Article 7

Customs duties on exports and charges having equivalent effect

- 1. No new customs duty on exports or charge having equivalent effect shall be introduced in trade between the Parties.
- 2. All customs duties on exports and charges having equivalent effect shall be abolished on the date of entry into force of the Agreement.

Article 8

Quantitative restrictions on imports and measures having equivalent effect

- 1. No new quantitative restriction on imports or measure having equivalent effect shall be introduced in trade between the Parties.
- 2. All quantitative restrictions on imports and measures having equivalent effect shall be abolished on the date of entry into force of the Agreement, except as provided for in Annex III.

Article 9

Quantitative restrictions on exports and measures having equivalent effect

- 1. No new quantitative restriction on exports or measure having equivalent effect shall be applied in trade between the Parties.
- 2. All quantitative restrictions on exports and measures having equivalent effect shall be abolished on the date of entry into force of the Agreement.

CHAPTER II

Agricultural, Processed Agricultural and Fish Products

Article 10

Scope

- 1. The provisions of this Chapter shall apply to agricultural, processed agricultural and fish products originating in one of the Parties.
- 2. The term "agricultural products" means for the purpose of this Agreement the products falling within Chapter 1 to 24 of the Harmonized Commodity Description and Coding System and all the products listed in Annex I.

Article 11

Trade in agricultural products

Protocol 2 to this Agreement (hereinafter "Protocol 2") lays down the arrangements applicable to agricultural products referred to therein.

Article 12

Basic duties

- 1. For each product the basic duty to which the successive reductions set out in this Agreement are to be applied shall be the Most Favoured Nation rate of duty in force on the date of importation.
- 2. The reduced duties calculated in accordance with paragraph 2 shall be applied rounded to the first decimal place.
- 3. The Parties shall communicate to each other their respective national basic rates of duties in accordance with the provisions of paragraph 2.

Article 13

Special safeguards

Notwithstanding other provisions of this Agreement and, in particular, Article 20, if, given the particular sensitivity of the agricultural markets, imports of products originating in a Party, which are subject to concessions granted under this Agreement, cause serious disturbance to the markets of the other Party, the Party concerned shall enter into consultations immediately to find the appropriate solution. Pending such solution, the Party concerned may take the measures it deems necessary.

Article 14

Concessions and agricultural policies

- 1. The concessions granted under this Agreement are referred to in Protocol 2.
- 2. Without prejudice to the concessions granted under this Chapter, the provisions of this Chapter shall not restrict in any way the pursuance of the respective agricultural policies of the Parties or the taking of any measures under such policies, including the implementation of the respective provisions of the Agreement on Agriculture within the framework of the WTO.
- 3. The Parties shall notify to each other of changes in their respective agricultural policies pursued or measures applied which may affect the conditions of agricultural trade between them as provided for in this Agreement. Prompt consultations shall be held, upon request of any Party, to examine the situation.
- 4. In trade between the Parties from the date of entry into force of this Agreement no new quantitative restriction on imports or measures having equivalent effect shall be introduced.

Article 15

Veterinary, health and phytosanitary measures

- 1. The veterino-sanitary measures and the work of the veterinary services will be in accordance with the Office International des Epizoodies Codex Alimentarius Commission and other international conventions in this field.
- 2. The Phytosanitary measures and the work of the plant protection service will be in accordance with the International Plant Protection Convention and other international conventions in this field.
- 3. The Parties shall apply their regulations in sanitary and phytosanitary matters in nondiscriminatory fashion and shall not introduce any new measures that have the effect of unduly obstructing trade.

CHAPTER III

General provisions

Article 16

Internal taxation

- 1. The Parties shall refrain from any measure or practice of an internal fiscal nature establishing, whether directly or indirectly, discrimination between the products originating in one of the Parties.
- 2. Products exported to the territory of one of the Parties may not benefit from repayment of internal taxes in excess of the amount of direct or indirect taxes imposed on these products.

Article 17

Trade relations governed by this and other Agreements

- 1. This Agreement shall not prevent the maintenance or establishment of customs unions, free trade areas or arrangements for frontier trade which are in accordance with the provisions of Article XXIV of the GATT 1994 and with the Understanding on the Interpretation of Article XXIV of the GATT 1994 and to the extent that these do not negatively affect trade regime and in particular the provisions concerning rules of origin provided for by this Agreement.
- 2. Exchange of information concerning agreements establishing such customs unions or free trade areas shall take place, on request of any Party, within the Joint Committee.

Article 18

Structural adjustment