

**North American Free Trade Agreement Between the Government of
Canada, the Government of the United Mexican States and the
Government of the United States of America**

(of December 8, 1993)*

PREAMBLE

The Government of Canada, the Government of the United Mexican States and the Government of the United States of America, resolved to:

STRENGTHEN the special bonds of friendship and cooperation among their nations;

CONTRIBUTE to the harmonious development and expansion of world trade and provide a catalyst to broader international cooperation;

CREATE an expanded and secure market for the goods and services produced in their territories;

REDUCE distortions to trade;

ESTABLISH clear and mutually advantageous rules governing their trade;

ENSURE a predictable commercial framework for business planning and investment;

BUILD on their respective rights and obligations under the General Agreement on Tariffs and Trade and other multilateral and bilateral instruments of cooperation;

ENHANCE the competitiveness of their firms in global markets;

FOSTER creativity and innovation, and promote trade in goods and services that are the subject of intellectual property rights;

CREATE new employment opportunities and improve working conditions and living standards in their respective territories;

UNDERTAKE each of the preceding in a manner consistent with environmental protection and conservation;

PRESERVE their flexibility to safeguard the public welfare;

PROMOTE sustainable development;

STRENGTHEN the development and enforcement of environmental laws and regulations; and

PROTECT, enhance and enforce basic workers' rights;

HAVE AGREED as follows:

**PART I
GENERAL PART**

**Chapter 1
Objectives**

**Article 101:
Establishment of the Free Trade Area**

The Parties to this Agreement, consistent with [Article XXIV](#) of the General Agreement on Tariffs and Trade, hereby establish a free trade area.

**Article 102:
Objectives**

1. The objectives of this Agreement, as elaborated more specifically through its principles and rules, including national treatment, most-favored-nation treatment and transparency, are to:
 - (a) eliminate barriers to trade in, and facilitate the cross-border movement of, goods and services between the territories of the Parties;
 - (b) promote conditions of fair competition in the free trade area;
 - (c) increase substantially investment opportunities in the territories of the Parties;
 - (d) provide adequate and effective protection and enforcement of intellectual property rights in each Party's territory;
 - (e) create effective procedures for the implementation and application of this Agreement, for its joint administration and for the resolution of disputes; and
 - (f) establish a framework for further trilateral, regional and multilateral cooperation to expand and enhance the benefits of this Agreement.
2. The Parties shall interpret and apply the provisions of this Agreement in the light of its objectives set out in [paragraph 1](#) and in accordance with applicable rules of international law.

**Article 103:
Relation to Other Agreements**

1. The Parties affirm their existing rights and obligations with respect to each other under the General Agreement on Tariffs and Trade and other agreements to which such Parties are party.
2. In the event of any inconsistency between this Agreement and such other agreements, this Agreement shall prevail to the extent of the inconsistency, except as otherwise provided in this Agreement.

**Article 105:
Extent of Obligations**

The Parties shall ensure that all necessary measures are taken in order to give effect to the provisions of this Agreement, including their observance, except as otherwise provided in this

Agreement, by state and provincial governments.

Chapter 2 General Definitions

Article 201: Definitions of General Application

1. For purposes of this Agreement, unless otherwise specified:
 - Commission means the Free Trade Commission established under [Article 2001\(1\)](#) (The Free Trade Commission);
 - Customs Valuation Code means the Agreement on Implementation of [Article VII](#) of the General Agreement on Tariffs and Trade, including its interpretative notes;
 - days means calendar days, including weekends and holidays;
 - enterprise means any entity constituted or organized under applicable law, whether or not for profit, and whether privately-owned or governmentally-owned, including any corporation, trust, partnership, sole proprietorship, joint venture or other association;
 - enterprise of a Party means an enterprise constituted or organized under the law of a Party;
 - existing means in effect on the date of entry into force of this Agreement;
 - measure includes any law, regulation, procedure, requirement or practice;
 - national means a natural person who is a citizen or permanent resident of a Party and any other natural person referred to in [Annex 201.1](#);
 - originating means qualifying under the rules of origin set out in Chapter Four (Rules of Origin) [not reprinted here];
 - person means a natural person or an enterprise;
 - person of a Party means a national, or an enterprise of a Party;
 - Secretariat means the Secretariat established under [Article 2002\(1\)](#) (The Secretariat);
 - state enterprise means an enterprise that is owned, or controlled through ownership interests, by a Party; and
 - territory means for a Party the territory of that Party as set out in [Annex 201.1](#).
2. For purposes of this Agreement, unless otherwise specified, a reference to a state or province includes local governments of that state or province.

PART II TRADE IN GOODS

Chapter 3 National Treatment and Market Access for Goods

Article 313:

Distinctive Products

Annex 313 applies to standards and labelling of the distinctive products set out in that Annex.

PART V
INVESTMENT, SERVICES AND RELATED MATTERS

Chapter 15
Competition Policy, Monopolies and State Enterprises

Article 1505:
Definitions

For purposes of this Chapter:

monopoly means an entity, including a consortium or government agency, that in any relevant market in the territory of a Party is designated as the sole provider or purchaser of a good or service, but does not include an entity that has been granted an exclusive intellectual property right solely by reason of such grant;

PART VI
INTELLECTUAL PROPERTY

Chapter 17
Intellectual Property

Article 1701:
Nature and Scope of Obligations

1. Each Party shall provide in its territory to the nationals of another Party adequate and effective protection and enforcement of intellectual property rights, while ensuring that measures to enforce intellectual property rights do not themselves become barriers to legitimate trade.
2. To provide adequate and effective protection and enforcement of intellectual property rights, each Party shall, at a minimum, give effect to this Chapter and to the substantive provisions of:
 - (a) the Geneva Convention for the Protection of Producers of Phonograms Against Unauthorized Duplication of their Phonograms, 1971 (Geneva Convention);
 - (b) the Berne Convention for the Protection of Literary and Artistic Works, 1971 (Berne Convention);
 - (c) the Paris Convention for the Protection of Industrial Property, 1967 (Paris Convention); and
 - (d) the International Convention for the Protection of New Varieties of Plants, 1978 (UPOV Convention), or the International Convention for the Protection of New Varieties of Plants, 1991 (UPOV Convention).

If a Party has not acceded to the specified text of any such Conventions on or before the date of entry into force of this Agreement, it shall make every effort to accede.

3. [Annex 1701.3](#) applies to the Parties specified in that Annex.

**Article 1702:
More Extensive Protection**

A Party may implement in its domestic law more extensive protection of intellectual property rights than is required under this Agreement, provided that such protection is not inconsistent with this Agreement.

**Article 1703:
National Treatment**

1. Each Party shall accord to nationals of another Party treatment no less favorable than that it accords to its own nationals with regard to the protection and enforcement of all intellectual property rights. In respect of sound recordings, each Party shall provide such treatment to producers and performers of another Party, except that a Party may limit rights of performers of another Party in respect of secondary uses of sound recordings to those rights its nationals are accorded in the territory of such other Party.
2. No Party may, as a condition of according national treatment under this Article, require right holders to comply with any formalities or conditions in order to acquire rights in respect of copyright and related rights.
3. A Party may derogate from [paragraph 1](#) in relation to its judicial and administrative procedures for the protection or enforcement of intellectual property rights, including any procedure requiring a national of another Party to designate for service of process an address in the Party's territory or to appoint an agent in the Party's territory, if the derogation is consistent with the relevant Convention listed in [Article 1701\(2\)](#), provided that such derogation:
 - (a) is necessary to secure compliance with measures that are not inconsistent with this Chapter; and
 - (b) is not applied in a manner that would constitute a disguised restriction on trade.
4. No Party shall have any obligation under this Article with respect to procedures provided in multilateral agreements concluded under the auspices of the World Intellectual Property Organization relating to the acquisition or maintenance of intellectual property rights.

