

PART I

TRADE PARTNERSHIP FOR SUSTAINABLE DEVELOPMENT*Article 1***Objectives**

The objectives of this Agreement are:

- (a) Contributing to the reduction and eventual eradication of poverty through the establishment of a trade partnership consistent with the objective of sustainable development, the Millennium Development Goals and the Cotonou Agreement;
- (b) Promoting regional integration, economic cooperation and good governance thus establishing and implementing an effective, predictable and transparent regulatory framework for trade and investment between the Parties and in the CARIFORUM region;
- (c) Promoting the gradual integration of the CARIFORUM States into the world economy, in accordance with their political choices and development priorities;
- (d) Improving the CARIFORUM States' capacity in trade policy and trade related issues;
- (e) Supporting the conditions for increasing investment and private sector initiative and enhancing supply capacity, competitiveness and economic growth in the CARIFORUM region;
- (f) Strengthening the existing relations between the Parties on the basis of solidarity and mutual interest. To this end, taking into account their respective levels of development and consistent with WTO obligations, the Agreement shall enhance commercial and economic relations, support a new trading dynamic between the Parties by means of the progressive, asymmetrical liberalisation of trade between them and reinforce, broaden and deepen cooperation in all areas relevant to trade and investment.

*Article 2***Principles**

1. This Agreement is based on the Fundamental Principles as well as the Essential and Fundamental Elements of the Cotonou Agreement, as set out in Articles 2 and 9, respectively, of the Cotonou Agreement. This Agreement shall build on the provisions of the Cotonou Agreement and the previous ACP-EC Partnership Agreements in the area of regional cooperation and integration as well as economic and trade cooperation.
2. The Parties agree that the Cotonou Agreement and this Agreement shall be implemented in a complementary and mutually reinforcing manner.

*Article 3***Sustainable development**

1. The Parties reaffirm that the objective of sustainable development is to be applied and integrated at every level of their economic partnership, in fulfilment of the overarching commitments set out in Articles 1, 2 and 9 of the Cotonou Agreement, and especially the general commitment to reducing and eventually eradicating poverty in a way that is consistent with the objectives of sustainable development.
2. The Parties understand this objective to apply in the case of the present Economic Partnership Agreement as a commitment that:
 - (a) the application of this Agreement shall fully take into account the human, cultural, economic, social, health and environmental best interests of their respective population and of future generations;
 - (b) decision-taking methods shall embrace the fundamental principles of ownership, participation and dialogue.
3. As a result the Parties agree to work cooperatively towards the realisation of a sustainable development centred on the human person, who is the main beneficiary of development.

*Article 4***Regional integration**

1. The Parties recognise that regional integration is an integral element of their partnership and a powerful instrument to achieve the objectives of this Agreement.
2. The Parties recognise and reaffirm the importance of regional integration among the CARIFORUM States as a mechanism for enabling these States to achieve greater economic opportunities, and enhanced political stability and to foster their effective integration into the world economy.
3. The Parties acknowledge the efforts of the CARIFORUM States to foster regional and sub-regional integration amongst themselves through the Revised Treaty of Chaguaramas establishing the Caribbean Community including the CARICOM Single Market and Economy, the Treaty of Basseterre establishing the Organisation of Eastern Caribbean States and the Agreement establishing a Free Trade Area between the Caribbean Community and the Dominican Republic.
4. The Parties further recognise that, without prejudice to the commitments undertaken in this Agreement, the pace and content of regional integration are matters to be determined exclusively by the CARIFORUM States in the exercise of their sovereignty and in the light of their current and future political ambitions.

5. The Parties agree that their partnership builds upon and aims at deepening regional integration and undertake to cooperate to develop it further, taking into account the Parties' levels of development, needs, geographical realities and sustainable development strategies, as well as the priorities that the CARIFORUM States have set for themselves and the obligations enshrined in the existing regional integration agreements identified in paragraph 3.

6. The Parties commit themselves to cooperating in order to facilitate the implementation of this Agreement and to support CARIFORUM regional integration.

Article 5

Monitoring

The Parties undertake to monitor continuously the operation of the Agreement through their respective participative processes and institutions, as well as those set up under this Agreement, in order to ensure that the objectives of the Agreement are realised, the Agreement is properly implemented and the benefits for men, women, young people and children deriving from their Partnership are maximised. The Parties also undertake to consult each other promptly over any problem that may arise.

Article 6

Cooperation in international fora

The Parties shall endeavour to cooperate in all international fora where issues relevant to this partnership are discussed.

Article 7

Development cooperation

1. The Parties recognise that development cooperation is a crucial element of their Partnership and an essential factor in the realisation of the objectives of this Agreement as laid down in Article 1. This cooperation can take financial and non-financial forms.

2. Development cooperation for regional economic cooperation and integration, as provided for in the Cotonou Agreement, shall be carried out so as to maximise the expected benefits of this Agreement. Areas of cooperation and technical assistance are set out, as appropriate, in the individual Chapters of this Agreement. Cooperation shall be implemented according to the modalities provided for in this Article, shall be kept under ongoing review and shall be revised as necessary according to the provisions of Article 246 of this Agreement.

3. The European Community financing pertaining to development cooperation between CARIFORUM and the European Community supporting the implementation of this Agreement shall be carried out within the framework of the rules and relevant procedures provided for by the Cotonou Agreement, in particular the programming procedures of the European Development Fund (EDF), and within the framework of the

relevant instruments financed by the General Budget of the European Union. In this context, supporting the implementation of this Agreement shall be one of the priorities.

4. Commensurate with their respective roles and responsibilities, the European Community and the Signatory CARIFORUM States shall take all measures necessary to ensure the effective mobilisation, provision and utilisation of resources aimed at facilitating the development cooperation activities provided for in this Agreement.

5. The Member States of the European Union collectively undertake to support, by means of their respective development policies and instruments, development cooperation activities for regional economic cooperation and integration and for the implementation of this Agreement in CARIFORUM States and at the regional level, in accordance with the complementarity and aid effectiveness principles.

6. The Parties shall cooperate to facilitate the participation of other donors willing to support the cooperation activities referred to in paragraph 5 and the efforts of the CARIFORUM States in achieving the objectives of this Agreement.

Article 8

Cooperation priorities

1. Development cooperation as provided for in Article 7 shall be primarily focused on the following areas as further articulated in the individual Chapters of this Agreement:

- (i) The provision of technical assistance to build human, legal and institutional capacity in the CARIFORUM States so as to facilitate their ability to comply with the commitments set out in this Agreement;
- (ii) The provision of assistance for capacity and institution building for fiscal reform in order to strengthen tax administration and improve the collection of tax revenues with a view to shifting dependence from tariffs and other duties and charges to other forms of indirect taxation;
- (iii) The provision of support measures aimed at promoting private sector and enterprise development, in particular small economic operators, and enhancing the international competitiveness of CARIFORUM firms and diversification of the CARIFORUM economies;
- (iv) The diversification of CARIFORUM exports of goods and services through new investment and the development of new sectors;
- (v) Enhancing the technological and research capabilities of the CARIFORUM States so as to facilitate development of, and compliance with, internationally recognised sanitary and phytosanitary measures and technical standards and internationally recognised labour and environmental standards;

(vi) The development of CARIFORUM innovation systems, including the development of technological capacity;

(vii) Support for the development of infrastructure in CARIFORUM States necessary for the conduct of trade.

