

## CHAPTER TWENTY-ONE

### INSTITUTIONAL ARRANGEMENTS AND DISPUTE SETTLEMENT PROCEDURES

#### Section A – Institutions

##### Article 21.1: Free Trade Commission

1. The Parties hereby establish the Free Trade Commission, composed of cabinet-level representatives of the Parties, or their designees.
2. The Commission shall:
  - (a) supervise the implementation of this Agreement;
  - (b) oversee the further elaboration of this Agreement; and
  - (c) consider any other matter that may affect the operation of this Agreement.
3. The Commission may:
  - (a) adopt interpretive decisions concerning this Agreement, which shall be binding on the dispute settlement panels established under Article 21.10 and on Tribunals established under Section C of Chapter Ten (Investment – Settlement of Disputes between a Party and an Investor of the Other Party);
  - (b) request the advice of non-governmental persons or groups;
  - (c) take any other action in the exercise of its functions as the Parties may decide; and

- (d) advance the objectives of the Agreement by approving the following:
  - (i) a revision of the schedule of a Party contained in Annex 3.4.1 (National Treatment and Market Access for Goods – Tariff Elimination), with the purpose of adding one or more goods excluded in the Tariff Elimination Schedule,
  - (ii) a revision of a phase-out period established in Annex 3.4.1 (National Treatment and Market Access for Goods – Tariff Elimination), with the purpose of accelerating a tariff reduction,
  - (iii) a revision of the rules of origin established in Annex 3.1 (National Treatment and Market Access for Goods – Textile and Apparel Goods) and Annex 4.1 (Rules of Origin – Specific Rules of Origin),
  - (iv) a revision of the Uniform Regulations on Customs Procedures, and
  - (v) a revision of Annex 17 (Government Procurement).

4. At the request of the Committee on the Environment established under the *Agreement on Environmental Cooperation between Canada and the Republic of Honduras*, the Commission may consider modifying Article 1.4 (Objectives and Initial Provisions – Relation to Multilateral Environmental Agreements) to include another multilateral environmental agreement (MEA) or to include an amendment to an MEA or to remove an MEA listed in that Article.

5. Annex 21.1 applies to a revision or a modification approved by the Commission under paragraphs 3(d) or 4.

6. The acceptance by a Party of a revision or a modification referred to in paragraphs 3(d) or 4 is subject to the completion of any necessary internal procedures of that Party.

7. The Commission may establish committees, subcommittees, or working groups taking into consideration any recommendation of the Coordinators. Unless otherwise specified in this Agreement, the committees, subcommittees and working groups shall work under a mandate which is recommended by the Coordinators and approved by the Commission.

8. The Commission shall establish its own rules and procedures. All decisions of the Commission shall be taken by consensus, unless the Commission decides otherwise.

9. The Commission shall normally convene once a year, or at the request, in writing, of either Party. Unless otherwise decided by the Parties, sessions of the Commission shall be held alternately in the territory of each Party, or by any technological means available.

#### **Article 21.2: Free Trade Coordinators**

1. Each Party shall appoint a Free Trade Coordinator. The Coordinators are as follows:

- (a) for Canada, whoever Canada designates as a Coordinator by notice in writing to Honduras; and
- (b) for Honduras, the Director General of Economic Integration and Trade Policy in the Secretariat of State of Industry and Trade (*Director General de Integración Económica y Política Comercial de la Secretaría de Estado en los Despachos de Industria y Comercio*) or any successor in function.

2. The Coordinators shall:

- (a) supervise the work of all committees, subcommittees, and working groups, established under this Agreement;
- (b) recommend to the Commission the establishment of committees, subcommittees and working groups that they consider necessary to assist the Commission;
- (c) follow up on any decisions taken by the Commission, as appropriate;

- (d) receive notifications provided pursuant to this Agreement; and
  - (e) consider any other matter that may affect the operation of this Agreement, as mandated by the Commission.
3. The Coordinators shall meet as often as required.
4. Either Party may at any time request the other Party in writing that the Coordinators hold a special meeting. The meeting shall take place within 30 days of receipt of the request.

