

CHAPTER 3

TRADE IN AGRICULTURAL PRODUCTS

ARTICLE 3.1

Scope

This Chapter applies to trade between the Parties relating to products other than those covered in the Annex III.

ARTICLE 3.2

Tariff Concessions

1. Costa Rica shall grant tariff concessions to agricultural products originating in Iceland as specified in Section 1 of Annex IX to this Agreement. Iceland shall grant tariff concessions to agricultural products originating in Costa Rica as specified in Section 2 of Annex IX to this Agreement.
2. Costa Rica shall grant tariff concessions to agricultural products originating in Norway as specified in Section 1 of Annex X to this Agreement. Norway shall grant tariff concessions to agricultural products originating in Costa Rica as specified in Section 2 of Annex X to this Agreement.
3. Costa Rica shall grant tariff concessions to agricultural products originating in Liechtenstein and Switzerland as specified in Section 1 of Annex XI to this Agreement. Liechtenstein and Switzerland shall grant tariff concessions to agricultural products originating in Costa Rica as specified in Section 2 of Annex XI to this Agreement.
4. Panama shall grant tariff concessions to agricultural products originating in Iceland as specified in Section 1 of Annex XII to this Agreement. Iceland shall grant tariff concessions to agricultural products originating in Panama as specified in Section 2 of Annex XII to this Agreement.
5. Panama shall grant tariff concessions to agricultural products originating in Norway as specified in Section 1 of Annex XIII to this Agreement. Norway shall grant tariff concessions to agricultural products originating in Panama as specified in Section 2 of Annex XIII to this Agreement.
6. Panama shall grant tariff concessions to agricultural products originating in Liechtenstein and Switzerland as specified in Section 1 of Annex XIV to this Agreement. Liechtenstein and Switzerland shall grant tariff concessions to agricultural products originating in Panama as specified in Section 2 of Annex XIV to this Agreement.

ARTICLE 3.3

Agricultural Export Subsidies

1. The Parties shall not apply export subsidies, as defined in Article 9 of the WTO Agreement on Agriculture, to trade in originating products for which a preferential tariff concession is granted in accordance with this Agreement.
2. Should a Party adopt, maintain, introduce or re-introduce export subsidies on a product subject to a tariff concession in accordance with Article 3.2, the other Party may increase the rate of duty on such imports to the applied MFN tariff duty rate. The Party increasing its rate of duty shall notify the other Party within 30 days.

ARTICLE 3.4

Minimum Export Price

This Agreement does not prevent Costa Rica to apply minimum export prices to bananas, in accordance to its domestic legislation.

ARTICLE 3.5

Other Provisions

With respect to trade in agricultural products referred to in this Chapter, the following provisions of Chapter 2 shall apply, *mutatis mutandis*: Articles 2.2 on Rules of Origin and Methods of Administrative Cooperation, 2.4 on Export Duties, 2.5 on Customs Valuation, 2.6 on Quantitative Restrictions, 2.7 on Fees and Formalities, 2.8 on Internal Taxation and Regulations, 2.9 on Sanitary and Phytosanitary Measures, 2.10 on Technical Regulations, 2.11 on Trade Facilitation, 2.13 on State Trading Enterprises, 2.15 on Anti-dumping, 2.16 on Global Safeguard Measures, 2.17 on Bilateral Safeguard Measures, 2.18 on General Exceptions, 2.19 on Security Exceptions and 2.20 on Balance-of-Payments.

ARTICLE 3.6

Dialogue

The Parties shall examine any difficulties that might arise in their trade in agricultural products and shall endeavour to seek appropriate solutions through dialogue and consultations.

ARTICLE 3.7

Further liberalisation

The Parties undertake to continue their efforts with a view to achieving further liberalisation of their trade in agricultural products, taking account of the arrangements for processed agricultural products, the pattern of trade in agricultural products between the Parties, the particular sensitivities of such products, the development of each Party's agricultural policy and developments in bilateral and multilateral *fora*. With a view to achieving this objective, the Parties may consult in conjunction with the Joint Committee meetings.