2. The Development cooperation priorities as broadly articulated in paragraph 1 and further specified in the individual Chapters of this Agreement shall be implemented according to the modalities provided for in Article 7.

3. The Parties agree on the benefits of a regional development fund representative of the interests of all CARIFORUM States to mobilise and channel Economic Partnership Agreement related development resources from the EDF and other potential donors. The CARIFORUM States shall in this regard endeavour to establish such a fund within two years of the date of signature of this Agreement.

PART II

TRADE AND TRADE-RELATED MATTERS

TITLE I

TRADE IN GOODS

CHAPTER 1

Customs duties

Article 9

Scope

The provisions of this Chapter shall apply to all goods originating in the EC Party and in any CARIFORUM State ⁽¹⁾.

connection with the importation or exportation of goods, but shall not include any:

(a) internal taxes or other internal charges imposed in accordance with Article 27;

(b) antidumping, countervailing or safeguard measures applied in accordance with Chapter 2 of this Title;

(c) fees or other charges imposed in accordance with Article 13.

Article 10

Rules of origin

For the purposes of this Chapter, 'originating' means qualifying under the rules of origin set out in Protocol I. Within the first five years of the entry into force of this Agreement the Parties shall review the provisions of Protocol I, with a view to further simplifying the concepts and methods used for the purpose of determining origin in the light of the development needs of the CARIFORUM States. In such review, the Parties shall take into account the development of technologies, production processes and all other factors which may require modifications to the provisions of Protocol I. Any such modifications shall be effected by a decision of the Joint CARIFORUM-EC Council.

Article 11

Customs duty

A customs duty shall include any duty or charge of any kind, including any form of surtax or surcharge, imposed in

Article 12

Classification of goods

The classification of goods covered by this Agreement shall be that set out in the Harmonised Commodity Description and Coding System (HS) in accordance with the rules of classification applicable thereto. The Special Committee on Customs Cooperation and Trade Facilitation as provided for under Article 36 shall address any issue related to the classification of goods which arises in the operation of this Agreement.

Article 13

Fees and other charges

Fees and other charges as referred to in Article 11 shall be limited in amount to the approximate cost of services rendered and shall not represent an indirect protection for domestic products or a

⁽¹⁾ Except where expressly provided, the terms 'goods' and 'product' shall have the same meaning.

taxation of imports or exports for fiscal purposes. They shall not exceed the real value of the service rendered. Fees and charges shall not be imposed for consular services.

Article 14

Elimination of customs duties on originating exports

1. Customs duties on exports shall not be applicable to goods originating in the CARIFORUM States and imported into the EC Party and vice versa.

2. Notwithstanding paragraph 1, the Signatory CARIFORUM States included in Annex I shall eliminate the customs duties on exports set down in that Annex within three years of signature of this Agreement.

Article 15

Customs duties on imports of products originating in the CARIFORUM States

Products originating in the CARIFORUM States shall be imported into the EC Party free of customs duties except for the products indicated, and under the conditions defined, in Annex II.

Article 16

Customs duties on imports of products originating in the EC Party

1. Products originating in the EC Party shall not, on their importation into the CARIFORUM States, be subject to customs duties higher than those indicated in Annex III.

2. Products originating in the EC Party shall, on their importation into the CARIFORUM States, be exempt from all customs duties within the meaning of Article 11 other than those listed in Annex III.

3. For a period of 10 years after the signature of this Agreement, the CARIFORUM States may continue to apply any such customs duties within the meaning of Article 11 other than those listed in Annex III to any imported product originating in the EC Party, provided that these duties were applicable to this product on the date of signature of this Agreement, and that the same duties are imposed on the like product imported from all other countries.

4. The Signatory CARIFORUM States shall not be required to begin a phased elimination of the customs duties other than those listed in Annex III and referred to in paragraph 2 in the seven years subsequent to the signature of this Agreement. This process shall be accompanied by the support of the necessary fiscal reforms as provided for under Article 22.

5. With a view to ensuring transparency, such duties shall be notified to the CARIFORUM-EC Trade and Development Committee within six months of the date of signature of this Agreement. Their elimination shall also be notified promptly to the CARIFORUM-EC Trade and Development Committee.

6. In the event of serious difficulties in respect of imports of a given product, the schedule of customs duty reductions and

eliminations may be reviewed by the CARIFORUM-EC Trade and Development Committee by common accord with a view to possibly modifying the time schedule for reduction or elimination. Any such modification shall not lead to the time periods in the schedule for which the review has been requested being extended in respect of the product concerned beyond the maximum transitional period for duty reduction or elimination for that product as provided for in Annex III. If the CARIFORUM-EC Trade and Development Committee has not taken a decision within 30 days of an application to review the timetable, the CARIFORUM States may suspend the timetable provisionally for a period that may not exceed one year.

Article 17

Modification of tariff commitments

In the light of the special development needs of Antigua and Barbuda, Belize, the Commonwealth of Dominica, Grenada, the Republic of Guyana, the Republic of Haiti, Saint Christopher and Nevis, Saint Lucia, and Saint Vincent and the Grenadines, the Parties may decide in the CARIFORUM-EC Trade and Development Committee to modify the level of customs duties stipulated in Annex III, which may be applied to a product originating in the EC Party upon its importation into the CARIFORUM States. The Parties shall ensure that any such modification does not result in an incompatibility of this Agreement with the requirements of Article XXIV of the GATT 1994. The Parties may also decide simultaneously to adjust the customs duty commitments stipulated in Annex III and relating to other products imported from the EC Party, as appropriate.

Article 18

Movement of goods

The Parties recognise the goal of having customs duties levied only once on originating goods imported into the EC Party or into the Signatory CARIFORUM States. Pending the establishment of the necessary arrangements for achieving this goal, the Signatory CARIFORUM States shall exercise their best endeavours in this regard. The EC Party shall provide the technical assistance necessary for the achievement of this goal.

Article 19

More favourable treatment resulting from free trade agreements

1. With respect to matters covered by this Chapter, the EC Party shall accord to the CARIFORUM States any more favourable treatment applicable as a result of the EC Party becoming party to a free trade agreement with third parties after the signature of this Agreement.

2. With respect to matters covered by this Chapter, the CARIFORUM States or any Signatory CARIFORUM State shall accord to the EC Party any more favourable treatment applicable as a result of the CARIFORUM States or any Signatory CARIFORUM State becoming party to a free trade agreement with any major trading economy after the signature of this Agreement.

