2. The application of paragraph 1 is without prejudice to the application of the provisions of Section A of Chapter 3 and Annex 3-A.

SECTION 4

Review of and consultations on the implementation of Section 3

1. After seven years from the entry into force of this Agreement, the Parties shall, on request of either Party on the basis of available information, jointly review the implementation of Section 3.

2. After the initiation of the review provided for in paragraph 1, a Party may request consultations with the other Party, provided that, based on facts and not merely on allegation, conjecture or remote possibility, there is evidence:

(a) that imports of the products of subheadings 8703.21 to 8703.90 from the requested Party into the requesting Party have, by application of Section 3, significantly increased in absolute terms or relative to domestic production, or

(b) of changes in patterns of sourcing after the entry into force of this Agreement which have had a negative effect on competition for domestic producers of directly competitive products in the requesting Party.

3. The Parties shall consult with a view to establishing the accuracy of the facts and identifying appropriate measures relating to the implementation of Section 3. Such measures shall not result in an expansion of the application of Section 3.

4. For greater certainty, in case of disagreement between the Parties on the application of this Section, a Party may have recourse to dispute settlement under Chapter 21.

SECTION 5

Relation with third countries

The Parties may decide that some or all materials of headings 84.07, 85.44 and 87.08 of the Harmonized System originating in a third country used in the production in a Party of a product of heading 87.03 of the Harmonized System are considered as originating materials under this Agreement, provided that:

(a) each Party has a trade agreement in force that forms a free-trade area with that third country, within the meaning of Article XXIV of GATT 1994;