- 1. The Parties shall not apply their regulations in sanitary and phytosanitary matters as an arbitrary or unjustifiable discrimination or a disguised restriction on trade between them.
- 2. The Parties shall apply their sanitary and phytosanitary measures within the rules and procedures of the GATT 1994 and the WTO Agreement on the Application of Sanitary and Phytosanitary Measures.
- 3. The Parties agree to co-operate in the areas of animal health and plant protection and food safety through their respective competent authorities.

# CHAPTER III TRADE RELATED PROVISIONS

#### ARTICLE 18 Internal Taxation and Regulation

- 1. The Parties shall refrain from, and abolish where existing, any internal taxes and other internal charges and laws, regulations and requirements establishing, whether directly or indirectly, discrimination between the products of one Party and like products originating in the other Party.
- 2. Products exported to the territory of either of the Parties shall not qualify for refunds of internal indirect taxation which exceed the amount of the indirect taxation directly or indirectly imposed on those products.

#### ARTICLE 19 Bilateral Safeguard Measures

- 1. After having examined alternative solutions, a Party may apply safeguard measures of limited duration which derogate from the provisions of Articles 12, 14 and 16, under the conditions and in accordance with the procedures laid down in this Article.
- 2. Safeguard measures referred to in paragraph 1 above may be taken where a product originating in one Party is being imported into the other Party in such increased quantities and under such conditions as to cause or threaten to cause:
  - a) serious injury to the domestic industry producing like or directly competitive products in the territory of the importing Party; or,
  - b) disturbances in a sector of the economy, particularly where these disturbances produce major social problems, or difficulties which could bring about serious deterioration in the economic situation of the importing

Party; or,

- c) disturbances in the markets of agricultural like or directly competitive products<sup>1</sup> or mechanisms regulating those markets in the importing Party.
- 3. Safeguard measures referred to in this Article shall not exceed what is necessary to remedy or prevent the serious injury or disturbances, as defined in paragraph 2 and 5(b). Those safeguard measures of the importing Party may only consist of one or more of the following:
  - a) suspension of the further reduction of the rate of import duty for the product concerned, as provided for under this Agreement,
  - b) increase in the customs duty on the product concerned up to a level which does not exceed the customs duty applied to other WTO Members, and
  - c) introduction of tariff quotas on the product concerned.
- 4. Without prejudice to paragraphs 1, 2 and 3 above, where any product originating in Mauritius is being imported in such increased quantities and under such conditions as to cause or threaten to cause one of the situations referred to under 2(a), (b) and (c) above to Turkey, Turkey may take surveillance or safeguard measures in accordance with the procedures laid down in paragraphs 6 to 9.
- 5. (a) Without prejudice to paragraphs 1, 2 and 3 above, where any product originating in Turkey is being imported in such increased quantities and under such conditions as to cause or threaten to cause one of the situations referred to under 2(a), (b) and (c) above to Mauritius, Mauritius may take surveillance or safeguard measures in accordance with the procedures laid down in paragraphs 6 to 9.
  - (b) Mauritius may take safeguard measures where a product originating in Turkey as a result of the reduction of duties is being imported in such increased quantities and under such conditions as to cause or threaten to cause disturbances to an infant industry producing like or directly competitive products. Such provision is only applicable for a period of 10 years from the date of entry into force of this Agreement. Measures must be taken in accordance with the procedures laid down in paragraphs 6 to 9.
- 6. (a) Safeguard measures referred to in this Article shall only be maintained for such a time as may be necessary to prevent or remedy serious injury or disturbances as defined in paragraphs 2, 4 and 5 above.
  - (b) Safeguard measures referred to in this Article shall not be applied for a period exceeding two years. Where the circumstances warranting imposition of safeguard measures continue to exist, such measures may be extended for a further period of no more than two years.

<sup>1</sup> For the purpose of this article agricultural products are those defined in Article 15.2 of this agreement.

