

CHAPTER 2

NATIONAL TREATMENT AND MARKET ACCESS FOR GOODS

ARTICLE 2.1

Objective

The Parties shall progressively liberalise trade in goods and improve market access over a transitional period starting from the entry into force of this Agreement in accordance with the provisions of this Agreement and in conformity with Article XXIV of GATT 1994.

ARTICLE 2.2

Scope

Except as otherwise provided for in this Agreement, this Chapter applies to trade in goods between the Parties.

ARTICLE 2.3

Definitions

For the purposes of this Chapter:

- (a) "agricultural export subsidies" means subsidies as defined in paragraph (e) of Article 1 of the Agreement on Agriculture, including any amendment of that Article;
- (b) "agricultural good" means a product listed in Annex 1 to the Agreement on Agriculture;
- (c) "consular transactions" means the procedure of obtaining from a consul of the importing Party in the territory of the exporting Party, or in the territory of a third party, a consular invoice or a consular visa for a commercial invoice, certificate of origin, manifest, shipper's export declaration or any other customs documentation in connection with the importation of the goods;

- (d) "customs duty" includes any duty or charge of any kind imposed on or in connection with the importation of a good, including any form of surtax or surcharge imposed on or in connection with such importation, and does not include any:
- (i) charge equivalent to an internal tax imposed in accordance with Article 2.4 (National Treatment);
 - (ii) duty imposed in accordance with Chapter 3 (Trade Remedies);
 - (iii) duties applied in accordance with Articles VI, XVI and XIX of GATT 1994, the Anti-Dumping Agreement, the SCM Agreement, the Safeguards Agreement, Article 5 of the Agreement on Agriculture and the DSU; and
 - (iv) fee or other charge imposed in accordance with Article 2.18 (Administrative Fees, Other Charges and Formalities on Imports and Exports);
- (e) "export licensing procedures" means administrative procedures¹ used for the operation of export licensing regimes requiring the submission of an application or other documentation, other than that required for customs purposes, to the relevant administrative body as a prior condition for exportation from the territory of the exporting Party;

¹ Those procedures referred to as "licensing" as well as other similar administrative procedures.

- (f) "import licensing procedures" means administrative procedures¹ used for the operation of import licensing regimes requiring the submission of an application or other documentation, other than that required for customs purposes, to the relevant administrative body as a prior condition for importation into the territory of the importing Party;
- (g) "non-automatic export licensing procedures" means export licensing procedures where approval of the application is not granted for all legal and natural persons who fulfil the requirements of the Party concerned for engaging in export operations involving the products subject to export licensing procedures;
- (h) "non-automatic import licensing procedures" means import licensing procedures where approval of the application is not granted for all legal and natural persons who fulfil the requirements of the Party concerned for engaging in import operations involving the products subject to import licensing procedures;
- (i) "originating" refers to the origin of a good as determined in accordance with the rules of origin set out in Protocol 1 (Concerning the Definition of the Concept of "Originating Products" and Methods of Administrative Cooperation);
- (j) "performance requirement" means a requirement that:
 - (i) a given quantity, value or percentage of goods be exported;

¹ Those procedures referred to as "licensing" as well as other similar administrative procedures.

- (ii) goods of the Party granting an import license be substituted for imported goods;
 - (iii) a person benefiting from an import license purchase other goods in the territory of the Party granting the import licence, or accord a preference to domestically produced goods;
 - (iv) a person benefiting from an import licence produce goods in the territory of the Party granting the import licence, with a given quantity, value or percentage of domestic content; or
 - (v) relates in whatever form to the volume or value of imports, to the volume or value of exports or to the amount of foreign exchange inflows; and
- (k) "remanufactured good" means a good classified in HS Chapter 84, 85, 87, 90 or 9402, except those listed in Appendix 2-A-5 (Goods excluded from the Definition of Remanufactured Goods), which:
- (i) is entirely or partially comprised of parts obtained from goods that have been used beforehand; and
 - (ii) has similar performance and working conditions as well as life expectancy compared to the original new good and is given the same warranty as the original new good.

