

ANNEX V

(Referred to in Article 90 of the Association Agreement)

AGREEMENT ON TRADE IN WINE

Article 1

Objectives

The Parties shall, on the basis of non-discrimination and reciprocity, facilitate and promote trade in wine produced in Chile and in the Community, under the terms provided for in this Agreement.

Article 2

Scope and coverage

This Agreement applies to wines falling under heading 22.04 of the Harmonised Commodity Description and Coding System ("HS"), which are produced in accordance with the applicable legislation regulating the production of a particular type of wine within a Party.

Article 3

Definitions

For the purposes of this Agreement, unless otherwise provided for:

- (a) "originating" , when used in relation to the name of a Party, shall require that a wine is produced entirely within the Party concerned solely from grapes which have been wholly harvested in that Party;
- (b) "geographical indication" means the indication defined in Article 22(1) of the WTO TRIPs Agreement, which is protected under the laws and regulations of a Party for identifying a wine originating in a region or locality within that Party;
- (c) "traditional expression" means a name traditionally used to refer, in particular, to the production or ageing method or the quality, colour, type of place, or a particular event linked to the history of the product concerned of wine that is recognised by the laws and regulations of a Party for describing and presenting a product originating in that Party;
- (d) "complementary quality mentions" are those terms named as complementary quality mentions in the Chilean legislation;
- (e) "homonymous" means the same geographical indication or same traditional expression and complementary quality mentions, or such a term so similar as to be likely to cause confusion, to denote different places, procedures or things;

- (f) “description” means the words used to describe a wine on a label or documents accompanying the transport of wine, on commercial documents particularly invoices and delivery notes, and advertising material, and “describe” has a similar meaning;
- (g) “labelling” means all descriptions and other references, signs, designs, geographical indications or trademarks which distinguish wines and which appear on the container, including its sealing device or the tag attached to the container and the sheathing covering the neck of bottles;
- (h) “Member State” means a Member State of the Community;
- (i) “presentation” means the words or signs used on containers, including their closure, labels and packaging;
- (j) “packaging” means the protective wrappings, such as papers, straw envelopes of any kind, cartons and cases used for transport of one or more containers or for sale to the ultimate consumer;
- (k) “produced” means the entire process of wine-making;
- (l) “wine-making process” means the transformation process of must, using yeast, until the time no remaining sugar is present or that the required quantity of sugar, according to the nature of end products, is attained;
- (m) “vine varieties” means varieties of plants of *Vitis Vinifera* without prejudice to any legislation a Party may have in respect of the use of different vine varieties in wine produced in that Party;
- (n) “identification”, when used in relation to geographical indications, means the use of geographical indications for the purpose of describing or presenting a wine;
- (o) “wine” means solely the beverage resulting from full or partial alcoholic fermentation of fresh grapes of the vine varieties, referred to in this agreement whether or not pressed, or of its must;
- (p) “Agreement” means this Agreement and its Appendices ;
- (q) “Association Agreement” means the Agreement establishing an Association between the Parties, to which this Agreement is annexed; and
- (r) "Association Committee" means the Committee referred to in Article 193 of the Association Agreement.

Article 4

General rules on importation and marketing

1. Unless otherwise provided for in this Agreement, wine trade and marketing shall be conducted in compliance with the laws and regulations of the Party concerned.

2. This Agreement shall be without prejudice to rules applying in either Party on taxation or other relevant control measures.

TITLE I

MUTUAL PROTECTION OF GEOGRAPHICAL INDICATIONS OF NAMES FOR WINE

Article 5

Protection of geographical indications

1. The Parties shall take all necessary steps in accordance with this Agreement to ensure mutual protection of the names referred to in Article 6 and used for describing and presenting wine that, within the meaning of Article 3, originate in the Parties. To that end, each Party shall make use of the appropriate legal means referred to in Article 23 of the WTO TRIPS Agreement to ensure an effective protection and prevent geographical indications from being used to describe wine not covered by the indications or descriptions concerned.

2. The names referred to in Article 6 shall be reserved exclusively for the products originating in the Party to which they apply and may be used only under the conditions laid down in the laws and regulations of that Party.

