that it deems appropriate, provided that the disputing Parties so agree and subject to such terms and conditions as such Parties may agree.

^{USA} **Article 2315: Scientific Review Boards**

1. A panel established under this Chapter may, on its own initiative or at the request of a disputing Party, request a written report of a scientific review board ("board") on any factual issues concerning environmental or other scientific matters raised.
2. The board shall consist of three members. Members shall be independent of the Parties and shall be selected by

¹ Canada agrees in principle but believes provision is best placed in Rules of Procedures.

the panel, from among highly qualified experts in the scientific matters in question.

3. Within 30 days of a decision by the panel to refer an issue to a board, the panel shall select two members of the board after consultation with the disputing Parties to the dispute and the President of the National Academy of Sciences and the [Mexican and Canadian counterparts]. The third member shall be selected by the two panel-appointed members and shall serve as board chair. If the third member has not been selected within ten days of the appointment of the second member, the panel shall, within ten days thereafter, appoint the third member who shall serve as chair.

4. Within 90 days of the appointment of the board's third member, the board shall submit a written report to the panel on the factual issues in question.

5. The panel shall take the board's report into account in the preparation of its report.

6. The panel may extend its schedule of proceedings for a period not to exceed the time required to appoint the members of the board and for the board to complete its report.

7. The Rules of Procedure shall also provide rules of procedure for boards that ensure transparency and fairness in their operations. Such rules of procedure shall include provisions to ensure the right of the Parties to:

- (a) receive advance notice of, and comment on, the issues to be referred to the board;
- (b) submit evidence to the board;
- (c) provide to the board comments on the report of the board prior to submission of the report to the panel; and
- (d) be present when the board communicates its report to the panel.]

1. CDA [Any other] MEX USA [The third] Party that is not a disputing Party, on delivery of written notification to the disputing Parties and the Commission, shall be entitled to attend all hearings, to make written and oral submissions to the panel, and to receive written submissions of the disputing Parties.

2. CDA [If such Party considers that the matter that is before the panel nullifies or impairs benefits accruing to it under this Agreement, that Party shall have recourse to the consultation and dispute settlement procedures of this Part.]¹

Article 2317: Initial Report

1. Unless otherwise agreed by the disputing Parties, the panel shall base its report on the submissions and arguments of the Parties.

2. Unless the disputing Parties otherwise agree, the panel shall, within 90 days after its chair is selected, present to the CDA USA [disputing] MEX [participating] Parties an initial report containing:

- (a) findings of fact, which shall include, if requested by any disputing Party at the time of establishment of the panel, findings as to the degree of adverse trade effect on the other Party or Parties of any measure found not to conform with the obligations of the Agreement, or CDA MEX [otherwise] cause nullification or impairment in the sense of Article _____;²
- (b) its determination as to whether the measure at issue is or would be inconsistent with the obligations of this Agreement or CDA MEX [otherwise]

¹ Secretariat rules of procedure should provide for transmission to third Party of the panel documentation.

² Canada wants to revisit the drafting of this provision in light of further discussion of nullification and impairment.

cause nullification or impairment in the sense of Article _____;¹ and

- (c) if the panel is a non-binding panel, its recommendations, if any, for resolution of the dispute; or
- (d) if the panel is an arbitral panel, its disposition of the dispute.

Panelists may furnish separate opinions on matters not unanimously agreed.

3. Within 14 days of presentation of the initial report of the panel, a disputing Party may submit written comments on the report to the panel.

4. In such an event, and after considering such written comments, the panel on its own motion or at the request of any disputing Party may:

- (a) request the views of any participating Party;
- (b) reconsider its report; and
- (c) make any further examination that it deems appropriate.²

Article 2318: Final Report

1. The panel shall present to the^{CDA USA} [disputing] ^{MEX} [participating] Parties a final report, including any separate opinions on matters not unanimously agreed, within 30 days of presentation of the initial report.

