

ANNEX 11**MOTOR VEHICLES AND EQUIPMENT AND PARTS THEREOF****ARTICLE 1****Definitions**

1. For the purposes of this Annex, the following definitions apply:
 - (a) "WP.29" means the World Forum for Harmonisation of Vehicle Regulations within the framework of the United Nations Economic Commission for Europe ("UNECE");
 - (b) "1958 Agreement" means the Agreement Concerning the Adoption of Harmonized Technical United Nations Regulations for Wheeled Vehicles, Equipment and Parts which can be Fitted and/or be Used on Wheeled Vehicles and the Conditions for Reciprocal Recognition of Approvals Granted on the Basis of these United Nations Regulations, done at Geneva on 20 March 1958, administered by the WP.29, and all subsequent amendments and revisions thereof;

- (c) "1998 Agreement" means the Agreement concerning the Establishing of Global Technical Regulations for Wheeled Vehicles, Equipment and Parts which can be Fitted and/or be Used on Wheeled Vehicles, done at Geneva on 25 June 1998, administered by the WP.29, and all subsequent amendments and revisions thereof;
 - (d) "UN Regulations" means Regulations adopted in accordance with the 1958 Agreement;
 - (e) "GTR" means a Global Technical Regulation established and placed on the Global Registry in accordance with the 1998 Agreement;
 - (f) "HS 2017" means the 2017 edition of the Harmonised System Nomenclature issued by the World Customs Organization;
 - (g) "type approval" means the procedure whereby an approval authority certifies that a type of vehicle, system, component or separate technical unit satisfies the relevant administrative provisions and technical requirements;
 - (h) "type-approval certificate" means the document whereby an approval authority officially certifies that a type of vehicle, system, component or separate technical unit is type-approved.
2. Terms referred to in this Annex shall have the same meaning as they have in the 1958 Agreement or in Annex 1 to the TBT Agreement.

ARTICLE 2

Product scope

This Annex applies to the trade between the Parties of all categories of motor vehicles, equipment and parts thereof, as defined in Paragraph 1 of UNECE Consolidated Resolution on the Construction of Vehicles (R.E.3)¹, falling under, inter alia, Chapters 40, 84, 85, 87 and 94 of the HS 2017 (hereinafter referred to as "products covered").

ARTICLE 3

Objectives

With regard to the products covered, the objectives of this Annex are to:

- (a) eliminate and prevent any unnecessary technical barriers to bilateral trade;
- (b) promote the compatibility and convergence of regulations based on international standards;
- (c) promote the recognition of approvals based on approval schemes applied under the agreements administered by WP.29;

¹ ECE/TRANS/WP.29/78/Rev.6 of 11 July 2017.

- (d) reinforce competitive market conditions based on principles of openness, non-discrimination and transparency;
- (e) promote high levels of protection of human health, safety and the environment; and
- (f) maintain cooperation on issues of mutual interest to foster continued mutually beneficial development in trade.

ARTICLE 4

Relevant international standards

The Parties recognise that the WP.29 is the relevant international standardising body and that UN Regulations and GTRs under the 1958 Agreement and 1998 Agreement are relevant international standards for the products covered by this Annex.

ARTICLE 5

Regulatory convergence based on relevant international standards

1. The Parties shall refrain from introducing or maintaining any domestic technical regulation, marking, or conformity assessment procedure diverging from UN Regulations or GTRs in areas covered by such Regulations or GTRs, including where the relevant UN Regulations or GTRs have not been completed but their completion is imminent, unless there are substantiated reasons why a specific UN Regulation or GTR is an ineffective or inappropriate means for the fulfilment of legitimate objectives pursued, for example, in the areas of road safety or the protection of the environment or human health.
2. A Party which introduces a divergent domestic technical regulation, marking, or conformity assessment procedure as referred to in paragraph 1, at the request of the other Party, shall identify the parts of the domestic technical regulation, marking, or conformity assessment procedure which substantially diverge from the relevant UN Regulations or GTRs and provide justification for the divergence.
3. Each Party shall systematically consider applying UN Regulations adopted after the entry into force of this Agreement, and shall inform each other of any changes regarding the implementation of those UN Regulations in its respective domestic legal system following the protocol established under the 1958 Agreement and in line with Articles 8 and 9.

4. Insofar as a Party has introduced or maintains domestic technical regulations, markings or conformity assessment procedures that diverge from UN Regulations or GTRs as permitted by paragraph 1, that Party shall review those domestic technical regulations, markings or conformity assessment procedures at regular intervals, preferably not exceeding five years, with a view to increasing their convergence with the relevant UN Regulations or GTRs. When reviewing their domestic technical regulations, markings and conformity assessment procedures, each Party shall consider whether the justification for the divergence still exists. The outcome of these reviews, including any scientific and technical information used, shall be notified to the other Party upon request.
5. Each Party shall refrain from introducing or maintaining domestic technical regulations, markings, or conformity assessment procedures which have the effect of prohibiting, restricting or increasing the burden for the importation and putting into service on their domestic market of products type-approved under UN Regulations for the areas covered by those UN Regulations unless such domestic technical regulations, markings or conformity assessment procedures are explicitly provided for by those UN Regulations.

