Volume-Based Trigger Safeguard Measures ANNEX 3 - BILATERAL SAFEGUARD MEASURES

ARTICLE 2: DEFINITIONS

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"Trigger Level" means the threshold of volume of goods from the other Party that are allowed for import in the customs territory of a Party in one calendar year without being subjected to the application of a Trigger Safeguard Measure;

"Trigger Safeguard Measure" means the measure described in Article 14 of this Annex.

ARTICLE 14: AUTOMATIC TRIGGER SAFEGUARD MECHANISM

- 1. Notwithstanding Article 2.3 (Tariff Liberalisation) of the Agreement, pursuant to the Side Letter dated 22 February 2021 to this Agreement, a Party may apply a Trigger Safeguard Measure in the form of a higher import duty on an originating good listed in that Party's Schedule (Annex-1: Schedule of Specific Tariff Commitments of Mauritius on Trade in Goods and Annex-2: Schedule of Specific Tariff Commitments of India on Trade in Goods), consistent with paragraphs 2 through 10, if the volume of imports of that product entering the customs territory of the Party granting the concession during any year exceeds a trigger level^[1], which shall be 125% of the average quantity of imports during the three preceding years for which data are available.
- 2. Neither Party may apply or maintain a Trigger Safeguard Measure on an originating good subject to a tariff-rate quota (TRQ) set out in Annex-1 and Annex-2.
- 3. Trigger Safeguard Measures shall not be applied against a product originating in a Party as long as its share of imports of the product concerned in the importing Party does not exceed 3 per cent of the global imports of the importing Party in the preceding 12-month period.
- 4. A trigger safeguard measure shall be applied in the form of a customs duty equal to the most-favoured-nation rate of customs duty applied with respect to the goods concerned on the date when the trigger safeguard measure comes into effect.
- 5. A trigger safeguard measure shall be applied for a period of at least one year and up to a period not exceeding three years from the date when the Trigger Safeguard measure gets notified.
- 6. The Parties shall implement any Trigger Safeguard Measure in a transparent manner. The Parties shall publish the data on the volume of imports concerned in a readily accessible manner for other Party. The Party applying the measure shall immediately notify the other Party in writing, including through electronic means, and provide the other Party with relevant

information, which shall include precise description of the product involved and the measure, as applicable. The measure, where ever applied, shall be given effect to from the 1st day of the second month after the month in which trigger level is reached for a tariff line [e.g. if trigger level for a tariff line is reached in the month of August, the mechanism, if applied, shall be given effect from the 1st day of October]. On the written request of the exporting Party, the Parties shall consult regarding application of the measure.

- 7. Upon termination of the Trigger Safeguard Measure, the Party shall accord to the good that was subject to such measure, the tariff treatment that would have been in effect, prior to the Trigger Safeguard Measure.
- 8. No Party shall apply Trigger Safeguard Measure on a product and at the same time apply or maintain on the same product:
 - (a) a bilateral safeguard measure under Annex 3; or
 - (b) a measure under Article XIX of GATT 1994 and the WTO Agreement on Safeguards.
- 9. The Trigger Safeguard Mechanism shall not be applied to more than 5 per cent of tariff lines in any 12-month period.
- 10. The high-powered Joint Trade Committee established under Article 8.4 of the Agreement may review and discuss the implementation and operation of this Article.

[1] Illustration for calculating the Trigger Level for a product:

Imports in the 3 preceding years: Year 1: 19,000 kg or units

Year 2: 20,000 kg or units Year 3: 21,000 kg or units Average: 20,000 kg or units

Trigger Level will be 25,000 kg or units (125% of 20,000 kg or units)