3. Protection as referred to in paragraphs 1 and 2 shall provide in particular for the exclusion of any use of the names referred to in Article 6 for wines that do not originate in the geographical area in question, even if:

- (a) the actual origin of the product is shown;
- (b) the name in question is used as a translation;
- (c) the name is accompanied by terms such as 'kind', 'type', 'style', 'imitation', 'method' or other expressions of the sort.

4. In the case of homonymous geographical indications:

- (a) where two geographical indications protected under this Agreement are homonymous, protection shall be granted to both of them; the consumer shall not be misled as to the actual origin of the wine;
- (b) where a geographical indication protected under this Agreement is homonymous with the name of a geographical area outside the Parties, the latter name may be used to describe and present a wine of the geographical area to which the name refers, provided it is traditionally and consistently used, its use for that purpose is regulated by the country of origin and consumers are not misled into believing that the wine originates in the Party concerned.

5. The Parties may, where necessary, lay down the practical conditions of use to make a distinction between the homonymous geographical indications referred to in paragraph 4,

bearing in mind the need to treat the producers concerned fairly and to ensure that consumers are not misled.

6. The provisions of this Article shall in no way prejudice the right of any legal or natural person to use, in the course of trade, that person's name or the name of that person's predecessor in business, except where such name is used in such a manner as to mislead the public. Further, Article 7(1) shall not apply to such names which are registered trademarks at the date of entry into force of this Agreement.

7. Where a Party, in the context of negotiations with a third country, proposes to protect a geographical indication for wine of that third country, and that name is homonymous with a geographical indication of the other Party, the latter shall be informed and be given a chance to comment before the name becomes protected.

Article 6 **Geographical indications**

The following names shall be those referred to in Article 5:

- (a) as regards wine originating in the Community:
 - (i) terms referring to the Member State in which the product originates;
 - (ii) the geographical indications listed in Appendix I.
- (b) as regards wine originating in Chile:
 - (i) terms referring to Chile;
 - (ii) the geographical indications listed in Appendix II.

Article 7 **Geographical indications and trademarks**

1. Registration of a trademark for wine within the meaning of Article 3 which is identical with, or similar to, or contains a geographical indication protected under Article 5 shall be refused.

2. On the basis of the Chilean trademark register as established on 10 June 2002, the trademarks listed in Appendix VI shall be cancelled within 12 years for use on the internal market and five years for use for export from the date of entry into force of this Agreement.

3. The trademarks listed in Appendix VI for wine that has been exported on average in less than 1000 boxes of 9 litres during the period 1999-2001 shall be cancelled at the date of entry into force of this Agreement.

Article 8

Protection of traditional expressions or complementary quality mentions

1. The Parties shall take all necessary steps in accordance with this Agreement to ensure mutual protection of the traditional expressions or complementary quality mentions referred to in Article 9 and used for describing and presenting wine that, within the meaning of Article 3, originates in the Parties. To that end, each Party shall make use of appropriate legal means to ensure an effective protection and prevent traditional expressions or complementary quality mentions from being used to describe wine not covered by the indications or descriptions concerned.
2. The traditional expressions or complementary quality mentions referred to in Article 9 shall be reserved exclusively for the products originating in the Party to which they apply and may be used only under the conditions laid down in the laws and regulations of that Party, subject to paragraphs 3, 4 and 5.
3. The protection of a traditional expression or a complementary quality mention shall apply only to the language or languages in which it appears in Appendices III or IV.
4. The protection for each traditional expression or complementary quality mention shall apply only to its use to describe and present the category or categories of wines for which it is listed in Appendix III or IV.
5. In the case of homonymous traditional expressions and complementary quality mentions:
 - (a) where a traditional expression and a complementary quality mention protected under this Article are homonymous, protection shall be granted to both of them, provided the consumer is not misled as to the actual origin of the wine;
 - (b) where a traditional expression or complementary quality mention listed in part A of Appendix III or IV is homonymous with the name of a wine originating outside the Parties, the latter name may only be used to describe and present a wine provided such use is recognised in the internal legislation of the country of origin and does not constitute unfair competition and consumers are not misled as to the origin, nature or quality of the wine;
 - (c) where a traditional expression or complementary quality mentions listed in part B of Appendix III or IV is homonymous with the name of a wine originating outside the Parties, the latter name may only be used to describe and present a wine provided that it is a geographical indication traditionally and consistently used, its use for that purpose is regulated by the country of origin and consumers are not misled into believing that the wine originates in the Party concerned.
6. The Parties may, where necessary, lay down the practical conditions of use to make a distinction between the homonymous traditional expressions and complementary quality mentions referred to in paragraph 5, bearing in mind the need to treat the producers concerned fairly and to ensure that consumers are not misled.