**Article 1704:
Control of Abusive or Anticompetitive Practices or Conditions**

Nothing in this Chapter shall prevent a Party from specifying in its domestic law licensing practices or conditions that may in particular cases constitute an abuse of intellectual property rights having an adverse effect on competition in the relevant market. A Party may adopt or maintain, consistent with the other provisions of this Agreement, appropriate measures to prevent or control such practices or conditions.

**Article 1705:
Copyright**

1. Each Party shall protect the works covered by [Article 2](#) of the Berne Convention, including any other works that embody original expression within the meaning of that Convention. In particular:
 - (a) all types of computer programs are literary works within the meaning of the Berne Convention and each Party shall protect them as such; and

- (b) compilations of data or other material, whether in machine readable or other form, which by reason of the selection or arrangement of their contents constitute intellectual creations, shall be protected as such.

The protection a Party provides under [subparagraph \(b\)](#) shall not extend to the data or material itself, or prejudice any copyright subsisting in that data or material.

2. Each Party shall provide to authors and their successors in interest those rights enumerated in the Berne Convention in respect of works covered by [paragraph 1](#), including the right to authorize or prohibit:
 - (a) the importation into the Party's territory of copies of the work made without the right holder's authorization;
 - (b) the first public distribution of the original and each copy of the work by sale, rental or otherwise;
 - (c) the communication of a work to the public; and
 - (d) the commercial rental of the original or a copy of a computer program.

[Subparagraph \(d\)](#) shall not apply where the copy of the computer program is not itself an essential object of the rental. Each Party shall provide that putting the original or a copy of a computer program on the market with the right holder's consent shall not exhaust the rental right.
3. Each Party shall provide that for copyright and related rights:
 - (a) any person acquiring or holding economic rights may freely and separately transfer such rights by contract for purposes of their exploitation and enjoyment by the transferee; and
 - (b) any person acquiring or holding such economic rights by virtue of a contract, including contracts of employment underlying the creation of works and sound recordings, shall be able to exercise those rights in its own name and enjoy fully the benefits derived from those rights.
4. Each Party shall provide that, where the term of protection of a work, other than a photographic work or a work of applied art, is to be calculated on a basis other than the life of a natural person, the term shall be not less than 50 years from the end of the calendar year of the first authorized publication of the work or, failing such authorized publication within 50 years from the making of the work, 50 years from the end of the calendar year of making.
5. Each Party shall confine limitations or exceptions to the rights provided for in this Article to certain special cases that do not conflict with a normal exploitation of the work and do not unreasonably prejudice the legitimate interests of the right holder.
6. No Party may grant translation and reproduction licenses permitted under the Appendix to the Berne Convention where legitimate needs in that Party's territory for copies or translations of the work could be met by the right holder's voluntary actions but for obstacles created by the Party's measures.
7. [Annex 1705.7](#) applies to the Parties specified in that Annex.

**Article 1706:
Sound Recordings**

1. Each Party shall provide to the producer of a sound recording the right to authorize or

prohibit:

- (a) the direct or indirect reproduction of the sound recording;
- (b) the importation into the Party's territory of copies of the sound recording made without the producer's authorization;
- (c) the first public distribution of the original and each copy of the sound recording by sale, rental or otherwise; and
- (d) the commercial rental of the original or a copy of the sound recording, except where expressly otherwise provided in a contract between the producer of the sound recording and the authors of the works fixed therein.

Each Party shall provide that putting the original or a copy of a sound recording on the market with the right holder's consent shall not exhaust the rental right.

2. Each Party shall provide a term of protection for sound recordings of at least 50 years from the end of the calendar year in which the fixation was made.
3. Each Party shall confine limitations or exceptions to the rights provided for in this Article to certain special cases that do not conflict with a normal exploitation of the sound recording and do not unreasonably prejudice the legitimate interests of the right holder.

Article 1707:

Protection of Encrypted Program-Carrying Satellite Signals

Within one year from the date of entry into force of this Agreement, each Party shall make it:

- (a) a criminal offense to manufacture, import, sell, lease or otherwise make available a device or system that is primarily of assistance in decoding an encrypted program-carrying satellite signal without the authorization of the lawful distributor of such signal; and
- (b) a civil offense to receive, in connection with commercial activities, or further distribute, an encrypted program-carrying satellite signal that has been decoded without the authorization of the lawful distributor of the signal or to engage in any activity prohibited under [subparagraph \(a\)](#).

Each Party shall provide that any civil offense established under [subparagraph \(b\)](#) shall be actionable by any person that holds an interest in the content of such signal.

Article 1708:

Trademarks

1. For purposes of this Agreement, a trademark consists of any sign, or any combination of signs, capable of distinguishing the goods or services of one person from those of another, including personal names, designs, letters, numerals, colors, figurative elements, or the shape of goods or of their packaging. Trademarks shall include service marks and collective marks, and may include certification marks. A Party may require, as a condition for registration, that a sign be visually perceptible.
2. Each Party shall provide to the owner of a registered trademark the right to prevent all persons not having the owner's consent from using in commerce identical or similar signs for goods or services that are identical or similar to those goods or services in respect of which the owner's trademark is registered, where such use would result in a likelihood of confusion. In the case of the use of an identical sign for identical goods or services, a likelihood of confusion shall be presumed. The rights described above shall not prejudice any prior rights, nor shall they affect the possibility of a Party making rights available on

the basis of use.

3. A Party may make registrability depend on use. However, actual use of a trademark shall not be a condition for filing an application for registration. No Party may refuse an application solely on the ground that intended use has not taken place before the expiry of a period of three years from the date of application for registration.
4. Each Party shall provide a system for the registration of trademarks, which shall include:
 - (a) examination of applications;
 - (b) notice to be given to an applicant of the reasons for the refusal to register a trademark;
 - (c) a reasonable opportunity for the applicant to respond to the notice;
 - (d) publication of each trademark either before or promptly after it is registered; and
 - (e) a reasonable opportunity for interested persons to petition to cancel the registration of a trademark.

A Party may provide for a reasonable opportunity for interested persons to oppose the registration of a trademark.

