

**ANNEX 17-B
RULES OF PROCEDURE FOR ARBITRATION**

Definitions

1. For the purposes of Chapter 17 (Dispute Settlement):

“advisor” means a person retained by a Party to advise or assist that Party in connection with the arbitration panel proceeding;

“arbitration panel” means a panel established under Article 17.7 (Composition and Establishment of the Arbitration Panel);

“arbitrator” means a member of an arbitration panel established under Article 17.7 (Composition and Establishment of the Arbitration Panel);

“assistant” means a person who, under the terms of appointment of an arbitrator, conducts research or provides assistance to the arbitrator;

“complaining Party” means a Party that requests the establishment of an arbitration panel under Article 17.5 (Initiation of Arbitration Procedure);

“Party complained against” means the Party that is alleged to be in violation of the provisions referred to in Article 17.2(Scope); and

“representative of a Party” means an employee or any person appointed by a government department or agency or any other public entity of a Party who represents the Party for the purposes of a dispute under this Agreement.

Logistical Administration

2. The Party complained against shall be in charge of the logistical administration of dispute settlement proceedings, in particular the organisation of hearings, unless otherwise agreed.

Notifications

3. The Parties and the arbitration panel shall transmit any request, notice, written submission or other document by e-mail, with a copy submitted on the same day by registered post, courier, facsimile transmission, delivery against receipt or any other means of telecommunication that provides a record of the sending thereof. Unless proven otherwise, an e-mail message shall be deemed to be received on the same date of its sending.
4. A Party shall provide an electronic copy of each of its written submissions and rebuttals to the other Party and to each of the arbitrators. A paper copy of the document shall also be provided.

5. All notifications shall be addressed and delivered to the Ministry of Economy of the Republic of Turkey or its successor and to, the Director of Emerging Markets Division, Ministry of Trade and Industry of Singapore or its successor, respectively.
6. Minor errors of a clerical nature in any request, notice, written submission or other document related to the arbitration panel proceeding may unless the other Party objects, be corrected by delivery of a new document clearly indicating the changes.
7. If the last day for delivery of a document falls on an official holiday of either Party, the document may be delivered on the next business day.

Commencing the Arbitrations

8. Unless the Parties otherwise agree, they shall meet the arbitration panel within seven days of the date of the establishment of the arbitration panel in order to determine such matters that the Parties or the arbitration panel deems appropriate, including the remuneration and expenses to be paid to the arbitrators. Arbitrators and representatives of the Parties may take part in this meeting *via* telephone or video conference.

Initial Submissions

9. The complaining Party shall deliver its initial written submission no later than 20 days after the date of establishment of the arbitration panel. The Party complained against shall deliver its written counter-submission no later than 20 days after the date of delivery of the initial written submission.

Working of Arbitration Panels

10. The chairperson of the arbitration panel shall preside at all of its meetings. An arbitration panel may delegate to the chairperson authority to make administrative and procedural decisions.
11. Except as otherwise provided in this Agreement, the arbitration panel may conduct its activities by any means, including telephone, facsimile transmissions or computer links.
12. Only arbitrators may take part in the deliberations of the arbitration panel but the arbitration panel may permit its assistants to be present at its deliberations. The drafting of any decision, determination or recommendation shall remain the exclusive responsibility of the arbitration panel and shall not be delegated.
13. Where a procedural question arises that is not covered by this Agreement, the arbitration panel may adopt an appropriate procedure, in consultation with the Parties, that is not inconsistent with this Agreement.

14. When the arbitration panel considers that there is a need to modify any time period applicable in the proceeding, or to make any other procedural or administrative adjustment in the proceeding, it shall inform the Parties in writing of the reasons for the modification or adjustment with the indication of the period or adjustment needed.

Replacement

15. If an arbitrator becomes unable to participate in the proceeding or resigns, or is to be replaced, a successor shall be selected in accordance with Article 17.7 (Composition and Establishment of the Arbitration Panel).
16. Where a Party considers that an arbitrator does not comply with the requirements of the Code of Conduct under Annex 17-A (Code of Conduct for Arbitrators) (hereinafter referred to as “Code of Conduct”), and for this reason should be replaced, this Party should notify the other Party within 15 days from the time at which it came to know of the circumstances underlying the arbitrator’s non-compliance with the Code of Conduct.
17. Where a Party considers that an arbitrator other than the chairperson does not comply with the requirements of the Code of Conduct, the Parties shall consult and, if they so agree, replace the arbitrator and select a replacement following the procedure set out in Article 17.7 (Composition and Establishment of the Arbitration Panel).
18. If the Parties fail to agree on the need to replace the arbitrator, any Party may request that such matter be referred to the chairperson of the arbitration panel, whose decision shall be final. If, pursuant to such a request, the chairperson finds that the arbitrator did not comply with the requirements of the Code of Conduct, a new arbitrator shall be selected. The Party which had selected the arbitrator who needs to be replaced, shall select a new arbitrator in accordance with Article 17.7 (Composition and Establishment of the Arbitration Panel). If the Party fails to select a new arbitrator within five days of the finding of the chairperson of the arbitration panel, the chairperson shall request the Director-General of the WTO to make the appointment within 20 days.
19. Where a Party considers that the chairperson of the arbitration panel does not comply with the requirements of the Code of Conduct, the Parties shall consult and, if they so agree, replace the chairperson and select a replacement following the procedure set out in Article 17.7 (Composition and Establishment of the Arbitration Panel).
20. If the Parties fail to agree on the need to replace the chairperson, any Party may request that such matter be referred to a neutral third party. If the Parties are unable to agree on a neutral third party, such matter shall be referred to the Director-General of the WTO whose decision on the need to replace the chairperson shall be final. If the neutral third party or the Director-General of the WTO as the case may be decides that the original chairperson did not comply with the requirements of the Code of Conduct, the Parties shall agree on the replacement. If the Parties fail to

agree on a new chairperson, the Director-General of the WTO shall, at the request of any Party, select the new chairperson within 20 days of the request.

