

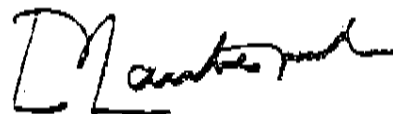
**METALCLAD****THE QUESTIONS OF THE REPLY AND THE REJOINDER**

1. The Tribunal, having sought the views of the Parties on the question of the filing of a Reply and a Rejoinder, has received from the Claimant a request dated April 6, 1998 for an opportunity to file a Reply and from the Respondent a communication dated April 13, 1998 expressing *inter alia* a preference that the Tribunal move to the oral procedure or, if the Tribunal considers it necessary to require a Reply and a Rejoinder, requesting the Tribunal to issue directions to the Claimant regarding the proper content of a Reply.

2. Having regard to the scope and complexity of the issues raised in the Memorial and the Counter-Memorial, the Tribunal considers that a further exchange of written pleadings should precede the hearing. This has been the almost invariable practice of ICSID Tribunals in the past. The Tribunal does not think it proper to proceed to a hearing now and to rely only on the eventual submissions of post-hearing briefs, which in any event are not provided for in the Additional Facility Arbitration Rules.

3. The Tribunal notes the Claimant's statement of the objectives of its Reply as set out in its above-mentioned letter, and also notes the concerns expressed in the Respondent's letter mentioned above. The Tribunal does not find it necessary to express at this time any opinion on the views there set out by the Respondent. The Respondent will have an opportunity in its Rejoinder to comment on the Claimant's Reply after the latter has been filed and by reference to the relevant arbitration rules as indicated in the NAFTA, Chapter XI, Section B.

4. In fixing the date for the filing of the Reply, the Tribunal notes that the Claimant has requested 75 days and the Respondent has accepted that that would be an appropriate period. The Tribunal therefore fixes July 6, 1998 as the date by which the Claimant's Reply must be filed. The period for the filing of the Respondent's Rejoinder will, in principle, be the same. However, the Tribunal, after having had an opportunity to consider the Reply, together with such representations as the Respondent may wish to make within seven days of its receipt, will then take a final decision on this matter, bearing in mind also the points made in paragraph 21 of the Respondent's letter of April 13, 1998.

A handwritten signature in black ink, appearing to read "D. Lavender" or similar, written in a cursive style.