

CHAPTER 3

TRADE IN AGRICULTURAL PRODUCTS

ARTICLE 3.1

Scope

This Chapter shall apply to trade between the Parties relating to goods other than those covered in Annex II (Product Coverage of Non-Agricultural Products).

ARTICLE 3.2

Tariff Concessions

1. The Philippines shall grant tariff concessions for goods originating in an EFTA State as specified in Annexes VIII to X (Schedules of Tariff Commitments on Agricultural Products).
2. Each EFTA State shall grant tariff concessions for goods originating in the Philippines as specified in Annexes VIII to X (Schedules of Tariff Commitments on Agricultural Products).

ARTICLE 3.3

Agricultural Export Subsidies

The Parties shall not apply export subsidies, as defined in Article 9 of the *WTO Agreement on Agriculture*, to trade in originating products for which a tariff concession is granted in accordance with this Agreement.

ARTICLE 3.4

Other Provisions

1. With respect to trade in goods covered by this Chapter, the following provisions of Chapter 2 (Trade in Non-Agricultural Products) shall apply, *mutatis mutandis*: Articles 2.2 (Rules of Origin), 2.4 (Export Duties), 2.5 (Customs Valuation), 2.6 (Quantitative Restrictions), 2.7 (Import Licensing), 2.9 (Fees and Formalities), 2.10 (Internal Taxation and Regulations), 2.11 (Trade Facilitation), 2.13 (Anti-dumping), 2.14 (Global Safeguard Measures), 2.15 (Transitional Safeguard Measures), 2.16 (State Trading Enterprises), 2.17 (General Exceptions), 2.18 (Security Exceptions), 2.19 (Balance-of-Payments), 2.20 (Modification of Concessions), 2.21 (Consultations) and 2.23 (Sub-Committee on Trade in Goods).
2. The rights and obligations of the Parties with respect to subsidies and

countervailing duties shall be governed by the applicable WTO Agreements.

3. With respect to Article on Rules of Origin, only bilateral accumulation between an EFTA State and the Philippines shall be allowed for goods covered by this Chapter.

ARTICLE 3.5

Further Liberalisation

The Parties shall continue efforts to achieve further liberalisation on trade in goods covered by this Chapter, taking into account the pattern of trade in agricultural products between the Parties, the particular sensitivities of such products, the development of each Party's agricultural policy and developments in bilateral and multilateral fora. With a view to achieving this objective, the Parties may consult in conjunction with the Joint Committee meetings.