ARTICLE 2.4

National Treatment

Each Party shall accord national treatment to the goods of the other Party in accordance with Article III of GATT 1994, including its Notes and Supplementary Provisions. To that end, the obligations contained in Article III of GATT 1994, including its Notes and Supplementary Provisions, are incorporated into and made part of this Agreement, *mutatis mutandis*.

ARTICLE 2.5

Classification of Goods

The classification of goods in trade between the Parties shall be in accordance with each Party's respective tariff nomenclature in conformity with the HS.

ARTICLE 2.6

Remanufactured Goods

The Parties shall accord to remanufactured goods the same treatment as that accorded to new like goods. A Party may require specific labelling of remanufactured goods in order to prevent deception of consumers. Each Party shall implement this Article within a transitional period of no longer than three years from the date of entry into force of this Agreement.

ARTICLE 2.7

Reduction or Elimination of Customs Duties

1. Except as otherwise provided for in this Agreement, each Party shall reduce or eliminate its customs duties on goods originating in the other Party in accordance with its respective schedule included in Appendices 2-A-1 (Tariff Schedule of the Union) and 2-A-2 (Tariff Schedule of Viet Nam) of Annex 2-A (Reduction or Elimination of Customs Duties).

2. For the calculation of the successive reductions under paragraph 1, the base rate for customs duties of each good shall be the one specified in the schedules included in Appendices 2-A-1 (Tariff Schedule of the Union) and 2-A-2 (Tariff Schedule of Viet Nam) of Annex 2-A (Reduction or Elimination of Customs Duties). The tariff elimination established under Appendix 2-A-2 (Tariff Schedule of Viet Nam) does not apply to used motor-vehicles under HS codes 8702, 8703 and 8704.

3. If a Party reduces an applied most favoured nation customs duty rate below the rate of customs duty applied in accordance with its respective schedule included in Appendices 2-A-1 (Tariff Schedule of the Union) and 2-A-2 (Tariff Schedule of Viet Nam) of Annex 2-A (Reduction or Elimination of Customs Duties), the good originating in the other Party shall be eligible for that lower duty rate.

4. Except as otherwise provided in this Agreement, a Party shall not increase any existing customs duty applied in accordance with its respective schedule included in Appendices 2-A-1 (Tariff Schedule of the Union) and 2-A-2 (Tariff Schedule of Viet Nam) of Annex 2-A (Reduction or Elimination of Customs Duties), or adopt any new customs duty, on a good originating in the other Party.

5. A Party may unilaterally accelerate the reduction or elimination of customs duties on originating goods of the other Party applied in accordance with its respective schedule included in Appendices 2-A-1 (Tariff Schedule of the Union) and 2-A-2 (Tariff Schedule of Viet Nam) of Annex 2-A (Reduction or Elimination of Customs Duties). When a Party considers such an acceleration it shall inform the other Party as early as possible before the new rate of customs duty takes effect. A unilateral acceleration shall not preclude the Party from raising a customs duty to the prevailing rate at each stage of reduction or elimination in accordance with its respective schedule included in Appendices 2-A-1 (Tariff Schedule of the Union) and 2-A-2 (Tariff Schedule of Viet Nam) of Annex 2-A (Reduction or Elimination of Customs Duties).

6. Upon request of a Party, the Parties shall consult to consider accelerating or broadening the scope of the reduction or elimination of customs duties applied in accordance with their respective schedules included in Appendices 2-A-1 (Tariff Schedule of the Union) and 2-A-2 (Tariff Schedule of Viet Nam) of Annex 2-A (Reduction or Elimination of Customs Duties). If the Parties agree to amend this Agreement in order to accelerate or broaden such scope, such agreement shall supersede any duty rate or staging category for such good determined pursuant to their Schedules. Such an amendment shall come into effect in accordance with Article 17.5 (Amendments).

