- 1. Any aid granted by a State Party to this Agreement or through State resources in any form whatsoever, distorting or threatening to distort competition by favouring certain undertakings or the production of certain goods shall be incompatible with the proper functioning of this Agreement, insofar as it may affect trade between the Parties.
- 2. The Joint Committee shall set out the basic criteria to verify any practices contrary to paragraph 1, and the rules of their application.
- 3. The Parties shall ensure transparency of state aid measures; they will submit each year a report to the Joint Committee on the whole volume of the state aid and its distribution and will provide, on the other Party's request, information on the aid schemes in specific cases.
- 4. If a State Party to this Agreement considers that a given practice is incompatible with the provisions of paragraph 1, it may take appropriate measures against this practice, which shall not be in excess of the injury caused, under the conditions and in accordance with the procedures laid down in Article 25.

Article 18
Public procurement

- 1. The Parties consider the liberalization of their respective public procurement markets as an objective of this Agreement.
- 2. The Parties shall progressively develop the rules governing the public procurement, in order to ensure mutual access to contract award procedures, based on auctions on their respective public procurement markets.
- 3. The Joint Committee shall examine the development of regulations in this field, in order to fulfil the objective of this Article, and may recommend specific modalities to fulfil its provisions.

Article 19
Protection of intellectual property

- 1. The States Parties to this Agreement shall grant and ensure adequate, effective and non-discriminatory protection of intellectual property rights, including measures for the enforcement of such rights against infringement, counterfeiting and piracy.
- 2. For the purposes of this Agreement, the protection of intellectual property rights includes mainly the protection of copyright, computer programs, data bases and related rights, trademarks, geographical indications, industrial projects, patents, integrated circuits and drawings, as well as unpublished know-how information.
- 3. The Parties shall co-operate in intellectual property rights protection matters and, at the request of the other Party, consultations at expert level regarding these problems shall be held, mainly in areas dealing with the existing and future international treaties on harmonization, administration and enforcement of intellectual property rights and international specialized organizations' activities.

Article 20 Dumping If one of the Parties to this Agreement finds that dumping is taking place in its trade, the State Party concerned may take appropriate measures against this practice under the conditions and in accordance with the procedure laid down in Article 25.

Article 21

General safeguard actions

Where a product is being imported in such increased quantities and under such conditions as to cause, or threaten to cause:

- (a) serious injury to domestic producers of like or directly competitive products in the territory of the importing state, or
- (b) serious disturbance in any sector of the economy or difficulties which could bring about serious deterioration in the economic situation of a region,

the concerned State Party may take appropriate measures under the conditions and in accordance with the procedures laid down in Article 25.

Article 22

Structural adjustment

- 1. Exceptional measures of a limited duration which derogate from the provisions of Article 3, may be taken in the form of customs duties.
- 2. These measures may only concern infant industries, or certain sectors undergoing restructuring or facing serious difficulties, particularly where these difficulties produce important social problems.
- 3. The interested Party shall inform the Joint Committee of any exceptional measures it intends to take and, at the request of the other Party, consultations shall be held within the Joint Committee regarding such measures and the sectors to which they apply, even before they are put into force. When taking such measures, the Party concerned shall provide the Joint Committee with a schedule for the elimination of the customs duties introduced under this Article.

Article 23

Re-export and serious shortage

Where the compliance with the provisions of this Agreement leads to:

- (a) re-export towards a third country against which the exporting State Party to this Agreement maintains for that product quantitative export restrictions, export duties or measures or charges having equivalent effect; or
- (b) a serious shortage, or threat thereof, of a product essential to the exporting State Party to this Agreement;

and where the situation referred to above gives rise or is likely to give rise to major difficulties for the exporting State Party, that Party may take appropriate measures under the conditions and in accordance with the procedures laid down in Article 25.

Article 24

Fulfilment of obligations