21. The arbitration panel proceedings shall be suspended for the period taken to carry out the procedures provided for in Rules 15 to 20 of this Annex.

Hearings

22. Unless the Parties otherwise agree, at least one hearing shall be held. The chairperson shall fix the date and time of the hearing in consultation with the Parties and the other arbitrators and confirm this in writing to the Parties. This information shall also be made publicly available by the Party in charge of the logistical administration of the proceeding when the hearing is open to the public.
23. Unless the Parties otherwise agree, the hearing shall be held in Singapore where the complaining Party is the Republic of Turkey, or in Ankara, Turkey where the complaining Party is Singapore.
24. The arbitration panel may convene additional hearings if the Parties so agree.
25. All arbitrators shall be present during the entirety of any hearing.
26. Representatives of a Party, advisors to a Party, administration staff, interpreters, translators and rapporteurs and arbitrators' assistants may attend the hearings, irrespective of whether the hearings are open to the public or not. Only the representatives and advisors of a Party may address the arbitration panel.
27. No later than five days before the date of a hearing, each Party shall deliver to the arbitration panel and simultaneously to the other Party a list of the names of those persons who will make oral arguments or presentations at the hearing on behalf of that Party and of other representatives or advisors who will be attending the hearing.
28. The hearings of the arbitration panels shall be closed to the public. The Parties may decide to open the hearings partially or completely to the public. The arbitration panel shall meet in closed sessions when the submissions and arguments of a Party contain confidential information.
29. The arbitration panel shall conduct the hearing in the following manner, ensuring that the complaining Party and the Party complained against are afforded equal time:

submissions

- (a) submission of the complaining Party; and
- (b) counter-submission of the Party complained against.

rebuttals

- (a) reply of the complaining Party; and
 - (b) counter-rebuttal of the Party complained against.
- 30. The arbitration panel may direct questions to either Party at any time during a hearing.
 - 31. The arbitration panel shall arrange for a transcript of each hearing to be prepared and delivered as soon as possible to the Parties.
 - 32. Within 10 days of the date of the hearing, each Party may deliver to the arbitration panel and simultaneously to the other Party a supplementary written submission concerning any matter that arose during the hearing.

Questions in Writing

- 33. The arbitration panel may at any time during the proceedings address questions in writing to one or both Parties. The arbitration panel shall ensure that each of the Parties receive a copy of any questions put by the arbitration panel.
- 34. Each Party shall also provide a copy of its written response to the arbitration panel's questions to the arbitration panel and simultaneously to the other Party. Each Party shall be given the opportunity to provide written comments on the other Party's reply within five days of the date of receipt.

Confidentiality

- 35. The Parties and their advisors shall maintain the confidentiality of the arbitration panel hearings where the hearings are held in closed session, the deliberations and interim panel report, and all written submissions to, and communications with, the panel. Each Party and its advisors shall treat as confidential any information submitted by the other Party to the arbitration panel which that Party has designated as confidential. Nothing in this Annex shall preclude a Party from disclosing statements of its own positions to the public to the extent that, when making reference to information submitted by the other Party, it does not disclose any information designated by the other Party as confidential.

Ex Parte Contacts

- 36. The arbitration panel shall not meet, hear or otherwise contact a Party in the absence of the other Party.
- 37. No arbitrator may discuss an aspect of the subject matter of the proceeding with a Party or both Parties in the absence of the other arbitrators.

Urgent Cases

38. In cases of urgency referred to in Chapter 17 (Dispute Settlement), the arbitration panel, after consulting the Parties, shall adjust the time limits referred to in this Annex as appropriate and shall notify the Parties of such adjustments.

Translation and Interpretation

39. The common working language for the proceedings of the arbitration panel shall be English. If a Party decides to use interpretation during the proceedings, the arrangement and the cost shall be borne by that Party.
40. Any document submitted for use in any proceedings pursuant to this Chapter shall be in English. If any original document is not in English, the Party submitting it for use in the proceedings shall provide a translation of that document.

Computation of Time

41. All time periods laid down in this Chapter shall be counted in calendar days, the first day being the day following the act or fact to which they refer.
42. Where, by reason of the operation of Rule 7, a Party receives a document on a date other than the date on which the same document is received by the other Party, any period of time the calculation of which is dependent on such receipt shall be calculated from the last date of receipt of that document.

Other Procedures

43. Unless otherwise provided, this Annex is also applicable to procedures established under Articles 17.10 (Implementation of the Arbitration Panel Report), 17.11 (Compensation and Suspension of Concessions or Other Obligations) and 17.12 (Review of Any Measure Taken to Comply After the Suspension of Concessions or Other Obligations).