Article 9

Traditional expressions or complementary quality mentions

The following traditional expressions or complementary quality mentions shall be protected for the purposes of Article 8:

- (a) as regards wine originating in the Community, those listed in Appendix III part A and part B,
- (b) as regards wine originating in Chile, those listed in Appendix IV part A and part B.

Article 10

Traditional expressions or complementary quality mentions and trademarks

1. Registration of a trademark for a wine in a Party which is identical with, or similar to, or contains a traditional expression or a complementary quality mention of the other Party listed in part A of Appendix III or IV shall be refused insofar as that registration concerns use of that traditional expression or complementary quality mention to describe or present the category or categories of wine for which that traditional expression or complementary quality mention is listed in Appendix III or IV.

2. By way of derogation from paragraph 1, registration of a trademark for a wine in a Party which is also identical with, or similar to, or contains a traditional expression or a complementary quality mention of that Party listed in part A of Appendix III or IV shall not be required to be refused insofar as that registration concerns use of that traditional expression or complementary quality mention to describe or present the category or categories of wine for which that traditional expression or complementary quality mention is listed in Appendix III or IV.

3. Registration of a trademark of a wine within the meaning of Article 3 which is identical with or similar to, or contains a traditional expression or complementary quality mentions listed in part B of Appendix III or IV shall be refused insofar as that registration concerns use of that traditional expression or complementary quality mention to describe or present the category or categories of wine for which that traditional expression or complementary quality mention is listed in Appendix III or IV.

4. On the basis of the Chilean trademark register as established on 10 June 2002, the trademarks listed in Appendix VII shall be cancelled at the date of entry into force of this Agreement.

5. For trade in wines between the Parties a wine originating in Chile may be described or presented with the following elements in the Community, whether or not the conditions for its use is regulated in Chile:

- (a) the name(s), title(s) and address(es) of the legal or natural person(s) that took part in the marketing,
- (b) the type of product,

- (c) a particular colour,
- (d) the vintage year,
- (e) the name of one or more vine varieties,
- (f) indications concerning the means used to obtain or method used to manufacture the product,
- (g) the name of a vineyard,
- (h) a term indicating that the wine was bottled on the estate, or by a group of vineyards, or in a vineyard situated in the region of production or in the region of production.

Article 4(1) shall otherwise apply in respect of these elements .

For wine originating in a Party, any name not listed in Appendices I, II, III and IV may be freely used to describe and present wine without the need for any regulation on the internal market of that Party, subject to any legislation applicable in that Party, or in export to and on the internal market of third countries, subject to any legislation applicable in that third country.

Article 11

Protected trademarks

1. The Parties are not aware, on the basis of the Chilean trademark register as established on 10 June 2002, of any trademarks other than those referred to in Article 7(2) and Article 10(4) which are identical with, or similar to, or contain the geographical indications or traditional expressions or complementary quality mentions referred to in Articles 6 and 10, respectively.
2. Pursuant to paragraph 1, neither Party shall deny the right to use a trademark contained in the Chilean trademark register on 10 June 2002, other than those referred to in Articles 7(2) and 10(4), on the basis that such a trademark is identical or similar to, or contains a geographical indication listed in Appendix I or II or a traditional expression or a complementary quality mention listed in Appendix III or IV.
3. The holders of trademarks other than those listed in Articles 7(2) and 10 (4), that are registered in only one of the Parties may request within two years from the entry into force of this Agreement the registration of such trademarks in the other Party. In this case, that Party shall not reject such a request on the basis that any such trademark is identical with or similar to, or contains a geographical indication contained in Appendix I or II or to a traditional expression or complementary quality mention contained in Appendix III or IV.
4. Trademarks which are identical with or similar to, or contain the geographical indications or traditional expressions or complementary quality mentions referred to in Articles 7 and 10 may not be invoked against the use of the geographical indications or traditional expressions or complementary quality mentions used to describe or present those

