Article 12.16
Enforcement – Criminal Remedies

1. Each Party shall provide for criminal procedures and penalties to be applied at least in cases of willful trademark counterfeiting or copyright piracy on a commercial scale in accordance with Article 61 of the TRIPS Agreement.

2. With respect to the offences specified in paragraph 1, each Party shall provide that its competent authorities have the authority in accordance with its laws and regulations to order the forfeiture or destruction of all infringing goods.

Article 12.17
Enforcement – In the Digital Environment

Each Party's enforcement procedures shall apply to infringement of copyright or related rights over digital networks, which may include the unlawful use of means of widespread distribution for infringing purposes. These procedures shall be implemented in a manner that avoids the creation of barriers to legitimate activity, including electronic commerce, and, consistent with the laws and regulations of that Party, preserves fundamental principles such as freedom of expression, fair process and privacy.

Article 12.18
Sub-Committee on Intellectual Property

1. For the purposes of the effective implementation and operation of this Chapter, the Parties hereby establish a Sub-Committee on Intellectual Property (hereinafter referred to in this Article as "the Sub-Committee").

2. The functions of the Sub-Committee shall be:

(a) reviewing and monitoring the implementation and operation of this Chapter;

(b) discussing any issues related to intellectual property with a view to enhancing protection of intellectual property and enforcement of intellectual property rights in accordance with the provisions of this Chapter and to promoting efficient and transparent administration of intellectual property system;

(c) reporting the findings and the outcome of discussions of the Sub-Committee to the Joint Committee; and

(d) carrying out other functions as may be delegated by the Joint Committee.

3. The Sub-Committee shall be composed of representatives of the Governments of the Parties.

4. The Sub-Committee shall hold meetings at such times and venues or by means, as may be agreed by the Parties.

Article 12.19
Security Exceptions

For the purposes of this Chapter, Article 73 of the TRIPS Agreement is incorporated into and forms part of this Agreement, *mutatis mutandis*.