3. The provisions of this Chapter shall not be so construed as to oblige the EC Party or any Signatory CARIFORUM State to extend reciprocally any preferential treatment applicable as a result of the EC Party or any Signatory CARIFORUM State being party to a free trade agreement with third parties on the date of signature of this Agreement.

4. For the purposes of this Article, 'major trading economy' means any developed country, or any country or territory accounting for a share of world merchandise exports above 1 % in the year before the entry into force of the free trade agreement referred to in paragraph 2, or any group of countries acting individually, collectively or through an free trade agreement accounting collectively for a share of world merchandise exports above one and a half 1,5 % in the year before the entry into force of the free trade agreement referred to in paragraph 2. ⁽¹⁾

5. Where any Signatory CARIFORUM State becomes party to a free trade agreement with a third party referred to in paragraph 2 and such a free trade agreement provides for more favourable treatment to such third party than that granted by the Signatory CARIFORUM State to the EC Party pursuant to this Agreement, the Parties shall enter into consultations. The Parties may decide whether the concerned Signatory CARIFORUM State may deny the more favourable treatment contained in the free trade agreement to the EC Party. The Joint CARIFORUM-EC Council may adopt any necessary measures to adjust the provisions of this Agreement.

Article 20

Special provisions on administrative cooperation

1. The Parties agree that administrative cooperation is essential for the implementation and the control of the preferential treatment granted under this Title and underline their commitment to combat irregularities and fraud in customs and related matters.

2. Where a Party or a Signatory CARIFORUM State has made a finding, on the basis of objective information, of a failure to provide administrative cooperation and/or of irregularities or fraud, the Party or Signatory CARIFORUM State concerned may temporarily suspend the relevant preferential treatment of the product(s) concerned in accordance with this Article.

3. For the purpose of this Article a failure to provide administrative cooperation shall mean, *inter alia*:

- (a) a repeated failure to respect the obligations to verify the originating status of the product(s) concerned;
- (b) a repeated refusal or undue delay in carrying out and/or communicating the results of subsequent verification of the proof of origin;
- (c) a repeated refusal or undue delay in obtaining authorisation to conduct administrative cooperation missions to verify the authenticity of documents or accuracy of information

relevant to the granting of the preferential treatment in question.

For the purpose of this Article a finding of irregularities or fraud may be made, *inter alia*, where there is a rapid increase, without satisfactory explanation, in imports of goods exceeding the usual level of production and export capacity of the other Party, that is linked to objective information concerning irregularities or fraud.

4. The application of a temporary suspension shall be subject to the following conditions:

- (a) The Party or Signatory CARIFORUM State which has made a finding, on the basis of objective information, of a failure to provide administrative cooperation and/or of irregularities or fraud shall without undue delay notify the CARIFORUM-EC Trade and Development Committee of its finding together with the objective information and enter into consultations within the CARIFORUM-EC Trade and Development Committee, on the basis of all relevant information and objective findings, with a view to reaching a solution acceptable to both Parties.
- (b) Where the Parties have entered into consultations within the CARIFORUM-EC Trade and Development Committee as above and have failed to agree on an acceptable solution within three months following the notification, the Party or Signatory CARIFORUM State concerned may temporarily suspend the relevant preferential treatment of the product(s) concerned. A temporary suspension shall be notified to the CARIFORUM-EC Trade and Development Committee without undue delay.
- (c) Temporary suspensions under this Article shall be limited to that necessary to protect the financial interests of the Party or Signatory CARIFORUM State concerned. They shall not exceed a period of six months, which may be renewed. Temporary suspensions shall be notified immediately after their adoption to the CARIFORUM-EC Trade and Development Committee. They shall be subject to periodic consultations within the CARIFORUM-EC Trade and Development Committee in particular with a view to their termination as soon as the conditions for their application no longer exist.

5. At the same time as the notification to the CARIFORUM-EC Trade and Development Committee under paragraph 4(a), the Party or Signatory CARIFORUM State concerned should publish a notice to importers in its official journal. The notice to importers should indicate for the product concerned that there is a finding, on the basis of objective information, of a failure to provide administrative cooperation and/or of irregularities or fraud.

Article 20 bis

In furtherance of the efforts of the Parties to find an acceptable solution to the matters referred to in Article 20(2), the Party or

⁽¹⁾ For this calculation official data by the WTO on leading exporters in world merchandise trade (excluding intra-EU trade) shall be used.

Signatory CARIFORUM State against which a finding has been notified to the CARIFORUM-EC Trade and Development Committee may also seek recourse to a Mediator, in accordance with the provisions of Article 205(2)-205(5). The Mediator's opinion shall be notified within the period of three months referred to in Article 20(4)(b).

Article 21

Treatment of administrative errors

In case of error by the competent authorities in the proper management of the preferential system of export, and in particular in the application of the provisions of Protocol I, where this error leads to consequences in terms of import duties, the Party facing such consequences may request the CARIFORUM-EC Trade and Development Committee to examine the possibilities of adopting all appropriate measures with a view to resolving the situation.

CHAPTER 2

Trade defence instruments

Article 23

Anti-dumping and countervailing measures

1. Subject to the provisions of this Article, nothing in this Agreement shall prevent the EC Party or Signatory CARIFORUM States, whether individually or collectively, from adopting anti-dumping or countervailing measures in accordance with the relevant WTO agreements. For the purpose of this Article, origin shall be determined in accordance with the non-preferential rules of origin of the Parties or Signatory CARIFORUM States.

2. Before imposing definitive anti-dumping or countervailing duties in respect of products imported from CARIFORUM States, the EC Party shall consider the possibility of constructive remedies as provided for in the relevant WTO agreements.

3. Where an anti-dumping or countervailing measure has been imposed on behalf of two or more Signatory CARIFORUM States by a regional or sub-regional authority, there shall be one single forum of judicial review, including the stage of appeals.

4. A Signatory CARIFORUM State shall not apply an anti-dumping or countervailing measure on a product where it falls within the scope of a regional or sub-regional measure imposed on the same product. Similarly, the CARIFORUM States shall ensure that a regional or sub-regional measure imposed on a product does not apply to any Signatory CARIFORUM State which is applying such a measure on the same product.

5. The EC Party shall notify the exporting Signatory CARIFORUM States of the receipt of a properly documented complaint before initiating any investigation.

6. The provisions of this Article shall be applicable in all investigations initiated after this Agreement enters into force.

Article 22

Cooperation

1. The Parties recognise the importance of cooperation in order to strengthen tax administration and improve the collection of tax revenues.

2. Subject to the provisions of Article 7, the Parties agree to cooperate, including by facilitating support, in the following areas:

- (a) technical assistance in the area of fiscal reform with a view to shifting dependence from tariff and other duties and charges to other forms of indirect taxation; and
- (b) capacity and institution building in regard to the measures outlined in subparagraph (a).