wines which are entitled to use those geographical indications or traditional expressions or complementary quality mentions.

Article 12
Originating wines

The Parties shall take all steps necessary to ensure that, where wines originating in a Party are exported and marketed outside that Party, the protected names referred to in Article 6 and the traditional expressions of that Party referred to in Article 9 are not used to describe and present such products which originate in the other Party.

Article 13
Labelling

Neither Party shall allow a product to be labelled as originating in the other Party where such product is the result of the mixing of wines originating in the other Party and wines originating in that Party or a third country.

Article 14
Extension of protection

To the extent that the relevant legislation of each Party so allows, the benefit of protection granted by this Agreement shall be extended to legal and natural persons, corporate bodies and federations, associations and organisations of producers, traders and consumers whose headquarters are located in the other Party.

Article 15
Geographical indications unprotected in their country of origin

Nothing in this Agreement shall bind a Party to protect a geographical indication of the other Party which is not protected in its country of origin.

Article 16
Enforcement

1. If the competent body designated in accordance with Article 27 becomes aware that the description or presentation of a wine, particularly on labels or in official or commercial documents or in advertising material, is in breach of the protection given by this Agreement, the Parties shall apply the necessary administrative measures and / or initiate legal proceedings as appropriate in order to combat unfair competition or to prevent in any other way any misuse of a name referred to in Article 6 or 9.

2. The measures and proceedings laid down in paragraph 1 shall be taken in particular in the following cases :

- (a) where the translation of descriptions provided for by the legislation of either Party into the language or languages of the other Party results in a word which is liable to be misleading as to the origin, nature or quality of the wine thus described or presented;
 - (b) where descriptions, trademarks, names, inscriptions or illustrations which directly or indirectly give false or misleading information as to the provenance, origin, nature, vine variety or material qualities of the wine appear on containers or packaging, advertising material, or in official or commercial documents relating to wines whose names are protected under this Agreement;
 - (c) where, for packaging, containers are used which are misleading as to the origin of wines.
3. The application of paragraphs 1 and 2 shall not hinder the possibility of the authorities and bodies referred to in Article 27 to take appropriate actions in the Parties, including their courts.

TITLE II

OENOLOGICAL PRACTICES AND PROCESSES AND PRODUCT SPECIFICATIONS

Article 17

Recognition of oenological practices

1. The Community shall authorise the import and the marketing for direct human consumption of all wines originating in Chile which are produced in accordance with one or more oenological practices or processes and product specifications as referred to in paragraph 1 of Appendix V and in Appendix VIII (Protocol).
2. Chile shall authorise the import and the marketing for direct human consumption of all wines originating in the Community which are produced in accordance with one or more oenological practices or processes and product specifications as referred to in paragraph 2 of Appendix V and in Appendix VIII (Protocol).

Article 18

New oenological practices

1. Each Party shall endeavour to inform the other Party under the procedures set out in Article 29 at the earliest reasonable opportunity of developments which could lead, in relation to wine produced in that Party, to the authorisation of an oenological practice or process not listed for that Party in Appendix V with a view to agreeing a common approach.
2. A Party shall notify the other Party where, in relation to wine produced in that Party, it has authorised an oenological practice or process not listed for that Party in Appendix V.