- (c) Safeguard measures referred to in this Article that exceed one year shall contain clear elements progressively leading to their elimination at the end of the set period, at the latest.
- (d) No safeguard measure referred to in this Article shall be applied to the import of a product that has previously been subject to such a measure, for a period of at least one year since the expiry of the measure.
- 7. For the implementation of the above paragraphs, the following provisions shall apply:
  - a) Where a party takes the view that one of the circumstances set out in paragraphs 2, 4 and/or 5 exists, it shall immediately refer the matter to the Joint Committee for examination;
  - b) The Joint Committee may make any recommendation needed to remedy the circumstances which have arisen. If no recommendation has been made by the Joint Committee aimed at remedying the circumstances, or no other satisfactory solution has been reached within 30 days of the matter being referred to the Joint Committee, the importing party may adopt the appropriate measures to remedy the circumstances in accordance with this Article;
  - c) Before taking any measure provided for in this Article or, in the cases to which paragraph 8 of this Article applies, as soon as possible, the Party concerned shall supply the Joint Committee with all relevant information required for a thorough examination of the situation, with a view to seeking a solution acceptable to the Parties concerned;
  - d) In the selection of safeguard measures pursuant to this Article, priority must be given to those which least disturb the operation of this Agreement;
  - e) Any safeguard measure taken pursuant to this Article shall be notified immediately to the Joint Committee and shall be the subject of periodic consultations within the said Joint Committee particularly with a view to establishing a timetable for their abolition as soon as circumstances permit.
- 8. Where exceptional circumstances require immediate action, the importing Party concerned, whether Turkey or Mauritius, may take the measures provided for in paragraph 3, 4 and/or 5 on a provisional basis without complying with the requirements of paragraph 7. Such action may be taken for a maximum period of 180 days where measures are taken by Turkey and 200 days where measures are taken by Mauritius. The duration of any such provisional measure shall be counted as a part of the initial period and any extension referred to in paragraph 6. In the taking of such provisional measures, the interest of all Parties involved shall be taken into account. The importing Party concerned shall inform the other Party concerned and it shall immediately refer the matter to the Joint Committee for examination.

- 9. If an importing Party subjects imports of a product to an administrative procedure having as its purpose the rapid provision of information on the trend of trade flows liable to give rise to the problems referred to in this Article, it shall inform the Joint Committee without delay.
- 10. The WTO Agreement shall not be invoked to preclude a Party from adopting safeguard measures in conformity with this Article.
- 11. Parties agree to ensure that any changes that have a direct impact on this Article as a result of the negotiations of the Economic Partnership Agreement between the European Union (EU) and the Eastern and Southern African (ESA) States, and which are more favorable than the provisions of this Agreement, will be immediately considered by the Joint Committee for amendment in accordance with Article 34.

# ARTICLE 20 Antidumping and Countervailing Measures

- 1. The rights and obligations of the Parties related to antidumping and countervailing measures shall be governed by Article VI of GATT 1994, the WTO Agreement on Implementation of Article VI of GATT 1994 and the WTO Agreement on Subsidies and Countervailing Measures, and their successors.
- 2. This Agreement does not confer any additional rights or obligations on the Parties with regard to the application of antidumping and countervailing measures, referred to in paragraph 1 of this Article.

# **ARTICLE 21 Safeguard Measures**

- 1. Notwithstanding Article 19, each Party retains its rights and obligations under Article XIX of GATT 1994 and the WTO Safeguards Agreement, and any other relevant provisions in the WTO Agreement, and their successors.
- 2. This Agreement does not confer any additional rights or obligations on the Parties with regard to actions taken pursuant to Article XIX of GATT 1994 and the WTO Safeguards Agreement, and their successors.

### ARTICLE 22 Payments

1. Payments in freely convertible currencies relating to commercial transactions within the framework of this Agreement between the Parties and the transfer of such payments to the territory of the Party where the creditor resides shall be free from any restrictions.

- 2. The Parties shall refrain from exchange or administrative restrictions other than those existing in the current legislation of the Parties on the grant repayment or acceptance of short and medium term credits related to commercial transactions in which a resident of a Party participates.
- 3. Notwithstanding the provisions of paragraph 2, any measures concerning current payments connected with the movement of goods shall be in conformity with the conditions laid down under Article VIII of the Articles of Agreement of the International Monetary Fund.

## ARTICLE 23 Intellectual and Industrial Property

- 1. The Parties shall co-operate and collaborate with a view to providing suitable and effective protection of intellectual and industrial property rights in line with Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs) and other international Agreements. This shall encompass effective means of enforcing such rights.
- 2. Implementation of this Article shall be regularly assessed by the Parties. If difficulties, which affect trade, arise in connection with intellectual and industrial property rights, either Party may request urgent consultations to find mutually satisfactory solutions.

### ARTICLE 24 Technical Barriers to Trade

- 1. The rights and obligations of the Parties relating to standards or technical regulations and related measures shall be governed by the WTO Agreement on Technical Barriers to Trade.
- 2. Each Party, upon a request from the other Party, shall provide information on particular individual cases of standards, technical regulations and applied measures.
- 3. The Parties shall endeavour to eliminate technical barriers to trade. To this end, the Parties will enter where appropriate into negotiations for the conclusion of the agreements for the mutual recognition in the field of conformity assessment, in the spirit of the recommendations of the WTO Agreement on Technical Barriers to Trade.