Article 10

Suspension of obligations: Protection of Papua New Guinea primary industry

1. In order to protect an existing primary industry or to foster the development of a new primary industry, the Government of Papua New Guinea may suspend its obligations under Article 3 of this Agreement in respect of the products of a like or directly competitive industry.

2. Unless critical circumstances prevail in which delay would cause damage which would be difficult to repair, the Government of Papua New Guinea shall give sixty days notice to the Australian Government prior to taking action under paragraph 1 of this Article.

3. As soon as practicable after the need arises to take action under paragraph 1 of this Article, the Papua New Guinea Government shall enter into consultations with the Australian Government with a view to finding a mutually satisfactory solution to the problem.

Article 11

Suspension of obligations: Deflection of trade

1. If the importation into a Member State (in this Article called "the importing Member State") of free goods from the other Member State

(a) causes or threatens serious injury to an industry in the importing Member State producing like or directly competitive goods because -

(i) the duties or taxes levied by the other Member State on raw materials or intermediate products imported from outside the Area and used in the production of those goods are significantly lower than the duties or taxes levied by the importing Member State on imports of similar raw materials or intermediate products imported from outside the Area, or

(ii) the prices of raw materials or intermediate products used in the production of those goods are unduly low by reason of dumping into the Area or subsidisation, or

(iii) drawback, exemption or remission of import duties is allowed by the other Member State on raw materials or intermediate products imported from outside the Area and used in the production of those goods, and

(b) the other Member State is deriving advantage from the circumstances, the importing Member State, if it considers that action is necessary to offset that advantage, may request consultations with the other Member State on the situation which has developed. Such consultations shall be as full as circumstances permit, and the importing Member State shall consider any measures taken or proposed by the other Member State to offset the advantage.

2. If a mutually acceptable solution is not reached within sixty days of the date of the request referred to in paragraph 1 of this Article, the importing Member State may, after giving notice to the other Member State, suspend to such extent and for as long as necessary the application to the goods concerned of the provisions of Article 3 of this Agreement.