

CHAPTER 7

TRADE REMEDIES

Article 1

Definition

For the purposes of this Chapter, **Safeguards Agreement** means the *Agreement on Safeguards*, contained in Annex 1A to the WTO Agreement.

Article 2

Anti-dumping

1. The Parties shall endeavour to refrain from initiating anti-dumping procedures under Article VI of GATT 1994 and the Anti-dumping Agreement against each other.
2. When a Party receives a properly documented application and before initiating an investigation under the Anti-dumping Agreement, the Party shall notify in writing the other Party whose products are allegedly being dumped and allow for a 30-day period for consultations with a view to finding a mutually acceptable solution. The other Party shall request consultations within 20 days from the receipt of the notification and the consultations shall be conducted within the FTA Joint Commission in accordance with the provisions of Chapter 15 (Institutional Provisions).
3. If an anti-dumping measure is applied by a Party, the measure shall be terminated no later than five years from its imposition.
4. A Party shall not initiate an anti-dumping investigation with regard to the same product from the other Party within

one year from a determination which resulted in the non-application or revocation of anti-dumping measures or from the termination of a measure pursuant to paragraph 3.

5. If a Party decides to impose an anti-dumping duty, the Party shall apply the “lesser duty” rule by determining a duty which is less than the dumping margin, if such lesser duty would be adequate to remove the injury to the domestic industry.

6. Five years after the entry into force of this Agreement, the FTA Joint Commission shall review whether there is a need to maintain the possibility of taking anti-dumping measures between the Parties. If the Parties decide after the first review to maintain this possibility, biennial reviews may thereafter be conducted by the FTA Joint Commission.

Article 3

Subsidies and Countervailing Measures

1. Each Party affirms their commitment to abide by Article XVI of GATT 1994 and the SCM Agreement.

2. Notwithstanding paragraph 1, neither Party shall initiate any investigation or apply any countervailing measure as provided for under Article VI of GATT 1994 and the SCM Agreement on goods originating in the other Party from the date of entry into force of this Agreement.

Article 4

Global Safeguard Measures

1. Each Party affirms its rights and obligations with respect to another Party under Article XIX of GATT 1994 and the Safeguards Agreement.

2. Unless otherwise provided in paragraph 3, this

Agreement does not confer additional rights or obligations on the Parties with regard to actions taken pursuant to Article XIX of GATT 1994 and the Safeguards Agreement.

3. A Party shall promptly notify the other Party in writing, including through electronic means, of the initiation of any global safeguard investigation and the reasons for initiation. Such notification shall be made no later than seven days after such initiation.