CHAPTER 18
GENERAL AND FINAL PROVISIONS

Article 18.1: General Exceptions

1. For purposes of Chapters 2 (*Trade in Goods*), 3 (*Rules of Origin*), 4 (*Customs Procedure*) and 6 (*Technical Barriers to Trade*), Article XX of GATT 1994 and its interpretive notes are incorporated into and made part of this Agreement, *mutatis mutandis*. The Parties understand that the measures referred to in Article XX(b) of GATT 1994 include environmental measures necessary to protect human, animal, or plant life or health, and that Article XX(g) of GATT 1994 applies to measures relating to the conservation of living and non-living exhaustible natural resources.

2. For purposes of Chapters 9 (*Investment*), 10 (*Cross-Border Trade in Services*), 12 (*Telecommunications*) and 13 (*Electronic Commerce*), Article XIV of GATS (including its footnotes) is incorporated into and made part of this Agreement, *mutatis mutandis*. The Parties understand that the measures referred to in Article XIV(b) of GATS include environmental measures necessary to protect human, animal, or plant life or health.

Article 18.2: Essential Security

Unless otherwise provided for in this Agreement, nothing in this Agreement shal be construed to:

(a) require a Party to furnish or al ow access to any information, the disclosure of which it determines to be contrary to its essential security interests; or

(b) preclude a Party from applying measures that it considers necessary for the fulfilment of its obligations with respect to the maintenance or restoration of international peace or security, or the protection of its own essential security interests[1].

Article 18.3: Taxation

1. Except as set out in this Article, nothing in this Agreement shal apply to taxation measures.

2. Nothing in this Agreement shal affect the rights and obligations of either Party under any tax convention. In the event of any inconsistency between this Agreement and any such convention, that convention shal

1 For greater certainty, nothing in this Agreement shal prevent a Party from taking any action which it considers necessary for the protection of critical communications infrastructure from deliberate attempts intended to disable or degrade such infrastructure.

prevail to the extent of the inconsistency. In the case of a tax convention between the Parties, the competent authorities under that convention shal have sole responsibility for determining whether any inconsistency exists between this Agreement and that convention.

3. Notwithstanding paragraph 2:

(a) Article 2.2 (*National Treatment*) and such other provisions of this Agreement as are necessary to give effect to that Article shal apply to taxation measures to the same extent as does Article III of GATT 1994; and

(b) Article 2.4 (*Export Duties*) shal apply to taxation measures.

4. Subject to paragraph 2:

(a) Article 9.3 (*National Treatment*) and Article 10.3 (*National Treatment*) shal not be applied to the adoption or enforcement of any taxation measure aimed at ensuring the equitable or effective imposition or col ection of taxes permitted by Article XIV(d) of GATS; and

(b) Article 9.4 (*Most-Favoured Nation Treatment*) and Article 10.4 (*Most-Favoured Nation Treatment*) shal not be applied to any Most-Favoured Nation obligation with respect to an advantage accorded to a Party pursuant to an agreement on double taxation or provisions on the avoidance of double taxation in any international agreement or arrangement by which a Party is bound, as permitted by Article XIV(e) of GATS.

5. Subject to paragraph 2 and without prejudice to the rights and obligations of Parties under Articles 9.6.2, 9.6.3 and 9.6.4 (*Performance Requirements*) shal apply to taxation measures.

6. Article 9.7 (*Expropriation and Compensation*) shal apply to taxation measures to the extent that such taxation measures constitute expropriation as provided for in Article 9.7 (*Expropriation and Compensation*)[2]. An investor that seeks to invoke Article 9.7 (*Expropriation and Compensation*) with respect to a taxation measure must first refer to the competent authorities described in paragraph 7 at the time that it gives notice under Article 9.13.4(c) (*Investor-State Dispute Settlement*), the issue of whether that taxation

2 With reference to Article 9.7 (*Expropriation and Compensation*) and this paragraph, in assessing whether a taxation measure constitutes expropriation, the fol owing considerations are relevant: (i) the imposition of taxes does not general y constitute expropriation. The mere introduction of new taxation measures in respect of an investment does not in and of itself constitute expropriation; and (i) taxation measures which are applied on a non-discriminatory basis, as opposed to being targeted at investors of a particular nationality or specific individual taxpayers, are less likely to constitute expropriation. A taxation measure should not constitute expropriation if, when the investment is made, it was already in force, and information about the measure was made public or otherwise made publicly available.

measure involves an expropriation. If the competent authorities do not agree to consider the issue or, having agreed to consider it, fail to agree that the measure is not an expropriation within a period of 6 months of such referral, the investor may submit its claim to arbitration under Article 9.13 (*Investor-State Dispute Settlement*).