**Article 21.3: Secretariat**

1. The Commission shall establish and oversee a Secretariat composed of national Sections.
2. Each Party shall:
- (a) establish a permanent office for its Section;
  - (b) be responsible for:
    - (i) the operation of its Section and the related costs, and
    - (ii) the remuneration and payment of expenses of members of panels, committees, subcommittees and working groups established under this Agreement, as set out in Annex 21.3;
  - (c) designate an individual to serve as Secretary for its Section, who shall be responsible for its administration and management; and
  - (d) notify the Commission of the location of its Section's office.

3. The Secretariat shall:
- (a) provide administrative assistance to a dispute settlement panel established under this Chapter, in accordance with the procedures established pursuant to Article 21.13; and
  - (b) as the Commission may direct:
    - (i) support the work of other committees, subcommittees and working groups established under this Agreement, and
    - (ii) facilitate the operation of this Agreement.

## **Section B – Dispute Settlement**

### **Article 21.4: Definitions**

For the purposes of this Section:

**chair candidates** means all of the candidates for chair proposed by each Party under Article 21.11(3), as modified by paragraph 21.11(4) if applicable;

**Code of Conduct** means the Code of Conduct that the Commission shall establish under Article 21.12(1)(d);

**complaining Party** means the Party that initiates a dispute settlement procedure under this Section; and

**Party complained against** means the Party against which a dispute settlement procedure is initiated.

### **Article 21.5: Cooperation**

The Parties shall endeavour to come to an understanding on the interpretation and application of this Agreement and, make every attempt through cooperation and consultations to arrive at a mutually satisfactory resolution of a matter that may affect its operation.

### **Article 21.6: Sphere of Application**

1. Except as provided in paragraph 2, the dispute settlement provisions of this Chapter apply with respect to the avoidance or settlement of all disputes between the Parties regarding the interpretation or application of this Agreement or wherever a Party considers that:

- (a) an actual or proposed measure of the other Party is or would be inconsistent with one of its obligations under this Agreement;
- (b) the other Party otherwise fails to carry out one of its obligation under this Agreement; or
- (c) there is nullification or impairment in the sense of Annex 21.6.

2. This Section does not apply to disputes regarding the provisions of Chapters Seven (Sanitary and Phytosanitary Measures), Eight (Technical Barriers to Trade), Eighteen (Environment), Nineteen (Labour), Section B of Chapter Twenty (Transparency – Anti-Corruption) and Articles 15.2 (Competition Policy, Monopolies, and State Enterprises – Competition Policy) and 11.8(2) (Cross-Border Trade in Services – Domestic Regulation).

### **Article 21.7: Choice of Forum**

1. Subject to paragraph 2, a dispute regarding a matter arising under this Agreement and the WTO Agreement, or any other free trade agreement to which the Parties are party, may be settled in any of those fora at the discretion of the complaining Party.

2. In a dispute referred to in paragraph 1, if the Party complained against claims that a matter is subject to Article 1.4 (Objectives and Initial Provisions – Relation to Multilateral Environmental Agreements) and requests in writing that the matter be considered under this Agreement, the complaining Party may, in respect of that matter, only have recourse to dispute settlement procedures under this Agreement.

3. If the complaining Party requests the establishment of a dispute settlement panel under one of the agreements referred to in paragraph 1, the forum selected shall be used to the exclusion of the others, unless the Party complained against makes a request under paragraph 2.

4. For the purposes of this Article, a dispute settlement procedure is initiated on the date of a Party's request for the establishment of a panel, such as under Article 6 of the Dispute Settlement Understanding of the WTO.

#### **Article 21.8: Consultations**

1. A Party may request in writing consultations with the other Party regarding a matter referred to in Article 21.6.

2. The Party requesting consultations shall deliver the request to its Section of the Secretariat and the other Party.

3. The Parties, unless they otherwise decide, shall enter into consultations within 25 days of the date of receipt of the request for consultations by the Party complained against.

4. In cases of urgency, including those that concern perishable goods, the Parties shall enter into consultations within 15 days of the date of receipt of the request for consultations by the Party complained against.

5. The complaining Party may request the establishment of a panel if the Party complained against:

- (a) does not respond to a request for consultations within 10 days of receiving the request for consultations;

- (b) does not enter into consultations within 25 days of receiving the request for consultations, or a period otherwise decided by the Parties; or
- (c) does not enter into consultations within 15 days of receiving the request for consultations regarding a matter referred to in paragraph 4.

