

## **Annex III**

### **Safeguard Measures Between the Two Parties Applicable to Products Under the Early Harvest for Trade in Goods**

1. If, as a result of the implementation of the Early Harvest Program by an importing Party, any specific product thereof is being imported from the other Party in such increased quantities, absolute or relative to the production of the importing Party, and under such conditions as to cause or threaten to cause serious injury to the industry of the importing Party that produces like or directly competitive products, the importing Party may request consultations with the other Party to seek a mutually satisfactory solution.  
Pursuant to the previous paragraph, if a Party determines to take a safeguard measure between the two Parties after investigation, the Party may increase the tariff rate applicable to the product concerned up to the level of non-interim tariff rate generally applied to the members of the World Trade Organization at the time when such a safeguard measure between the two Parties is taken.
2. The duration of a safeguard measure between the two Parties shall be as short as possible. The measure shall be taken only to the extent necessary to eliminate or prevent injury to the industry of the importing Party. The duration of such a measure shall not exceed one year.
3. When a safeguard measure between the two Parties on a product is terminated by one Party, the tariff rate of this product shall be the rate applicable at the time of the termination of the safeguard measure between the two Parties according to the tariff reduction modalities set forth in Annex I of the *Cross-Straits Economic Cooperation Framework Agreement*.
4. When a safeguard measure between the two Parties is taken, in the event of rules not stipulated in this Annex, the *Agreement on Safeguards* of the World Trade Organization shall be applied *mutatis mutandis*, except the quantitative restriction measures set forth in Article 5, as well as Articles 9, 13 and 14 of *the Agreement on Safeguards* of the World Trade Organization.
5. Where the *Agreement on Safeguards* of the World Trade Organization is applied *mutatis mutandis* under this Annex, the “Council for Trade in Goods” or the “Committee on Safeguards” mentioned in the *Agreement on Safeguards* of the World Trade Organization refers to the “Cross-Straits Economic Cooperation Committee” under the *Cross-Straits Economic Cooperation Framework Agreement*.
6. Neither Party may simultaneously take the following measures on a product from the other Party:

- (1) a safeguard measure between the two Parties;
- (2) a measure set forth in Article XIX of the *General Agreement on Tariffs and Trade 1994* and the *Agreement on Safeguards* of the World Trade Organization.