

3. Notwithstanding paragraph 2, a Party may adopt or maintain an export subsidy in accordance with its law and its WTO commitments on an agricultural good that is exported to the other Party.

A Party which is considering the application of a measure to counter the effects of the export subsidy shall discuss, at the request of the other Party, with a view to agreeing on such measures that either Party may adopt in accordance with the laws of a Party and its WTO commitments. If no mutually satisfactory measures are agreed upon, the importing Party may increase the rate of duty on such imports up to the applied MFN tariff rate.

ANNEX 2-A

EXCEPTIONS TO NATIONAL TREATMENT AND IMPORT AND EXPORT RESTRICTIONS

SECTION A: MEASURES OF ISRAEL

The provisions of Articles 2.3, 2.9, and 2.12 shall not apply to measures adopted by Israel with respect of:

- (a) controls and charges maintained by Israel on the export of metal waste and scrap;
- (b) Israeli law on imports of non-kosher meat.
- (c) actions authorized by the Dispute Settlement Body of the WTO.

SECTION B: MEASURES OF PANAMA

The provisions of Articles 2.3 and 2.9 shall not apply to measures adopted by Panama in respect of:

- (a) a measure to regulate the importation of lottery tickets in official circulation pursuant to Cabinet Decree No. 19 of June 30, 2004;
- (b) import controls on used vehicles pursuant to Law No. 36 of May 17, 1996;
- (c) a measure regulating the importation of used motor vehicles, pursuant to Law No. 45 of October 31, 2007;
- (d) import controls of video and other games classified under heading 95.04 providing cash prizes pursuant to Decree-Law No. 2 of February 10, 1998; and

(e) actions authorized by the Dispute Settlement Body of the WTO.