

ANNEX II

Exceptions from Most-Favoured-Nation Treatment

Schedule of Canada

1. Article 5 (Most-Favoured-Nation Treatment) shall not apply to treatment accorded by a Party under a bilateral or multilateral international agreements in force or signed prior to the date of entry into force of this Agreement.
2. Article 5 (Most-Favoured-Nation Treatment) shall not apply to treatment by a Party under an existing or future bilateral or multilateral agreement:
 - (a) establishing, strengthening or expanding a free trade area or customs union;
 - (b) relating to:
 - (i) aviation;
 - (ii) fisheries; or
 - (iii) maritime matters, including salvage.

Schedule of Mongolia

1. Article 5 (Most-Favoured-Nation Treatment) shall not apply to treatment accorded by a Party under bilateral or multilateral international agreements in force or signed prior to the date of entry into force of this Agreement.
2. Article 5 (Most-Favoured-Nation Treatment) shall not apply to treatment by a Party under an existing or future bilateral or multilateral agreement:
 - (a) establishing, strengthening or expanding a free trade area or customs union;
 - (b) relating to:
 - (i) aviation;
 - (ii) animal/livestock raw materials; or
 - (iii) railway transportation;
3. Article 5 (Most-Favoured-Nation Treatment) shall not apply to a current and future technical assistance and development aid programmes under any bilateral and multilateral agreements.