ARTICLE 6

Type approval and market surveillance

- 1 Each Party shall accept on its market products which are covered by a valid UN type-approval certificate as compliant with its domestic technical regulations, markings and conformity assessment procedures, without requiring any further testing or marking to verify or attest compliance with any requirement covered by the UN type-approval certificate concerned. In the case of vehicle approvals, the UN Universal International Whole Vehicle Type Approval (U-IWVTA) shall be considered valid in respect of the requirements covered by the U-IWVTA. UN type-approval certificates issued by a Party can only be considered valid if that Party has acceded to the relevant UN Regulations.
- 2 Each Party shall only be required to accept valid UN type-approval certificates issued pursuant to the latest version of the UN Regulations it has acceded to.
3. For the purpose of paragraph 1, the following shall be considered sufficient proof of the existence of a valid UN type-approval:
 - (a) for whole vehicles, a valid UN Declaration of Conformance certifying compliance with a U-IWVTA;
 - (b) for equipment and parts, a valid UN type-approval mark affixed to the product; or

- (c) for equipment and parts to which a UN type-approval mark cannot be affixed, a valid UN type-approval certificate.
- 4. For the purpose of conducting market surveillance, the competent authorities of a Party may verify that the products covered comply, as appropriate, with
 - (a) all the domestic technical regulations of that Party; or
 - (b) the UN Regulations with which compliance has been attested, in accordance with this Article, by a valid UN Declaration of Conformance certifying compliance with a U-IWVTA in the case of whole vehicles, or by a valid UN type-approval mark affixed to the product or a valid UN type-approval certificate in the case of equipment and parts.

Such verifications shall be carried out by random sampling in the market and in accordance with the technical regulations referred to in point (a) or (b) of this paragraph, as the case may be.

- 5. The Parties shall endeavour to cooperate in the field of market surveillance to support the identification and addressing of non-conformities of vehicles, systems, components or separate technical units.

6. A Party may take any appropriate measures with respect to vehicles, systems, components or separate technical units that present a serious risk to the health or safety of persons or with regard to other aspects of the protection of public interests, or that otherwise do not comply with applicable requirements. Such measures may include prohibiting or restricting the making available on the market, the registration or the entry into service of the vehicles, systems, components or separate technical units concerned, or withdrawing them from the market or recalling them. A Party that adopts or maintains such measures shall promptly inform the other Party of those measures and, at the request of the other Party, shall provide its reasons for adopting those measures.

ARTICLE 7

Products with new technologies or new features

1. Neither Party shall refuse or restrict the access to its market of a product that is covered by this Annex and that has been approved by the exporting Party on the grounds that the product incorporates a new technology or a new feature that the importing Party has not yet regulated, unless it can demonstrate that it has reasonable grounds for believing that the new technology or new feature creates a risk for human health, safety or the environment.

2. If a Party decides to refuse the access to its market or requires the withdrawal from its market of a product of the other Party covered by this Annex on the grounds that it incorporates a new technology or a new feature creating a risk for human health, safety or the environment, it shall promptly notify that decision to the other Party and to the economic operator or operators concerned. The notification shall include all relevant scientific or technical information taken into account in the decision.

ARTICLE 8

Cooperation

1. In order to further facilitate trade in motor vehicles, their parts and equipment, and to prevent market access problems, while ensuring human health, safety and environmental protection, the Parties shall endeavour to cooperate and to exchange information as appropriate.
2. Areas of cooperation under this Article may include in particular:
 - (a) the development and establishment of technical regulations or related standards;
 - (b) the exchange, to the extent possible, of research, information and results linked to the development of new vehicle safety regulations or related standards, advanced emission reduction, and emerging vehicle technologies;

- (c) the exchange of available information on the identification of safety-related or emission-related defects and non-compliance with technical regulations; and
- (d) the promotion of greater international harmonisation of technical requirements through multilateral fora, such as the 1958 Agreement and the 1998 Agreement, including through cooperation in the planning of initiatives in support of such harmonisation.

ARTICLE 9

Working Group on Motor Vehicles and Parts

1. A Working Group on Motor Vehicles and Parts shall assist the Trade Specialised Committee on Technical Barriers to Trade in monitoring and reviewing the implementation of this Annex and ensuring its proper functioning.
2. The functions of the Working Group on Motor Vehicles and Parts shall be the following:
 - (a) discussing any matter arising under this Annex, on request of a Party;
 - (b) facilitating cooperation and exchange of information in accordance with Article 8;

- (c) carrying out technical discussions in accordance with Article 97 of this Agreement on matters falling within the scope of this Annex; and
 - (d) maintaining a list of contact points responsible for matters arising under this Annex.
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