7. The provisions of this Article shall not be subject to the Dispute Settlement provisions of this Agreement.

Article 24

Multilateral safeguards

1. Subject to the provisions of this Article, nothing in this Agreement shall prevent the Signatory CARIFORUM States and the EC Party from adopting measures in accordance with Article XIX of the General Agreement on Tariffs and Trade 1994, the Agreement on Safeguards, and Article 5 of the Agreement on Agriculture annexed to the Marrakech Agreement Establishing the World Trade Organization. For the purpose of this Article, origin shall be determined in accordance with the non-preferential rules of origin of the Parties or Signatory CARIFORUM States.

2. Notwithstanding paragraph 1, in the light of the overall development objectives of this Agreement and the small size of the economies of the CARIFORUM States, the EC Party shall exclude imports from any CARIFORUM State from any measures taken pursuant to Article XIX of the GATT 1994, the WTO Agreement on Safeguards and Article 5 of the Agreement on Agriculture.

3. The provisions of paragraph 2 shall apply for a period of five years, beginning with the date of entry into force of the Agreement. Not later than 120 days before the end of this period, the Joint CARIFORUM-EC Council shall review the operation of those provisions in the light of the development needs of the CARIFORUM States, with a view to determining whether to extend their application for a further period.

4. The provisions of paragraph 1 shall not be subject to the Dispute Settlement provisions of this Agreement.

Article 25

Safeguard clause

1. Notwithstanding Article 24, after having examined alternative solutions, a Party may apply safeguard measures of limited duration which derogate from the provisions of Article 15 or 16 as the case may be, under the conditions and in accordance with the procedures laid down in this Article.

2. Safeguard measures referred to in paragraph 1 may be taken where a product originating in one Party is being imported into the territory of the other Party in such increased quantities and under such conditions as to cause or threaten to cause:

- (a) serious injury to the domestic industry producing like or directly competitive products in the territory of the importing Party; or
- (b) disturbances in a sector of the economy, particularly where these disturbances produce major social problems, or difficulties which could bring about serious deterioration in the economic situation of the importing Party, or
- (c) disturbances in the markets of like or directly competitive agricultural products ⁽¹⁾ or in the mechanisms regulating those markets.

3. Safeguard measures referred to in this Article shall not exceed what is necessary to remedy or prevent the serious injury or disturbances, as defined in paragraph 2. Those safeguard measures of the importing Party may only consist of one or more of the following:

- (a) suspension of the further reduction of the rate of import duty for the product concerned, as provided for under this Agreement,
- (b) increase in the customs duty on the product concerned up to a level which does not exceed the customs duty applied to other WTO Members, and
- (c) introduction of tariff quotas on the product concerned.

4. Without prejudice to paragraphs 1 to 3, where any product originating in one or more Signatory CARIFORUM State(s) is being imported in such increased quantities and under such conditions as to cause or threaten to cause one of the situations referred to under paragraphs 2(a), (b) and (c) to one or several of the EC Party's outermost regions, the EC Party may take surveillance or safeguard measures limited to the region or regions concerned in accordance with the procedures laid down in paragraphs 6 to 9.

5. (a) Without prejudice to paragraphs 1 to 3, where any product originating in the EC Party is being imported in

such increased quantities and under such conditions as to cause or threaten to cause one of the situations referred to under paragraphs 2(a), (b) and (c) to a Signatory CARIFORUM State, the Signatory CARIFORUM State concerned may take surveillance or safeguard measures limited to its territory in accordance with the procedures laid down in paragraphs 6 to 9.

(b) A Signatory CARIFORUM State may take safeguard measures where a product originating in the EC Party is being imported into its territory in such increased quantities and under such conditions as to cause or threaten to cause disturbances to an infant industry producing like or directly competitive products. Such provision is only applicable for a period of 10 years from the date of entry into force of this Agreement. Measures must be taken in accordance with the procedures laid down in paragraphs 6 to 9.

6. (a) Safeguard measures referred to in this Article shall only be maintained for such a time as may be necessary to prevent or remedy serious injury or disturbances as defined in paragraphs 2, 4 and 5.

(b) Safeguard measures referred to in this Article shall not be applied for a period exceeding two years. Where the circumstances warranting imposition of safeguard measures continue to exist, such measures may be extended for a further period of no more than two years. Where the CARIFORUM States or a Signatory CARIFORUM State apply a safeguard measure, or where the EC Party apply a measure limited to the territory of one or more of its outermost regions, such measures may however be applied for a period not exceeding four years and, where the circumstances warranting imposition of safeguard measures continue to exist, extended for a further period of four years.

(c) Safeguard measures referred to in this Article that exceed one year shall contain clear elements progressively leading to their elimination at the end of the set period, at the latest.

(d) No safeguard measure referred to in this Article shall be applied to the import of a product that has previously been subject to such a measure, for a period of at least one year since the expiry of the measure.

7. For the implementation of paragraphs 1-6, the following provisions shall apply:

(a) Where a party takes the view that one of the circumstances set out in paragraphs 2, 4 and/or 5 exists, it shall immediately refer the matter to the CARIFORUM-EC Trade and Development Committee for examination.

⁽¹⁾ For the purpose of this Article agricultural products are those covered by Annex I of the WTO Agreement on Agriculture.

- (b) The CARIFORUM-EC Trade and Development Committee may make any recommendation needed to remedy the circumstances which have arisen. If no recommendation has been made by the CARIFORUM-EC Trade and Development Committee aimed at remedying the circumstances, or no other satisfactory solution has been reached within 30 days of the matter being referred to the CARIFORUM-EC Trade and Development Committee, the importing party may adopt the appropriate measures to remedy the circumstances in accordance with this Article.
- (c) Before taking any measure provided for in this Article or, in the cases to which paragraph 8 applies, as soon as possible, the Party or the signatory CARIFORUM State concerned shall supply the CARIFORUM-EC Trade and Development Committee with all relevant information required for a thorough examination of the situation, with a view to seeking a solution acceptable to the parties concerned.
- (d) In the selection of safeguard measures pursuant to this Article, priority must be given to those which least disturb the operation of this Agreement.
- (e) Any safeguard measure taken pursuant to this Article shall be notified immediately to the CARIFORUM-EC Trade and Development Committee and shall be the subject of periodic consultations within that body, particularly with a view to establishing a timetable for their abolition as soon as circumstances permit.
8. Where exceptional circumstances require immediate action, the importing party concerned, whether the EC Party, the CARIFORUM States or a Signatory CARIFORUM State as the case may be, may take the measures provided for in paragraphs 3, 4 and/or 5 on a provisional basis without complying with the requirements of paragraph 7. Such action may be taken for a maximum period of 180 days where measures are taken by the EC Party and 200 days where measures are taken by the CARIFORUM States or a Signatory CARIFORUM State, or where measures taken by the EC Party are limited to the territory of one or more of its outermost regions. The duration of any such provisional measure shall be counted as a part of the initial period and any extension referred to in paragraph 6. In the taking of such provisional measures, the interest of all parties involved shall be taken into account. The importing party concerned shall inform the other party concerned and it shall immediately refer the matter to the CARIFORUM-EC Trade and Development Committee for examination.
9. If an importing party subjects imports of a product to an administrative procedure having as its purpose the rapid provision of information on the trend of trade flows liable to give rise to the problems referred to in this Article, it shall inform the CARIFORUM-EC Trade and Development Committee without delay.
10. Safeguard measures adopted under the provisions of this Article shall not be subject to WTO Dispute Settlement provisions.