5. The nature of the goods or services to which a trademark is to be applied shall in no case form an obstacle to the registration of the trademark.
6. **Article 6bis** of the Paris Convention shall apply, with such modifications as may be necessary, to services. In determining whether a trademark is well-known, account shall be taken of the knowledge of the trademark in the relevant sector of the public, including knowledge in the Party's territory obtained as a result of the promotion of the trademark. No Party may require that the reputation of the trademark extend beyond the sector of the public that normally deals with the relevant goods or services.
7. Each Party shall provide that the initial registration of a trademark be for a term of at least 10 years and that the registration be indefinitely renewable for terms of not less than 10 years when conditions for renewal have been met.
8. Each Party shall require the use of a trademark to maintain a registration. The registration may be canceled for the reason of non-use only after an uninterrupted period of at least two years of non-use, unless valid reasons based on the existence of obstacles to such use are shown by the trademark owner. Each Party shall recognize, as valid reasons for non-use, circumstances arising independently of the will of the trademark owner that constitute an obstacle to the use of the trademark, such as import restrictions on, or other government requirements for, goods or services identified by the trademark.
9. Each Party shall recognize use of a trademark by a person other than the trademark owner, where such use is subject to the owner's control, as use of the trademark for purposes of maintaining the registration.
10. No Party may encumber the use of a trademark in commerce by special requirements, such as a use that reduces the trademark's function as an indication of source or a use with another trademark.
11. A Party may determine conditions on the licensing and assignment of trademarks, it being understood that the compulsory licensing of trademarks shall not be permitted and that the owner of a registered trademark shall have the right to assign its trademark with or without the transfer of the business to which the trademark belongs.
12. A Party may provide limited exceptions to the rights conferred by a trademark, such as fair use of descriptive terms, provided that such exceptions take into account the

- legitimate interests of the trademark owner and of other persons.
13. Each Party shall prohibit the registration as a trademark of words, at least in English, French or Spanish, that generically designate goods or services or types of goods or services to which the trademark applies.
 14. Each Party shall refuse to register trademarks that consist of or comprise immoral, deceptive or scandalous matter, or matter that may disparage or falsely suggest a connection with persons, living or dead, institutions, beliefs or any Party's national symbols, or bring them into contempt or disrepute.

Article 1709:

Patents

1. Subject to [paragraphs 2](#) and [3](#), each Party shall make patents available for any inventions, whether products or processes, in all fields of technology, provided that such inventions are new, result from an inventive step and are capable of industrial application. For purposes of this Article, a Party may deem the terms <inventive step> and <capable of industrial application> to be synonymous with the terms <non-obvious> and <useful>, respectively.
2. A Party may exclude from patentability inventions if preventing in its territory the commercial exploitation of the inventions is necessary to protect ordre public or morality, including to protect human, animal or plant life or health or to avoid serious prejudice to nature or the environment, provided that the exclusion is not based solely on the ground that the Party prohibits commercial exploitation in its territory of the subject matter of the patent.
3. A Party may also exclude from patentability:
 - (a) diagnostic, therapeutic and surgical methods for the treatment of humans or animals;
 - (b) plants and animals other than microorganisms; and
 - (c) essentially biological processes for the production of plants or animals, other than non-biological and microbiological processes for such production.

Notwithstanding [subparagraph \(b\)](#), each Party shall provide for the protection of plant varieties through patents, an effective scheme of sui generis protection, or both.

4. If a Party has not made available product patent protection for pharmaceutical or agricultural chemicals commensurate with [paragraph 1](#):
 - (a) as of January 1, 1992, for subject matter that relates to naturally occurring substances prepared or produced by, or significantly derived from, microbiological processes and intended for food or medicine, and
 - (b) as of July 1, 1991, for any other subject matter,that Party shall provide to the inventor of any such product or its assignee the means to obtain product patent protection for such product for the unexpired term of the patent for such product granted in another Party, as long as the product has not been marketed in the Party providing protection under this paragraph and the person seeking such protection makes a timely request.
5. Each Party shall provide that:
 - (a) where the subject matter of a patent is a product, the patent shall confer on the patent owner the right to prevent other persons from making, using or selling the

- subject matter of the patent, without the patent owner's consent; and
- (b) where the subject matter of a patent is a process, the patent shall confer on the patent owner the right to prevent other persons from using that process and from using, selling, or importing at least the product obtained directly by that process, without the patent owner's consent.
6. A Party may provide limited exceptions to the exclusive rights conferred by a patent, provided that such exceptions do not unreasonably conflict with a normal exploitation of the patent and do not unreasonably prejudice the legitimate interests of the patent owner, taking into account the legitimate interests of other persons.
 7. Subject to [paragraphs 2 and 3](#), patents shall be available and patent rights enjoyable without discrimination as to the field of technology, the territory of the Party where the invention was made and whether products are imported or locally produced.
 8. A Party may revoke a patent only when:
 - (a) grounds exist that would have justified a refusal to grant the patent; or
 - (b) the grant of a compulsory license has not remedied the lack of exploitation of the patent.
 9. Each Party shall permit patent owners to assign and transfer by succession their patents, and to conclude licensing contracts.
 10. Where the law of a Party allows for use of the subject matter of a patent, other than that use allowed under [paragraph 6](#), without the authorization of the right holder, including use by the government or other persons authorized by the government, the Party shall respect the following provisions:
 - (a) authorization of such use shall be considered on its individual merits;
 - (b) such use may only be permitted if, prior to such use, the proposed user has made efforts to obtain authorization from the right holder on reasonable commercial terms and conditions and such efforts have not been successful within a reasonable period of time. The requirement to make such efforts may be waived by a Party in the case of a national emergency or other circumstances of extreme urgency or in cases of public non-commercial use. In situations of national emergency or other circumstances of extreme urgency, the right holder shall, nevertheless, be notified as soon as reasonably practicable. In the case of public non-commercial use, where the government or contractor, without making a patent search, knows or has demonstrable grounds to know that a valid patent is or will be used by or for the government, the right holder shall be informed promptly;
 - (c) the scope and duration of such use shall be limited to the purpose for which it was authorized;
 - (d) such use shall be non-exclusive;
 - (e) such use shall be non-assignable, except with that part of the enterprise or goodwill that enjoys such use;
 - (f) any such use shall be authorized predominantly for the supply of the Party's domestic market;
 - (g) authorization for such use shall be liable, subject to adequate protection of the legitimate interests of the persons so authorized, to be terminated if and when the circumstances that led to it cease to exist and are unlikely to recur. The competent authority shall have the authority to review, on motivated request, the continued

- existence of these circumstances;
- (h) the right holder shall be paid adequate remuneration in the circumstances of each case, taking into account the economic value of the authorization;
 - (i) the legal validity of any decision relating to the authorization shall be subject to judicial or other independent review by a distinct higher authority;
 - (j) any decision relating to the remuneration provided in respect of such use shall be subject to judicial or other independent review by a distinct higher authority;
 - (k) the Party shall not be obliged to apply the conditions set out in subparagraphs (b) and (f) where such use is permitted to remedy a practice determined after judicial or administrative process to be anticompetitive. The need to correct anticompetitive practices may be taken into account in determining the amount of remuneration in such cases. Competent authorities shall have the authority to refuse termination of authorization if and when the conditions that led to such authorization are likely to recur;
 - (l) the Party shall not authorize the use of the subject matter of a patent to permit the exploitation of another patent except as a remedy for an adjudicated violation of domestic laws regarding anticompetitive practices.
11. Where the subject matter of a patent is a process for obtaining a product, each Party shall, in any infringement proceeding, place on the defendant the burden of establishing that the allegedly infringing product was made by a process other than the patented process in one of the following situations:
- (a) the product obtained by the patented process is new; or
 - (b) a substantial likelihood exists that the allegedly infringing product was made by the process and the patent owner has been unable through reasonable efforts to determine the process actually used.

In the gathering and evaluation of evidence, the legitimate interests of the defendant in protecting its trade secrets shall be taken into account.

12. Each Party shall provide a term of protection for patents of at least 20 years from the date of filing or 17 years from the date of grant. A Party may extend the term of patent protection, in appropriate cases, to compensate for delays caused by regulatory approval processes.