6. The Parties shall make every attempt to arrive at a mutually satisfactory resolution of a matter through consultations under this Article, or through any other consultative provisions of this Agreement. To this end, each Party shall:

- (a) provide sufficient information to enable a full examination of how the actual or proposed measure or other matter might affect the operation of this Agreement; and
- (b) treat any confidential or proprietary information exchanged in the course of consultations on the same basis as the Party providing the information.

7. Consultations are confidential and without prejudice to the rights of either Party in the other stages of dispute settlement established in this Chapter.

8. Consultations may be held in person or by any other means decided by the Parties.

#### **Article 21.9: Good Offices, Conciliation and Mediation**

The Parties may decide to undertake voluntarily an alternative method of dispute resolution, such as good offices, conciliation, or mediation.

## **Article 21.10: Establishment of a Panel**

1. Subject to any decision by agreement of the Parties to have recourse to an alternative method of dispute resolution, the complaining Party may request the establishment of a dispute settlement panel if the Parties fail to resolve a matter under Article 21.8:
  - (a) within 35 days of the date of receipt of the request for consultations; or
  - (b) within 18 days of the date of receipt of the request for consultations for a matter referred to in Article 21.8(4).
2. The request to establish a panel must be made in writing.
3. The complaining Party shall deliver the request to establish a panel to its Section of the Secretariat and to the Party complained against, stating the measure or other matter complained of and indicating the relevant provisions of this Agreement.
4. The panel is deemed to be established on the date that the request for the establishment of the panel is received by the Party complained against.
5. Unless otherwise decided by the Parties, the panel shall be established and perform its functions in a manner consistent with the provisions of this Chapter.
6. If either Party requests the establishment of 2 or more panels in regard to the same matter, the Parties may consolidate proceedings before a single panel. The Parties may also consolidate 2 or more proceedings regarding distinct matters that they determine are appropriate to have considered jointly.
7. A panel may not be established to review a proposed measure.

### **Article 21.11: Panel Composition**

1. The panel shall consist of 3 members.
2. Each Party shall, within 30 days of the date referred to in Article 21.10(4), appoint 1 panel member and propose 4 candidates to serve as chair of the panel. The Party shall then notify the other Party in writing of the panel member appointment and its proposed candidates to serve as chair. If a Party fails to appoint a panel member in accordance with this paragraph or fails to propose its chair candidates, the panel member or the chair shall be selected from the chair candidates of the other Party.
3. The Parties shall endeavour to decide on and appoint the chair from among the chair candidates within 60 days of the date referred to in Article 21.10(4). If the Parties fail to decide on the chair within this time period, a chair shall be selected by lot within a further 7 days, from the candidates proposed.
4. If a panel member withdraws, is removed, or becomes unable to serve, the time periods applicable to that panel's proceedings are suspended until a replacement is appointed. The replacement shall be appointed as follows:
  - (a) a panel member appointed by a Party shall be replaced by that Party within 30 days, failing which the replacement shall be appointed in accordance with the third sentence of paragraph 2; or
  - (b) a chair shall be replaced within 30 days by a person decided on by both Parties, failing which the replacement shall be appointed in accordance with the second sentence of paragraph 3; or
  - (c) if there are no remaining chair candidates, each Party shall propose up to 3 additional chair candidates within a further 30 days, and the Parties shall select a panel member by lot within seven 7 days thereafter from the chair candidates in accordance with sub-paragraph (a) or (b).

5. If a Party believes that a panel member is in violation of the Code of Conduct, the Parties shall consult and if they so decide, may dismiss the panel member and select a new panel member in accordance with this Article.

#### **Article 21.12: Qualifications of Panel Members**

1. Each panel member shall:
  - (a) have expertise or experience in law, international trade, other matters covered by this Agreement, or in the settlement of disputes arising under international trade agreements;
  - (b) be chosen strictly on the basis of objectivity, reliability, and sound judgment;
  - (c) be independent of all Parties; and
  - (d) comply with a Code of Conduct that the Commission shall establish at its first session following the entry into force of this Agreement.
  
2. A panel member may not:
  - (a) have dealt with the matter at issue in any capacity, or have been involved in an alternative dispute settlement procedure referred to in Article 21.9; and
  - (b) be a national of a Party, or have their usual place of residence in the territory of a Party.

#### **Article 21.13: Rules of Procedure**

1. Unless the Parties otherwise decide, the panel shall conduct its proceedings in accordance with the Model Rules of Procedure. A panel may establish, in consultation with the Parties, supplementary rules of procedure that do not conflict with the provisions of this Chapter.