ARTICLE 2.8

Management of Administrative Errors

In the event of an error by the competent authorities in the proper management of the preferential system at export, and in particular in the application of Protocol 1 (Concerning the Definition of the Concept of "Originating Products" and Methods of Administrative Cooperation), where this error leads to consequences in terms of import duties, the importing Party may request the Trade Committee established pursuant to Article 17.1 (Trade Committee) to examine the possibilities of adopting appropriate measures with a view to resolving the situation.

ARTICLE 2.9

Specific Measures concerning the Preferential Tariff Treatment

1. The Parties shall cooperate on combating customs violations relating to the preferential tariff treatment granted under this Chapter.

2. For the purpose of paragraph 1, each Party shall offer the other Party administrative cooperation and mutual administrative assistance in customs and related matters as part of the implementation and control of the preferential tariff treatment, which shall include the following obligations:

- (a) verifying the originating status of the product or products concerned;
- (b) carrying out the subsequent verification of the proof of origin and providing the results of that verification to the other Party; and
- (c) granting authorisation to the importing Party to conduct enquiry visits in order to determine the authenticity of documents or accuracy of information relevant to the granting of the preferential treatment in question.

3. Where, in accordance with the provisions on administrative cooperation or mutual administrative assistance in customs and related matters referred to in paragraph 2, the importing Party establishes that a proof of origin was unduly issued because the requirements provided for in Protocol 1 (Concerning the Definition of the Concept of "Originating Products" and Methods of Administrative Cooperation) were not fulfilled, that Party may deny a preferential tariff treatment to a declarant who claimed it with regard to goods for which the proof of origin was issued in the exporting Party.

4. If the importing Party considers that the denial of preferential tariff treatment for individual consignments referred to in paragraph 3 is insufficient to implement and control the preferential tariff treatment of a given product, that Party may, in accordance with the procedure laid down in paragraph 5, temporarily suspend the relevant preferential tariff treatment of the products concerned in the following cases:

- (a) when that Party finds that there has been a systematic customs violation regarding claims of preferential tariff treatment under this Agreement; or
- (b) when that Party finds that the exporting Party has systematically failed to comply with the obligations under paragraph 2.

5. The competent authority of the importing Party shall, without undue delay, notify its finding to the competent authority of the exporting Party, provide verifiable information upon which the finding was based and engage in consultations with the competent authority of the exporting Party with a view to achieving a mutually acceptable solution.

6. If the competent authorities have not achieved a mutually acceptable solution after 30 days following the notification referred to in paragraph 5, the importing Party shall, without undue delay, refer the matter to the Trade Committee.

7. If the Trade Committee has failed to agree on an acceptable solution within 60 days following the referral, the importing Party may temporarily suspend the preferential tariff treatment for the products concerned.

The importing Party may apply the temporary suspension of preferential tariff treatment under this paragraph only for a period necessary to protect its financial interests and until the exporting Party provides convincing evidence of its ability to comply with the obligations referred to in paragraph 2 and to provide sufficient control of the fulfilment of those obligations.

The temporary suspension shall not exceed a period of three months. If the conditions that gave rise to the initial suspension persist after the expiry of the three-month period, the importing Party may decide to renew the suspension for another period of three months. Any suspension shall be subject to periodic consultations within the Trade Committee.

8. The importing Party shall publish, in accordance with its internal procedures, notices to importers about any notification and decision concerning the temporary suspension referred to in paragraph 4. The importing Party shall, without undue delay, notify the exporting Party and the Trade Committee.

ARTICLE 2.10

Repaired Goods

1. A Party shall not apply a customs duty to a good, regardless of its origin, that re-enters its territory after the good has been temporarily exported from its territory to the territory of the other Party for repair, regardless of whether such repair could be performed in the territory of the Party from which the good was temporarily exported.

2. Paragraph 1 does not apply to a good imported in bond, into a free trade zone, or in similar status, that is exported for repair and is not re-imported in bond, into a free trade zone, or in similar status.

3. A Party shall not apply a customs duty to a good, regardless of its origin, imported temporarily from the territory of the other Party for repair.