Article 1710:

Layout Designs of Semiconductor Integrated Circuits

1. Each Party shall protect layout designs (topographies) of integrated circuits (<layout designs>) in accordance with Articles 2 through 7, 12 and 16(3), other than Article 6(3), of the Treaty on Intellectual Property in Respect of Integrated Circuits as opened for signature on May 26, 1989.
2. Subject to paragraph 3, each Party shall make it unlawful for any person without the right holder's authorization to import, sell or otherwise distribute for commercial purposes any of the following:
 - (a) a protected layout design;
 - (b) an integrated circuit in which a protected layout design is incorporated; or
 - (c) an article incorporating such an integrated circuit, only insofar as it continues to contain an unlawfully reproduced layout design.

3. No Party may make unlawful any of the acts referred to in [paragraph 2](#) performed in respect of an integrated circuit that incorporates an unlawfully reproduced layout design, or any article that incorporates such an integrated circuit, where the person performing those acts or ordering those acts to be done did not know and had no reasonable ground to know, when it acquired the integrated circuit or article incorporating such an integrated circuit, that it incorporated an unlawfully reproduced layout design.
4. Each Party shall provide that, after the person referred to in [paragraph 3](#) has received sufficient notice that the layout design was unlawfully reproduced, such person may perform any of the acts with respect to the stock on hand or ordered before such notice, but shall be liable to pay the right holder for doing so an amount equivalent to a reasonable royalty such as would be payable under a freely negotiated license in respect of such a layout design.
5. No Party may permit the compulsory licensing of layout designs of integrated circuits.
6. Any Party that requires registration as a condition for protection of a layout design shall provide that the term of protection shall not end before the expiration of a period of 10 years counted from the date of:
 - (a) filing of the application for registration; or
 - (b) the first commercial exploitation of the layout design, wherever in the world it occurs.
7. Where a Party does not require registration as a condition for protection of a layout design, the Party shall provide a term of protection of not less than 10 years from the date of the first commercial exploitation of the layout design, wherever in the world it occurs.
8. Notwithstanding [paragraphs 6](#) and [7](#), a Party may provide that the protection shall lapse 15 years after the creation of the layout design.
9. [Annex 1710.9](#) applies to the Parties specified in that Annex.

**Article 1711:
Trade Secrets**

1. Each Party shall provide the legal means for any person to prevent trade secrets from being disclosed to, acquired by, or used by others without the consent of the person lawfully in control of the information in a manner contrary to honest commercial practices, in so far as:
 - (a) the information is secret in the sense that it is not, as a body or in the precise configuration and assembly of its components, generally known among or readily accessible to persons that normally deal with the kind of information in question;
 - (b) the information has actual or potential commercial value because it is secret; and
 - (c) the person lawfully in control of the information has taken reasonable steps under the circumstances to keep it secret.
2. A Party may require that to qualify for protection a trade secret must be evidenced in documents, electronic or magnetic means, optical discs, microfilms, films or other similar instruments.
3. No Party may limit the duration of protection for trade secrets, so long as the conditions in [paragraph 1](#) exist.
4. No Party may discourage or impede the voluntary licensing of trade secrets by imposing excessive or discriminatory conditions on such licenses or conditions that dilute the value

of the trade secrets.

5. If a Party requires, as a condition for approving the marketing of pharmaceutical or agricultural chemical products that utilize new chemical entities, the submission of undisclosed test or other data necessary to determine whether the use of such products is safe and effective, the Party shall protect against disclosure of the data of persons making such submissions, where the origination of such data involves considerable effort, except where the disclosure is necessary to protect the public or unless steps are taken to ensure that the data is protected against unfair commercial use.
6. Each Party shall provide that for data subject to [paragraph 5](#) that are submitted to the Party after the date of entry into force of this Agreement, no person other than the person that submitted them may, without the latter's permission, rely on such data in support of an application for product approval during a reasonable period of time after their submission. For this purpose, a reasonable period shall normally mean not less than five years from the date on which the Party granted approval to the person that produced the data for approval to market its product, taking account of the nature of the data and the person's efforts and expenditures in producing them. Subject to this provision, there shall be no limitation on any Party to implement abbreviated approval procedures for such products on the basis of bioequivalence and bioavailability studies.
7. Where a Party relies on a marketing approval granted by another Party, the reasonable period of exclusive use of the data submitted in connection with obtaining the approval relied on shall begin with the date of the first marketing approval relied on.

Article 1712: Geographical Indications

1. Each Party shall provide, in respect of geographical indications, the legal means for interested persons to prevent:
 - (a) the use of any means in the designation or presentation of a good that indicates or suggests that the good in question originates in a territory, region or locality other than the true place of origin, in a manner that misleads the public as to the geographical origin of the good;
 - (b) any use that constitutes an act of unfair competition within the meaning of [Article 10bis](#) of the Paris Convention.
2. Each Party shall, on its own initiative if its domestic law so permits or at the request of an interested person, refuse to register, or invalidate the registration of, a trademark containing or consisting of a geographical indication with respect to goods that do not originate in the indicated territory, region or locality, if use of the indication in the trademark for such goods is of such a nature as to mislead the public as to the geographical origin of the good.
3. Each Party shall also apply [paragraphs 1 and 2](#) to a geographical indication that, although correctly indicating the territory, region or locality in which the goods originate, falsely represents to the public that the goods originate in another territory, region or locality.
4. Nothing in this Article shall be construed to require a Party to prevent continued and similar use of a particular geographical indication of another Party in connection with goods or services by any of its nationals or domiciliaries who have used that geographical indication in a continuous manner with regard to the same or related goods or services in that Party's territory, either:

- (a) for at least 10 years, or
 - (b) in good faith,
- before the date of signature of this Agreement.
5. Where a trademark has been applied for or registered in good faith, or where rights to a trademark have been acquired through use in good faith, either:
 - (a) before the date of application of these provisions in that Party, or
 - (b) before the geographical indication is protected in its Party of origin,no Party may adopt any measure to implement this Article that prejudices eligibility for, or the validity of, the registration of a trademark, or the right to use a trademark, on the basis that such a trademark is identical with, or similar to, a geographical indication.
 6. No Party shall be required to apply this Article to a geographical indication if it is identical to the customary term in common language in that Party's territory for the goods or services to which the indication applies.
 7. A Party may provide that any request made under this Article in connection with the use or registration of a trademark must be presented within five years after the adverse use of the protected indication has become generally known in that Party or after the date of registration of the trademark in that Party, provided that the trademark has been published by that date, if such date is earlier than the date on which the adverse use became generally known in that Party, provided that the geographical indication is not used or registered in bad faith.
 8. No Party shall adopt any measure implementing this Article that would prejudice any person's right to use, in the course of trade, its name or the name of its predecessor in business, except where such name forms all or part of a valid trademark in existence before the geographical indication became protected and with which there is a likelihood of confusion, or such name is used in such a manner as to mislead the public.
 9. Nothing in this Chapter shall be construed to require a Party to protect a geographical indication that is not protected, or has fallen into disuse, in the Party of origin.

