(d) "customs value of products" means the value of products for the purposes of levying *ad valorem* customs duties on imports;

(e) "domestic industry" means the producers as a whole of the like or directly competitive products operating in the customs territory of a Party, or those whose collective output of the like or directly competitive products constitutes a major proportion of the total domestic production of those products;

(f) "export subsidies" means export subsidies listed in subparagraphs 1(a) to 1(f) of Article 9 of the Agreement on Agriculture in Annex 1A to the WTO Agreement (hereinafter referred to as "the Agreement on Agriculture");

(g) "originating product" means a product which qualifies as an originating product under Annex II;

(h) "serious injury" means a significant overall impairment in the position of a domestic industry; and

(i) "threat of serious injury" means serious injury that, on the basis of facts and not merely on allegation, conjecture or remote possibility, is clearly imminent.

Article 12
Scope

This Chapter shall apply, as specified therein, to any product traded between the customs territories of the Parties, falling within any chapter of the Harmonized System.

Article 13
Classification of Products

The classification of products traded between the customs territories of the Parties shall be in conformity with the Harmonized System.

Article 14
National Treatment

Each Party shall accord national treatment to the products of the customs territory of the other Party in accordance with Article III of the GATT 1994, which is hereby incorporated into and made part of this Agreement, *mutatis mutandis*.

Article 15
Customs Duty on Imports

1. Except as otherwise provided for in this Agreement, each Party shall eliminate or reduce its customs duties on imports on originating products of the Party and the other Party, imported from the customs territory of the other Party, in accordance with the terms and conditions set out in its Schedule in Annex I.

2. In cases where its most-favoured-nation applied rate of customs duty on imports on a particular product is lower than the rate of customs duty on imports to be applied in accordance with paragraph 1 on an originating product which is classified under the same tariff line as that particular product, each Party shall apply the lower rate with respect to that originating product.

3. Except as otherwise provided for in this Agreement, neither Party shall increase any customs duty on imports on originating products of the Party and the other Party, imported from the customs territory of the other Party, above the rate to be applied in accordance with the terms and conditions set out in its Schedule in Annex I.

Article 16
Customs Duty on Exports

Neither Party shall introduce or maintain any customs duty on exports on products exported from the customs territory of the Party into the customs territory of the other Party.