

Draft provisions:

Paragraphs to be added to Articles placed in the Title on Trade in Goods

New Paragraphs 3 and 4 (prohibition of Import and export monopolies) in the article on STEs

State Trading Enterprises

1. Nothing in this Agreement shall prevent a Signatory Party from maintaining or establishing a state trading enterprise in accordance with Article XVII of GATT 1994, its Notes and Supplementary Provisions and the WTO Understanding on the Interpretation of Article XVII, which are hereby incorporated into and made part of this Agreement.

2. Insofar as one of the Parties requests information of the other Party on individual cases of state trading enterprises, the manner of their operation and the effect of their operations on bilateral trade, the requested Party shall ensure full transparency in line with the rules set out in GATT Article XVII.

[New EU proposal: 3. As a derogation from paragraph 1, no Party shall designate or maintain a designated import or export monopoly. For the purposes of this Article, import or export monopoly means the exclusive right or grant of authority by a Party to an entity to import a good from, or export a good to, the other Party.]

4. For greater certainty, paragraph 3 is without prejudice to provisions in Title X *Trade in Service and Investment [and Service and Investment Schedules]*, and does not include a right that results from the grant of an intellectual property right.]

New Paragraph 2 (prohibition of import and export Pricing requirements) in the article on Prohibition of quantitative restrictions.

Prohibition of quantitative restrictions

1. No Party may adopt or maintain any prohibition or restriction, on the importation of any good of the other Party or on the exportation or sale for export of any good destined for the territory of the other Party, whether applied by quotas, licenses or other measures, except in accordance with Article XI of GATT 1994, including its interpretative notes. To this end, Article XI of GATT 1994 and its interpretative notes, are incorporated into and made part of this Agreement.

[New EU proposal: 2. No party shall adopt or maintain export or import price requirements [1], except as permitted in the enforcement of antidumping and countervailing duty orders or price undertakings.]

Footnote [1]: For greater certainty, this provision is not meant to prevent a Party from relying on the price of imports in order to determine the applicable rate of a customs duty [in accordance with this Agreement]