TITLE II
MARKET ACCESS FOR GOODS

Chapter 1
Common Provisions

Article II.1
Customs Duty

1. For the purpose of this Agreement, a customs duty includes any duty or charge of any kind imposed on, or in connection with, the importation or exportation of a good, including any form of surtax or surcharge imposed on, or in connection with, such importation or exportation, but does not include any:

(a) internal taxes or other charges equivalent to internal taxes imposed consistently with Article II.6 (National Treatment);

(b) fees or other charges imposed consistently with Article II.7 (Fees and Other Charges);

(c) safeguard duties or levies imposed consistently with Article II.12 (General Safeguards);

(d) anti-dumping or countervailing duties imposed consistently with Article II.13 (Anti-Dumping and Countervailing Measures).

Article II.2
Classification and Valuation of Goods

1. The classification of goods in trade between the Parties shall be that set out in each Party's respective tariff nomenclature in conformity with the Combined Nomenclature (CN) of the EU.

2. A Party may introduce new tariff splits, provided that the preferential conditions applied in the new tariff splits are not less preferential than those applied originally.

3. For the purposes of determining the customs value of goods traded between the Parties, provisions of Article VII of the GATT 1994 and the WTO Agreement on Implementation of Article VII of the GATT 1994, as may be amended, shall apply *mutatis mutandis*.

Article II.3
Base Rate

1. For each good, the base rate to which successive reductions or eliminations set out in this Agreement are to be applied shall be the actually applied *erga omnes* customs duty that was in force on 1 January 2013.

2. If, after 1 January 2013 any tariff reduction is applied on an *erga omnes* basis, in particular tariff reductions resulting from the tariff agreement concluded as a result of membership to the WTO or tariff negotiations within the WTO, such reduced duties shall replace the base rate referred to in Paragraph 1 as from the date when such reductions are applied.

3. The Parties shall communicate to each other their respective base rates and their respective tariff nomenclature, including full definitions of the goods in English, within two months after the entry into force of this Agreement.

4. The Parties shall publish or otherwise make public the applied duty for the other Party for each good set in their respective tariff nomenclature, immediately following tariff reductions to be made in accordance with this Agreement.

Article II.4
Customs Duties on Exports and Charges Having Equivalent Effect

1. Customs duties on exports and charges having equivalent effect shall be abolished in trade between the Parties upon the entry into force of this Agreement.

2. From the date of the entry into force of this Agreement no new customs duties on exports and charges having equivalent effect shall be introduced in trade between the Parties.

Article II.5
Quantitative Restrictions on Imports and Exports

1. Neither Party may adopt or maintain any prohibition or restriction on the importation of any good of the other Party or on the exportation or sale for export of any good destined for the territory of the other Party, except in accordance with Article XI of the GATT 1994 and its interpretative notes; and to this end, Article XI of the GATT 1994 and its interpretative notes are incorporated into and made a part of this Agreement, *mutatis mutandis*.

Article II.6
National Treatment

1. Each Party shall accord national treatment to the goods of the other Party in accordance with Article III of the GATT 1994, including its interpretative notes. To this end, Article III of the GATT 1994 and its interpretative notes are incorporated into and made part of this Agreement, *mutatis mutandis*.

Article II.7
Fees and Other Charges

1. Each Party shall ensure, in accordance with Article VIII of the GATT 1994 and its interpretative notes, that all fees and charges of whatever character (other than customs duties and other duties and charges that are excluded from the definition of a customs duty under Article II.1 (Customs Duty)) imposed on, or in connection with, importation or exportation are limited in amount to the approximate cost of services rendered and do not represent an indirect protection to domestic goods or taxation of imports or exports for fiscal purposes.

Article II.8
Sanitary and Phytosanitary Measures

1. The rights and obligations of Parties with respect to each other relating to sanitary and phytosanitary measures shall be governed by the WTO Agreement on the Application of Sanitary and Phytosanitary Measures.

2. The Parties shall not apply their regulations in sanitary and phytosanitary matters as an arbitrary or unjustifiable discrimination or a disguised restriction on trade between them.

Article II.9
Technical Regulations

1. The rights and obligations of the Parties with respect to each other on technical regulations and related measures shall be governed by the WTO Agreement on Technical Barriers to Trade.

2. The Parties shall co-operate and exchange information within the Joint Committee in the fields of technical regulations, standards, metrology, and conformity assessment procedures, with the aim of eliminating technical barriers to trade.

3. The Parties agree to enter, where appropriate, into negotiations for the mutual recognition in the field of conformity assessment, taking into consideration the international rights and obligations of both Parties.

Article II.10
Rules of Origin and Co-operation between the Customs Administrations

1. The rules of origin applicable between the Parties to goods covered under this Agreement and related methods of administrative co-operation are set out in *Annex II.1*.

Article II.11
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 of one Party and like products originating in the other Party.

2. Products exported to the territory of the Parties may not benefit from repayment of internal indirect taxation in excess of the amount of indirect taxation imposed on them.

Article II.12
General Safeguards

1. The rights and obligations of the Parties to apply safeguard measures shall be governed by Article XIX of the GATT 1994 and the WTO Agreement on Safeguards.

2. This Agreement shall not confer any additional rights or obligations on the Parties with regard to the application of safeguard measures, referred to in Paragraph 1.

Article II.13
Anti-dumping and Countervailing Measures

1. The rights and obligations of the Parties with respect to each other relating to anti-dumping and countervailing measures shall be governed by Article VI and Article XVI of the GATT 1994, the WTO Agreement on Implementation of Article VI of the GATT 1994 and the WTO Agreement on Subsidies and Countervailing Measures.

2. This Agreement shall not confer any additional rights or obligations on the Parties with regard to the application of anti-dumping and countervailing measures, referred to in Paragraph 1.

Chapter 2
Industrial Goods

Article II.14
Scope

1. The provisions of this Chapter shall apply to industrial products originating in the Parties.

2. The term “industrial products” means, for the purposes of this Agreement, the goods falling within Chapters 25 to 97 of the Combined Nomenclature of the EU.

Article II.15
Customs Duties on Imports and Charges Having Equivalent Effect