

health and consumer protection, taxation, financial stability, and free and fair trade and investment. To that end, they shall endeavour to maintain a constant and effective dialogue and to coordinate their positions in multilateral organisations and forums in which the Parties participate, such as the United Nations, the Group of Seven (G-7) and the Group of Twenty (G-20), the Organisation for Economic Co-operation and Development, the International Monetary Fund, the World Bank and the World Trade Organization.

Article COMPROV.12: Essential elements

Article COMPROV.4(1) [Democracy, rule of law and human rights], Article COMPROV.5(1) [Fight against climate change] and Article COMPROV.6(1) [Countering proliferation of weapons of mass destruction] constitute essential elements of the partnership established by this Agreement and any supplementing agreement.

TITLE III: FULFILLMENT OF OBLIGATIONS AND SAFEGUARD MEASURES

Article INST.35: Fulfilment of obligations described as essential elements

1. If either Party considers that there has been a serious and substantial failure by the other Party to fulfil any of the obligations that are described as essential elements in Article COMPROV.12 [Essential elements], it may decide to terminate or suspend the operation of this Agreement or any supplementing agreement in whole or in part.
2. Before doing so, the Party invoking the application of this Article shall request that the Partnership Council meet immediately, with a view to seeking a timely and mutually agreeable solution. If no mutually agreeable solution is found within 30 days from the date of the request to the Partnership Council, the Party may take the measures referred to in paragraph 1.
3. The measures referred to in paragraph 1 shall be in full respect of international law and shall be proportionate. Priority shall be given to the measures which least disturb the functioning of this Agreement and of any supplementing agreements.
4. The Parties consider that, for a situation to constitute a serious and substantial failure to fulfil any of the obligations described as essential elements in Article COMPROV.12 [Essential Elements], its gravity and nature would have to be of an exceptional sort that threatens peace and security or that has international repercussions. For greater certainty, an act or omission which materially defeats the object and purpose of the Paris Agreement shall always be considered as a serious and substantial failure for the purposes of this Article.

Article INST.36: Safeguard measures

1. If serious economic, societal or environmental difficulties of a sectorial or regional nature, including in relation to fishing activities and their dependent communities, that are liable to persist arise, the Party concerned may unilaterally take appropriate safeguard measures. Such safeguard measures shall be restricted with regard to their scope and duration to what is strictly necessary in order to remedy the situation. Priority shall be given to those measures which will least disturb the functioning of this Agreement.
2. The Party concerned shall, without delay, notify the other Party through the Partnership Council and shall provide all relevant information. The Parties shall immediately enter into consultations in the Partnership Council with a view to finding a mutually agreeable solution.

3. The Party concerned may not take safeguard measures until one month has elapsed after the date of notification referred to in paragraph 2, unless the consultation procedure pursuant to paragraph 2 has been jointly concluded before the expiration of the stated time limit. When exceptional circumstances requiring immediate action exclude prior examination, the Party concerned may apply forthwith the safeguard measures strictly necessary to remedy the situation.

The Party concerned shall, without delay, notify the measures taken to the Partnership Council and shall provide all relevant information.

4. If a safeguard measure taken by the Party concerned creates an imbalance between the rights and obligations under this Agreement or under any supplementing agreement, the other Party may take such proportionate rebalancing measures as are strictly necessary to remedy the imbalance. Priority shall be given to those measures which will least disturb the functioning of this Agreement. Paragraphs 2 to 4 shall apply *mutatis mutandis* to such rebalancing measures.

5. Either Party may, without having prior recourse to consultations pursuant to Article INST.13 [Consultations], initiate the arbitration procedure referred to in Article INST.14 [Arbitration procedure] to challenge a measure taken by the other Party in application of paragraphs 1 to 5 of this Article.

6. The safeguard measures referred to in paragraph 1 and the rebalancing measures referred to in paragraph 5 may also be taken in relation to a supplementing agreement, unless otherwise provided therein.