

(iv) is unlikely to be more restrictive of international trade than any other practicable and reasonable measure permitted under this Agreement, which could be imposed without undue difficulty, and is the one most suitable for the purpose having regard to the economics of the industry or branch of agriculture concerned and to the applicant contracting party's need for economic development or reconstruction.

The foregoing provisions of this sub-paragraph are subject to the following conditions:

- (1) any proposal by the applicant contracting party to apply any such measure, with or without modification, after the end of the initial period, shall not be subject to the provisions of this paragraph; and
- (2) the CONTRACTING PARTIES shall not concur in any measure under the provisions of (i), (ii) or (iii) above which is likely to cause serious prejudice to exports of a primary commodity on which the economy of the territory of another contracting party is largely dependent.

(b) The applicant contracting party shall apply any measure permitted under sub-paragraph (a) in such a way as to avoid unnecessary damage to the commercial or economic interests of any other contracting party.

8. If the proposed measure does not fall within the provisions of paragraph 7, the contracting party

- (a) may enter into direct consultations with the contracting party or parties which, in its judgment, would be materially affected by the measure. At the same time, the contracting party shall inform the CONTRACTING PARTIES of such consultations in order to afford them an opportunity to determine whether all materially affected contracting parties are included within the consultations. Upon complete or substantial agreement being reached, the contracting party interested in taking the measure shall apply to the CONTRACTING PARTIES. The CONTRACTING PARTIES shall promptly examine the application to ascertain whether the interests of all the materially affected contracting parties have been duly taken into account. If the CONTRACTING PARTIES reach this conclusion, with or without further consultations between the contracting parties concerned, they shall release the applicant contracting party from its obligations under the relevant provision of this Agreement, subject to such limitations as the CONTRACTING PARTIES may impose, or
- (b) may initially, or in the event of failure to reach complete or substantial agreement under sub-paragraph (a)

apply to the CONTRACTING PARTIES. The CONTRACTING PARTIES shall promptly transmit the statement submitted under paragraph 6 to the contracting party or parties which are determined by the CONTRACTING PARTIES to be materially affected by the proposed measure. Such contracting party or parties shall, within the time limits prescribed by the CONTRACTING PARTIES, inform them whether, in the light of the anticipated effects of the proposed measure on the economy of the territory of such contracting party or parties, there is any objection to the proposed measure. The CONTRACTING PARTIES shall