**Article 1713:
Industrial Designs**

1. Each Party shall provide for the protection of independently created industrial designs that are new or original. A Party may provide that:
 - (a) designs are not new or original if they do not significantly differ from known designs or combinations of known design features; and
 - (b) such protection shall not extend to designs dictated essentially by technical or functional considerations.
2. Each Party shall ensure that the requirements for securing protection for textile designs, in particular in regard to any cost, examination or publication, do not unreasonably impair a person's opportunity to seek and obtain such protection. A Party may comply with this obligation through industrial design law or copyright law.
3. Each Party shall provide the owner of a protected industrial design the right to prevent other persons not having the owner's consent from making or selling articles bearing or embodying a design that is a copy, or substantially a copy, of the protected design, when such acts are undertaken for commercial purposes.

4. A Party may provide limited exceptions to the protection of industrial designs, provided that such exceptions do not unreasonably conflict with the normal exploitation of protected industrial designs and do not unreasonably prejudice the legitimate interests of the owner of the protected design, taking into account the legitimate interests of other persons.
5. Each Party shall provide a term of protection for industrial designs of at least 10 years.

Article 1714:

Enforcement of Intellectual Property Rights: General Provisions

1. Each Party shall ensure that enforcement procedures, as specified in this Article and [Articles 1715 through 1718](#), are available under its domestic law so as to permit effective action to be taken against any act of infringement of intellectual property rights covered by this Chapter, including expeditious remedies to prevent infringements and remedies to deter further infringements. Such enforcement procedures shall be applied so as to avoid the creation of barriers to legitimate trade and to provide for safeguards against abuse of the procedures.
2. Each Party shall ensure that its procedures for the enforcement of intellectual property rights are fair and equitable, are not unnecessarily complicated or costly, and do not entail unreasonable time-limits or unwarranted delays.
3. Each Party shall provide that decisions on the merits of a case in judicial and administrative enforcement proceedings shall:
 - (a) preferably be in writing and preferably state the reasons on which the decisions are based;
 - (b) be made available at least to the parties in a proceeding without undue delay; and
 - (c) be based only on evidence in respect of which such parties were offered the opportunity to be heard.
4. Each Party shall ensure that parties in a proceeding have an opportunity to have final administrative decisions reviewed by a judicial authority of that Party and, subject to jurisdictional provisions in its domestic laws concerning the importance of a case, to have reviewed at least the legal aspects of initial judicial decisions on the merits of a case. Notwithstanding the above, no Party shall be required to provide for judicial review of acquittals in criminal cases.
5. Nothing in this Article or [Articles 1715 through 1718](#) shall be construed to require a Party to establish a judicial system for the enforcement of intellectual property rights distinct from that Party's system for the enforcement of laws in general.
6. For the purposes of [Articles 1715 through 1718](#), the term <right holder> includes federations and associations having legal standing to assert such rights.

Article 1715:

Specific Procedural and Remedial Aspects of Civil and Administrative Procedures

1. Each Party shall make available to right holders civil judicial procedures for the enforcement of any intellectual property right provided in this Chapter. Each Party shall provide that:
 - (a) defendants have the right to written notice that is timely and contains sufficient detail, including the basis of the claims;

- (b) parties in a proceeding are allowed to be represented by independent legal counsel;
 - (c) the procedures do not include imposition of overly burdensome requirements concerning mandatory personal appearances;
 - (d) all parties in a proceeding are duly entitled to substantiate their claims and to present relevant evidence; and
 - (e) the procedures include a means to identify and protect confidential information.
2. Each Party shall provide that its judicial authorities shall have the authority:
- (a) where a party in a proceeding has presented reasonably available evidence sufficient to support its claims and has specified evidence relevant to the substantiation of its claims that is within the control of the opposing party, to order the opposing party to produce such evidence, subject in appropriate cases to conditions that ensure the protection of confidential information;
 - (b) where a party in a proceeding voluntarily and without good reason refuses access to, or otherwise does not provide relevant evidence under that party's control within a reasonable period, or significantly impedes a proceeding relating to an enforcement action, to make preliminary and final determinations, affirmative or negative, on the basis of the evidence presented, including the complaint or the allegation presented by the party adversely affected by the denial of access to evidence, subject to providing the parties an opportunity to be heard on the allegations or evidence;
 - (c) to order a party in a proceeding to desist from an infringement, including to prevent the entry into the channels of commerce in their jurisdiction of imported goods that involve the infringement of an intellectual property right, which order shall be enforceable at least immediately after customs clearance of such goods;
 - (d) to order the infringer of an intellectual property right to pay the right holder damages adequate to compensate for the injury the right holder has suffered because of the infringement where the infringer knew or had reasonable grounds to know that it was engaged in an infringing activity;
 - (e) to order an infringer of an intellectual property right to pay the right holder's expenses, which may include appropriate attorney's fees; and
 - (f) to order a party in a proceeding at whose request measures were taken and who has abused enforcement procedures to provide adequate compensation to any party wrongfully enjoined or restrained in the proceeding for the injury suffered because of such abuse and to pay that party's expenses, which may include appropriate attorney's fees.
3. With respect to the authority referred to in [subparagraph 2\(c\)](#), no Party shall be obliged to provide such authority in respect of protected subject matter that is acquired or ordered by a person before that person knew or had reasonable grounds to know that dealing in that subject matter would entail the infringement of an intellectual property right.
4. With respect to the authority referred to in [subparagraph 2\(d\)](#), a Party may, at least with respect to copyrighted works and sound recordings, authorize the judicial authorities to order recovery of profits or payment of pre-established damages, or both, even where the infringer did not know or had no reasonable grounds to know that it was engaged in an infringing activity.
5. Each Party shall provide that, in order to create an effective deterrent to infringement, its

judicial authorities shall have the authority to order that:

- (a) goods that they have found to be infringing be, without compensation of any sort, disposed of outside the channels of commerce in such a manner as to avoid any injury caused to the right holder or, unless this would be contrary to existing constitutional requirements, destroyed; and
- (b) materials and implements the predominant use of which has been in the creation of the infringing goods be, without compensation of any sort, disposed of outside the channels of commerce in such a manner as to minimize the risks of further infringements.

In considering whether to issue such an order, judicial authorities shall take into account the need for proportionality between the seriousness of the infringement and the remedies ordered as well as the interests of other persons. In regard to counterfeit goods, the simple removal of the trademark unlawfully affixed shall not be sufficient, other than in exceptional cases, to permit release of the goods into the channels of commerce.

6. In respect of the administration of any law pertaining to the protection or enforcement of intellectual property rights, each Party shall only exempt both public authorities and officials from liability to appropriate remedial measures where actions are taken or intended in good faith in the course of the administration of such laws.
7. Notwithstanding the other provisions of [Articles 1714 through 1718](#), where a Party is sued with respect to an infringement of an intellectual property right as a result of its use of that right or use on its behalf, that Party may limit the remedies available against it to the payment to the right holder of adequate remuneration in the circumstances of each case, taking into account the economic value of the use.
8. Each Party shall provide that, where a civil remedy can be ordered as a result of administrative procedures on the merits of a case, such procedures shall conform to principles equivalent in substance to those set out in this Article.

Article 1716: Provisional Measures

1. Each Party shall provide that its judicial authorities shall have the authority to order prompt and effective provisional measures:
 - (a) to prevent an infringement of any intellectual property right, and in particular to prevent the entry into the channels of commerce in their jurisdiction of allegedly infringing goods, including measures to prevent the entry of imported goods at least immediately after customs clearance; and
 - (b) to preserve relevant evidence in regard to the alleged infringement.
2. Each Party shall provide that its judicial authorities shall have the authority to require any applicant for provisional measures to provide to the judicial authorities any evidence reasonably available to that applicant that the judicial authorities consider necessary to enable them to determine with a sufficient degree of certainty whether:
 - (a) the applicant is the right holder;
 - (b) the applicant's right is being infringed or such infringement is imminent; and
 - (c) any delay in the issuance of such measures is likely to cause irreparable harm to the right holder, or there is a demonstrable risk of evidence being destroyed.