3. The notification shall comprise:
 - (a) a description of oenological practice or process not listed for that Party in Appendix V; and
 - (b) a technical dossier justifying the authorisation of the oenological practice or process in particular with regard to the requirements set out in Article 19.
4. During a period of 12 months beginning one month after the notification referred to in paragraph 2, and subject to Articles 20(3) and 21(2)(b), the other Party shall provisionally authorise the import and the marketing of wines originating in the notifying Party, which are produced in accordance with the oenological practice or process in question.

Article 19

Quality standards

Oenological practices and processes, other than those listed in Appendix V at the date of entry into force of this Agreement, used for the production of wine shall fulfil the following requirements:

- (a) the protection of human health, which shall be based on scientific principles and not maintained without sufficient scientific evidence;
- (b) the protection of the consumer against deceptive practices; and
- (c) the respect of good oenological practice, in particular that the wine-making processes, treatments, and techniques authorised by the laws and regulations of each Party do not involve an unacceptable change in the composition of the product treated and ensure the preservation of the natural and essential characteristics of the wine while improving its quality.

Article 20

Safeguard

1. Within a period of twelve months from the notification by a Party referred to in Article 18(2), the other Party may oppose the acceptability of the notified oenological practice or process on the ground that it does not fulfil one or more of the requirements set out in Article 19. It may invoke the arbitration procedure set out in Article 23.
2. The arbitrators referred to in Article 23 shall make a determination as to whether the notified oenological practice or process fulfils the requirements set out in Article 19.
3. The Parties shall ensure that the determination as to whether the notified oenological practice or process fulfils the requirements set out in Article 19 is adopted with a view to, or with the effect of, not creating unnecessary obstacles to trade in wines.
4. Without prejudice to Article 21(2)(a), the provisional authorisation for the import and marketing of wines originating in the notifying Party produced in accordance with the

oenological practice or process in question shall continue until the determination referred to in paragraph 2 is made.

Article 21

Modification of Appendix V

1. The Parties shall modify the relevant paragraph of Appendix V to add the oenological practice or process before the end of the period referred to in Article 18(4).
2. By way of derogation from paragraph 1, where a Party has invoked the safeguard provided for in Article 20, then:
 - (a) if the arbitrators determine that the notified oenological practice or process fulfils the requirements set out in Article 19, the Parties shall amend the relevant paragraph of Appendix V to add the oenological practice or process within three months of the date of such determination. The provisional authorisation for the import and marketing of wines originating in the notifying Party which are produced in accordance with the oenological practice or process in question shall continue until such amendment is made;
 - (b) if however, the arbitrators determine that the authorised or modified oenological practice or process does not fulfil the requirements set out in Article 19, then the provisional authorisation for the import and marketing of wines originating in the notifying Party which are produced in accordance with the oenological practice or process in question, as referred to in Article 18(4), shall cease from 14 days of the date of such determination. Such cessation shall not affect the continued applicability of Article 17(1) and (2) in relation to wine imported into the Parties before the date of such determination.

Article 22

Modification of oenological practices and processes

Articles 18 to 21 shall also apply in the case where a Party authorises a modification to an oenological practice or process listed in the relevant paragraph of Appendix V.

Article 23

Arbitration procedure on oenological practices and processes

1. Any disputes concerning the interpretation and application of the provisions of this Title shall be settled in accordance with the provisions of Title VIII of the Association Agreement, except as otherwise provided in this Article.
2. The Association Committee shall, no later than six months after the entry into force of this Agreement, establish a list of at least 15 individuals who are willing and able to serve as oenological arbitrators, a third of whom must not be nationals of either Party and be identified as chairperson of arbitration panels. The Association Committee shall ensure that the list always contains 15 individuals at any point in time. The individuals selected to act as chairperson of arbitration panels shall have the specialised knowledge or experience in law,

international trade or in the resolution of disputes deriving from international trade agreements. Ten of the individuals shall have experience and knowledge in oenological practices, be independent, serve in their individual capacities and not be affiliated with, nor take instructions from, any Party or organisation and shall comply with the Code of Conduct set out in Annex XVI of the Association Agreement. Such list may be amended every three years.