4. For the purposes of this Article, the term "repair" means any processing operation which is undertaken on a good to remedy operating defects or material damage and entailing the re-establishment of a good to its original function or to ensure its compliance with technical requirements for its use, without which the good could no longer be used in the normal way for the purposes for which it was intended. Repair of a good includes restoring and maintenance. It shall not include an operation or process that:

- (a) destroys the essential characteristics of the good or creates a new or commercially different good;
- (b) transforms an unfinished good into a finished good; or
- (c) is used to improve or upgrade the technical performance of a good.

ARTICLE 2.11

Export Duties, Taxes or Other Charges

1. A Party shall not maintain or adopt any duties, taxes, or other charges of any kind imposed on, or in connection with, the exportation of a good to the territory of the other Party that are in excess of those imposed on like goods destined for domestic consumption, other than in accordance with the schedule included in Appendix 2-A-3 (Export Duties Schedule of Viet Nam) of Annex 2-A (Reduction or Elimination of Customs Duties).

2. If a Party applies a lower rate of duty, tax or charge on, or in connection with, the exportation of a good and for as long as it is lower than the rate calculated in accordance with the schedule included in Appendix 2-A-3 (Export Duties Schedule of Viet Nam) of Annex 2-A (Reduction or Elimination of Customs Duties), that lower rate shall apply. This paragraph shall not apply to more favourable treatment granted to any other third party pursuant to a preferential trade agreement.

3. At the request of either Party, the Trade Committee shall review any duties, taxes, or other charges of any kind imposed on, or in connection with, the exportation of goods to the territory of the other Party, when a Party has granted more favourable treatment to any other third party pursuant to a preferential trade agreement.

ARTICLE 2.12

Agricultural Export Subsidies

1. In the multilateral context, the Parties share the objective of the parallel elimination and prevention of the reintroduction of all forms of export subsidies and disciplines on all export measures with equivalent effect for agricultural goods. To that end, they shall work together with the aim of enhancing multilateral disciplines on agricultural exporting state enterprises, international food aid and export financing support.

2. Upon the entry into force of this Agreement, the exporting Party shall not introduce or maintain any export subsidies or other measures having equivalent effect on any agricultural good which is subject to the elimination or reduction of customs duties by the importing Party in accordance with Annex 2-A (Reduction or Elimination of Customs Duties) and which is destined for the territory of the importing Party.

ARTICLE 2.13

Administration of Trade Regulations

In accordance with Article X of GATT 1994, each Party shall administer in a uniform, impartial and reasonable manner all its laws, regulations, judicial decisions and administrative rulings pertaining to:

- (a) the classification or the valuation of goods for customs purposes;
- (b) rates of duty, taxes or other charges;
- (c) requirements, restrictions or prohibitions on imports or exports;
- (d) the transfer of payments; and
- (e) issues affecting sale, distribution, transportation, insurance, warehousing inspection, exhibition, processing, mixing or other use of goods for customs purposes.

ARTICLE 2.14

Import and Export Restrictions

1. Except as otherwise provided for in this Agreement, a Party shall not adopt or maintain any prohibition or restriction on the importation of any good of the other Party or on the exportation or sale for export of any good destined for the territory of the other Party, in accordance with Article XI of GATT 1994, including its Notes and Supplementary Provisions. To that end, Article XI of GATT 1994, including its Notes and Supplementary Provisions, are incorporated into and made part of this Agreement, *mutatis mutandis*.

2. Paragraph 1 prohibits a Party from adopting or maintaining:
 - (a) import licensing conditioned on the fulfilment of a performance requirement; or

 - (b) voluntary export restraints.

3. Paragraphs 1 and 2 do not apply to the goods listed in Appendix 2-A-4 (Specific Measures by Viet Nam governing the Importation and Exportation of Goods). Any amendment of Viet Nam's laws and regulations that reduces the scope of the goods listed in Appendix 2-A-4 (Specific Measures by Viet Nam governing the Importation and Exportation of Goods) shall automatically apply under this Agreement. Any preference accorded by Viet Nam regarding the scope of the goods listed in Appendix 2-A-4 (Specific Measures by Viet Nam governing the Importation and Exportation of Goods) to any other trading partner shall automatically apply under this Agreement. Viet Nam shall notify the Union of any amendment or preference referred to in this paragraph.