Each Party shall provide that its judicial authorities shall have the authority to require the

- applicant to provide a security or equivalent assurance sufficient to protect the interests of the defendant and to prevent abuse.
3. Each Party shall provide that its judicial authorities shall have the authority to require an applicant for provisional measures to provide other information necessary for the identification of the relevant goods by the authority that will execute the provisional measures.
 4. Each Party shall provide that its judicial authorities shall have the authority to order provisional measures on an ex parte basis, in particular where any delay is likely to cause irreparable harm to the right holder, or where there is a demonstrable risk of evidence being destroyed.
 5. Each Party shall provide that where provisional measures are adopted by that Party's judicial authorities on an ex parte basis:
 - (a) a person affected shall be given notice of those measures without delay but in any event no later than immediately after the execution of the measures;
 - (b) a defendant shall, on request, have those measures reviewed by that Party's judicial authorities for the purpose of deciding, within a reasonable period after notice of those measures is given, whether the measures shall be modified, revoked or confirmed, and shall be given an opportunity to be heard in the review proceedings.
 6. Without prejudice to [paragraph 5](#), each Party shall provide that, on the request of the defendant, the Party's judicial authorities shall revoke or otherwise cease to apply the provisional measures taken on the basis of [paragraphs 1 and 4](#) if proceedings leading to a decision on the merits are not initiated:
 - (a) within a reasonable period as determined by the judicial authority ordering the measures where the Party's domestic law so permits; or
 - (b) in the absence of such a determination, within a period of no more than 20 working days or 31 calendar days, whichever is longer.
 7. Each Party shall provide that, where the provisional measures are revoked or where they lapse due to any act or omission by the applicant, or where the judicial authorities subsequently find that there has been no infringement or threat of infringement of an intellectual property right, the judicial authorities shall have the authority to order the applicant, on request of the defendant, to provide the defendant appropriate compensation for any injury caused by these measures.
 8. Each Party shall provide that, where a provisional measure can be ordered as a result of administrative procedures, such procedures shall conform to principles equivalent in substance to those set out in this Article.

**Article 1717:
Criminal Procedures and Penalties**

1. Each Party shall provide criminal procedures and penalties to be applied at least in cases of willful trademark counterfeiting or copyright piracy on a commercial scale. Each Party shall provide that penalties available include imprisonment or monetary fines, or both, sufficient to provide a deterrent, consistent with the level of penalties applied for crimes of a corresponding gravity.
2. Each Party shall provide that, in appropriate cases, its judicial authorities may order the seizure, forfeiture and destruction of infringing goods and of any materials and

- implements the predominant use of which has been in the commission of the offense.
3. A Party may provide criminal procedures and penalties to be applied in cases of infringement of intellectual property rights, other than those in [paragraph 1](#), where they are committed wilfully and on a commercial scale.

Article 1718:

Enforcement of Intellectual Property Rights at the Border

1. Each Party shall, in conformity with this Article, adopt procedures to enable a right holder, who has valid grounds for suspecting that the importation of counterfeit trademark goods or pirated copyright goods may take place, to lodge an application in writing with its competent authorities, whether administrative or judicial, for the suspension by the customs administration of the release of such goods into free circulation. No Party shall be obligated to apply such procedures to goods in transit. A Party may permit such an application to be made in respect of goods that involve other infringements of intellectual property rights, provided that the requirements of this Article are met. A Party may also provide for corresponding procedures concerning the suspension by the customs administration of the release of infringing goods destined for exportation from its territory.
2. Each Party shall require any applicant who initiates procedures under [paragraph 1](#) to provide adequate evidence:
 - (a) to satisfy that Party's competent authorities that, under the domestic laws of the country of importation, there is prima facie an infringement of its intellectual property right; and
 - (b) to supply a sufficiently detailed description of the goods to make them readily recognizable by the customs administration.

The competent authorities shall inform the applicant within a reasonable period whether they have accepted the application and, if so, the period for which the customs administration will take action.

3. Each Party shall provide that its competent authorities shall have the authority to require an applicant under [paragraph 1](#) to provide a security or equivalent assurance sufficient to protect the defendant and the competent authorities and to prevent abuse. Such security or equivalent assurance shall not unreasonably deter recourse to these procedures.
4. Each Party shall provide that, where pursuant to an application under procedures adopted pursuant to this Article, its customs administration suspends the release of goods involving industrial designs, patents, integrated circuits or trade secrets into free circulation on the basis of a decision other than by a judicial or other independent authority, and the period provided for in [paragraphs 6](#) through [8](#) has expired without the granting of provisional relief by the duly empowered authority, and provided that all other conditions for importation have been complied with, the owner, importer or consignee of such goods shall be entitled to their release on the posting of a security in an amount sufficient to protect the right holder against any infringement. Payment of such security shall not prejudice any other remedy available to the right holder, it being understood that the security shall be released if the right holder fails to pursue its right of action within a reasonable period of time.
5. Each Party shall provide that its customs administration shall promptly notify the importer and the applicant when the customs administration suspends the release of goods pursuant

- to [paragraph 1](#).
6. Each Party shall provide that its customs administration shall release goods from suspension if within a period not exceeding 10 working days after the applicant under [paragraph 1](#) has been served notice of the suspension the customs administration has not been informed that:
 - (a) a party other than the defendant has initiated proceedings leading to a decision on the merits of the case, or
 - (b) a competent authority has taken provisional measures prolonging the suspension, provided that all other conditions for importation or exportation have been met. Each Party shall provide that, in appropriate cases, the customs administration may extend the suspension by another 10 working days.
 7. Each Party shall provide that if proceedings leading to a decision on the merits of the case have been initiated, a review, including a right to be heard, shall take place on request of the defendant with a view to deciding, within a reasonable period, whether these measures shall be modified, revoked or confirmed.
 8. Notwithstanding [paragraphs 6 and 7](#), where the suspension of the release of goods is carried out or continued in accordance with a provisional judicial measure, [Article 1716\(6\)](#) shall apply.
 9. Each Party shall provide that its competent authorities shall have the authority to order the applicant under [paragraph 1](#) to pay the importer, the consignee and the owner of the goods appropriate compensation for any injury caused to them through the wrongful detention of goods or through the detention of goods released pursuant to [paragraph 6](#).
 10. Without prejudice to the protection of confidential information, each Party shall provide that its competent authorities shall have the authority to give the right holder sufficient opportunity to have any goods detained by the customs administration inspected in order to substantiate the right holder's claims. Each Party shall also provide that its competent authorities have the authority to give the importer an equivalent opportunity to have any such goods inspected. Where the competent authorities have made a positive determination on the merits of a case, a Party may provide the competent authorities the authority to inform the right holder of the names and addresses of the consignor, the importer and the consignee, and of the quantity of the goods in question.
 11. Where a Party requires its competent authorities to act on their own initiative and to suspend the release of goods in respect of which they have acquired prima facie evidence that an intellectual property right is being infringed:
 - (a) the competent authorities may at any time seek from the right holder any information that may assist them to exercise these powers;
 - (b) the importer and the right holder shall be promptly notified of the suspension by the Party's competent authorities, and where the importer lodges an appeal against the suspension with competent authorities, the suspension shall be subject to the conditions, with such modifications as may be necessary, set out in [paragraphs 6 through 8](#); and
 - (c) the Party shall only exempt both public authorities and officials from liability to appropriate remedial measures where actions are taken or intended in good faith.
 12. Without prejudice to other rights of action open to the right holder and subject to the defendant's right to seek judicial review, each Party shall provide that its competent

authorities shall have the authority to order the destruction or disposal of infringing goods in accordance with the principles set out in [Article 1715\(5\)](#). In regard to counterfeit goods, the authorities shall not allow the re-exportation of the infringing goods in an unaltered state or subject them to a different customs procedure, other than in exceptional circumstances.