3 Within three days of the request for an oenological arbitration procedure under Article 20(1), the three arbitrators shall be selected by lot by the chairperson of the Association Committee from the list referred to in paragraph 2, one among the individuals proposed to the Association Committee by the requesting Party, one among the individuals proposed to the Association Committee by the other Party and the chairperson among the individuals identified for that purpose under paragraph 2.

4. The terms of reference of the oenological arbitration panel shall be to determine whether the new oenological practice referred to it in the request made under paragraph 2 of Article 20 fulfils the requirements set out in Article 19.

5. The ruling of the arbitration panel shall be given no later than three months from the date of the request under Article 20(1). The ruling shall be final and publicly available.

TITLE III

IMPORT CERTIFICATION REQUIREMENTS

Article 24

Certification documents and analysis report

1. Each Party shall authorise the import of wines in accordance with the rules governing the import certification documents and analysis reports as provided for in Appendix VIII (Protocol).

2. Subject to the provisions of Article 25, each Party agrees not to submit the import of wine originating in the other Party to more restrictive import certification requirements than any of those introduced by this Agreement.

Article 25

Safeguard provision

1. The Parties reserve their rights to introduce temporary additional import certification requirements in response to legitimate concerns, such as health or consumer protection or in order to act against fraud. In this case, the other Party shall be given adequate information in sufficient time to permit the fulfilment of the additional requirements.

2. The Parties agree that such requirements shall not extend beyond the period of time necessary to respond to the particular concern in response to which they were introduced.

TITLE IV

SANITARY AND PHYTOSANITARY MEASURES

Article 26

Sanitary and phytosanitary measures

1. The provisions of this Agreement are without prejudice to the right of the Parties to apply sanitary and phytosanitary measures necessary for the protection of human, animal or plant life or health, provided that such measures are compatible with the provisions of the WTO SPS Agreement and of the Agreement on Sanitary and Phytosanitary Measures applicable to Trade in Animals and Animal Products, Plants, Plant Products and other Goods and Animal Welfare, set out in Annex IV of the Association Agreement.
2. Without prejudice to paragraph 1, each Party shall endeavour to inform the other Party under the procedures set out in Article 29 at the earliest reasonable opportunity of developments which could lead, in relation to wine marketed in that Party, to the adoption of such measures, especially those concerning the setting of specific limits on contaminants and residues with a view to agreeing a common approach.

TITLE V

MUTUAL ASSISTANCE BETWEEN CONTROL AUTHORITIES

Article 27

Enforcement authorities

1. Each Party shall designate the bodies to be responsible for the implementation of this Agreement. Where a Party designates more than one competent body, it shall ensure the coordination of the work of those bodies. For this purpose, a single liaison authority shall be designated.
2. The Parties shall inform one another of the names and addresses of the bodies and authorities referred to in paragraph 1 within two months after the entry into force of this Agreement. There shall be close and direct co-operation between those bodies.
3. The bodies and authorities referred to in paragraph 1 shall seek ways of improving assistance to each other in implementing this Agreement and combating fraudulent practices, in accordance with the respective Party's legislation.

Article 28

Enforcement activities

1. If one of the bodies or authorities designated in accordance with Article 27 has reason to suspect that:

- (a) there is or has been a failure to comply with this Agreement or with provisions laid down in the laws and regulations of a Party in respect of a wine which is being or which has been traded between the Parties, and
- (b) this failure to comply is of particular interest to the other Party and could result in the adoption of administrative measures or initiation of legal proceedings being taken,

it shall immediately inform the competent bodies and the liaison authority of the other Party.

2. The information to be provided in accordance with paragraph 1 shall be accompanied by official, commercial or other appropriate documents, as well as an indication of the administrative measures or legal proceedings to be taken or initiated, if necessary. The information shall include, in particular, the following details of the wine concerned:

- (a) the producer and the legal or natural person who has power to dispose of the wine;
- (b) the composition and organoleptic characteristics of the wine;
- (c) the description and presentation of the wine; and
- (d) details of the non-compliance with the rules concerning production and marketing.

TITLE VI

MANAGEMENT OF THE AGREEMENT

Article 29

Tasks of the Parties

1. The Parties shall, either directly or through the Joint Committee established pursuant to Article 30, maintain contact on all matters relating to the implementation and the functioning of this Agreement.

