CHAPTER 2

TRADE IN GOODS

SECTION A
GENERAL PROVISIONS AND MARKET ACCESS FOR GOODS

Article 2.1: Definitions

For the purposes of this Chapter:

(a) **consular transactions** means any requirements that goods of a Party intended for export to the territory of another Party must first be submitted to the supervision of the consul of the importing Party in the territory of the exporting Party for the purpose of obtaining consular invoices or consular visas for commercial invoices, certificates of origin, manifests, shippers' export declarations, or any other customs documentation required on or in connection with importation;

(b) **customs duties** means any customs or import duty and a charge of any kind imposed in connection with the importation of a good, but does not include any:

(i) charge equivalent to an internal tax imposed consistently with paragraph 2 of Article III of GATT 1994;

(ii) anti-dumping or countervailing duty applied consistently with Article VI of GATT 1994, the AD Agreement, and the SCM Agreement; or

(iii) fees or other charges commensurate with the cost of services rendered;

(c) **customs value of goods** means the value of goods for the purposes of levying *ad valorem* customs duties on imported goods;

(d) **duty-free** means free of customs duty;

(e) **import licensing procedure** means an administrative procedure requiring the submission of an application or other documentation, other than that generally required for customs clearance purposes, to the relevant administrative body of the importing Party as a prior condition for importation into the territory of the importing Party; and

(f) **originating good** means a good that qualifies as an originating good in accordance with Chapter 3 (Rules of Origin).

Article 2.2: Scope

Except as otherwise provided in this Agreement, this Chapter shall apply to trade in goods among the Parties.

Article 2.3: National Treatment on Internal Taxation and Regulation

Each Party shall accord national treatment to the goods of the other Parties in accordance with Article III of GATT 1994. To this end, Article III of GATT 1994 is incorporated into and made part of this Agreement, *mutatis mutandis*.

Article 2.4: Reduction or Elimination of Customs Duties

1. Except as otherwise provided in this Agreement, each Party shall reduce or eliminate its customs duties on originating goods of other Parties in accordance with its Schedule in Annex I (Schedules of Tariff Commitments).

2. For greater certainty, in accordance with the WTO Agreement, originating goods of other Parties shall be eligible, at the time of importation, for the most-favoured-nation applied rate of customs duty for those goods in a Party, where that rate is lower than the rate of customs duty provided for in that Party's Schedule in Annex I (Schedules of Tariff Commitments). Subject to its laws and regulations, each Party shall provide that an importer may apply for a refund of any excess duty paid for a good if the importer did not make a claim for the lower rate at the time of importation.

3. Further to subparagraph 1(b) of Article 4.5 (Transparency), each Party shall make publicly available any amendments to its most-favoured-nation applied rate of customs duty, and the latest