13. A Party may exclude from the application of [paragraphs 1](#) through [12](#) small quantities of goods of a non-commercial nature contained in travellers' personal luggage or sent in small consignments that are not repetitive.
14. [Annex 1718.14](#) applies to the Parties specified in that Annex.

**Article 1719:
Cooperation and Technical Assistance**

1. The Parties shall provide each other on mutually agreed terms with technical assistance and shall promote cooperation between their competent authorities. Such cooperation shall include the training of personnel.
2. The Parties shall cooperate with a view to eliminating trade in goods that infringe intellectual property rights. For this purpose, each Party shall establish and notify the other Parties by January 1, 1994 of contact points in its federal government and shall exchange information concerning trade in infringing goods.

**Article 1720:
Protection of Existing Subject Matter**

1. Except as required under [Article 1705\(7\)](#), this Agreement does not give rise to obligations in respect of acts that occurred before the date of application of the relevant provisions of this Agreement for the Party in question.
2. Except as otherwise provided for in this Agreement, each Party shall apply this Agreement to all subject matter existing on the date of application of the relevant provisions of this Agreement for the Party in question and that is protected in a Party on such date, or that meets or subsequently meets the criteria for protection under the terms of this Chapter. In respect of this paragraph and [paragraphs 3](#) and [4](#), a Party's obligations with respect to existing works shall be solely determined under [Article 18](#) of the Berne Convention and with respect to the rights of producers of sound recordings in existing sound recordings shall be determined solely under [Article 18](#) of that Convention, as made applicable under this Agreement.
3. Except as required under [Article 1705\(7\)](#), and notwithstanding the first sentence of [paragraph 2](#), no Party may be required to restore protection to subject matter that, on the date of application of the relevant provisions of this Agreement for the Party in question, has fallen into the public domain in its territory.
4. In respect of any acts relating to specific objects embodying protected subject matter that become infringing under the terms of laws in conformity with this Agreement, and that were begun or in respect of which a significant investment was made, before the date of entry into force of this Agreement for that Party, any Party may provide for a limitation of the remedies available to the right holder as to the continued performance of such acts after the date of application of this Agreement for that Party. In such cases, the Party shall, however, at least provide for payment of equitable remuneration.
5. No Party shall be obliged to apply [Article 1705\(2\)\(d\)](#) or [1706\(1\)\(d\)](#) with respect to

originals or copies purchased prior to the date of application of the relevant provisions of this Agreement for that Party.

6. No Party shall be required to apply **Article 1709(10)**, or the requirement in **Article 1709(7)** that patent rights shall be enjoyable without discrimination as to the field of technology, to use without the authorization of the right holder where authorization for such use was granted by the government before the text of the Draft Final Act Embodying the Results of the Uruguay Round of Multilateral Trade Negotiations became known.
7. In the case of intellectual property rights for which protection is conditional on registration, applications for protection that are pending on the date of application of the relevant provisions of this Agreement for the Party in question shall be permitted to be amended to claim any enhanced protection provided under this Agreement. Such amendments shall not include new matter.

Article 1721: Definitions

1. For purposes of this Chapter: confidential information includes trade secrets, privileged information and other materials exempted from disclosure under the Party's domestic law.
2. For purposes of this Agreement:
 1. encrypted program-carrying satellite signal means a program-carrying satellite signal that is transmitted in a form whereby the aural or visual characteristics, or both, are modified or altered for the purpose of preventing the unauthorized reception, by persons without the authorized equipment that is designed to eliminate the effects of such modification or alteration, of a program carried in that signal;
 2. geographical indication means any indication that identifies a good as originating in the territory of a Party, or a region or locality in that territory, where a particular quality, reputation or other characteristic of the good is essentially attributable to its geographical origin;
 3. in a manner contrary to honest commercial practices means at least practices such as breach of contract, breach of confidence and inducement to breach, and includes the acquisition of undisclosed information by other persons who knew, or were grossly negligent in failing to know, that such practices were involved in the acquisition;
 4. intellectual property rights refers to copyright and related rights, trademark rights, patent rights, rights in layout designs of semiconductor integrated circuits, trade secret rights, plant breeders' rights, rights in geographical indications and industrial design rights;
 5. nationals of another Party means, in respect of the relevant intellectual property right, persons who would meet the criteria for eligibility for protection provided for in the Paris Convention (1967), the Berne Convention (1971), the Geneva Convention (1971), the International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations (1961), the UPOV Convention (1978), the UPOV Convention (1991) or the Treaty on Intellectual Property in Respect of Integrated Circuits, as if each Party were a party to those Conventions, and with respect to intellectual property rights that are not the subject of these Conventions, <nationals of another Party> shall be understood to be at

least individuals who are citizens or permanent residents of that Party and also includes any other natural person referred to in [Annex 201.1](#) (Country-Specific Definitions);

6. public includes, with respect to rights of communication and performance of works provided for under [Articles 11, 11bis\(1\) and 14\(1\)\(ii\)](#) of the Berne Convention, with respect to dramatic, dramatico-musical, musical and cinematographic works, at least, any aggregation of individuals intended to be the object of, and capable of perceiving, communications or performances of works, regardless of whether they can do so at the same or different times or in the same or different places, provided that such an aggregation is larger than a family and its immediate circle of acquaintances or is not a group comprising a limited number of individuals having similarly close ties that has not been formed for the principal purpose of receiving such performances and communications of works; and
7. secondary uses of sound recordings means the use directly for broadcasting or for any other public communication of a sound recording.

PART VIII OTHER PROVISIONS

Chapter 21 Exceptions

[The provisions referred to in the following Article are not reprinted here or they are only reprinted in excerpts.]

Article 2101: General Exceptions

1. For purposes of:
 - (a) Part Two (Trade in Goods), except to the extent that a provision of that Part applies to services or investment, and
 - (b) Part Three (Technical Barriers to Trade), except to the extent that a provision of that Part applies to services,

GATT [Article XX](#) and its interpretative notes, or any equivalent provision of a successor agreement to which all Parties are party, are incorporated into and made part of this Agreement. The Parties understand that the measures referred to in GATT [Article XX\(b\)](#) include environmental measures necessary to protect human, animal or plant life or health, and that GATT [Article XX\(g\)](#) applies to measures relating to the conservation of living and non-living exhaustible natural resources.
2. Provided that such measures are not applied in a manner that would constitute a means of arbitrary or unjustifiable discrimination between countries where the same conditions prevail or a disguised restriction on trade between the Parties, nothing in:
 - (a) Part Two (Trade in Goods), to the extent that a provision of that Part applies to services,
 - (b) Part Three (Technical Barriers to Trade), to the extent that a provision of that Part applies to services,

- (c) Chapter Twelve (Cross-Border Trade in Services), and
- (d) Chapter Thirteen (Telecommunications),

shall be construed to prevent the adoption or enforcement by any Party of measures necessary to secure compliance with laws or regulations that are not inconsistent with the provisions of this Agreement, including those relating to health and safety and consumer protection.

