

9. "Critical circumstances" mean the emergence of an exceptional situation where massive preferential imports are causing or threatening to cause "serious injury" difficult to repair and which calls for immediate action.

ARTICLE III - ELIMINATION OF TARIFFS, PARA TARIFFS AND NON-TARIFF BARRIERS

1. The Contracting Parties hereby agree to establish a Free Trade Area for the purpose of free movement of goods and services between their countries through elimination of tariffs on the movement of goods and services in accordance with the provisions of Annexes A & B which shall form an integral part of this Agreement.

2. The Contracting Parties further agree to eliminate from the date this Agreement enters into force, all non-tariff barriers, and any other equivalent measures on the movement of goods and services, other than those imposed in accordance with Article IV of this Agreement.

3. The Contracting Parties also agree not to make any increase in the existing para tariffs, if any, or introduce new or additional para tariffs, without mutual consent.

4. In the implementation of this Agreement the Contracting Parties shall pay due regard to the principle of reciprocity.

ARTICLE IV - GENERAL EXCEPTIONS

Nothing in this Agreement shall prevent a Contracting Party from taking action and adopting measures, which it considers necessary for the protection of its national security, the protection of public morals, the protection of human, animal or plant life and health, and the protection of articles of artistic, historic, and archaeological value, as is provided for in Article XX and XXI of the General Agreement on Tariff and Trade, 1994 and WTO Agreement on Application of Sanitary and Phytosanitary Measures.

ARTICLE V - NATIONAL TREATMENT

The Contracting Parties affirm their commitment to the principles enshrined in Article III of GATT 1994.

ARTICLE VI - STATE TRADING ENTERPRISES

1. Nothing in this Agreement shall be construed to prevent a Contracting Party from maintaining or establishing a state trading enterprise as understood in Article XVII of General Agreement on Tariff and Trade, 1994