4. In accordance with the WTO Agreement, a Party may implement any measure authorised by the Dispute Settlement Body of the WTO against the other Party.

5. When a Party adopts or maintains an import or export prohibition or restriction it shall ensure full transparency thereof.

ARTICLE 2.15

Trading Rights and Related Rights for Pharmaceuticals

1. Viet Nam shall adopt and maintain appropriate legal instruments allowing foreign pharmaceutical companies to establish foreign-invested enterprises for the purposes of importing pharmaceuticals which have obtained a marketing authorisation by Viet Nam's competent authorities. Without prejudice to Viet Nam's schedules included in Annex 8-B (Viet Nam's Schedule of Specific Commitments), such foreign-invested enterprises are allowed to sell pharmaceuticals which they have legally imported to distributors or wholesalers who have the right to distribute pharmaceuticals in Viet Nam.

2. Foreign-invested enterprises referred to in paragraph 1 are allowed to:

(a) build their own warehouses to store pharmaceuticals which they have legally imported into Viet Nam in accordance with the regulations issued by the Ministry of Health, or its successor;

- (b) provide information relating to pharmaceuticals, which they have legally imported into Viet Nam, to health care professionals in accordance with the regulations issued by the Ministry of Health, or its successor, and Viet Nam's other competent authorities; and
- (c) carry out clinical study and testing pursuant to Article 3 (International Standards) of Annex 2-C (Pharmaceutical/Medicinal Products and Medical Devices) and in accordance with the regulations issued by the Ministry of Health, or its successor, to ensure that the pharmaceuticals which they have legally imported into Viet Nam are suitable for domestic consumption.

ARTICLE 2.16

Import Licensing Procedures

1. The Parties affirm their rights and obligations under the Import Licensing Agreement.
2. Each Party shall notify the other Party of its existing import licensing procedures, including the legal basis and the relevant official website, within 30 days of the entry into force of this Agreement unless they were already notified or provided under Article 5 or paragraph 3 of Article 7 of the Import Licensing Agreement. The notification shall contain the same information as referred to in Article 5 or paragraph 3 of Article 7 of the Import Licensing Agreement.

3. Each Party shall notify the other Party of any introduction or modification of any import licensing procedure which it intends to adopt no later than 45 days before the new procedure or modification takes effect. In no case shall a Party provide such notification later than 60 days following the date of the publication of the introduction or modification unless this was already notified in accordance with Article 5 of the Import Licensing Agreement. The notification shall contain the same information as referred to in Article 5 of the Import Licensing Agreement.
4. Each Party shall publish on an official website any information that it is required to publish under subparagraph 4(a) of Article 1 of the Import Licensing Agreement.
5. Upon request of a Party, the other Party shall respond within 60 days to a reasonable enquiry regarding any import licensing procedure which it intends to adopt or has adopted or maintained, as well as the criteria for granting or for allocating import licenses, including the eligibility of persons, firms, and institutions to make such an application, the administrative body or bodies to be approached and the list of products subject to the import licensing requirement.
6. The Parties shall introduce and administer import licensing procedures in accordance with:
 - (a) paragraphs 1 to 9 of Article 1 of the Import Licensing Agreement;
 - (b) Article 2 of the Import Licensing Agreement; and
 - (c) Article 3 of the Import Licensing Agreement.

To that end, the provisions referred to in subparagraphs (a), (b) and (c) are incorporated into and made part of this Agreement, *mutatis mutandis*.

7. A Party shall only adopt or maintain automatic import licensing procedures as a condition for importation into its territory in order to fulfil legitimate objectives after having conducted an appropriate impact assessment.

8. A Party shall grant import licences for an appropriate length of time which shall not be shorter than set out in the domestic legislation providing for the import licensing requirements and which shall not preclude imports.

9. Where a Party has denied an import licence application with respect to a good of the other Party, it shall, upon request of the applicant and promptly after receiving the request, provide the applicant with a written explanation of the reasons for the denial. The applicant shall have the right of appeal or review in accordance with the domestic legislation or procedures of the importing Party.

