



CHAPTER 13

EXCEPTIONS

Article 13.1: General Exceptions

1. For the purposes of Chapter 3 (Trade in Goods), Chapter 4 (Rules of Origin), Chapter 5 (Customs Procedures and Cooperation), Chapter 6 (Sanitary and Phytosanitary Measures) and Chapter 7 (Technical Barriers to Trade), Article XX of GATT 1994 and its interpretative notes are incorporated into and made part of this Agreement, *mutatis mutandis*. The Parties understand that the measures referred to in Article XX(b) of GATT 1994 include environmental measures necessary to protect human, animal, or plant life or health, and that Article XX(g) of GATT 1994 applies to measures relating to the conservation of living and non-living exhaustible natural resources.

2. Nothing in this Agreement shall be construed to prevent a Party from taking action authorised by the WTO Dispute Settlement Body. A Party taking such action shall inform the Commission to the fullest extent possible of measures taken and of their termination.

Article 13.2: Security Exceptions

1. Nothing in this Agreement shall be construed:
 - (a) to require a Party to furnish any information the disclosure of which it considers contrary to its essential security interests;
 - (b) to prevent a Party from taking any action which it considers necessary for the protection of its essential security interests:
 - (i) relating to fissionable materials or the materials from which they are derived;
 - (ii) relating to the traffic in arms, ammunition and implements of war and to such traffic in other goods and materials, or relating to the supply of services, as carried on directly or indirectly for the purpose of supplying or provisioning a military establishment; or
 - (iii) taken in time of war or other emergency in international relations; or



- (c) to prevent a Party from taking any action in pursuance of its obligations under the United Nations Charter for the maintenance of international peace and security.
2. A Party taking action under paragraphs 1(b) and (c) shall inform the Commission to the fullest extent possible of measures taken and of their termination.

Article 13.3: Taxation Measures

1. For the purposes of this Article:

designated authorities means:

- (a) in the case of Chile, the Minister of Finance (*Ministro de Hacienda*) or an authorised representative of the Minister;
- (b) in the case of Indonesia, the Minister of Finance or his or her authorised representative;

tax convention means a convention for the avoidance of double taxation or other international taxation agreement or arrangement to which the Parties are party; and

taxes and **taxation measures** include excise duties, but do not include:

- (a) a customs duty as defined in Article 2.1 (Definitions of General Application), or
- (b) the measures listed in exceptions (b) and (c) of that definition.

2. Except as provided in this Article, nothing in this Agreement shall apply to taxation measures.

3. The provisions of this Agreement shall apply to taxation measures only to the same extent as does Article III of the GATT 1994.

4. Nothing in this Agreement shall affect the rights and obligations of any Party under any tax convention. In the event of any inconsistency between this Agreement and any such tax convention that convention shall prevail to the extent of the inconsistency.

5. In the case of a tax convention between the Parties, if an issue arises as to whether any inconsistency exists between this Agreement and the tax convention, the issue shall be referred to the designated authorities of this Article. Those designated authorities shall determine the existence and the extent of such inconsistency. A determination made under this paragraph by the designated authorities shall be binding.



Article 13.4: Balance-of-Payments Measures on Trade in Goods

1. The Parties shall endeavour to avoid the imposition of restrictive measures for balance-of-payments purposes.
2. Any measure taken for balance-of-payments purposes shall be in accordance with that Party's rights and obligations under GATT 1994, including the *Understanding on the Balance-of-Payments Provisions of GATT 1994*. A Party shall publish or notify to the other Party of any restrictive measures adopted or maintained, or any changes therein, to the extent that it does not duplicate the process under the WTO and the International Monetary Fund.
3. Nothing in this Chapter shall be regarded as altering the rights enjoyed and obligations undertaken by a Party as a party to the *Articles of the Agreement of the International Monetary Fund*, as may be amended.

Article 13.5: Disclosure of Information

1. Each Party shall, in accordance with its laws and regulations, maintain the confidentiality of information provided in confidence by the other Party pursuant to this Agreement.
2. Nothing in this Agreement shall be construed as requiring a Party to furnish or allow access to confidential information the disclosure of which would impede law enforcement or otherwise be contrary to the public interest or which would prejudice the legitimate commercial interests of particular enterprises, public or private.