¹ Canada wants to revisit the drafting of this provision in light of further discussion of nullification and impairment.

² Access of Parties to information provided to panels at this stage should be further considered in the context of the Rules of Procedure.

2. Neither the initial report nor the final report shall disclose which panelists are associated with majority or minority opinions.

3. Unless the ^{CDA USA}[disputing] ^{MEX}[participating] Parties agree otherwise, the final report of the panel, along with any written views that a ^{CDA USA}[disputing] ^{MEX}[participating] Party desires to be appended, shall be transmitted to the Commission _____ days after it is presented to the ^{CDA USA}[disputing] ^{MEX}[participating] Parties.

4. Unless the Commission agrees otherwise, the final report of the panel shall be published [X] days after it is transmitted to the Commission.

Article 2319: Implementation of Final Report

1. Upon receipt of the final report of a non-binding panel, the disputing Parties shall agree on the resolution of the dispute, which normally shall conform with the determinations and recommendations of the panel. The Commission shall be notified of any agreed resolution of any dispute.

2. Whenever possible, the resolution shall be non-implementation or removal of a measure not conforming with this Agreement or ^{CDA MEX}[otherwise] causing nullification or impairment in the sense of Article _____ or, failing such a resolution, compensation.¹

3. The Party shall comply in a timely fashion with the determinations and disposition of an arbitral panel.

^{MEX CDA}[4. Any dispute regarding measures taken to implement the final report of a panel and constituting part of a mutually satisfactory resolution shall be referred to a non-binding panel. In the event that the mutually satisfactory resolution includes a plan or schedule for implementation, the complaining Party or Parties may refer

¹ Canada wants to revisit the drafting of this provision in light of further discussion of nullification and impairment.

any dispute regarding implementation to a panel at any time during the agreed period for implementation.

5. Any dispute regarding the existence or consistency with this Agreement of any other measures taken to implement the final report of a Panel shall, whenever possible, be decided through recourse to the dispute settlement procedures of this Chapter.

6. Matters referred to a panel pursuant to paragraphs (4) or (5) shall be referred to the original panel whenever possible. The panel shall issue its report within 60 days of referral of the matter to it, unless otherwise agreed by the disputing Parties.]^{1 2}

Article 2320: Non-Implementation - Suspension of Benefits

1. If the disputing Parties have not reached agreement on a mutually satisfactory resolution pursuant to Article 2319 within 30 days of receiving the final report of the panel ^{CDA} [(or such other date as the Commission may decide in the light of the intentions of the Party complained against in respect of implementation of the final report)], ^{USA} [and a disputing Party considers that its] ^{MEX CDA} [and to the extent that the final report of a Panel has determined that the] fundamental rights (under this Agreement) or benefits (anticipated under this Agreement) ^{MEX CDA} [of the complaining

¹ Mexico is willing to drop Article 2319(3) to (5) if the U.S. accepts the Canadian/Mexican version of Article 2320(1).

² Canada also believes that its earlier proposal:

^{CDA} [Where the disputing Parties cannot agree on the existence or consistency with this Agreement of measures taken to implement the final report of the Panel, such dispute shall be decided through recourse to the dispute settlement procedures of this Chapter, and shall be referred to the original panel whenever possible. The panel shall issue its report within ninety days of referral of the matter to it, unless otherwise agreed by the disputing Parties].

could form the basis for addressing these issues.

Party or Parties] are or would be impaired by the implementation or maintenance of the measure at issue, that Party ^{MEX} ^{CDA} [or Parties] shall be free to suspend the application to the Party ^{USA} [whose measure is at issue] ^{MEX} ^{CDA} [complained against] of benefits of equivalent effect until such time as the disputing Parties have reached agreement on a resolution of the dispute.

2. If a disputing Party fails to comply in a timely fashion with the decision of an arbitral panel and the Parties are unable to agree on appropriate compensation or remedial action, then the other disputing Party or Parties shall have the right to suspend the application of equivalent benefits of this Agreement to the non-complying Party, in accordance with this Article.