CHAPTER 3

Non-tariff measures

Article 26

Prohibition of quantitative restrictions

No import or export prohibitions or import or export restrictions on originating imports or exports, other than customs duties and taxes, and fees and other charges provided for under Article 13, whether made effective through quotas, import or export licenses or other measures, shall be maintained as of the entry into force of this Agreement. No new such measures shall be introduced. The provisions of this Article shall be without prejudice to the provisions of Articles 23 and 24.

Article 27

National treatment on internal taxation and regulation

1. Originating imports shall not be subject, either directly or indirectly, to internal taxes or other internal charges of any kind in excess of those applied, directly or indirectly, to like domestic products. Moreover, the Parties and the Signatory CARIFORUM States shall not otherwise apply internal taxes or other internal charges so as to afford protection to like domestic products.

2. Originating imports shall be accorded treatment no less favourable than that accorded to like domestic products in respect of all laws, regulations and requirements affecting their internal sale, offering for sale, purchase, transportation, distribution or use. The provisions of this paragraph shall not prevent the application of differential internal transportation charges which are based exclusively on the economic operation of the means of transport and not on the nationality of the product.

3. No Party or Signatory CARIFORUM State shall establish or maintain any internal quantitative regulation relating to the mixture, processing or use of products in specified amounts or proportions which requires, directly or indirectly, that any specified amount or proportion of any product which is the subject of the regulation must be supplied from domestic sources. Moreover, no Party or Signatory CARIFORUM State shall otherwise apply internal quantitative regulations so as to afford protection to domestic production.

4. The provisions of this Article shall not prevent the payment of subsidies exclusively to national producers, including payments to national producers derived from the proceeds of

internal taxes or charges applied consistently with the provisions of this Article and subsidies effected through governmental purchases of domestic products.

5. The provisions of this Article shall not apply to laws, regulations, procedures or practices governing public procurement, which shall be subject exclusively to the provisions of Chapter 3 of Title IV.

6. The provisions of this Article shall be without prejudice to the provisions of Article 23.

Article 28

Agricultural export subsidies

1. No Party or Signatory CARIFORUM State may introduce any new subsidy programme which is contingent upon export or

increase any existing subsidy of this nature on agricultural products destined for the territory of the other Party ⁽¹⁾.

2. With regard to any product as defined in paragraph 3 for which the CARIFORUM States have committed to the elimination of customs duties the EC Party undertakes to phase out all existing subsidies granted upon the exportation of that product to the territory of the CARIFORUM States. The modalities of such phasing out shall be decided by the CARIFORUM-EC Trade and Development Committee.

3. This Article applies to products as covered by Annex I of the WTO Agreement on Agriculture.

4. This Article is without prejudice to the application of Article 9.4 of the WTO Agreement on Agriculture and Article 27 of the WTO Agreement on Subsidies and Countervailing Measures by the CARIFORUM States.

CHAPTER 4

Customs and trade facilitation

Article 29

Objectives

1. The Parties recognise the importance of customs and trade facilitation in the evolving global trading environment and in the development of intra-CARIFORUM trade and trade between the Parties.

2. The Parties agree to reinforce cooperation in this area with a view to ensuring that the relevant legislation and procedures, as well as the administrative capacity of the relevant administrations, fulfil the objectives of effective control and the promotion of trade facilitation, and help promote the development and regional integration of the CARIFORUM States.

3. The Parties recognise that, in implementing this Chapter, legitimate public policy objectives, including those in relation to security and the prevention of fraud, shall not be compromised in any way.

(c) establish wherever possible, common positions in international organisations in the field of customs such as the WTO and the World Customs Organisation (WCO);

(d) promote coordination among related agencies.

2. The Parties shall provide mutual administrative assistance in customs matters in accordance with the provisions of Protocol II.

Article 31

Customs legislation and procedures

1. The EC Party and the Signatory CARIFORUM States agree that their respective trade and customs legislation, provisions and procedures shall draw upon international instruments and standards applicable in the field of customs and trade, including the substantive elements of the revised Kyoto Convention on the simplification and harmonisation of customs procedures, the WCO Framework of Standards to Secure and Facilitate Global Trade, the WCO data set and the HS Convention.

2. The EC Party and the Signatory CARIFORUM States agree that their respective trade and customs legislation, provisions and procedures shall be based upon:

(a) the need to protect and facilitate trade through enforcement of and compliance with legislative requirements and the need to provide for additional facilitation for traders with a high level of compliance;

⁽¹⁾ For the purpose of paragraph 1 any modification of subsidy payments under existing subsidy programmes due to variations in the market conditions shall not be deemed to be either a new subsidy programme or an increase in subsidy.

Article 30

Customs and administrative cooperation

1. In order to ensure compliance with the provisions of this Title, and to respond effectively to the objectives laid down in Article 29, the EC Party and the Signatory CARIFORUM States shall:

(a) exchange information concerning customs legislation and procedures;

(b) develop joint initiatives in mutually agreed areas;

- (b) the need to ensure that requirements for economic operators are reasonable, non-discriminatory, safeguard against fraud and do not lead to the application of excessive penalties for minor breaches of customs regulations or procedural requirements;
- (c) the need to apply a single administrative document or electronic equivalent in the EC Party and in the CARIFORUM, respectively. CARIFORUM States shall continue efforts to this end, with a view to implementation at an early stage after the entry into force of this Agreement. A joint review of the situation shall be carried out three years after the entry into force of the Agreement;
- (d) the need to apply modern customs techniques, including risk assessment, simplified procedures at import and export, post release controls and objective procedures for authorised traders. Procedures should be transparent, efficient and simplified, in order to reduce costs and increase predictability for economic operators;
- (e) the need for non-discrimination in terms of requirements and procedures applicable to import, export and goods in transit, though it is accepted that consignments might be treated differently according to objective risk assessment criteria;
- (f) the need for transparency. To this end, the Parties and the Signatory CARIFORUM States agree to put in place a system of binding rulings on customs matters, notably on tariff classification and rules of origin, in accordance with rules laid down in their respective legislation;
- (g) the need for the progressive development of systems, including those based upon Information Technology, to facilitate the electronic exchange of data among traders, customs administrations and related agencies;
- (h) the need to facilitate transit movements;
- (i) transparent and non-discriminatory rules in respect of the licensing of customs brokers, as well as on the non-requirement for the mandatory use of independent customs brokers;
- (j) the need to avoid the mandatory use of pre-shipment inspections or their equivalent, without prejudice to their rights and obligations pursuant to the WTO Agreement on Pre-shipment Inspections. The Parties shall discuss the matter within the CARIFORUM-EC Trade and Development Committee and may subsequently agree to renounce the possibility of using mandatory pre-shipment inspections or their equivalent.