2. The Commission shall establish the Model Rules of Procedure at its first session following the entry into force of this Agreement. The Commission shall establish the Model Rules of Procedure in accordance with the following principles:

- (a) the right to at least one hearing before the panel, as well as the opportunity for each Party to provide initial and rebuttal submissions, in writing, before the preparation of the panel's preliminary report;
- (b) subject to sub-paragraph (f), a Party may make available to the public any Party's written submissions to the panel and any transcript of a hearing before the panel 15 days after the report of the panel is published pursuant to Article 21.16(9);
- (c) unless the Parties decide otherwise, the hearings of the panel shall be open to the public, provided that the hearings are held in closed session to the extent necessary to protect any information that the Model Rules of Procedure require be confidential;
- (d) the panel shall allow a non-governmental person of a Party to provide views, in writing, regarding the dispute that may assist the panel in evaluating the submissions and arguments of the Parties;
- (e) submissions and comments made to the panel shall be available to the other Party; and
- (f) information designated by either Party for confidential treatment shall be protected.

3. The Commission may modify the Model Rules of Procedure if it considers it necessary.

#### **Article 21.14: Terms of Reference of the Panel**

1. Unless the Parties otherwise decide within 20 days from the date of the establishment of the panel, the terms of reference of the panel shall be:

“To examine, in the light of the relevant provisions of the Agreement, the matter referred by (name of the complaining Party) (as set out in the request for the establishment of the panel) and to make determinations and recommendations as provided in Article 21.17(2).”

2. If the complaining Party wishes to argue that a matter has nullified or impaired benefits in the sense of Annex 21.6, the terms of reference shall so indicate.

3. If a Party wishes the panel to make findings as to the degree of adverse trade effects on a Party of any measure determined:

(a) to be inconsistent with the obligations of the Agreement; or

(b) to have caused nullification or impairment in the sense of Annex 21.6,

the terms of reference shall so indicate.

4. The panel may rule on its own competence.

5. The panel may, in consultation with the Parties, modify a time period applicable in the panel proceedings and make other procedural or administrative adjustments that may be required for the fairness or efficiency of the proceeding.

6. A panel member may issue a separate opinion on a matter that is not unanimously agreed on by the panel.

7. The Parties shall bear the expenses of the panel, including the remuneration of the panel members, in accordance with Annex 21.3 and the Model Rules of Procedure.

### **Article 21.15: Function of Experts**

At the request of a Party, or on its own initiative, the panel may seek information and technical advice from a person or body it deems appropriate, subject to any terms and conditions that the Parties decide on.

### **Article 21.16: Panel Reports**

1. Unless the Parties decide otherwise, the panel shall base its report on the submissions and arguments of the Parties and on any information before it pursuant to Article 21.15.
2. Unless the Parties decide otherwise, the panel shall, within 90 days after the last panel member is selected, present to the Parties a preliminary report containing:
  - (a) findings of fact;
  - (b) its determination as to whether the measure at issue is or would be inconsistent with the obligations of this Agreement or cause nullification or impairment in the sense of Annex 21.6, or any other determination requested in the terms of reference; and
  - (c) any recommendations for resolution of the dispute.
3. A Party may submit comments, in writing, to the panel regarding its preliminary report within 14 days of presentation of the report.
4. After considering the comments referred to in paragraph 3, the panel, on its own initiative or at the request of a Party, may:
  - (a) request the views of the other Party;
  - (b) reconsider its report; or
  - (c) make any further examination that it considers appropriate.

5. If the panel determines that a measure at issue is inconsistent with the obligations of this Agreement or causes nullification or impairment in the sense of Annex 21.6, at least 15 days prior to issuing the final report, it shall invite the Parties to make submissions in accordance with the Model Rules of Procedure so that the panel may:

- (a) make any findings required pursuant to Article 21.14(3); or
- (b) determine the period of time to implement the final report.

6. Unless the Parties decide otherwise, the panel shall present to the Parties a final report, including any separate opinions:

- (a) within 30 days of presentation of the preliminary report, if the panel determines that all measures at issue are not inconsistent with the obligations of this Agreement and do not cause nullification or impairment in the sense of Annex 21.6; or
- (b) within 60 days of presentation of the preliminary report, if the panel determines that a measure at issue is inconsistent with the obligations of this Agreement or causes nullification or impairment in the sense of Annex 21.6.