2. In particular, the Parties shall:

- (a) amend the Appendices to take account of any amendments to the laws and regulations of the Parties;
- (b) determine the practical conditions referred to in Articles 5(6) and 8(6);
- (c) amend the Appendices I or VIII in accordance with the provisions laid down in Title II;
- (d) determine in Appendix VIII (Protocol) the specific modalities referred to in Article 14 (1);
- (e) amend the Appendix VIII (Protocol) in order to determine the compositional and other product requirements referred to in Article 17;

- (f) inform each other of the intention to decide on new regulations or amendments to existing regulations of concern to the wine sector, such as on health or consumer protection, with their implication for the wine sector; and
- (g) notify each other legislative, administrative and judicial decisions concerning the implementation of this Agreement and inform each other of measures adopted on the basis of such decisions.

Article 30
Joint Committee

1. A Joint Committee is hereby established, consisting of representatives of the Parties. The Committee shall meet at the request of a Party and in accordance with the requirements for implementing this Agreement. The Committee shall meet alternately in the Community and in Chile convened at a time and place mutually agreed by the Parties.
2. The Joint Committee shall see to the proper functioning of this Agreement and examine all issues which may arise in its implementation.
3. In particular, the Joint Committee may make recommendations in furtherance of the objectives of this Agreement.
4. It shall facilitate contacts and exchange of information to optimise the functioning of this Agreement.
5. It shall put forward proposals on issues of mutual interest in the wine sector.

TITLE VII
GENERAL PROVISIONS

Article 31
Transit – small quantities

Titles I, II and III shall not apply to wines:

- (a) that are in transit through a Party, or
- (b) that originate in a Party and are consigned in small quantities between the Parties under the terms and conditions conforming to the procedures provided for in Appendix VIII (Protocol) .

Article 32
Consultations

1. If a Party considers that the other Party has failed to fulfil an obligation under this Agreement, it shall submit a written notice to this effect to the other Party. This notice may request the other Party to hold consultations within a specified period.
2. The Party which requests consultations shall provide the other Party with all the information necessary for a detailed examination of the case in question.
3. In cases where a delay could endanger human health or impair the effectiveness of measures to control fraud, appropriate provisional protective measures may be taken, without prior consultation, provided that consultations are held as soon as possible after taking these measures.
4. If, following the consultations provided for in paragraphs 1 and 3, the Parties have not reached an agreement:
 - (a) the Party which has requested the consultations or adopted the measures referred to in paragraph 3 may take appropriate protective measures so as to permit the proper implementation of this Agreement;
 - (b) each Party may invoke the dispute settlement mechanism set out in Article 33.

Article 33
Dispute settlement

1. Any dispute relating to the implementation or interpretation of this Agreement, other than a dispute to be settled under Title II as set out in Article 23, shall be settled by recourse to the dispute settlement mechanism referred to in Part IV of the Association Agreement.
2. By way of derogation from Article 184 of the Association Agreement, where the Parties have held consultations under Article 23, the complaining Party may proceed directly to request the establishment of an arbitration panel.

Article 34
Marketing of pre-existing stocks

1. Wines which, at the date of or prior to the entry into force of this Agreement, have been produced, described and presented in accordance with the internal laws and regulations of the respective Party, but in a manner prohibited by this Agreement, may be marketed under the following conditions:
 - (a) where wine has been produced using one or more oenological practices or processes not referred to in Appendices V or VIII (Protocol), it may be marketed until stocks are exhausted;

- (b) where products are described and labelled using geographical indications protected by this Agreement, they may continue to be marketed:
 - (i) by wholesalers or producers, for a period of three years;
 - (ii) by retailers, until stocks are exhausted.

2. Wines produced, described and presented in accordance with this Agreement whose description or presentation have ceased to conform to the Agreement following an amendment thereto may be marketed until stocks are exhausted, unless otherwise agreed by the Parties.

Article 35
Appendices

The Appendices to this Agreement shall form an integral part hereof.