

7. On the termination of a first emergency action, the rate of duty shall not exceed the rate that, according to the Party's Schedule to Annex 3.4.1 (National Treatment and Market Access for Goods – Tariff Elimination) for the staged elimination of the tariff, would have been in effect 1 year after the adoption of the action. Beginning on January 1 of the year after the termination of the action, the Party that has taken the action shall:

- (a) set the rate of duty at the rate that would have been in effect, but for the emergency action, according to its Schedule to Annex 3.4.1 (National Treatment and Market Access for Goods – Tariff Elimination) for the staged elimination of the tariff; or
- (b) eliminate the tariff in equal annual stages ending on the date determined by Annex 3.4.1 (National Treatment and Market Access for Goods – Tariff Elimination) for the elimination of the tariff.

8. A Party may apply a second emergency action to the same good provided that:

- (a) a period of time has elapsed since the termination of the first emergency action equal to at least one half the initial period of application;
- (b) the rate of duty for the first year of the second emergency action is not greater than the rate that would have been in effect under the Party's Schedule to Annex 3.4.1 (National Treatment and Market Access for Goods – Tariff Elimination) at the time the first action was adopted; and
- (c) the rate of duty applicable to any subsequent year shall be reduced in equal increments such that the rate of duty in the final year of the emergency action is equal to the rate provided for in that Party's Schedule to Annex 3.4.1 (National Treatment and Market Access for Goods – Tariff Elimination) for that year.

9. A Party may adopt a bilateral emergency action after the expiration of the transition period only with the consent of the other Party.

10. A Party that applies an emergency action under this Article shall provide to the other Party mutually accepted trade liberalizing compensation in the form of concessions with substantially equivalent trade effects or with a value equivalent to the value of the additional duties expected to result from the action. If the Parties are unable to decide on compensation, the Party against whose good the action is taken may take tariff action with trade effects substantially equivalent to the emergency action taken under this Article. The Party taking the tariff action shall apply the action only for the period necessary to achieve the substantially equivalent effects.