7. In addition to the elements required by paragraphs 2(a), (b) and (c), the final report shall include the following:

- (a) the panel's findings, if required pursuant to Article 21.14(3), as to the degree of adverse trade effects on the complaining Party of any measure determined to be inconsistent with the obligations of the Agreement or to have caused nullification or impairment in the sense of Annex 21.6; and
- (b) the panel's determination regarding the period of time to implement the final report, which should not exceed 6 months from the date that the last Party receives the final report.

8. The panel may not disclose which panel members are associated with a majority or minority opinion in its preliminary report or its final report.

9. Unless the Parties decide otherwise, the final report of the panel may be published by a Party or the Secretariat 15 days after it is presented to the Parties, subject to Article 21.13(2)(f).

#### **Article 21.17: Implementation of the Final Report**

1. A Party shall promptly implement the panel's final report to ensure effective dispute resolution.

2. On receipt of the final report, the Parties shall endeavour to come to a resolution of the dispute taking into account the determinations and any recommendations of the panel. The Parties shall notify their respective sections of the Secretariat of any resolution of the dispute.

3. Whenever possible, the resolution shall be the non-implementation or removal of a measure not conforming to this Agreement, or failing such a resolution, compensation.

4. If a panel determines that a measure nullifies or impairs benefits in the sense of Annex 21.6, the Party complained against is not obliged to withdraw the measure. In such a case, notwithstanding Article 21.18(1), compensation may be part of a mutually satisfactory resolution as final settlement of the dispute.

#### **Article 21.18: Compensation and Suspension of Benefits**

1. The Parties recognize that compensation, suspension of benefits, and suspension of other obligations are temporary measures and that the non-implementation or removal of a measure not complying with this Agreement is preferable to compensation and to suspension of benefits or other obligations. A Party has the discretion to decide whether or not to compensate the other Party. If it does decide to compensate the other Party, the compensation shall be consistent with the obligations of this Agreement.

2. If the final report includes a determination that a measure is inconsistent with the obligations of this Agreement or causes nullification or impairment in the sense of Annex 21.6, the complaining Party may, after receiving the final report, request specific compensation from the Party complained against that the complaining Party considers would constitute a satisfactory resolution of the dispute. The Party complained against shall give sympathetic consideration to any such request.

3. If the Parties do not reach a mutually satisfactory resolution of the dispute within 30 days of the expiry of the period of time for implementation of the final report, the complaining Party may suspend benefits or other obligations equivalent to the degree of adverse trade effects until:

- (a) the Parties have reached a mutually satisfactory resolution of the dispute;  
or
- (b) the Party complained against has removed the measure inconsistent with the Agreement.

4. The complaining Party may not suspend benefits or other obligations until 10 days after it has delivered to the Party complained against notice, in writing, identifying the benefits or other obligations that it intends to suspend.

5. In considering which benefits to suspend pursuant to paragraph 3:

- (a) the complaining Party should first seek to suspend benefits or other obligations in the same sector or sectors as that or those affected by the measure or other matter that the panel has found to be inconsistent with the obligations of this Agreement or to have caused nullification or impairment in the sense of Annex 21.6; and
- (b) the complaining Party that does not consider it practicable or effective to suspend benefits or other obligations in the same sector or sectors may suspend benefits in other sectors.

6. A Party may, by notice in writing delivered to its Section of the Secretariat and to the other Party, request the establishment of a compliance panel:
  - (a) to determine whether the level of benefits or other obligations suspended by the complaining Party pursuant to paragraph 3 is excessive; or
  - (b) to rule on any disagreement regarding the non-implementation or removal of a measure determined by the previous panel to be inconsistent with the Agreement.
  
7. The compliance panel shall consist of the members of the original panel. If a member of the original panel is unable to serve on the panel, that panel member shall be replaced under the provisions of Article 21.11(4).
  
8. The compliance panel is deemed to have been established on the date that the request for the establishment of the compliance panel is received by the other Party.
  
9. The compliance panel proceedings shall be conducted in accordance with the Model Rules of Procedure. The panel shall present its report within 60 days after the later of the date of establishment of the compliance panel or the date on which the last panel member is selected, or within another period decided by the Parties.

