

4. On the request of a Party, the Parties shall discuss accelerating the elimination of customs duties set out in their Schedules to Annex 2.04 or incorporating into a Schedule a good that is not subject to elimination. An agreement between the Parties to accelerate the elimination of a customs duty on a good or to include a good in a Schedule to Annex 2.04 shall supersede a rate of duty or staging category determined pursuant to a Schedule for such good when approved by each Party in accordance with its applicable legal procedures.

5. The Parties acknowledge Panama's rights and obligations under Article 27.4 of the SCM Agreement and note the Decision of the General Council, WTO document WT/L/691 of July 31, 2007. However, if Panama enters or has entered into an agreement with a non-Party, in which it undertakes to eliminate a program permitted under Article 27.4 of the SCM Agreement as it applies to a good manufactured in its territory and exported to the non-Party, it shall also eliminate the program as it applies to a good manufactured in its territory and exported to Canada.

6. For greater certainty, a Party may:

- (a) modify a tariff outside this Agreement on a good for which no tariff preference is claimed under this Agreement;
- (b) raise a customs duty to the level established in its Schedule to Annex 2.04 following a unilateral reduction; or
- (c) maintain or increase a customs duty as authorized by the Dispute Settlement Body of the WTO Agreement or an Agreement under the WTO Agreement.