

Part Seven

Other Provisions

Chapter Twenty: Other Provisions

This chapter contains a range of miscellaneous provisions. Some deal with specific issues (such as intellectual property or cultural industries) or address an existing irritant in bilateral relations (such as cable retransmission rights) while others establish a general rule which affects the application of other chapters in the agreement (such as balance-of-payment measures or the treatment of monopolies).

In Article 104 of Chapter One, the Parties agreed on a general rule of interpretation that, where there is a conflict, the trade agreement takes precedence over all other agreements unless provided otherwise in a particular chapter. In Article 2001, the parties agree that the provisions of the 1980 tax convention between them takes precedence over the trade agreement.

In Article 2002, the two governments affirm their rights and obligations under the GATT, the International Monetary Fund and the OECD Code of Liberalization of Capital Movements with respect to balance-of-payments measures. In effect, the two governments agree that should either find it necessary to apply exchange controls or take trade actions (such as a surcharge or quota) to counteract a serious deterioration in its balance-of-payments position, it will do so in a manner consistent with these multilateral agreements. Additionally, they agree that they will not use balance-of-payments measures as a disguised restriction on trade, thus reiterating their multilateral commitments.

Article 2003 reproduces the standard national security clause of the GATT which applies to the rights and obligations provided in all but two chapters: energy, and government procurement. In the case of energy, the two governments have agreed on a more limited national security provision and the procurement chapter relies on the national security provision of the GATT Code on Government Procurement.

All international trade and economic agreements contain a national security provision giving the parties sufficient flexibility to deal with national emergencies, to ensure that no provision of the agreement can be interpreted to require a government to compromise