10. The Parties shall only adopt or maintain non-automatic import licensing procedures in order to implement a measure that is not inconsistent with this Agreement, including with Article 2.22 (General Exceptions). A Party adopting non-automatic import licensing procedures shall indicate clearly the purpose of such licensing procedures.

ARTICLE 2.17

Export Licensing Procedures

1. Each Party shall notify the other Party of its existing export licensing procedures, including the legal basis and the relevant official website, within 30 days of the entry into force of this Agreement.

2. Each Party shall notify the other Party of any introduction or modification of an export licensing procedure which it intends to adopt no later than 45 days before the new procedure or modification takes effect. In no case shall a Party provide such notification later than 60 days following the date of the publication of the introduction or modification.

3. The notification referred to in paragraphs 1 and 2 shall contain the following information:
 - (a) the texts of its export licensing procedures, including any modifications;

 - (b) the products subject to each export licensing procedure;

 - (c) for each export licensing procedure, a description of:
 - (i) the process for applying for an export licence; and

 - (ii) criteria which an applicant must meet to be eligible to apply for an export licence;

- (d) the contact point or points from which interested persons can obtain further information on the conditions for obtaining an export licence;
- (e) the administrative body or bodies to which an application or other relevant documentation shall be submitted;
- (f) the period during which each export licensing procedure will be in effect;
- (g) if the Party intends to use an export licensing procedure to administer an export quota, the overall quantity and, where practicable, value of the quota and the opening and closing dates of the quota; and
- (h) any exceptions or derogations from an export licensing requirement, how to request those exceptions or derogations, and the criteria for granting them.

4. Each Party shall publish any export licensing procedure, including the legal basis and a reference to the relevant official website. Each Party shall also publish any new export licensing procedure, or any modification to its export licensing procedures, as soon as possible but in any case no later than 45 days after its adoption and at least 25 working days before its entry into force.

5. Upon request of a Party, the other Party shall respond within 60 days to a reasonable enquiry regarding any export licensing procedures which it intends to adopt or which it has adopted or maintained as well as the criteria for granting or for allocating export licenses, including the eligibility of persons, firms, and institutions to make such an application, the administrative body or bodies to be approached, and the list of products subject to the export licensing requirement.

6. The Parties shall introduce and administer any export licensing procedures in accordance with:

- (a) paragraphs 1 to 9 of Article 1 of the Import Licensing Agreement;
- (b) Article 2 of the Import Licensing Agreement;
- (c) Article 3 of the Import Licensing Agreement with the exception of subparagraphs 5(a), (c), (j) and (k).

To that end, the provisions referred to in subparagraphs (a), (b) and (c) are incorporated into and made part of this Agreement, *mutatis mutandis*.

7. Each Party shall ensure that all export licensing procedures are neutral in application and administered in a fair, equitable, non-discriminatory and transparent manner.

8. A Party shall grant export licences for an appropriate length of time which shall not be shorter than set out in the domestic legislation providing for the export licensing requirement and which shall not preclude exports.

9. When a Party has denied an export licence application with respect to a good of the other Party, it shall, upon request of the applicant and promptly after receiving the request, provide the applicant with a written explanation of the reasons for the denial. The applicant shall have the right of appeal or review in accordance with the domestic legislation or procedures of the exporting Party.

10. A Party shall only adopt or maintain automatic export licensing procedures as a condition for exportation from its territory in order to fulfil legitimate objectives after having conducted an appropriate impact assessment.

11. The Parties shall only adopt or maintain non-automatic export licensing procedures in order to implement a measure that is not inconsistent with this Agreement, including with Article 2.22 (General Exceptions). A Party adopting non-automatic export licensing procedures shall indicate clearly the purpose of such licensing procedures.

ARTICLE 2.18

Administrative Fees, Other Charges and Formalities on Imports and Exports

1. Each Party shall ensure that fees, charges, formalities and requirements, other than import and export customs duties and measures listed in subparagraphs (i), (ii) and (iii) of paragraph (d) of Article 2.3 (Definitions), are consistent with the Parties' obligations under Article VIII of GATT 1994, including its Notes and Supplementary Provisions.

