

**ANNEX D: PROCEDURE FOR PROJECT PARTICIPANTS TO RESOLVE
DISPUTES WITH BHUTAN RELATING TO THE APPLICATION OF
CORRESPONDING ADJUSTMENTS**

1. This Annex sets out the procedure by which a Project Participant may seek to resolve a dispute with Bhutan relating to the application of Corresponding Adjustments.
2. Where a Project Participant is of the view that Bhutan has not applied Corresponding Adjustments in accordance with Article 9 (Corresponding Adjustments), the Project Participant may deliver to Bhutan a written request for consultations setting out a brief description of the relevant facts. The Project Participant and Bhutan should initially seek to resolve the dispute through consultations and negotiations, which may include the use of non-binding, third party procedures, such as good offices, conciliation or mediation.
3. Within five working days of the receipt by Bhutan of the written request for consultations, Bhutan shall forward a copy of the written request to the Joint Committee.
4. If the dispute has not been resolved within six months of the receipt by Bhutan of the written request for consultations, the Project Participant may submit the dispute to arbitration under the Permanent Court of Arbitration's Arbitration Rules 2012, or if the Project Participant and Bhutan agree, any other arbitral institution or any other arbitration rules. Bhutan consents to the submission of any dispute to arbitration in accordance with this Annex, and such consent shall be deemed to satisfy the requirements for an "agreement in writing" under Article II of the *Convention on the Recognition and Enforcement of Foreign Arbitral Awards*, done at New York, 10 June 1958.
5. When the dispute is resolved, Bhutan shall inform the Joint Committee about the outcome of the dispute.
6. For the avoidance of doubt, the procedure set out in this Annex is in addition to any other remedies that may be available under this Agreement, international law, the domestic laws of Bhutan, or any contract.