3. In order to improve working methods, as well as to ensure non-discrimination, transparency, efficiency, integrity and

accountability of operations, the EC Party and the Signatory CARIFORUM States shall:

- (a) take further steps towards the reduction, simplification and standardisation of data and documentation;
- (b) simplify requirements and formalities wherever possible, in respect of the rapid release and clearance of goods;
- (c) provide effective, prompt, non-discriminatory and easily accessible procedures enabling the right of appeal against customs administrative actions, rulings and decisions affecting imports, exports or goods in transit. Any charges shall be commensurate with the cost of the appeal procedures; and
- (d) ensure that the highest standards of integrity be maintained, through the application of measures reflecting the principles of the relevant international conventions and instruments in this field.

Article 32

Relations with the business community

The EC Party and the Signatory CARIFORUM States agree:

- (a) to ensure that all legislation, procedures and fees and charges, as well as whenever possible the relevant explanations are made publicly available, as far as possible through electronic means;
- (b) on the need for timely and regular dialogue with economic operators on legislative proposals related to customs and trade procedures;
- (c) that, wherever possible, when new or amended legislation and procedures are introduced, information is made available to the economic operators in advance. The Parties and the Signatory CARIFORUM States shall make publicly available relevant notices of an administrative nature, including agency requirements and entry procedures, hours of operation and operating procedures for customs offices at ports and border crossing points, and points of contact for information enquiries, in order to facilitate business compliance with customs obligations and the timely movement of goods;
- (d) to foster cooperation between operators and relevant administrations, and promote fair competition within the trading community, via the use of non-arbitrary and publicly accessible procedures, such as Memoranda of Understanding, making appropriate use of those promulgated by the WCO;
- (e) that this cooperation should also be aimed at fighting against illicit practices and protecting the security and safety of the citizen, as well as the collection of public revenues;

- (f) to ensure that their respective customs and related requirements and procedures follow best practices, and remain as least trade-restrictive as possible.

Article 33

Customs valuation

1. The Agreement on the Implementation of Article VII of the GATT (1994) shall govern customs valuation rules applied to trade between the Parties.

2. The Parties shall cooperate with a view to reaching a common approach to issues relating to customs valuation.

Article 34

Regional integration

1. The Parties shall promote to the fullest extent possible regional integration in the field of customs and shall work on the development of regional customs legislation, procedures and requirements, in line with the relevant international standards.

2. The Special Committee on Customs Cooperation and Trade Facilitation provided for in Article 36 shall carry out an ongoing monitoring of the implementation of the provisions of this Article.

Article 35

Cooperation

1. The Parties recognise the importance of cooperation as regards customs and trade facilitation measures in order to achieve the objectives of this Agreement.

2. Subject to the provisions of Article 7, the Parties agree to cooperate, including by facilitating support, notably in the following areas:

- (a) the application of modern customs techniques, including risk assessment, advance binding rulings, simplified

procedures for entry and release of goods, post release controls and company audit methods;

- (b) introduction of procedures and practices which reflect as far as practicable, international instruments and standards applicable in the field of customs and trade, including WTO rules and WCO instruments and standards, *inter alia*, the revised Kyoto Convention on the simplification and harmonisation of customs procedures and the WCO Framework of Standard to Secure and Facilitate Global Trade; and

- (c) the automation of customs and other trade procedures.

Article 36

Special Committee on Customs Cooperation and Trade Facilitation

1. The Parties agree to establish a Special Committee on Customs Cooperation and Trade Facilitation which shall be made up of representatives of the Parties. This Committee shall meet on a date and with an agenda agreed in advance by the Parties. The office of Chairperson of this Committee shall rotate annually between the Parties. The Committee shall report to the CARIFORUM-EC Trade and Development Committee.

2. The functions of the Committee shall include:

- (a) monitoring the implementation and administration of the provisions of this Chapter;
- (b) carrying out the tasks and functions set down in Protocol I;
- (c) providing a forum for consultation between the Parties with regard to the obligations provided under Protocol II;
- (d) enhancing cooperation and dialogue between the Parties on tariff matters, customs legislation and procedures, mutual administrative assistance in customs matters, rules of origin and administrative cooperation; and
- (e) discussing issues relating to technical assistance activities.

CHAPTER 5

Agriculture and fisheries

Article 37

Objectives

1. The Parties agree that the fundamental objective of this Agreement is the sustainable development and the eradication of poverty in CARIFORUM States, and the smooth and gradual integration of these economies into the global economy. In the agricultural and fisheries sectors, this Agreement should

contribute to increasing the competitiveness of production, processing and trade in agricultural and fishery products in both traditional and non-traditional sectors, between the Parties, consistent with the sustainable management of natural resources.

2. The Parties acknowledge the economic and social importance of activities relating to fisheries and the utilisation of the living marine resources of CARIFORUM States, and the need to

maximise those benefits in relation to such factors as food security, employment, poverty alleviation, foreign exchange earnings and social stability of fishing communities.

3. The Parties recognise that the fisheries and marine ecosystems of the CARIFORUM States are complex, biologically diverse and fragile and that exploitation should take into account these factors through effective conservation and management of fisheries resources and related ecosystems based on sound scientific advice and on the precautionary principle as defined by the FAO Code of Conduct on Responsible Fisheries.

4. The Parties recognise that ensuring food security and enhancing livelihoods of rural and fishing communities are critical elements of the eradication of poverty, and the pursuit of sustainable development. They consequently recognise the need to avoid major disruption of markets for agricultural, food and fish products in CARIFORUM States.

5. The Parties agree to take full account of the diversity of the economic, social and environmental characteristics and needs and development strategies of the CARIFORUM States.

Article 38

Regional integration

The Parties recognise that the integration of the agricultural, food and fisheries sectors across CARIFORUM States, through the progressive removal of remaining barriers and the provision of an appropriate regulatory framework, will contribute to the deepening of the regional integration process and the realisation of the objectives of this Chapter.

Article 39

Enabling policies

The CARIFORUM States commit themselves to adopting and implementing policies and institutional reforms to enable and facilitate the achievement of the objectives of this Chapter.

Article 40

Food security

1. The Parties acknowledge that the removal of barriers to trade between the Parties, as envisaged in this Agreement, may pose significant challenges to CARIFORUM producers in the agricultural, food and fisheries sectors and to consumers and agree to consult with each other on these issues.