2. A Party shall only impose fees and charges for services provided in connection with importation and exportation of goods. Fees and charges shall not be levied on an *ad valorem* basis and shall not exceed the approximate cost of the service provided. Each Party shall publish information on fees and charges it imposes in connection with the importation and exportation of goods in accordance with Article 4.10 (Fees and Charges).

3. A Party shall not require consular transactions, including related fees and charges, in connection with the importation or exportation of goods. After three years from the date of entry into force of this Agreement, a Party shall not require consular authentication for the importation of goods covered by this Agreement.

ARTICLE 2.19

Origin Marking

Except as otherwise provided for in this Agreement, when Viet Nam applies mandatory country of origin marking requirements to non-agricultural products of the Union, Viet Nam shall accept the marking "Made in EU", or a similar marking in the local language, as fulfilling such requirements.

ARTICLE 2.20

State Trading Enterprises

1. The Parties affirm their existing rights and obligations under Article XVII of GATT 1994, including its Notes and Supplementary Provisions, and the WTO Understanding on the Interpretation of Article XVII of GATT 1994, which are incorporated into and made part of this Agreement, *mutatis mutandis*.

2. When a Party requests information from the other Party on individual cases of state trading enterprises and on their operations, including information on their bilateral trade, the requested Party shall ensure transparency subject to subparagraph 4(d) of Article XVII of GATT 1994.

ARTICLE 2.21

Elimination of Sector-Specific Non-Tariff Measures

1. The Parties shall implement their commitments on sector-specific non-tariff measures on goods as set out in Annexes 2-B (Motor Vehicles and Motor Vehicles Parts and Equipment) and 2-C (Pharmaceutical/Medicinal Products and Medical Devices).

2. Except as otherwise provided for in this Agreement, 10 years after the entry into force of this Agreement and upon request of either Party, the Parties shall, in accordance with their internal procedures, enter into negotiations with the aim of broadening the scope of their commitments on sector-specific non-tariff measures on goods.

ARTICLE 2.22

General Exceptions

1. Nothing in this Chapter prevents either Party from taking measures in accordance with Article XX of GATT 1994, including its Notes and Supplementary Provisions, which are incorporated into and made part of this Agreement, *mutatis mutandis*.

2. The Parties understand that before taking any measures provided for in paragraphs (i) and (j) of Article XX of GATT 1994, the exporting Party intending to take such measures shall provide the other Party with all relevant information. Upon request, the Parties shall consult with a view to seeking an acceptable solution. The Parties may agree on any means needed to resolve the difficulties. If prior information or examination is impossible due to exceptional and critical circumstances requiring immediate action, the exporting Party may apply the necessary precautionary measures and shall immediately inform the other Party thereof.

ARTICLE 2.23

Committee on Trade in Goods

1. The Committee on Trade in Goods established pursuant to Article 17.2 (Specialised Committees) shall comprise representatives of the Parties.
2. The Committee on Trade in Goods shall consider any matter arising under this Chapter and Protocol 1 (Concerning the Definition of the Concept of "Originating Products" and Methods of Administrative Cooperation).
3. The Committee on Trade in Goods shall carry out the following tasks in accordance with Article 17.2 (Specialised Committees):
 - (a) reviewing and monitoring the implementation and operation of the provisions referred to in paragraph 2;
 - (b) identifying and recommending measures to resolve any difference that may arise, and to promote, facilitate and improve market access, including any acceleration of tariff commitments under Article 2.7 (Reduction or Elimination of Customs Duties);
 - (c) recommending the Trade Committee to establish working groups, as it deems necessary;
 - (d) undertaking any additional work that the Trade Committee may assign; and

- (e) proposing decisions to be adopted by the Trade Committee for amending the list of fragrant rice varieties included in subparagraph 5(c) of Sub-Section 1 (Union Tariff Rate Quotas) of Section B (Tariff Rate Quotas) of Annex 2-A (Reduction or Elimination of Customs Duties).