**Article 2106:
Cultural Industries**

Annex 2106 applies to the Parties specified in that Annex with respect to cultural industries.

**Article 2107:
Definitions**

For purposes of this Chapter: cultural industries means persons engaged in any of the following activities:

- (a) the publication, distribution, or sale of books, magazines, periodicals or newspapers in print or machine readable form but not including the sole activity of printing or typesetting any of the foregoing;
- (b) the production, distribution, sale or exhibition of film or video recordings;
- (c) the production, distribution, sale or exhibition of audio or video music recordings;
- (d) the publication, distribution or sale of music in print or machine readable form; or
- (e) radiocommunications in which the transmissions are intended for direct reception by the general public, and all radio, television and cable broadcasting undertakings and all satellite programming and broadcast network services;

Chapter 22

Final Provisions

Article 2201: Annexes

The Annexes to this Agreement constitute an integral part of this Agreement.

Article 2202: Amendments

1. The Parties may agree on any modification of or addition to this Agreement.
2. When so agreed, and approved in accordance with the applicable legal procedures of each Party, a modification or addition shall constitute an integral part of this Agreement.

Article 2203: Entry into Force

This Agreement shall enter into force on January 1, 1994, on an exchange of written notifications certifying the completion of necessary legal procedures.

Article 2204: Accession

1. Any country or group of countries may accede to this Agreement subject to such terms and conditions as may be agreed between such country or countries and the Commission and following approval in accordance with the applicable legal procedures of each country.
2. This Agreement shall not apply as between any Party and any acceding country or group of countries if, at the time of accession, either does not consent to such application.

Article 2205: Withdrawal

A Party may withdraw from this Agreement six months after it provides written notice of withdrawal to the other Parties. If a Party withdraws, the Agreement shall remain in force for the remaining Parties.

Article 2206: Authentic Texts

The English, French and Spanish texts of this Agreement are equally authentic.

Notes

46. [Article 2005\(2\) \(GATT Dispute Settlement\)](#): this obligation is not intended to be subject to dispute settlement under this Chapter.

Annexes

Annex 201.1 Country-Specific Definitions

For purposes of this Agreement, unless otherwise specified:

national also includes:

- (a) with respect to Mexico, a national or a citizen according to Articles 30 and 34, respectively, of the Mexican Constitution; and
- (b) with respect to the United States, <national of the United States> as defined in the existing provisions of the Immigration and Nationality Act;

territory means:

- (a) with respect to Canada, the territory to which its customs laws apply, including any areas beyond the territorial seas of Canada within which, in accordance with international law and its domestic law, Canada may exercise rights with respect to the seabed and subsoil and their natural resources;
- (b) with respect to Mexico,
 - (i) the states of the Federation and the Federal District,
 - (ii) the islands, including the reefs and keys, in adjacent seas,
 - (iii) the islands of Guadalupe and Revillagigedo situated in the Pacific Ocean,
 - (iv) the continental shelf and the submarine shelf of such islands, keys and reefs,
 - (v) the waters of the territorial seas, in accordance with international law, and its interior maritime waters,
 - (vi) the space located above the national territory, in accordance with international law, and
 - (vii) any areas beyond the territorial seas of Mexico within which, in accordance with international law, including the United Nations Convention on the Law of the Sea, and its domestic law, Mexico may exercise rights with respect to the seabed and subsoil and their natural resources; and
- (c) with respect to the United States,
 - (i) the customs territory of the United States, which includes the 50 states, the District of Columbia and Puerto Rico,
 - (ii) the foreign trade zones located in the United States and Puerto Rico, and
 - (iii) any areas beyond the territorial seas of the United States within which, in accordance with international law and its domestic law, the United States may exercise rights with respect to the seabed and subsoil and their natural resources.

Annex 313 Distinctive Products

1. Canada and Mexico shall recognize Bourbon Whiskey and Tennessee Whiskey, which is a straight Bourbon Whiskey authorized to be produced only in the State of Tennessee, as distinctive products of the United States. Accordingly, Canada and Mexico shall not permit the sale of any product as Bourbon Whiskey or Tennessee Whiskey, unless it has been manufactured in the United States in accordance with the laws and regulations of the

- United States governing the manufacture of Bourbon Whiskey and Tennessee Whiskey.
2. Mexico and the United States shall recognize Canadian Whisky as a distinctive product of Canada. Accordingly, Mexico and the United States shall not permit the sale of any product as Canadian Whisky, unless it has been manufactured in Canada in accordance with the laws and regulations of Canada governing the manufacture of Canadian Whisky for consumption in Canada.
 3. Canada and the United States shall recognize Tequila and Mezcal as distinctive products of Mexico. Accordingly, Canada and the United States shall not permit the sale of any product as Tequila or Mezcal, unless it has been manufactured in Mexico in accordance with the laws and regulations of Mexico governing the manufacture of Tequila and Mezcal. This provision shall apply to Mezcal, either on the date of entry into force of this Agreement, or 90 days after the date when the official standard for this product is made obligatory by the Government of Mexico, whichever is later.

Annex 1701.3 **Intellectual Property Conventions**

1. Mexico shall:
 - (a) make every effort to comply with the substantive provisions of the 1978 or 1991 UPOV Convention as soon as possible and shall do so no later than two years after the date of signature of this Agreement; and
 - (b) accept from the date of entry into force of this Agreement applications from plant breeders for varieties in all plant genera and species and grant protection, in accordance with such substantive provisions, promptly after complying with [subparagraph \(a\)](#).
2. Notwithstanding [Article 1701\(2\)\(b\)](#), this Agreement confers no rights and imposes no obligations on the United States with respect to [Article 6bis](#) of the Berne Convention, or the rights derived from that Article.

Annex 1705.7 **Copyright**

The United States shall provide protection to motion pictures produced in another Party's territory that have been declared to be in the public domain pursuant to 17 U.S.C. section 405. This obligation shall apply to the extent that it is consistent with the Constitution of the United States, and is subject to budgetary considerations.

Annex 1710.9 **Layout Designs**

Mexico shall make every effort to implement the requirements of [Article 1710](#) as soon as possible, and shall do so no later than four years after the date of entry into force of this Agreement.

Annex 1718.14 **Enforcement of Intellectual Property Rights**

Mexico shall make every effort to comply with the requirements of [Article 1718](#) as soon as possible and shall do so no later than three years after the date of signature of this Agreement.

Annex 2106
Cultural Industries

Notwithstanding any other provision of this Agreement, as between Canada and the United States, any measure adopted or maintained with respect to cultural industries, except as specifically provided in Article 302 (Market Access Tariff Elimination) [not reprinted here], and any measure of equivalent commercial effect taken in response, shall be governed under this Agreement exclusively in accordance with the provisions of the Canada United States Free Trade Agreement. The rights and obligations between Canada and any other Party with respect to such measures shall be identical to those applying between Canada and the United States.

* Entry into force: January 1, 1994.

Source: Communication from the Canadian authorities.