

of origin set out in annex 11, which is an integral part of this Agreement.

Article 7

Except as provided for elsewhere, in order to secure preservation of the value of the concessions set out in the attached National Lists of Concessions, the Participating States shall not abrogate or reduce the value of these concessions after the entry into force of this Agreement through the application of any charge or measure restricting commerce other than those existing prior thereto, except where a charge corresponds to (a) an internal tax imposed on a similar domestic products (b) an anti-dumping or countervailing duty, or fees commensurate with the cost of services rendered

Article 8

If, as a result of a tariff revisions a Participating State reduces or abrogates the value of concessions granted to the other Participating States, within a reasonable period it shall take mutually acceptable compensatory action to re-establish preferential margins of equivalent value or enter into prompt consultations with the other Participating States as provided for in chapter IV in order to negotiate a mutually satisfactory modification of its National List of Concessions.

Chapter III

TRADE EXPANSION

Article 9

To ensure the consolidations continued expansion and further diversification of trade, the Participating States agree to keep in view the objectives and provisions set out in the following subparagraphs and shall strive to implement them expeditiously in a manner consistent with their national policies and procedures

- a. To the fullest extent possible, Participating States shall grant to one another, in relation to imports originating in the territory of any one of them a treatment no less favourable than that which prevailed prior to the entry into force of this Agreement.
- b. With respect to taxes, rates and other internal duties and charges, products originating in the territory of a Participating State shall enjoy in the territory of every other Participating State, a treatment no less favourable than that accorded by that other Participating State to similar products of domestic origin;
- c. Participating States shall endeavour, in relation to each other, not to introduce or increase the incidence of, customs duties and non-tariff import barriers on products of current or potential export interest to the other Participating States. For purposes of determination of which products fall within the purview of this paragraph within one year from the date of entry into force of this Agreement, the Participating States shall submit, and the Standing Committee shall decide on, lists of products in this category;
- d. Whenever considered necessary, Participating States shall take appropriate measures for co-operation, particularly in customs administration, to facilitate implementation of this Agreement and to simplify and standardize procedures and formalities relating to reciprocal trades. For this purpose the Standing Committee shall take the required administrative action;
- e. With respect to drawbacks within one year from the date of entry into force of this Agreement, the Standing Committee shall consider whether drawbacks on goods

imported from third countries should be permitted in relation to products used in the manufacture of finished products for which concessions have been exchanged by the Participating States;

f. With respect to dumping and other unfair trade practices, the Participating States shall, within one year from the date of entry into force of this Agreement, establish appropriate regulations to offset or prevent such practices, as required, and to ensure that the provisions of this Agreement are harmoniously applied;

g. As soon as possible, Participating States shall adopt a common tariff nomenclatures which would serve as a more adequate basis for conducting further negotiations at a more disaggregated level, and for the purpose of improving the collection and presentation of trade information;

h. Through further negotiations, Participating States shall take steps to expand the coverage and value of concessions on products of export interest to one another To this end, within one year from the date of entry into force of this Agreement, the Standing Committee shall adopt a programme of action to accelerate the process of negotiations, including additional negotiating techniques and the possible establishment of specific targets for the negotiations.

Article 10

In matters of trade, any advantage, benefit, franchise, immunity or privilege applied by a Participating State in respect of a product originating in or intended for consignment to any other Participating State or any other country shall be immediately and unconditionally extended to the like product originating in, or intended for consignment to, the territories of the other Participating States.

Article 11

The provisions of article 10 shall not apply in relation to preferences granted by Participating States;

a. Through bilateral trade agreements, to other Participating States and to third countries.

b. Exclusively to other developing countries prior to the entry into force of this Agreement.

c. To other Participating States which may be classed by the Participating States as at a relatively less advanced stage of economic development, provided that such preferences are accorded without full reciprocity from the relatively less advanced country Within one year from the date of entry into force of this Agreement, the Standing Committee shall decide which Participating States shall be considered to be in the category of countries at a relatively less advanced stage of economic development;

d. To any other Participating State(s) and/or other ESCAP developing countries with which the Participating State engages in the formation of an economic integration groupings

e. To any other Participating State(s) and/or other developing countries with which the Participating State enters into an industrial co-operation agreement or joint venture in other productive sectors, within the purview of article 12.

Notwithstanding the above exceptions, each Participating State shall take the necessary steps to reconcile, to the extent possible, the provisions of agreements entered into with third countries with the provisions of this Agreement.