7. For purposes of this Article:

competent authorities means:

(a) in the case of Singapore, Director (Fiscal Planning), Ministry of Finance, or his successor; and

(b) in the case of Panama, Ministry of Economy and Finance or his successor; and

taxes and **taxation measures** do not include:

(a) a "customs duty" as defined in Article 2.16.2 (*Definitions*); or

(b) the measures listed in exception (b) and (c) of the definition of customs duty in Article 2.16.2 (*Definitions*).

Article 18.4: Transfers and Restrictions to Safeguard the Balance of Payments

1. For the purpose of Chapter 2 (*Trade in Goods*), the Parties shal endeavour to avoid the imposition of restrictive measures for balance of payments purposes.

2. Any such measures taken for trade in goods must be in accordance with Art XII of GATT 1994 and the Understanding on the Balance of Payments Provisions of GATT 1994, which shal be incorporated and made a part of this Agreement.

3. For purposes of Chapters 9 (*Investment*), 10 (*Cross-Border Trade in Services*) and 11 (*Financial Services*), Articles XI and XII of GATS (including its footnotes) is incorporated into and made part of this Agreement, *mutatis mutandis*. For greater certainty, it is clarified that such restrictions shal be applied on a national treatment basis and such that the other Party is treated no less favourably than any non-Party.

Article 18.5: Disclosure of Information

Nothing in this Agreement shal be construed to require a Party to furnish or al ow access to confidential information, the disclosure of which would impede law enforcement, or otherwise be contrary to the public interest, or which would prejudice the legitimate commercial interests of particular enterprises, public or private, unless otherwise provided for in this Agreement[3].

Article 18.6: Accession

1. Any country or group of countries may accede to this Agreement subject to such terms and conditions as may be agreed between such country or countries and the Parties, and fol owing approval in accordance with the applicable legal procedures of each country.

2. This Agreement shal not apply as between any Party and any acceding country or group of countries if, at the time of the accession, either does not consent to such accession.

Article 18.7: Relation to other Agreements

In the event of any inconsistency between this Agreement and any other agreement to which both Parties are parties, the Parties shal immediately consult with each other with a view to finding a mutual y satisfactory solution.

Article 18.8 Annexes

The Annexes to this Agreement shal form an integral part of this Agreement.

Article 18.9: Amendments

This Agreement may be amended with the agreement of the Parties. Any amendments shal be in writing and shal enter into force on such date or dates as may be agreed between them.

Article 18.10: Entry into Force and Termination

1. This Agreement shal enter into force on the date on which the Parties have exchanged notes confirming the completion of their respective procedures for the entry into force of this Agreement, or such other date as the Parties may agree.

2. Either Party may terminate the Agreement by giving the other Party six months' advance notice in writing.

3. Within 30 days after the date of receipt of a notification under paragraph 2, either Party may request consultations regarding whether the

3 For greater certainty, nothing in the Agreement shal be construed to require a Party to disclose information relating to the affairs and accounts of individual customers or any confidential or proprietary information in the possession of public entities.

termination of any provision of this Agreement should take effect at a later date than provided under paragraph 2. Such consultations shal commence within 30 days of a Party's receipt of such request.

4. In the event of termination of this Agreement, in respect of investments made prior to the date when the notice of termination of the Agreement becomes effective, the provisions of Chapter 9 (*Investment*) shal continue in force for a further period of 10 years from that date.

IN WITNESS WHEREOF the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

DONE at Singapore on this 1st day of March, 2006, in duplicate in the English and Spanish languages, both texts being equal y authentic. In case of any divergence of interpretation, the English text shal prevail.

For Singapore	***For Panama***
Chan Soo Sen	***Carmen Gisela Vergara***
Minister of State	***Vice-Minister for Foreign Trade***
for Trade and Industry and Education	***Ministry of Trade and Industries***