2. Where compliance with the provisions of this Agreement leads to problems with the availability of, or access to, foodstuffs or other products essential to ensure food security of a Signatory CARIFORUM State and where this situation gives rise or is likely to give rise to major difficulties for such a State, that Signatory

CARIFORUM State may take appropriate measures in accordance with the procedures laid down in paragraphs 7(b) to ((d), 8 and 9 of Article 25.

Article 41

Exchange of information and consultation

1. The Parties agree to exchange experiences, information and best practices and to consult on all issues related to the pursuit of the objectives of this Chapter and relevant to trade between the Parties.

2. The Parties agree that dialogue would be particularly useful in the following areas:

- (a) Exchange of information on agriculture production, consumption and trade and on the respective market developments for agricultural and fisheries products;
- (b) Promotion of investment in CARIFORUM agricultural, food and fisheries sectors, including small-scale activities;
- (c) Exchange of information on agriculture, rural development and fisheries policies, laws and regulations;
- (d) Discussion of policy and institutional changes needed to underpin the transformation of the agricultural and fisheries sectors as well as the formulation and implementation of regional policies on agriculture, food, rural development and fisheries in pursuit of regional integration;
- (e) Exchange of views on new technologies as well as policies and measures related to quality.

Article 42

Traditional agricultural products

1. The Parties commit to undertake prior consultations on trade policy developments that may impact on the competitive positions of traditional agricultural products, including bananas, rum, rice and sugar, in the market of the EC Party.

2. The EC Party shall endeavour to maintain significant preferential access within the multilateral trading system for these products originating in the CARIFORUM States for as long as is feasible and to ensure that any unavoidable reduction in preference is phased in over as long a period as possible.

Article 43

Cooperation

1. The Parties acknowledge the importance of the agricultural, food and fisheries sectors to the economies of CARIFORUM States and of cooperating to promote the transformation of these

sectors, with the aim of increasing their competitiveness, developing their capacity to access high quality markets and in view of their potential contribution to the sustainable development of the CARIFORUM States. They recognise the need to facilitate the adjustment of the agricultural, food and fisheries sectors and the rural economy, to the progressive changes brought about by this Agreement, while paying particular attention to small scale operations.

2. Subject to the provisions of Article 7, the Parties agree to cooperate, including by facilitating support, in the following areas:

- (a) Improvement in the competitiveness of potentially viable production, including downstream processing, through innovation, training, promotion of linkages and other support activities, in agricultural and fisheries products, including both traditional and non traditional export sectors;
- (b) Development of export marketing capabilities, including market research, both for trade between CARIFORUM States and between the Parties, as well as the identification of options for the improvement of marketing infrastructure

and transportation, and the identification of financing and cooperation options for producers and traders;

- (c) Compliance with and adoption of quality standards relating to food production and marketing, including standards relating to environmentally and socially sound agricultural practices and organic and non-genetically modified foods;
- (d) Promotion of private investment and public-private partnerships in potentially viable production;
- (e) Improvement in the ability of CARIFORUM operators to comply with national, regional and international technical, health and quality standards for fish and fish products;
- (f) Building or strengthening the scientific and technical human and institutional capability at regional level for sustainable trade in fisheries products, including aquaculture; and
- (g) The process of dialogue referred to in Article 41.

CHAPTER 6

Technical barriers to trade

Article 44

Multilateral obligations

The Parties affirm their commitment to the rights and obligations provided for in the WTO Agreement on Technical Barriers to Trade (hereinafter referred to as the WTO TBT Agreement).

Article 45

Objectives

The objectives of this Chapter are to:

- (a) facilitate trade in goods between the Parties while maintaining and increasing the capacity of the Parties to protect health, safety, consumers and the environment;
- (b) improve the capacity of the Parties to identify, prevent and eliminate unnecessary obstacles to trade between the Parties as a result of technical regulations, standards and conformity assessment procedures applied by either Party;
- (c) increase the capacity of the Parties to ensure compliance with international standards and with each other's technical regulations and standards.

Article 46

Scope and definitions

1. The provisions of this Chapter shall apply to technical regulations, standards and conformity assessment procedures as defined in the WTO TBT Agreement in so far as they affect trade between the Parties.

2. For the purposes of this Chapter the definitions used by the WTO TBT Agreement shall apply.

Article 47

Regional collaboration and integration

The Parties agree that collaboration between national and regional authorities dealing with standardisation, accreditation and other technical barriers to trade matters is important to facilitate both intra-regional trade and trade between the Parties, as well as the overall process of CARIFORUM regional integration and undertake to cooperate to this end.

Article 48

Transparency

The Parties confirm their commitment to implementing the transparency provisions set out in the WTO TBT Agreement. In

addition, the Parties shall endeavour to inform each other at an early stage of proposals to modify or introduce technical regulations and standards that are especially relevant to trade between the Parties.

Article 49

Exchange of information and consultation

1. The Parties agree, upon the provisional application of this Agreement, to designate contact points for the purposes of exchange of information as specified under this Chapter. The Parties agree to channel their exchanges of information through regional contact points to the maximum extent possible.

2. The Parties agree to enhance their communication and exchange of information on issues within the scope of this Chapter and in particular on ways to facilitate compliance with each other's technical regulations, standards and conformity assessment procedures and to eliminate unnecessary obstacles to trade in goods between them.

3. When a particular problem related to a technical regulations, standards or conformity assessment procedures that may affect trade between the Parties arises, the Parties shall inform and consult each other as early as possible, with a view to reaching a mutually agreed solution.

4. The Parties agree to inform each other in writing of measures taken or to be taken to preclude the importation of any good to address a problem relating to health, safety and the environment as soon as is reasonably possible after the decision is taken.

5. The Parties agree to identify products for which the Parties shall exchange information with a view to collaborating so that these products meet technical regulations and standards required to access each other's markets. Such information may include identification of capacity needs and proposals for meeting these needs.

Article 50

Cooperation in international bodies

The Parties agree to cooperate in international standard setting bodies, including by facilitating the participation of representatives of the CARIFORUM States in the meetings and the work of these bodies.

Article 51

Cooperation

1. The Parties recognise the importance of cooperating in the areas of technical regulations, standards and conformity assessment in order to achieve the objectives of this Agreement.

2. Subject to the provisions of Article 7, the Parties agree to cooperate, including by facilitating support, in the following areas:

- (a) Establishment of the appropriate arrangements for the sharing of expertise, including appropriate training intended to ensure adequate and enduring technical competence of the relevant standard setting, metrology, accreditation, market surveillance and conformity assessment bodies, in particular those in the CARIFORUM region.
- (b) Development of centres of expertise within CARIFORUM for the assessment of goods for the purpose of such goods access into the EC market.
- (c) Development of the capacity of enterprises, in particular CARIFORUM enterprises to meet regulatory and market requirements.
- (d) Developing and adopting harmonised technical regulations, standards and conformity assessment procedures based on relevant international standards.

