- 21. The Agreement on the Establishment of a Free Tride Area between Israel and the United States provides, under Article 5, for consulation in the event that either party takes a safeguards action affecting the trade of the other party. There is also a provision preventing safeguards from being applied to tariff reductions unless such reductions caused serious inquiry or the threat thereof to domestic producers. Most importantly, Article 5(3) provides for exemption of each party from safeguards measures taken by the other party where the first party is not a significant cause of or threat of, serious injury.
- The Australia-New Tealand Closer Sconomic Relations Trade Agreement provides, under Article 17, for the possibility of either party imposing safeguards in a variety of strictly defined circumstances. During the transition period, there is a provision requiring the parties to invoke safeguards only as a last resort. After the transition period is over, the right to impose safeguards is further restricted by the imposition of mangatory consultation with the other government and referral of the market disruption issue to a covernment advisory board for a report. The right to take safeguards measures only exists in relation to defined types of injury including injury arising directly from trade liberalization occurring as a result of operation of the agreement and injury arising from government incentives to export. There are also general obligations including a duty not to restrict trade in the application of safeguards measures whenever possible and an obligation not to impose more onerous safeguards on the other party than are applied to similar goods from third countries. Safeguards measures dan only be applied for a maximum of two years and the parties are directed to resume trade liberalization after termination of the safeguards measures.

EXEMPT Sec. 15(1)