

Chapter III

National Treatment and Market Access for Goods

Article 6 Scope and Coverage

Except as otherwise provided, this Chapter applies to trade in goods between the Parties.

Article 7 National Treatment

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, and to this end Article III of GATT 1994, and its interpretative notes, are incorporated into and made part of this Agreement, *mutatis mutandis*.

Article 8 Tariff Elimination

1. Except as otherwise provided in this Agreement, each Party shall progressively eliminate its import customs duties on goods originating in the territory of another Party in accordance with Annex 1.

2. If a Party reduces its applied most favored nation import customs duty rate after the entry into force of this Agreement and before the end of the tariff elimination period, the tariff elimination schedule (Schedule) of that Party shall apply to the reduced rate.

3. On the request of either Party, the Parties shall consult to consider accelerating the elimination of import customs duties set out in their Schedules. An agreement between the Parties to accelerate the elimination of an import customs duty on a good shall supersede any duty rate or staging category determined pursuant to their Schedules for such good when approved by each Party in accordance with their respective applicable legal procedures.

1. Review and Modification of Tariff Reduction Modality and the Lists shall be as follows:

(a) Tariff Reduction Modality and the lists shall be reviewed and modified every five years by the Committee on Trade in Goods.

(b) The review shall be undertaken on the basis of friendly consultation and accommodation of the concerns of the Parties.

(c) The first review and modification shall be undertaken either at the end of the fourth year or at the beginning of the fifth year of entry into force of this

Agreement.

(d) Either party may request for an additional review at any time after coming into force of this Agreement. Such a request shall be favorably considered by the other Party.

Article 9 Administrative Fees and Formalities

1. Each Party shall ensure, in accordance with Article VIII:1 of the GATT 1994 and its interpretive notes, that all fees and charges of whatever character (other than import customs duties, charges equivalent to an internal tax or other internal charge applied consistently with Article III:2 of the GATT 1994, and antidumping and countervailing duties) 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 a taxation of imports or exports for fiscal purposes.

2. Each Party shall make available through the *Internet* or a comparable computer-based telecommunications network a list of the fees and charges and changes thereto levied by the central/federal Government, as the case may be, thereof in connection with importation or exportation.

Article 10 Special Requirements Related to Border Measures

1. Each Party shall provide that any right holder initiating procedures for suspension by the customs authorities of the release of suspected counterfeit trademark or pirated copyright goods¹ into free circulation is required to provide adequate evidence to satisfy the competent authorities that, under the relevant laws of the Party of importation, there is *prima facie* an infringement of the right holder's intellectual property right and to supply sufficient information to make the suspected goods reasonably recognizable to the customs authorities. The sufficient information required shall not unreasonably deter recourse to these procedures.

2. Each Party shall provide the competent authorities with the powers to require an applicant to provide a reasonable security or equivalent assurance sufficient to protect the defendant and the competent authorities and to prevent abuse. Such

¹ For the purposes of this Article:

(a) **counterfeit trademark goods** means any goods, including packaging, bearing without authorization a trademark which is identical to the trademark validly registered in respect of such goods, or which cannot be distinguished in its essential aspects from such a trademark, and which thereby infringes the rights of the owner of the trademark in question under the law of the Party of importation;

(b) **pirated copyright goods** means any goods which are copies made without the consent of the right holder or person duly authorized by the right holder in the Party of production and which are made directly or indirectly from an article where the making of that copy would have constituted an infringement of a copyright or a related right under the law of the Party of importation.

security or equivalent assurance shall not unreasonably deter recourse to these procedures.

3. Where the competent authorities have made a determination that goods are counterfeit or pirated, a Party shall grant the competent authorities the right to inform the right holder, at the right holder's request, of the names and addresses of the consignor, the importer, and the consignee, and of the quantity of the goods in question.

4. Each Party shall provide that the competent authorities are permitted to initiate border measures *ex officio*, without the need for a formal complaint from a person or right holder. Such measures shall be used when there is reason to believe or suspect that goods being imported, or destined for export are counterfeit or pirated.

Article 11 Committee on Trade in Goods

1. The Parties hereby establish a Committee on Trade in Goods, comprising representatives at the level of joint secretary, director general or deputy director general respectively.

2. The Committee shall meet on the request of either Party or the Commission established under Chapter XI of this Agreement to consider any matter arising under this Chapter, Chapter IV and Chapter V.

3. The Committee's functions shall include:

(a) promoting trade in goods between the Parties, including through consultations on accelerating tariff elimination under this Agreement and other issues as appropriate;

(b) addressing barriers to trade in goods between the Parties, especially those related to the application of non-tariff measures, and, if appropriate, referring such matters to the Commission established under Chapter XI of this Agreement for its consideration;

(c) monitoring and evaluating the implementation of schedule of tariff reduction as provided in Annex I of this Agreement; and

(d) any other issue related to trade in goods, referred to the Committee by either Party.

4. The Committee may establish working groups to deliberate on any matter if required.