

right to depart from most-favoured-nation treatment in the cases envisaged in the agreement, the Organization shall, without prejudice to the conditions governing the recognition of such right, grant the authorization provided for in paragraph 5 and in subparagraph (a) of this paragraph, provided that the conditions and requirements set out in subparagraphs (a), (e), and (f) of paragraph 4 are fulfilled. Nevertheless, if the Organization finds that the external trade of one or more Member countries, which have not recognized this right to depart from most-favoured-nation treatment, is threatened with substantial injury, it shall invite the parties to the agreement to enter into negotiations with the injured Member, and the provisions of subparagraph (b) of this paragraph shall apply.

## CHAPTER IV.—COMMERCIAL POLICY

### SECTION A.—TARIFFS, PREFERENCES, AND INTERNAL TAXATION AND REGULATION

#### Article 16

##### *General Most-favoured-nation Treatment*

1. With respect to customs duties and charges of any kind imposed on or in connection with importation or exportation or imposed on the international transfer of payments for imports or exports, and with respect to the method of levying such duties and charges, and with respect to all rules and formalities in connection with importation and exportation, and with respect to all matters within the scope of paragraphs 2 and 4 of Article 18, any advantage, favour, privilege or immunity granted by any Member to any product originating in or destined for any other country shall be accorded immediately and unconditionally to the like product originating in or destined for all other Member countries.

2. The provisions of paragraph 1 shall not require the elimination, except as provided in Article 17, of any preferences in respect of import duties or charges which do not exceed the margins provided for in paragraph 4 and which fall within the following descriptions :

- (a) Preferences in force exclusively between two or more of the territories listed in Annex A, subject to the conditions set forth therein ;
- (b) Preferences in force exclusively between two or more territories which on July 1, 1939 were connected by common sovereignty or relations of protection or suzerainty and which are listed in Annexes B, C, D and E ;
- (c) Preferences in force exclusively between the United States of America and the Republic of Cuba ;