3. In considering what benefits to suspend:

- (a) the complaining Party or Parties should first seek to suspend benefits in the same sector or sectors, as set out in Annex 2320, as that affected by the major or other matter that the panel has found to be inconsistent with the obligation of this agreement or ^{CDA} [otherwise] cause nullification or impairment by the non-complying Party;¹
- (b) if that Party or Parties consider that it is not practicable or effective to suspend benefits in the same sector or sectors, it may seek to suspend benefits in other sectors;

^{CDA} [(c) that Party or Parties shall take into account:

- (i) the trade in the sector in which the panel has found a violation or other nullification or impairment, and the importance of such trade to that Party or Parties;
- (ii) the broader economic elements related to the violation or other nullification or

¹ Subgroup will examine language for consistency.

impairment and the broader economic
consequences of the suspension of benefits.]¹

MEX CDA [4. If a Party objects to the level of benefits suspended by another Party pursuant to paragraph (1), it may establish an arbitral panel to consider the matter in accordance with the provisions of this Chapter. The matter should be to the original panel wherever possible.

5. The arbitration panel shall, within 30 days of its establishment present its determination on whether the level of such suspension is equivalent to the level of benefits that would accrue to the complaining Party or Parties if the report of the original panel were implemented.]²

MEX [6. No action taken pursuant to this Article shall give rise to dispute settlement proceedings under the Investment Chapter.]

DOMESTIC PROCEEDINGS

Article 2321: Referrals of Matters from Judicial or Administrative Proceedings

1. In the event an issue of interpretation of this Agreement arises in any domestic judicial or administrative proceeding³ of a Party that any Party considers would merit its intervention, or if a court or administrative body solicits the views of a Party, the Commission shall be notified and shall endeavour to agree on the interpretation of the applicable provisions of this Agreement as expeditiously as possible.

¹ Canada is considering whether this paragraph is necessary.

² This proposed redraft is offered without prejudice to Canada's position that Dunkel-based language in the April 27 draft, Article 2320 paragraphs (4) through (6), should be retained.

³ The use of "administrative proceeding" needs to be examined in the context of its use in the Miscellaneous Provisions.

2. The Party in whose territory the court or administrative body is located shall submit any agreed interpretation to the court or administrative body in accordance with the rules of that forum.

3. If the Commission is unable to reach agreement on the interpretation of the provision of the Agreement at issue, any Party may submit its own views to the court or administrative body in accordance with the rules of that forum.

N.B. Throughout the text the use of the terms "measure" and "matter" needs to be considered.

F I N A L

Chapultepec Composite
Dispute Settlement

- 21 -

CONFIDENTIAL
01 May 1992

ANNEX 2301 -- COMMITTEES, WORKING GROUPS, EXPERT GROUPS

The Committees, working groups and expert groups established under this Agreement at the time of entry into force of this Agreement are:

[List -- name of committee or group and Article under which it is established]

ANNEX 2313 -- RULES OF PROCEDURE

Part I - Model Rules of Procedure

Terms of Reference

1. Unless the disputing Parties agree otherwise within 20 days from the establishment of the panel, the terms of reference shall provide as follows:

"To examine, in light of the relevant provisions of the NAFTA, the matter referred to the Commission (as set out in the letter requesting a Commission meeting) and to make such findings, determinations and recommendations as provided in Article 2317(2) and 2318 or such findings as provided in Article 2321.

Part II - Secretariat

ANNEX 2320 -- DEFINITIONS OF SECTORS

[For the purposes of Article 2320, "sector" means:

- (a) with respect to goods, all goods;
- (b) with respect to services, a principal sector as set out in [the classification set out in Chapter 13];
- (c) with respect to trade-related intellectual property rights, [to be negotiated]; and
- (d) with respect to investment, [to be negotiated].]