

Annex III.2

Exceptions to Articles III.2 and III.7

Section I - Canadian Measures

1. Articles III.2 and III.7 shall not apply to controls by Canada on the export of logs of all species.
2. Articles III.2 and III.7 shall not apply to controls by Canada on the export of unprocessed fish pursuant to the following existing statutes, as amended:
 - (a) *New Brunswick Fish Processing Act*, R.S.N.B. c. F-18.01 (1982), and *Fisheries Development Act*, S.N.B. c. F-15.1 (1977);
 - (b) *Newfoundland Fish Inspection Act*, R.S.N. 1990, c. F-12;
 - (c) *Nova Scotia Fisheries and Coastal Resources Act*, S.N.S. 1996, c. 25;
 - (d) *Prince Edward Island Fish Inspection Act*, R.S.P.E.I. 1988, c. F-13; and
 - (e) *Quebec Marine Products Processing Act*, R.S.Q. 1999, C.T-11-01.
3. Without prejudice to Costa Rica's rights under the WTO Agreement, Articles III.2 and III.7 shall not apply to:
 - (a) measures by Canada respecting the importation of any goods enumerated or referred to in Schedule VII of the *Customs Tariff*, R.S.C. 1985, c. 41 (3rd Supp.), as amended;
 - (b) measures by Canada respecting the exportation of liquor for delivery into any country into which the importation of liquor is prohibited by law under the existing provisions of the *Export Act*, R.S.C. 1985, c. E-18, as amended;
 - (c) Canadian excise duties on absolute alcohol used in manufacturing under the existing provisions of the *Excise Act*, R.S.C. 1985, c. E-14, as amended; and
 - (d) measures by Canada prohibiting the use of foreign or non-duty paid ships in the coasting trade of Canada unless granted a license under the *Coasting Trade Act*, S.C. 1992, c. 31,to the extent that such provisions were mandatory legislation at the time of Canada's accession to the *General Agreement on Tariffs and Trade*, 1947, and have not been amended so as to decrease their conformity with the GATT 1994.
4. Articles III.2 and III.7 shall not apply to:
 - (a) the continuation or prompt renewal of a non-conforming provision of any statute referred to in paragraph 2 or 3; and
 - (b) the amendment to a non-conforming provision of any statute referred to in paragraph 2 or 3 to the extent that the amendment does not decrease the conformity of the provision with Articles III.2 and III.7.

Section II - Costa Rican Measures

Articles III.2 and III.7 shall not apply to controls imposed by Costa Rica upon

- a) the import, refining and wholesale distribution of crude oil, its fuel, derivatives, asphalt and gasoline pursuant to the effective provisions of Law No. 7356 of September 6, 1993, or pursuant to any subsequent equivalent provision;
- b) the import of used merchandise described in the following tariff classifications:

(Note: the descriptions are provided solely for reference purposes)

Tariff classification	Description
Subheading 4012.10	Retreaded tires
Subheading 4012.20	Pneumatic tires
Item 63.05	Sacks and bags, of a kind used for the packing of goods and other types of receptacles
Item 63.09	Worn clothing and other worn articles
Item 63.10	Rags, scrap twine, cordage, rope and cables, and worn out articles of twine, cordage, rope or cables, of textile materials
Item 87.02	Motor vehicles for the transport of ten or more persons, including the driver
Item 87.03	Motor cars and other motor vehicles principally designed for the transport of persons (other than those of Part 87.02), including family-type vehicles (station wagons and racing cars)
Item 87.04	Motor vehicles for the transport of goods
Item 87.05	Special purpose motor vehicles, other than those principally designed for the transport of persons or goods (for example, wreckers, mobile cranes, fire fighting vehicles, concrete mixers, road sweepers, spraying vehicles, mobile workshops, mobile radiological units)
Item 87.06	Chassis fitted with engines, for the motor vehicles of Parts 87.01 to 87.05
Item 87.07	Bodies (including cabs), for the motor vehicles of Parts 87.01 to 87.05
Item 87.11	Motorcycles (including mopeds) and cycles fitted with an auxiliary motor, with or without side-cars; side-cars

- c) the export of wood in logs and boards from forests, pursuant to Law No. 7575 of April 16, 1996, or any subsequent equivalent provision;
- d) the export of hydrocarbons, pursuant to Law No. 7399 of May 3, 1994, or any subsequent equivalent provision;
- e) the export of coffee, pursuant to Law No. 2762 of June 21, 1961 or any subsequent equivalent provision;
- f) the import and export of etilic alcohol and crude rums.