

## **ANNEX 18.02 NULLIFICATION AND IMPAIRMENT**

1. A party may resort to the dispute settlement mechanism of this Chapter, when in light of the application of a measure from the other Party that does not contravene this Agreement, it considers that the benefits that might be reasonably expected are nullified or impaired in:
  - a) Part Two (Trade in Goods);
  - b) Part Three (Trade Barriers); or
  - c) Chapter Eleven (Cross-border Trade in Services).
2. With respect to any measure subject to an exception in accordance with Article 19.02 (General Exceptions), a Party may not invoke:
  - a) paragraph 1(a) or (b), to the extent that the benefit arises from any cross-border trade in services provisions of Part Two (Trade in Goods),  
or of Part Three (Trade Barriers); or
  - b) paragraph 1 (c).
3. To determine the elements of nullification and impairment, the Parties may take into account the principles set out in the jurisprudence of paragraph 1(b) of Article XXIII of GATT 1994.