CHAPTER 7

Sanitary and phytosanitary measures

Article 52

Multilateral obligations

The Parties affirm their commitment to the rights and obligations provided for in the WTO Agreement on Sanitary and Phytosanitary Measures (hereinafter referred to as the WTO SPS Agreement). The Parties also reaffirm their rights and obligations under the International Plant Protection Convention (IPPC), the CODEX Alimentarius and the World Organisation for Animal Health (OIE).

Article 53

Objectives

The objectives of this Chapter are to:

- (a) facilitate trade between the Parties while maintaining and increasing the capacity of the Parties to protect plant, animal and public health;

- (b) improve the capacity of the Parties to identify, prevent and minimise unintended disruptions or barriers to trade between the Parties as the result of measures necessary to protect plant, animal and public health within the Parties;
- (c) assist CARIFORUM States in establishing harmonised intra-regional sanitary and phytosanitary (hereinafter SPS) measures also with a view to facilitating the recognition of equivalence of such measures with those existing in the EC Party;
- (d) assist CARIFORUM States in ensuring compliance with SPS measures of the EC Party.

Article 54

Scope and definitions

1. The provisions of this Chapter shall apply to SPS measures as defined in the WTO SPS Agreement in so far as they affect trade between the Parties.
2. For the purposes of this Chapter definitions used by the WTO SPS Agreement shall apply.

Article 55

Competent Authorities

1. The Parties agree, upon the provisional application of this Agreement, to designate Competent Authorities for the implementation of the measures referred to in this Chapter. The Parties shall inform each other in a timely manner of any significant changes in the structure, nature and organisation and division of competency of their Competent Authorities.
2. The Parties agree to channel their exchanges of information regarding the implementation of the measures referred to in this Chapter through a regional body representing the Competent Authorities to the maximum extent possible.

Article 56

Regional collaboration and integration

1. The Parties agree that collaboration between national and regional authorities dealing with SPS matters, including the Competent Authorities, is important to facilitate both intra-regional trade and trade between the Parties, as well as the overall process of CARIFORUM regional integration.
2. In this regard, the Parties agree on the importance of establishing harmonised SPS measures both in the EC Party and between CARIFORUM States and undertake to cooperate to this end. The Parties also agree to consult with the aim of achieving

bilateral arrangements on recognition of the equivalence of specified SPS measures.

3. In the absence of harmonised SPS measures or the recognition of equivalence, the Parties agree to consult on ways to facilitate trade and reduce unnecessary administrative requirements.

Article 57

Transparency

The Parties confirm their commitment to implementing the transparency provisions set out in Annex B of the WTO SPS Agreement. In addition, the Parties shall endeavour to inform each other at an early stage of proposals to modify or introduce SPS regulations or measures that are especially relevant to trade between the Parties.

Article 58

Exchange of information and consultation

1. The Parties agree to enhance their communication and exchange of information on issues within the scope of this Chapter that may affect trade between the Parties.
2. When a particular SPS problem that may affect trade between the Parties arises, the Competent Authorities of the Parties shall inform and consult each other as early as possible with a view to finding a mutually agreed solution.

Article 59

Cooperation

1. The Parties recognise the importance of cooperation as regards sanitary and phytosanitary measures in order to achieve the objectives of this Agreement.
2. Subject to the provisions of Article 7, the Parties agree to cooperate, including by facilitating support, in the following areas:
 - (a) reinforcement of regional integration and the improvement of monitoring, implementation and enforcement of SPS measures consistent with Article 56 including training and information events for regulatory personnel. Public and private sector partnerships may be supported for the achievement of these objectives.
 - (b) establishment of the appropriate arrangements for the sharing of expertise, to address issues of plant, animal and public health, as well as training and information events for regulatory personnel.

- (c) development of the capacity of enterprises, in particular CARIFORUM enterprises, to meet regulatory and market requirements.
- (d) cooperation in the international bodies referred to in Article 52, including the facilitation of participation of representatives of CARIFORUM States in the meeting of these bodies.

TITLE II

INVESTMENT, TRADE IN SERVICES AND E-COMMERCE

CHAPTER 1

General provisions*Article 60***Objective, scope and coverage**

1. The Parties and the Signatory CARIFORUM States, reaffirming their commitments under the WTO Agreement and with a view to facilitating the regional integration and sustainable development of the Signatory CARIFORUM States and their smooth and gradual integration in the world economy, hereby lay down the necessary arrangements for the progressive, reciprocal and asymmetric liberalisation of investment and trade in services and for cooperation on e-commerce.

2. Nothing in this Title shall be construed to require the privatisation of public undertakings or to impose any obligation with respect to government procurement.

3. The provisions of this Title shall not apply to subsidies granted by the Parties or the Signatory CARIFORUM States.

4. Consistent with the provisions of this Title, the Parties and the Signatory CARIFORUM States retain the right to regulate and to introduce new regulations to meet legitimate policy objectives.

5. This Title shall not apply to measures affecting natural persons seeking access to the employment market of the EC Party or of the Signatory CARIFORUM States, nor shall it apply to measures regarding citizenship, residence or employment on a permanent basis.

Nothing in this Title shall prevent the Parties or the Signatory CARIFORUM States from applying measures to regulate the entry of natural persons into, or their temporary stay in, their territory, including those measures necessary to protect the integrity of, and to ensure the orderly movement of natural persons across their borders, provided that such measures are not applied in such a manner as to nullify or impair the benefits accruing to any Party under the terms of a specific commitment.

*Article 61***Definitions**

For the purposes of this Title:

- (a) 'measure' means any measure by the Parties or by the Signatory CARIFORUM States, whether in the form of a law, regulation, rule, procedure, decision, administrative action, or any other form;
- (b) 'measures adopted or maintained by the Parties or by the Signatory CARIFORUM States' means measures taken by:
 - (i) central, regional or local governments and authorities; and
 - (ii) non-governmental bodies in the exercise of powers delegated by central, regional or local governments or authorities;
- (c) 'natural person of the EC Party' or 'natural person of the Signatory CARIFORUM States' means a national of one of the Member States of the European Union or of the Signatory CARIFORUM States according to their respective legislation;
- (d) 'juridical person' means any legal entity duly constituted or otherwise organised under applicable law, whether for profit or otherwise, and whether privately-owned or governmentally-owned, including any corporation, trust, partnership, joint venture, sole proprietorship or association;
- (e) 'juridical person of a Party' means a juridical person of the EC Party or a Signatory CARIFORUM State set up in accordance with the laws of a Member State of the European Union or of a Signatory CARIFORUM State respectively, and having its registered office, its central administration, or its principal place of business in the territory to which the Treaty establishing the European Community applies or in the territory of a Signatory CARIFORUM State, respectively;