

ANNEX 1A

ECONOMIC RESILIENCE AND ESSENTIAL SUPPLIES

ARTICLE 1

Definitions

For the purposes of this Annex:

- (a) “essential supplies” means:
 - (i) petroleum oils, such as diesel, and liquefied natural gas; and
 - (ii) other goods critical to either Party’s economy, as mutually decided, as set out in the *Memorandum of Understanding on Essential Supplies* which may be amended in accordance with the amendment provisions of that Memorandum of Understanding; and
- (b) “supply chain disruption” means a severe interruption, delay, or shortage that has an impact on one or both Parties and on the production, cross-border movement of, or access to, materials, articles or commodities, as determined by either Party.

ARTICLE 2

Export Prohibitions and Restrictions related to Essential Supplies

1. Each Party shall endeavour not to adopt or maintain any prohibition or restriction pursuant to paragraph 2(a) of Article XI of GATT 1994 on the exportation or sale for export of any essential supplies to the other Party.
2. If, despite paragraph 1, a Party (the Adopting Party) proposes to adopt such a prohibition or restriction, it shall:
 - (a) seek to limit such prohibition or restriction to the extent necessary, giving due consideration to any negative effects on the other Party’s security of essential supplies; and
 - (b) provide notice pursuant to Article 3 of this Annex to the other Party, prior to adopting such a prohibition or restriction.

ARTICLE 3

Consultation and Transparency in Relation to Supply Chain Disruptions

1. If a Party experiences a supply chain disruption, or expects an imminent supply chain disruption, affecting trade in essential supplies, the Party may request consultations with the other Party with a view to introducing appropriate response measures that would

facilitate the efficient movement of affected essential supplies. The requesting Party shall share relevant information about the supply chain disruption, such as the cause and expected duration of the supply chain disruptions, to the extent practicable.

2. In the event of a supply chain disruption, or in the event that a Party expects an imminent supply chain disruption, affecting trade in essential supplies between the Parties, a Party (the Requesting Party) may, by way of notice in writing, request emergency consultations with the other Party (the Requested Party). The Requested Party shall respond to the Requesting Party and enter into such consultations within 30 days of receipt of the notice, unless otherwise agreed by the Parties.

3. Where a Party introduces a measure in response to a supply chain disruption that it considers is likely to significantly affect the trade in essential supplies between the Parties, that Party shall give notice to the other, to the extent practicable before the implementation of that measure or as soon as possible thereafter. Such notice shall include relevant information about the measure, including the nature, start date and expected duration, and the rationale of the measure to the extent practicable.

4. Consultations may be conducted via any means mutually agreed by the Parties. Consultations shall be conducted with a view to minimising the impact of a supply chain disruption on the Parties, including any disruption to essential supplies traded between the Parties.

ARTICLE 4

Review and Withdrawal of Measures

As the circumstances relevant to the prohibition or restriction ease, the adopting Party shall review the application of the prohibition or restriction, with a view to easing its application as soon as possible and withdrawing such a measure as soon as practicable if the adopting Party considers the circumstances giving rise to its introduction no longer exist.