

appropriate procedure, may take appropriate measures under the law applicable in each State of the Contracting Parties on the conditions and/or according to the procedure established by the article 16 of this Agreement.

Article 16

Procedure of application of trade remedies

Prior to the application of measures stipulated in Articles 14 and 15 of this Agreement, the Contracting Parties shall endeavour to resolve the dispute by holding direct consultations in the framework of the working group on development of trade and economic cooperation and improvement of mechanism of intergovernmental Russian-Yugoslav Committee on trade, economic and scientific-technical cooperation, established in accordance with the Agreement between the Government of the Russian Federation and the Federal Government of the Federal Republic of Yugoslavia on the establishment of the intergovernmental Russian-Yugoslav Committee on trade, economic and scientific-technical cooperation, as of August 24, 1994. (hereinafter - the working group), in order to find a mutually acceptable solution.

A Contracting Party, which has taken the decision about the beginning of procedures preceding the imposition of anti-dumping, countervailing or safeguard measures provided for by Articles 14 and 15 of this Agreement, shall inform the other Contracting Party and provide the information envisaged by the laws of the State of the Contracting Party, which initiated the procedure.

If the Contracting Parties fail to reach a mutually acceptable solution within 30 days from the beginning of consultations in the framework of the working group, the Contracting Party, initiating the procedure, prior to the introduction of anti-dumping, countervailing or safeguard measures shall have the right after the appropriate procedures to apply measures on elimination the consequences of substantial damage or threat of substantial damage, informing about this the other Contracting Party. The volume and period of application of the said measures should be limited, necessary to remedy the damage.

When choosing the measures provided for in Articles 14 and 15 of this Agreement, the Contracting Parties shall give preference to those of them, which would cause least damage to the achievement of the objectives of this Agreement.

In exceptional cases, when the delay in the adoption of measures, stipulated in Articles 14 and 15 of this Agreement, may lead to damage that is hard to remedy, the Contracting Party which initiated the procedure of application of trade remedies, may impose interim measures before the consultations, on the condition that these consultations are requested to take place immediately after the application of such measures.

Article 17

Non-fulfillment of obligations

If one of the Contracting Party finds that the other Contracting Party has not fulfilled any of the given obligations under this Agreement, at the end of the consultation or by the end of three months period from the date of informing the other Contracting Party, it may take appropriate measures in order to eliminate the consequences of the damage.

Article 18

The influence of balance of payments