**Article 21.19: Modification of Time Periods**

The Parties may decide to modify or waive a time period stipulated in this Section of this Chapter.

**Section C – Domestic Proceedings and Private Commercial  
Dispute Settlement**

**Article 21.20: Referral of a Matter from a Judicial or Administrative Proceeding**

1. A Party shall notify its Section of the Secretariat and the other Party if:
  - (a) an issue of interpretation or application of this Agreement arises in a domestic, judicial, or administrative proceeding of a Party, and a Party considers that issue could merit its intervention; or
  - (b) a court or administrative body solicits the views of a Party.
2. The Commission shall endeavour to decide on any appropriate response to a matter raised under paragraph 1 as expeditiously as possible.
3. The Party in whose territory the court or administrative body is located shall submit any interpretation of the Commission to the court or administrative body in accordance with the rules of that forum.
4. If the Commission is unable to decide on the interpretation, each Party may submit its own views to the court or administrative body in accordance with the rules of that forum.

**Article 21.21: Private Rights**

A Party may not provide for a right of action under its domestic law against the other Party on the ground that a measure of that Party is inconsistent with this Agreement.

## **Article 21.22: Alternative Dispute Resolution**

1. Each Party shall, to the extent possible, encourage and facilitate the use of arbitration and other means of alternative dispute resolution to settle international commercial disputes between private parties in the free trade area.
2. To this end, each Party shall provide appropriate procedures to ensure observance of agreements to arbitrate and for the recognition and enforcement of awards in such disputes.
3. A Party is deemed to comply with paragraph 2 if it is a party to and complies with the United Nations *Convention on the Recognition and Enforcement of Foreign Arbitral Awards*, done at New York on 10 June 1958 or the *Inter-American Convention on International Commercial Arbitration*, done at Panama City on 30 January 1975.
4. The Commission may establish an Advisory Committee on Private Commercial Disputes composed of persons with expertise or experience in the resolution of private international commercial disputes. The Committee may report and provide recommendations to the Commission on general issues referred to it by the Commission regarding the availability, use and effectiveness of arbitration and other procedures for the resolution of those disputes in the free trade area.

## **Annex 21.1**

### **Implementation of Revisions or Modifications Approved by the Commission**

In the case of Honduras, a revision or a modification approved by the Commission under Article 21.1(3)(d) or Article 21.1(4) is equivalent to the instruments referred to in Article 21 of the Constitution of the Republic of Honduras (*Constitución Política de la Republica de Honduras*).

## **Annex 21.3**

### **Remuneration and Payment of Expenses**

1. The Commission shall establish the amounts of remuneration and expenses to be paid to the members of a panel, committee, subcommittee, or working group.
2. Each Party shall bear in equal shares the following:
  - (a) The remuneration of members of a panel, committee, subcommittee, or working group;
  - (b) the remuneration of assistants of the persons set out in subparagraph (a);
  - (c) the travel and lodging expenses of the persons referred to in subparagraphs (a) and (b); and
  - (d) general expenses of the panel, committee, subcommittee, or working group.
3. Each member of a panel, committee, subcommittee, or working group shall keep a record and render a final account of the person's time and expenses, and those of any assistant. The panel, committee, subcommittee, or working group shall keep a record and render a final account of general expenses.

## **Annex 21.6**

### **Nullification or Impairment**

1. A Party may have recourse to dispute settlement under this Chapter if it considers that any benefit it could reasonably have expected to accrue to it under any provision of one of the following:

- (a) Chapter Three (National Treatment and Market Access for Goods); Chapter Four (Rules of Origin), Chapter Five (Customs Procedures), Chapter Six (Trade Facilitation), Chapter Nine (Emergency Action), and Chapter Seventeen (Government Procurement); or
- (b) Chapter Eleven (Cross-Border Trade in Services),

is nullified or impaired as a result of the application of any measure that is not inconsistent with this Agreement. A panel established under this Chapter shall consider the jurisprudence interpreting Article XXIII:1(b) of the GATT 1994, or Article XXIII(3) of the GATS.

2. A Party may not invoke paragraph 1(b), with respect to any measure subject to an exception under Article 22.2 (Exceptions – General Exceptions).

3. A Party may not invoke paragraph 1 with respect to any measure subject to the exception under Article 22.7 (Exceptions – Cultural Industries).