

CHAPTER 19

EXCEPTIONS

Article 19.1: General Exceptions

1. For the purposes of Chapter 2 (Trade in Goods), Chapter 3 (Rules of Origin), Chapter 4 (Customs Administrations and Trade Facilitation), Chapter 5 (Sanitary and Phytosanitary Measures) and Chapter 6 (Technical Barriers to Trade), Article XX of the GATT 1994 and its interpretative note are incorporated into and made part of this Agreement, *mutatis mutandis*.
2. For the purposes of Chapter 8 (Trade in Services) and Chapter 9 (Digital Trade), Article XIV of the GATS (including its footnotes) is incorporated into and made part of this Agreement, *mutatis mutandis*.

Article 19.2: 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 Joint Committee, to the fullest extent possible, of measures taken and of their termination.

Article 19.3: Taxation Measures

1. For the purposes of this Article:

designated authorities means:

- (a) for Chile, the Minister of Finance (Ministro de Hacienda) or an authorised representative of the Minister, and
- (b) for the UAE, the Minister of Finance or an authorised representative of the Minister;

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 1.3 (General Definitions), or
- (b) the measures listed in subparagraphs (b) and (c) of that definition.

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

3. 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 the Parties 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. If an issue arises as to whether any inconsistency exists between this Agreement and a tax convention, the issue shall be referred to the designated authorities. The 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 19.4: Balance-of-Payments Measures

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 the GATT 1994, including the Understanding on the Balance-of-Payments Provisions of the GATT 1994, and Article XII of the GATS, including on payments, transfers or capital movements, as applicable. A Party shall publish or notify 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.