

(f) encourage further competition amongst the enterprises of the Contracting Parties;

(g) contribute by the removal of barriers to trade, to the harmonious development / and expansion of bilateral trade, as well as world trade.

ARTICLE 2

GENERAL OBLIGATION

1 (a) The provisions of this Agreement shall be interpreted in light of the objectives set out under Article 1, as well as, the decisions of the Joint Trade Committee established under Article 19 of the Agreement.

(b) In making its decisions The Committee shall observe applicable rules of international law.

2. The Contracting Parties affirm their existing rights and obligations with respect to each other under the Marrakesh Agreement establishing the World Trade Organization and other Treaties/Agreements to which such Contracting Parties are signatories.

ARTICLE 3

DEFINITIONS

For the purpose of this Agreement, unless the context otherwise requires,:

“critical circumstances” mean the emergence of an exceptional situation, where massive preferential imports are causing or threatening to cause “serious injury”, which is difficult to repair and which calls for immediate action;

“dumping” means the introduction of a product into the commerce of the other Contracting Party at less than its normal value which is the comparable price in the ordinary course of trade for the like product destined for consumption in the exporting country, or, in the absence of such domestic price, is either the highest comparable price for the like product for export to any third country in the ordinary course of trade, or the cost production of the product in the country of origin plus reasonable addition for selling cost and profit;

“non-tariff barriers” (NTBs) means any measure, regulation, or practice other than tariffs and para-tariffs, the effect of which is to restrict imports or to significantly distort trade between the Contracting Parties;

“para-tariffs” mean border charges and fees other than tariffs on foreign trade transactions with a tariff-like effect, which are levied solely on imports but not those indirect taxes and charges, which are levied in the same manner on like domestic products. Import charges corresponding to specific services rendered, shall not be considered as para-tariff measures;

“preferential treatment” means any concession or privilege granted under this Agreement by a Contracting Party

through the reduction of tariffs and elimination of NTBs on the movement of goods and services;

“products” means all products including manufactured products and commodities in their raw, semi-processed and processed forms;

“serious injury” means significant impairment of the domestic industry of like or directly competitive products due to a surge in preferential imports causing substantial losses in terms of earnings, production or employment unsustainable in the short terms;

“subsidies” shall have the meaning as in the General Agreement on Tariffs and Trade 1994 (GATT 1994) and the relevant WTO Agreements;

“tariffs” means customs duties included in the national schedules of the Contracting Parties;

“The Committee” means the Joint Trade Committee established under Article 19;

“threat of serious injury” means a situation in which a substantial increase of preferential import is of a nature so as to cause serious injury to domestic producer/industry and that such injury, although not yet existing, is clearly imminent. A determination of threat of serious injury shall be based on facts and not on mere allegation, conjecture, or remote of hypothetical possibility.