(b) increase the rate of customs duty on the originating good to a level not to exceed the lesser of:

(i) the most-favored-nation applied rate of customs duty in effect on the day when the bilateral safeguard measure is applied; and

(ii) the most-favored-nation applied rate of customs duty in effect on the day immediately preceding the date of entry into force of this Agreement.

Article 2.9
Conditions and Limitations

1. No bilateral safeguard measure shall be maintained except to the extent and for such period of time as may be necessary to prevent or remedy serious injury and to facilitate adjustment, provided that such period of time shall not exceed a period of three years. However, in highly exceptional circumstances, a bilateral safeguard measure may be extended, provided that the total duration of the bilateral safeguard measure, including such extensions, shall not exceed six years. In order to facilitate adjustment in a situation where the expected duration of a bilateral safeguard measure is over one year, the Party maintaining the bilateral safeguard measure shall progressively liberalize the bilateral safeguard measure at regular intervals during the period of application.

2. No bilateral safeguard measure shall be applied again to the import of a particular originating good which has been subject to such a bilateral safeguard measure, for a period of time equal to the duration of the previous bilateral safeguard measure or one year, whichever is longer.

3. Upon the termination of a bilateral safeguard measure, the rate of customs duty for the originating good subject to the measure shall be the rate which would have been in effect if the bilateral safeguard measure had never been applied.

4. A bilateral safeguard measure shall not be applied against an originating good of the exporting Party as long as its share of imports of the good concerned in the importing Party does not exceed three percent.

5. Each Party shall adopt or maintain equitable, timely, transparent and effective procedures relating to bilateral safeguard measures.

Article 2.10
Investigation

1. A Party may apply a bilateral safeguard measure only after an investigation has been carried out by the competent authorities of that Party in accordance with the same procedures as those provided for in Article 3 and paragraph 2 of Article 4 of the Agreement on Safeguards.

2. The investigation referred to in paragraph 1 shall, except in special circumstances, be completed within one year, and in no case more than 18 months, following its date of initiation.

Article 2.11
Notification and Consultations

1. A Party shall immediately make a written notice to the other Party upon:

(a) initiating an investigation referred to in paragraph 1 of Article 2.10 related to serious injury, or threat of serious injury, and the reasons therefor; and

(b) taking a decision to apply or extend a bilateral safeguard measure.

2. The Party making the written notice referred to in paragraph 1 shall provide the other Party with all pertinent information, which shall include: