

PARTNERSHIP AND COOPERATION AGREEMENT BETWEEN THE EUROPEAN COMMUNITIES AND THEIR MEMBER STATES, OF THE ONE PART, AND THE REPUBLIC OF BELARUS, OF THE OTHER PART.

THE KINGDOM OF BELGIUM,

THE KINGDOM OF DENMARK,

THE FEDERAL REPUBLIC OF GERMANY,

THE HELLENIC REPUBLIC,

THE KINGDOM OF SPAIN,

THE FRENCH REPUBLIC,

IRELAND,

THE ITALIAN REPUBLIC,

THE GRAND DUCHY OF LUXEMBOURG,

THE KINGDOM OF THE NETHERLANDS,

THE PORTUGUESE REPUBLIC,

THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND,

contracting parties to the Treaty establishing the European Economic Community, the Treaty establishing the European Coal and Steel Community, and the Treaty establishing the European Atomic Energy Community,

hereinafter referred to as "Member States", and

the EUROPEAN ECONOMIC COMMUNITY, the EUROPEAN ATOMIC ENERGY COMMUNITY and the EUROPEAN COAL AND STEEL COMMUNITY,

hereinafter referred to as "the Community", of the one part,

and .

THE REPUBLIC OF BELARUS

of the other part,

hereinafter referred to as "the Parties",

CONSIDERING the links between the Community, its Member States and the Republic of Belarus and the common values that they share,

RECOGNIZING that the Community and the Republic of Belarus wish to strengthen these links and to establish partnership and cooperation which would strengthen and widen the relations established in the past in particular by the Agreement between the European Economic Community and the European Atomic Energy Community and the Union of Soviet Socialist Republics on Trade and Commercial and Economic Cooperation, signed on 18 December 1989.

CONSIDERING the commitment of the Community and its Member States and of the Republic of Belarus to strengthening the political and economic freedoms which constitute the very basis of the partnership,

CONSIDERING the commitment of the Parties to promote international peace and security as well as the peaceful settlement of disputes and to co-operate to this end in the framework of the United Nations and the Conference on Security

and Cooperation in Europe,

WELCOMING the decision by the Republic of Belarus to become a party to the Treaty on Non- Proliferation of Nuclear Weapons and the Strategic Arms Reduction Treaty of and the Lisbon Protocol.

CONSIDERING the firm commitment of the Community and its Member States and of the Republic of Belarus to the full implementation of all principles and provisions contained in the Final Act of the Conference on Security and Cooperation in Europe (CSCE), the Concluding Documents of the Madrid and Vienna Follow Up Meetings, the Document of the CSCE Bonn Conference on Economic Cooperation, the Charter of Paris for a New Europe and the CSCE Helsinki Document 1992, "the Challenges of Change",

RECOGNIZING in that context that support of independence, sovereignty and territorial integrity of the Republic of Belarus will contribute to safeguarding of peace and stability in the region of Central and Eastern Europe and on the European Continent as a whole, ,

CONFIRMING the attachment of the Community and its Member States and of the Republic of Belarus to the European Energy Charter, and to the Declaration of the Lucem Conference, April 1993,

CONVINCED of the paramount importance of the rule of law and respect for human rights, particularly those of minorities, the establishment of a multiparty system with free and democratic elections and economic liberalization aimed at setting up a market economy,

BELIEVING that full implementation of this partnership and cooperation Agreement will both depend on and contribute to continuation and accomplishment of the political, economic and legal reforms in the Republic of Belarus, as well as the introduction of the factors necessary for cooperation, notably in the light of the conclusions of the CSCE Bonn Conference,

DESIROUS of encouraging the process of regional cooperation in the areas covered by this agreement with the neighbouring countries in order to promote the prosperity and stability of the region,

DESIROUS of establishing and developing regular political dialogue on bilateral and international issues of mutual interest,

TAKING ACCOUNT of the Community's willingness to provide for economic cooperation and technical assistance as appropriate,

BEARING IN MIND the utility of the Agreement, for further involvement of the Republic of Belarus into the processes of widening cooperation in neighbouring regions 'and in Europe and its integration into the world market economy,

RECOGNIZING the changes that are taking place in the political and economic system of the Republic of Belarus and its efforts aimed at transition of its economy into a market economy,

CONSIDERING the commitment of the Parties to liberalise trade, based on the principles contained in the General Agreement on Tariffs and Trade,

CONSCIOUS of the need to improve gradually conditions affecting business and investment, and conditions in areas such as the establishment and operation of enterprises, labour, provision of services and conditions in areas such as the establishment and operation of, enterprises, labour, provision of services and capital movements,

CONVINCED that this Agreement will create a new climate for economic relations between the Parties and in particular for the development of trade and investment, which are essential to economic restructuring and technological modernization,

DESIROUS of establishing close cooperation in the area of environment protection taking into account the interdependence existing between the Parties in this field,

DESIROUS of developing and diversifying cultural cooperation and improving the flow of information,

Have agreed as follows :

Article 1.

A Partnership is hereby established between the Community and its Member States of the one part, and the Republic of Belarus of the other part. The objectives of this partnership are:

- to provide an appropriate framework for the political dialogue between the Parties allowing the development of political

relations,

- to promote mutually beneficial trade and investment and harmonious economic relations between the Parties and so to foster their sustainable economic development,
- to provide a solid basis for legislative, economic, social, financial, scientific and technical, and cultural cooperation,
- to support efforts of the Republic of Belarus to consolidate its democracy and to develop its economy and to complete the transition into a market economy.

Title I. General Principles

Article 2.

Respect for democracy, principles of international law, and human rights as defined in particular in the UN Charter, the Helsinki Final Act and the Charter of Paris for a New Europe, as well as the principles of market economy, including those enunciated in the documents of the CSCE Bonn Conference, underpin the internal and external policies of the Parties and constitute an essential element of partnership and of the present Agreement.

Article 3.

The Parties consider that it is essential for the future prosperity and stability of the region of the former Soviet Union that the newly independent states which have emerged from the dissolution of the Union of Soviet Socialist Republics, hereinafter called "Independent States", should maintain and develop cooperation among themselves in compliance with the principles of the Helsinki Final Act and with international law and spirit of good neighbourly relations and will make every effort to encourage this process.

Article 3bis.

The Parties undertake to consider, in particular when Belarus has further advanced in the process of economic reform, developments of the relevant Titles of this Agreement, in particular Title III and Article 34, with a view to the establishment of a free trade area between them. The Cooperation Council may make recommendations on such developments to the Parties. Such developments shall only be put into effect by virtue of an agreement between the Parties in accordance with their respective procedures. The Parties shall consult each other in the year 1998 as to whether circumstances, and in particular Belarus's advances in market oriented economic reforms and the economic conditions prevailing there at that time, allow the beginning of negotiations on the establishment of a free trade area.

Article 3ter.

The Parties undertake to examine together, by mutual consent, amendments which it may be appropriate to make to any part of the Agreement in view of changes in circumstances, and in particular of the situation arising from the Republic of Belarus's accession to GATT/WTO. The first examination shall take place three years after the entry into force of the Agreement or when the Republic of Belarus becomes a Contracting Party of GATT/WTO, whichever is earlier.

Title II. Political Dialogue

Article 4.

A regular political dialogue shall be established between the Parties which they intend to develop and intensify. It shall accompany and consolidate the rapprochement between the Community and the Republic of Belarus, support the democratic changes underway in the political life of, as well as, the process of economic reform in the Republic of Belarus and contribute to the establishment of new forms of cooperation. The political dialogue:

- shall strengthen the links of the Republic of Belarus with the Community and its Member States, and thus with the community of democratic nations as a whole. The economic convergence achieved through this Agreement will lead to more intense political relations;
- shall bring about an increasing convergence of positions on international issues of mutual concern thus increasing security and stability.
- shall foresee that the Parties endeavour to co-operate on matters pertaining to the strengthening of stability and security in

Europe, the observance of the principles of democracy, the respect and promotion of human rights, particularly those of minorities and shall hold consultations, if necessary, on the relevant matters.

Article 5.

At ministerial level, political dialogue shall take place within the Cooperation council established in Article 66 and on other occasions by mutual agreement.

Article 6.

Other procedures and mechanisms for political dialogue shall be set up by the Parties, and in particular in the following forms:

- regular meetings at the level of senior officials between representatives of the Community and its Member States on the one hand, and representatives of the Republic of Belarus on the other hand;
- taking full advantage of diplomatic channels, including appropriate contacts in the bilateral as well as the multilateral field, such as the United Nations, CSCE meetings and elsewhere;
- exchanging information on matters of mutual interest concerning political cooperation in Europe;
- any other means which would contribute to consolidating and developing this political dialogue.

Article 7.

Political dialogue at parliamentary level shall take place within the framework of the Parliamentary Cooperation Committee established in Article 70.

Title III. Trade In Goods

Article 8.

1. The Parties shall accord to one another most-favoured-nation treatment according to Article I, paragraph 1 of the GATT.

2. The provisions of paragraph 1 shall not apply to:

(a) advantages granted with the aim of creating a customs union or a free-trade area or pursuant to the creation of such a union or area;

(b) advantages granted to particular countries in accordance with the General Agreement on Tariffs and Trade and with other international arrangements in favour of developing countries;

(c) advantages accorded to adjacent countries in order to facilitate frontier traffic.

3. The provisions of paragraph 1 and Article 9.2 shall not apply, during a transitional period expiring on the date of the Republic of Belarus acceding to GATT or on the 31st December 1998, whichever is earlier, to advantages defined in Annex I granted by the Republic of Belarus to other states which have emerged from the dissolution of the USSR.

Article 9.

1. The parties agree that the principle of free transit of goods is an essential condition of attaining the objectives of this Agreement.

In this connection each Party shall secure unrestricted transit via or through its territory of goods originating in the customs territory or destined for the customs territory of the other Party.

2. The rules described in Article V, paragraphs 2, 3, 4 and 5 of the GATT are applicable between the two Parties.

3. The rules contained in this Article are without prejudice to any special rules relating to specific sectors, in particular such as transport, or products agreed between the Parties.

Article 10.

Without prejudice to the rights, and obligations stemming from international conventions on the temporary admission of goods which bind both Parties, each Party shall furthermore grant the other Party exemption from import charges and duties on goods admitted temporarily, in the instances and according to the procedures stipulated by any other international convention on this matter binding upon it, in conformity with its legislation. Account shall be taken of the conditions under which the obligations stemming from such a convention have been accepted by the Party in question.

Article 11.

Goods originating in Belarus and the Community respectively shall be imported into the Community and Belarus respectively free of quantitative restrictions without prejudice to Articles 13, 16, 16bis, to the provisions of annex II of this Agreement, and to the provisions of Articles 77, 81, 244, 249 and 280 of the Acts of Accession of Spain and Portugal to the European Community.

Article 11bis.

1. The products of the territory of one Party imported into the territory of the other Party shall not be subject, directly or indirectly, to internal taxes or other internal charges of any kind in excess of those applied, directly or indirectly, to like domestic products.
2. Moreover, these products shall be accorded treatment no less favourable than that accorded to like products of national origin in respect of all laws, regulations and requirements affecting their internal sale, offering for sale, purchase, transportation, distribution or use. The provision of this paragraph shall not prevent the application of differential internal transportation charges which are based exclusively on the economic operation of the means of transport and not on the nationality of the product.
3. Article III paragraphs 8, 9, and 10 of the GATT shall be applicable mutatis mutandis between the Parties.

Article 11ter.

The following Articles of the GATT shall be applicable mutatis mutandis between the two Parties,

- (i) Article VII, paragraphs 1, 2, 3, 4a, 4b, 4d, 5;
- (ii) Article VIII;
- (iii) Article IX;
- (iv) Article X.

Article 12.

Goods shall be traded between the Parties at market-related prices.

Article 13.

1. Where any product is being imported into the territory of one of the Parties in such increased quantities and under such conditions as to cause or threaten to cause substantial injury to domestic producers of like or direct competitive products, the Community or the Republic of Belarus, whichever is concerned, may take appropriate measures in accordance with the following procedures and conditions.
2. Before taking any measures, or in cases to which paragraph 4 applies as soon as possible thereafter, the Community or the Republic of Belarus as the case may be shall supply the Cooperation Committee with all relevant information with a view to seeking a solution acceptable to both Parties.
3. If, as a result of the consultations, the Parties do not reach agreement within 30 days of referral to the Cooperation Committee on actions to avoid the situation, the Party which requested consultations shall be free to restrict imports of the products concerned to the extent and for such time as is necessary to prevent or remedy the injury, or to adopt other appropriate measures.
4. In critical circumstances where delay would cause damage difficult to repair, the Parties may take the measures before the consultations, on the condition that consultations shall be offered immediately after taking such action.

5. In the selection of measures under this Article, the Contracting Parties shall give priority to those which cause least disturbance to the achievement of the aims of this Agreement.

Article 13bis.

Nothing in this Title, and in Article 13 in particular shall prejudice or affect in any way the taking, by either Party, of anti-dumping or countervailing measures in accordance with Article VI of the GATT, the Agreement on implementation of Article VI of the GATT, the Agreement on interpretation and application of Articles VI, XVI and XXII of the GATT or related internal legislation.

In respect of anti-dumping or subsidies investigations, each Party agrees to examine submissions by the other Party and to inform the interested parties concerned of the essential facts and considerations on the basis of which a final decision is to be made. Before definitive anti-dumping and countervailing duties are imposed, the Parties shall do the utmost to bring about a constructive solution to the problem.

Article 15.

The Agreement shall not preclude prohibitions or restrictions on imports, exports or goods in transit justified on grounds of public morality, public policy or public security; the protection of health and life of humans, animals or plants; the protection of natural resources; the protection of national treasures of artistic, historic or archaeological value or the protection of intellectual, industrial and commercial property or rules relating to gold and silver. Such prohibitions or restrictions shall not, however, constitute a means of arbitrary discrimination or a disguised restriction on trade between the Parties.

Article 16.

This Title III shall not apply to trade in textile products falling under chapters 50 to 63 of the Combined Nomenclature. Trade in these products shall be governed by a separate agreement, initialed on 1st April 1993 and applied provisionally with effect from 1st January 1993.

Article 16bis.

1. Trade in products covered by the Treaty establishing the European Coal and Steel Community shall be governed by the provisions of this Title III, with the exception of Article 11.

2. A contact group on coal and steel matters is set up, comprising representatives of the Community on the one hand, and representatives of the Republic of Belarus on the other.

The contact group shall exchange, on a regular basis, information on all coal and steel matters of interest to the Parties.

Article 17.

Trade in nuclear items will be conducted in accordance with the provisions of the Treaty establishing the European Atomic Energy Community. If necessary, trade in nuclear materials shall be subject to the provisions of a specific Agreement to be concluded between the European Atomic Energy Community and Belarus.

Title IV. Provisions Affecting Business and Investment

Chapter I. Labour Conditions

Article 18.

1. Subject to the laws, conditions and procedures applicable in each Member State, the Community and the Member States shall endeavour to ensure that the treatment accorded to Belarusian nationals legally employed in the territory of a Member State shall be free from any discrimination based on nationality, as regards working conditions, remuneration or dismissal, as compared to its own nationals.

2. Subject to the laws, conditions and procedures applicable in Republic of Belarus, the Republic of Belarus shall endeavour to ensure that the treatment accorded to nationals of a Member State legally employed in the territory of Republic of Belarus shall be free from any discrimination based on nationality, as regards working conditions, remuneration or dismissal, as compared to its own nationals.

Article 18bis. Coordination of Social Security

The Parties shall conclude agreements in order:

(i) to adopt, subject to the conditions and modalities applicable in each Member State, the provisions necessary for the coordination of Social Security systems for workers of Belarusian nationality, legally employed in the territory of a Member State. These provisions will in particular ensure that:

- all periods of insurance, employment or residence completed by such workers in the various Member States shall be added together for the purpose of pensions in respect of old age, invalidity and death and for the purpose of medical care for such workers;

- any pensions in respect of old age, death, industrial accident or occupational disease, or of invalidity resulting therefrom, with the exception of the special non-contributory benefits, shall be freely transferable at the rate applied by virtue of the law of the debtor Member state or states;

(ii) to adopt, subject to the conditions and modalities applicable in Belarus, the provisions necessary to accord to workers who are nationals of a Member State and legally employed in Belarus, treatment similar to that specified in the second indent of paragraph (i).

Article 18ter.

The measures to be taken in accordance with Article 19 bis shall not affect any rights or obligations arising from bilateral agreements linking Belarus and the Member States where those agreements provide for more favourable treatment of nationals of Belarus or of the Member States.

Article 19.

The Cooperation Council shall examine which joint efforts can be made to control illegal immigration, taking into account the principle and practice of readmission.

Article 20.

The Cooperation Council shall examine which improvements can be made in working conditions for business people consistent with the international commitments of the Parties, including those set out in the document of the CSCE Bonn Conference.

Article 21.

The Cooperation Council shall make recommendations for the implementation of Articles 18, 19 and 20.

Chapter II. Conditions Affecting the Establishment and Operations of Enterprises

Article 22.

1. a) The Community and its Member States shall grant for the establishment of Belarusian companies in their territories treatment no less favourable than that accorded to companies of any third country, and this in conformity with their legislation and regulations.

b) Without prejudice to the reservations listed in Annex III, the Community and its Member States shall grant to subsidiaries of Belarusian companies established in their territories a treatment no less favourable than that granted to any Community company, in respect of their operation, and this in conformity with their legislation and regulations.

c) The Community and its Member States shall grant to branches of Belarusian companies established in their territories a treatment no less favourable than that accorded to branches of companies of any third country, in respect of their operation, and this in conformity with their legislation and regulations.

Without prejudice to the reservations listed in Annex IV, Belarus shall grant for the establishment of Community companies in its territory, a treatment no less favourable than that accorded to its own companies or to companies of any third country

whichever is the better, and this in conformity with its legislation and regulations.

2. a) Without prejudice to the reservations listed in Annex IV, Belarus shall grant for the establishment of Community companies in its territory, a treatment no less favourable than that accorded to its own companies or to companies of any third country whichever is the better, and this in conformity with its legislation and regulations.

b) Belarus shall grant to subsidiaries and branches of Community companies, established in its territory, in respect of their operations, treatment no less favourable than that accorded to its own companies or branches, or to Belarusian subsidiaries or branches of any third country, whichever is the better, and this in conformity with its legislation and regulations.

3. The provisions of paragraphs 1.b) and 2.b) cannot be used so as to circumvent a Party's legislation and regulations applicable to access to specific sectors or activities by subsidiaries or branches of companies of the other Party established in the territory of such first Party.

The treatment referred to in paragraph 1.b), 1.c) and 2.b) and 2.c) shall benefit companies and branches established in the Community and Belarus respectively at the date of entry into force of this Agreement and companies and branches established after that date once they are established.

Article 23.

1. The provisions of Article 22 shall not apply to air transport, inland waterways transport and maritime transport, without prejudice to the provisions of Article 78.

2. However, in respect of activities undertaken by shipping agencies for the provision of international maritime transport services, including intermodal activities involving a sea leg, each Party shall permit to the companies of the other Party their commercial presence in its territory in the form of subsidiaries or branches, under conditions of establishment and operation no less favourable than those accorded to its own companies or to subsidiaries or branches of companies of any third country, whichever are the better.

Such activities include, but are not limited to:

(a) marketing and sales of maritime transport and related services through direct contact with customers, from quotation to invoicing, whether these services are operated or offered by the service supplier itself or by service suppliers with which the service seller has established standing business arrangements;

(b) purchase and use, on their own account or on behalf of their customers (and the resale to their customers) of any transport and related services, including inward transport services by any mode, particularly inland waterways, road and rail, necessary for the supply of an integrated service;

(c) preparation of documentation concerning transport documents, customs documents, or other documents related to the origin and character of the goods transported;

(d) provision of business information of any means, including computerised information systems and electronic data interchange (subject to any non-discriminatory restrictions concerning telecommunications);

(e) setting up of any business arrangement, including participation in the company's stock and the appointment of personnel recruited locally (or, in the case of foreign personnel, subject to the relevant provisions of this Agreement), with any locally established shipping agency;

(f) acting on behalf of the companies, organising the call of the ship or taking over cargoes when required.

Article 24.

For the purposes of this Agreement:

a) A "Community company" or a "Belarusian company" respectively shall mean a company set up in accordance with the laws of a Member State or of Belarus respectively and having its registered office or central administration or principal place of business in the territory of the Community or Belarus respectively. However, should the company, set up in accordance with the laws of a Member State or Belarus respectively, have only its registered office in the territory of the Community or Belarus respectively, the company shall be considered a Community or Belarusian company respectively if its operations possess a real and continuous link with the economy of one of the Member States or Belarus respectively.

b) "Subsidiary" of a company shall mean a company which is effectively controlled by the first company.

c) "Branch" of a company shall mean a place of business not having legal personality which has the appearance of permanency, such as the extension of a parent body, has a management and is materially equipped to negotiate business with third parties so that the latter, although knowing that there will if necessary be a legal link with the parent body, the head office of which is abroad, do not have to deal directly with such parent body but may transact business at the place of business constituting the extension.

d) "Establishment" shall mean the right of Community or Belarusian companies as referred to in Article 24 a) to take up economic activities by means of the setting up of subsidiaries and branches in Belarus or in the Community respectively.

e) "Operation" shall mean the pursuit of economic activities.

f) "Economic activities" shall mean activities of an industrial, commercial and professional character.

g) With regard to international maritime transport, including intermodal operations involving a sea leg, shall also be beneficiaries of the provisions of this Chapter and Chapter III, nationals of the Member States or of Belarus established outside the Community or Belarus respectively, and shipping companies established outside the Community or Belarus and controlled by nationals of a Member State or Belarusian nationals respectively, if their vessels are registered in that Member State or in Belarus respectively in accordance with their respective legislations.

Article 25.

1. Notwithstanding any other provisions of the Agreement, a Party shall not be prevented from taking measures for prudential reasons, including for the protection of investors, depositors, policy holders or persons to whom a fiduciary duty is owed by a financial service supplier, or to ensure the integrity and stability of the financial system. Where such measures do not conform with the provisions of the Agreement, they shall not be used as a means of avoiding the obligations of a Party under the Agreement.

2. Nothing in the Agreement shall be construed to require a Party to disclose information relating to the affairs and accounts of individual customers or any confidential or proprietary information in the possession of public entities.

3. For the purpose of this Agreement, "financial services" shall mean those activities described in Annex V.

Article 26.

The provisions of the present Agreement shall not prejudice the application by each Party of any measure necessary to prevent the circumvention of its measures concerning third country access to its market, through the provisions of this Agreement.

Article 27.

1. Notwithstanding the provisions of Chapter I of this Title, a Community company or a Belarusian company established in the territory of Belarus or the Community respectively shall be entitled to employ, or have employed by one of its subsidiaries or branches, in accordance with the legislation in force in the host country of establishment, in the territory of Belarus and the Community respectively, employees who are nationals of Community Member States and Belarus respectively, provided that such employees are key personnel as defined in paragraph 2 of this Article, and that they are employed exclusively by companies, subsidiaries or branches. The residence and work permits of such employees shall only cover the period of such employment.

2. Key personnel of the above mentioned companies herein referred to as "organisations" are "intra-corporate transferees" as defined in (c) of this Article in the following categories, provided that the organisation is a juridical person and that the persons concerned have been employed by it or have been partners in it (other than as majority shareholders), for at least the year immediately preceding such movement:

(a) Persons working in a senior position with an organisation, who primarily direct the management of the establishment, receiving general supervision or direction principally from the board of directors or stockholders of the business or their equivalent, including:

- directing the establishment or a department or sub-division of the establishment;
- supervising and controlling the work of other supervisory, professional or managerial employees;
- having the authority personally to hire and fire or recommend hiring, firing or other personnel actions.

(b) Persons working within an organisation who possess uncommon knowledge essential to the establishment's service, research equipment, techniques or management. The assessment of such knowledge may reflect, apart from knowledge specific to the establishment, a high level of qualification referring to a type of work or trade requiring specific technical knowledge, including membership of an accredited profession.

(c) An "intra-corporate transferee" is defined as a natural person working within an organisation in the territory of a Party, and being temporarily transferred in the context of pursuit of economic activities in the territory of the other Party, the organisation concerned must have its principal place of business in the territory of a Party and the transfer be to an establishment (branch, subsidiary) of that organisation, effectively pursuing like economic activities in the territory of the other Party.

Article 27bis.

1. The Parties shall use their best endeavours to avoid taking any measures or actions which render the conditions for the establishment and operation of each other's companies more restrictive than the situation existing on the day preceding the date of signature of the Agreement.

2. The provisions of this Article are without prejudice to those of Article 32b : the situations covered by such Article 32b shall be solely governed by its provisions to the exclusion of any other.

3. Acting in the spirit of partnership and cooperation and in the light of the provisions contained in Article 35, the Government of Belarus shall inform the Community of its intentions to submit new legislation or adopt new regulations which may render the conditions for the establishment or operation in Belarus of subsidiaries and branches of Community companies more restrictive than the situation existing on the day preceding the date of signature of the Agreement. The Community may request Belarus to communicate the drafts of such legislation or regulations and to enter into consultations about those drafts.

4. Where new legislation or regulations introduced in Belarus would result in rendering the conditions for establishment of Community companies into its territory and for the operation of subsidiaries and branches of Community companies established in Belarus more restrictive than the situation existing on the day of signature of the Agreement, such respective legislation or regulations shall not apply during three years following the entry into force of the relevant act to those subsidiaries and branches already established in Belarus at the time of entry into force of the relevant act.

Chapter III. Cross-border Supply of Services between the Community and the Republic of Belarus

Article 28.

1. The Parties undertake in accordance with the provisions of this Chapter to take the necessary steps to allow progressively the supply of services by Community or Belarusian companies who are established in a Party other than that of the person for whom the services are intended taking into account the development of the services sectors in the Parties.

2. The Cooperation Council shall make recommendations for the implementation of paragraph 1 of this article.

3. The Parties shall cooperate with the aim of developing a market oriented service sector in the Republic of Belarus. Article 28bis

For the sectors listed in Annex VI to this Agreement, the Parties shall grant each other treatment no less favourable than that accorded to any third country with regard to the conditions affecting the cross border supply of services, by Community or Belarusian companies into the territory of Belarus or the Community respectively, pursuant to the legislation and regulations applicable in each Party.

Article 29.

Subject to the provisions of Article 32 of this Agreement, the Parties shall permit for the sectors listed in Annex VI to this Agreement the temporary movement of natural persons, who are representatives of a Community or a Belarusian company and are seeking temporary entry for the purpose of negotiating for the sales of cross-border services or entering into agreements to sell cross-border services for that company, where those representatives will not be engaged in making direct sales to the general public or in supplying services themselves.

Article 30.

1. For the sectors listed in Annex VI, each Party may regulate the conditions of cross border supply of services into its territory. Insofar as these regulations are of general application they shall be administered in a reasonable, objective and impartial manner.

2. Paragraph 1 is without prejudice to the provisions of Articles 28bis and 32e.

3. By the end of the third year after signature of the Agreement at the latest, the Parties shall examine within the Cooperation Council:

— measures introduced by either Party since the signature of the Agreement which affect the cross-border supply of services covered by Article 28bis; and

- whether it is possible for the Parties to assume:

- the obligation not to take any measures or actions which may render the conditions for the cross-border supply of services covered by Article 28bis more restrictive than the situation existing at the time of such examination, or

- other obligations affecting their freedom of action

- in areas agreed between the Parties in respect of the commitments assumed in Article 28bis.

If after such examination one Party is of the view that measures introduced by the other Party since the signature of the Agreement result in a situation which is significantly more restrictive in respect of cross-border supply of services covered by Article 28bis as compared with the situation existing at the date of signature of the Agreement, such first Party may request the other Party to enter into consultations. In such case the provisions of Part A of Annex VII shall apply.

4. In furtherance of the aims of this Article, measures shall be taken as indicated in Part B of Annex VII.

5. The provisions of this Article are without prejudice to those of Article 32b: the situations covered by such Article 32b shall be solely governed by its provisions to the exclusion of any other.

Article 30bis.

1. The Parties undertake to apply effectively the principle of unrestricted access to the international maritime market and traffic on a 'commercial basis.

a) The above provision does not prejudice the rights and obligations arising from the United Nations Code of Conduct for Liner Conferences, as applicable to one or other Contracting Party to the present Agreement. Non-conference lines will be free to operate in competition with a conference as long as they adhere to the principle of fair competition on a commercial basis.

b) The Parties affirm their commitment to a freely competitive environment as being an essential feature of the dry and liquid bulk trade.

2. In applying the principles of paragraph 1, the Parties shall:

a) not apply, as from entry into force of this agreement, any cargo sharing provisions of bilateral agreements between any Member State of the Community and the former Soviet Union;

b) not introduce cargo sharing clauses in future bilateral agreements with third countries, other than in those exceptional circumstances where liner shipping companies from one or other Party to the present agreement would not otherwise have an effective opportunity to apply for trade to and from the third country concerned;

c) prohibit cargo sharing arrangements in future bilateral agreements concerning dry and liquid bulk trade;

d) abolish, upon entry into force of this Agreement, all unilateral measures, administrative, technical and other obstacles which could have restrictive or discriminatory effects on the free supply of services in international maritime transport.

Each Party shall grant, inter alia, no less favourable treatment for the ships operated by 'nationals or companies of the other party than that accorded to a Party's own ships with regard to access to ports open to international trade, the use of infrastructure and auxiliary maritime services of the ports, as well as related fees and charges, customs facilities and the assignment of berths and facilities for loading and unloading.

3. Nationals and companies of the Community providing international maritime transport services shall be free to provide

international sea-river services in the inland waterways of the Republic of Belarus and vice versa.

Article 30ter.

With a view to assuring a co-ordinated development of transport between the Parties, adapted to their commercial needs, the conditions of mutual market access and provision of services in transport by road, rail and inland waterways and, if applicable, in air transport may be dealt with by specific agreements where appropriate negotiated between the Parties as defined in Article 75d after entry into force of this Agreement.

Chapter IV. General Provisions

Article 31.

1. The provisions of this Title shall be applied subject to limitations justified on grounds of public policy, public security or public health.
2. They shall not apply to activities which in the territory of either Party are connected, even occasionally, with the exercise of official authority.

Article 32.

For the purpose of Title IV, nothing in this Agreement shall prevent the Parties from applying their laws and regulations regarding entry and stay, work, labour conditions and establishment of natural persons and supply of services, provided that, in so doing, they do not apply them in a manner as to nullify or impair the benefits accruing to any Party under the terms of a specific provision of the Agreement. The above provision does not prejudice the application of Article 31.

Article 32a.

Companies: which are controlled and exclusively owned by Belarusian companies and Community companies jointly shall also be beneficiaries of the provisions of Chapters II, III and IV of this Title.

Article 32b.

Treatment granted by either Party to the other hereunder shall, as from the day one month prior to the date of entry into force of the relevant obligations of the GATS, in respect of sectors or measures covered by the GATS, in no case be more favourable than that accorded by such first Party under the provisions of GATS and this in respect of each service sector, sub-sector and mode of supply.

Article 32c.

For the purposes of Chapters II, III and IV of this Title, no account shall be taken of treatment accorded by the Community, its Member States or Belarus pursuant to commitments entered into in economic integration agreements in accordance with the principles of Article V of the GATS.

Article 32d.

1. The Most Favoured Nation treatment granted in accordance with the provisions of this Title shall not apply to the tax advantages which the Parties are providing or will provide in the future on the basis of agreements to avoid double taxation, or other tax arrangements.
2. Nothing in this Title shall be construed to prevent the adoption or enforcement by the Parties of any measure aimed at preventing the avoidance or evasion of taxes pursuant to the tax provisions of agreements to avoid double taxation and other tax arrangements, or domestic fiscal legislation.
3. Nothing in this Title shall be construed to prevent Member States or Belarus from distinguishing, in the application of the relevant provisions of their fiscal legislation, between taxpayers who are not in identical situations, in particular as regards their place of residence.

Article 32e.

Without prejudice to Article 27, no provision of Chapters II, III and IV hereof shall be interpreted as giving the right to:

- nationals of the Member States or of Belarus respectively to enter, or stay in, the territory of Belarus or the Community respectively in any capacity whatsoever, and in particular as a shareholder or partner in a company or manager or employed thereof or supplier or recipient of services;
- Community subsidiaries or branches of Belarusian companies to employ or have employed in the territory of the Community nationals of Belarus;
- Belarusian subsidiaries or branches of Community companies to employ or have employed in the territory of Belarus nationals of the Member States;
- Belarusian companies or Community subsidiaries or branches of Belarusian companies to supply worker who are Belarusian nationals to act for and under the control of other persons by temporary employment contracts;
- Community companies or Belarusian subsidiaries or branches of Community companies to supply workers who are nationals of the Member States to act for and under the control of other persons by temporary employment contracts.

Title V. Current Payments and Capital

Article 33.

1. The Parties undertake to authorize, in freely convertible currency, any payments on the current account of balance of payments between residents of the Community and of the Republic of Belarus connected with the movement of goods, services or persons made in accordance with the provisions of the present Agreement .
2. With regard to transactions on the capital account of balance of payments, from entry into force of the Agreement the free movement of capital relating to direct investments made in companies formed in accordance with the laws of the host country and investments made in accordance with the provisions of Chapter II of Title IV, and the liquidation or repatriation of these investments and of any profit stemming therefrom shall be ensured.
3. Without prejudice to Paragraph 2 or to Paragraph 5, as from entry into force of this Agreement, no new foreign exchange restrictions on the movement of capital and current payments connected therewith between residents of the Community and the Republic of Belarus shall be introduced and the existing arrangements shall not become more restrictive.
4. The Parties shall consult each other with a view to facilitate the movement of forms of capital other than those referred to in paragraph 2 between the Community and the Republic of Belarus, in order to promote the objectives of the present Agreement.
5. With reference to the provisions of this Article, until a full convertibility of the Belarusian currency within the meaning of Article VIII of the articles of agreement of the International Monetary Fund is introduced, the Republic of Belarus may in exceptional circumstances apply exchange restrictions connected with the granting or taking up of short and medium-term financial credits to the extent that such restrictions are imposed on the Republic of Belarus for the granting of such credits and are permitted according to the Republic of Belarus's status under the IMF.

The Republic of Belarus shall apply these restrictions in a non-discriminatory manner. They shall be applied in such a manner as to cause the least possible disruption to this Agreement. The Republic of Belarus shall inform the Cooperation Council promptly of the introduction of such measures and of any changes therein.

6. Without prejudice to paragraph 1 and 2, where, in exceptional circumstances, movements of capital between the Community and the Belarus cause, or threaten to cause, serious difficulties for the operation of exchange rate policy or monetary policy in the Community or Belarus, the Community and Belarus, respectively, may take safeguard measures with regard to movements of capital between the Community and Belarus for a period not exceeding six months if such measures are strictly necessary.

Title VI. Competition, Intellectual, Industrial and Commercial Property Protection and Legislative Cooperation

Article 34.

1. The parties agree to work to remedy or remove through the application of their competition laws or otherwise, restrictions on competition by enterprises or caused by State intervention insofar as they may affect trade between the Community and the Belarus.

2. In order to attain the objectives mentioned in paragraph 1:

2.1 The Parties shall ensure that they have and enforce laws addressing restrictions on competition by enterprises within their jurisdiction.

2.2 The Parties shall refrain from granting State aids favouring certain undertakings or the production of goods other than primary products as defined in the General Agreement on Tariffs and Trade, or the provision of services, which distort or threaten to distort competition insofar as they affect trade between the Community and the Belarus.

2.3 Upon request by one Party, the other Party shall provide information on its aid schemes or on particular individual cases of State aid. No information needs to be provided which is covered by legislative requirements of the Parties on professional or commercial secrets.

2.4 In the case of State monopolies of a commercial character, the Parties declare their readiness, as from the fourth year from the date of entry into force of their Agreement, to ensure that there is no discrimination between nationals of the Parties regarding the conditions under which goods are procured or marketed.

2.5 In the case of public undertakings or undertakings to which Member States of the European Union or the Belarus grant exclusive rights, the Parties declare their readiness, as from the fourth year from the date of entry into force of this Agreement, to ensure that there is neither enacted nor maintained any measure distorting trade between the Community and the Belarus to an extent contrary to the Parties' respective interests. This provision shall not obstruct the performance, in law or fact, of the particular tasks assigned to such undertakings.

2.6 The period defined in paragraphs 2.4 and 2.5 may be extended by agreement of the Parties.

3. Consultations may take place within the Cooperation Committee at the request of the Community or Belarus on the restrictions or distortions of competition referred to in paragraphs 1 and 2 and on the enforcement of their competition rules, subject to limitations imposed by laws regarding disclosure of information, confidentiality and business secrecy. Consultations may also comprise questions on the interpretation of paragraphs 1 and 2.

4. The Parties with experience in applying competition rules shall give full consideration to providing other Parties, upon request and within available resources, technical assistance for the development and implementation of competition rules.

5. The above provisions in no way affect the Parties' rights to apply adequate measures, notably those referred to in Article 14, in order to address distortions of trade in goods or services.

Article 34a.

1. Pursuant to the provisions of this Article and of Annex VIII, Belarus shall continue to improve the protection of intellectual, industrial and commercial property rights in order to provide, by the end of the fifth year after the entry into force of the Agreement for a level of protection similar to that existing in the Community, including effective means of enforcing such rights.

2. By the end of the fifth year after entry into force of the Agreement, Belarus shall accede to the multilateral conventions on intellectual, industrial and commercial property rights referred to in Paragraph 1 of Annex VIII to which Member States of the Community are parties or which are de facto applied by Member States according to the relevant provisions contained in these conventions.

Article 35.

1. The Parties recognize that an important condition for strengthening the economic links between the Republic of Belarus and the Community is the approximation of the Republic of Belarus' existing and future legislation to that of the Community. The Republic of Belarus shall endeavour to ensure that its legislation will be gradually made compatible with that of the Community.

The Community shall provide the Republic of Belarus with technical assistance for the implementation of these measures, which may include i.e.:

- the exchange of experts,
- the provision of early information specially on relevant legislation,
- organization of seminars,

- training activities,
- aid for translation of Community legislation in the relevant sectors.

Title VII. Economic Cooperation

Article 36.

1. The Community and the Republic of Belarus shall establish economic cooperation aimed at contributing to the process of economic reform and recovery and sustainable development of the Republic of Belarus. Such cooperation shall strengthen existing economic links, to the benefit of both parties.
2. Policies and other measures will be designed to bring about economic and social reforms and restructuring in the Republic of Belarus and will be guided by the requirements of sustainability and harmonious social development; they will also fully incorporate environmental considerations.
3. To this end the cooperation will concentrate on industrial cooperation, investment promotion and protection, public procurement, standards and conformity assessment, mining and raw materials, science and technology, education and training, agriculture and the agro-industrial sector, energy, environment, transport, telecommunications, financial services, money laundering, monetary policy, regional development, social cooperation, tourism, small and medium sized enterprises, information and communication, consumer protection, customs, statistical cooperation, economics and drugs."
4. Where appropriate, economic cooperation and other forms of cooperation provided for in this Agreement may be supported by technical assistance from the Community, taking into account the Community's relevant Council regulation applicable to technical assistance in the Independent States, the priorities agreed upon in the indicative programme related to European Community technical assistance to the Republic of Belarus and its established co-ordination and implementation procedures. Special attention shall be devoted to measures capable of fostering cooperation between the Independent States with a view to stimulating a harmonious development of the region.
5. The Cooperation Council shall make recommendations as to the development of cooperation in fields identified in paragraph 3 of this Article.

Article 37. Industrial Cooperation

1. Cooperation shall aim at promoting the following in particular:
 - the development of business links between economic operators of both sides :
 - Community participation in the Republic of Belarus' efforts to restructure its industry;
 - the improvement of management;
 - the development of appropriate commercial rules and practices;
 - environmental protection.
 - adaptation of the structure of industrial production to the standards of an advanced market economy;
 - the conversion of the military-industrial complex.
2. The provisions of this article shall not affect the enforcement of Community competition rules applicable to undertakings.

Article 38. Investment Promotion and Protection

1. Bearing in mind the respective powers and competences of the Community and the Member States, cooperation shall aim to establish a favourable climate for private investment, both domestic and foreign, especially through better conditions for investment protection, the transfer of capital and the exchange of information on investment opportunities.
2. The particular aims of cooperation shall be:
 - the conclusion, where appropriate, between the Member States and the Republic of Belarus, of agreements for the promotion and protection of investment;
 - ~ the conclusion, where appropriate, between the Member States and the Republic of Belarus, of agreements to avoid

double taxation;

- the creation of favourable conditions for attracting foreign investments into the Belarusian economy;
- to establish stable and adequate business law and conditions, and to exchange information on laws, regulations and administrative practices in the field of investment;
- to exchange information on investment opportunities in the form of inter alia trade fairs, exhibitions, trade weeks and other events.

Article 39. Public Procurement

The Parties shall co-operate to develop conditions for open and competitive award of contracts for goods and services in particular through calls for tenders.

Article 40. Cooperation In the Field of Standards and Conformity Assessment

1. Cooperation between the Parties shall promote alignment with internationally agreed criteria, principles and guidelines followed in the field of quality. The required actions will facilitate progress towards mutual recognition in the field of conformity assessment, as well as the improvement of Belarusian product quality.

2. To this end they shall seek: - to promote appropriate cooperation between organisations and institutions specialised in these fields; - to promote the use of Community technical regulations and the application of European standards and conformity assessment procedures; - to permit the sharing of experience and technical information in the field of quality management.

Article 41. Mining and Raw Materials

1. The Parties shall aim at increasing investment and trade in mining and raw materials.

2. The cooperation shall focus in particular on the following areas:

- exchange of information on the prospects of the mining and non-ferrous metals sectors,
- the establishment of a legal framework for cooperation,
- trade matters,
- the adoption and implementation of environmental legislation,
- training.
- the development of legislative and other measures in the field of environmental protection - safety in the mining industry

Article 42. Cooperation In Science and Technology

1. The Parties shall promote cooperation in civil scientific research and technological development (RTD) on the basis of mutual benefit and, taking into account the availability of resources, adequate access to their respective programmes and subject to appropriate levels of effective protection of intellectual, industrial and commercial property rights (IPR).

2. Science and technology cooperation shall cover:

- the exchange of scientific and technical information;
- joint RTD activities;
- training activities and mobility programmes for scientists, researchers and technicians engaged in RTD in both sides.

Where such cooperation takes the form of activities involving education and/or training, it should be carried out in accordance with the provisions of article 48.

The Parties, on the basis of mutual agreement, can engage in other forms of cooperation in science and technology.

In carrying out such cooperation activities, special attention shall be devoted to the redeployment of scientists, engineers, researchers and technicians which are or have been engaged in research on/and production of weapons of mass

destruction.

3. The Cooperation covered by this article shall be implemented according to specific arrangements to be negotiated and concluded in accordance with the procedures adopted by each party, and which shall set out, inter alia, appropriate IPR provisions.

Article 43. Education and Training

1. The Parties shall co-operate with the aim of raising the level of general education and professional qualifications in the Republic of Belarus, both in the public and private sectors.

2. The cooperation shall focus in particular on the following areas: - updating higher education and training systems in the Republic of Belarus;

- the training of public and private sector executives and civil servants in priority areas to be determined;
- cooperation between educational establishments and between educational establishments and firms;
- mobility for teachers, graduates, administrators young scientists and researchers and young people;
- promoting teaching in the field of European Studies within the appropriate institutions;
- teaching Community languages;
- training journalists;
- postgraduate training in conference interpretation;
- training of trainers.

3. The possible participation of one Party in the respective programmes in the field of education and training of the other Party could be considered in accordance with their respective procedures and, where appropriate, institutional frameworks and plans of cooperation will then be established building on participation of the Republic of Belarus in the Community's TEMPUS programme.

Article 44. Agriculture and the Agro-industrial Sector

The purpose of cooperation in this area shall be the pursuance of agrarian reform; the modernisation, privatisation and restructuring of agriculture, the agro-industrial and services sectors in the Republic of Belarus; and the development of domestic and foreign markets for Belarusian products, in conditions that ensure the protection of the environment, and taking into account the necessity to improve security of food supply. The Parties shall also aim at the gradual approximation of Belarusian standards to Community technical regulations concerning industrial and agricultural food products including sanitary and phytosanitary standards. :

Article 45. Energy

1. Cooperation shall take place within the principles of the market economy and the European Energy Charter against a background of the progressive integration of the energy markets in Europe.

2. The cooperation shall include among others the following areas:

- the environmental impact of energy production supply and consumption, in order to minimise the environmental damage resulting from these activities;
- improvement of the quality and security of energy supply including diversification of suppliers, in an economic and environmentally sound manner;
- formulation of energy policy;
- improvement in management and regulation of the energy sector in line with a market economy;
- the introduction of the range of institutional, legal, fiscal and other conditions necessary to encourage increased energy trade and investment;

- promotion of energy saving and energy effectiveness;
- modernisation, development and diversification of energy infrastructure;
- improvement of energy technologies in supply and end use across the range of energy types;
- management and technical training in the energy sector.

Article 46. Environment

1. Bearing in mind the European Energy Charter and the Declaration of the Luzern Conference 1993, the Parties shall develop and strengthen their cooperation in the broad field of environmental protection, including disaster planning and other emergency situations as well as to address the consequences of the Chernobyl disaster.

2. Cooperation shall aim at combating the deterioration of the environment and in particular :

- effective monitoring of pollution levels and assessment of environment; system of information on the state of the environment;
- combatting local, regional and transboundary air and water pollution;
- ecological restoration;
- sustainable, efficient and environmentally effective production and use of energy; safety of industrial plants;
- classification and safe handling of chemicals;
- water quality;
- waste reduction, recycling and safe disposal, implementation of the Basle Convention;
- the environmental impact of agriculture, soil erosion, and chemical pollution;
- the protection of forests;
- the conservation of biodiversity, protected areas and sustainable use and management of biological resources;
- land-use planning, including construction and urban planning;
- use of economic and fiscal instruments;
- global climate change;
- environmental education and awareness;
- implementation of the Espoo Convention on Environmental Impact Assessment in a transboundary context.

3. Cooperation shall take place particularly through :

- planning for the handling of disasters and other emergency situations;
- exchange of information and experts, including information and experts dealing with the transfer of clean technologies and the safe and environmentally sound use of biotechnologies;
- joint research activities;
- ~ improvement of laws towards Community standards;
- cooperation at regional level, including cooperation within the framework of the European Environment Agency, and at international level;
- development of strategies, particularly with regard to global and climatic issues and also in view of achieving sustainable development;
- environmental impact studies.

Article 47. Transport

1. The Parties shall develop and strengthen their cooperation in the field of transport.

2. This cooperation shall, inter alia, aim at restructuring and modernising transport systems and networks in the Republic of Belarus and developing and ensuring, where appropriate, compatibility of transportation systems in the context of achieving a more global transport system.

The cooperation shall include, inter alia :

- the modernising of management and operations of road transport, railways, ports and airports
- modernisation and development of railways, waterways, road, port, airport and air navigation infrastructure including the modernisation of major routes of common interest and the trans-European links for the above modes;
- promotion and development of multi-modal transport;
- the promotion of joint research and development programmes;
- preparation of the legislative and institutional framework for policy development and implementation including privatisation of the transport sector.

3. The Parties agree to promote, through technical assistance, the improvement of conditions, the reduction of waiting times and the easing of transit at the border crossings on the Belarusian sections of the multimodal Crete corridors n° 2 and n° 9.

Such technical assistance could consist of appropriate training schemes as well as studies of necessary infrastructure, administrative, organisational and personnel requirements.

The Parties agree to adhere to the norms set by international agreements of the European Union to secure interoperability.

4. For the purpose of establishing favourable conditions for rail transport between the Parties, it is agreed that both Parties will, in the framework of this Agreement and through appropriate bilateral and multilateral mechanisms, promote:

- the facilitation of customs and other border clearance procedures for freight and for rolling stock;
- cooperation in the creation of suitable rolling stock meeting the requirements of international traffic;
- the approximation of regulations and procedures which govern international transport;
- the development of international passenger traffic between the Member States and Belarus.

Article 48. Postal Services and Telecommunications

Within their respective powers and competences the Parties shall expand and strengthen cooperation in the following areas:

- the establishment of policies and guidelines for the development of the telecommunications sector and postal services;
- development of principles of a tariff policy and marketing in telecommunications and postal services;
- encourage the development of projects for telecommunications and postal services and attracting investment;
- enhancing efficiency and quality of the provision of telecommunications and postal services, amongst others through liberalization of activities of sub-sectors; .
- advanced application of telecommunications, notably in the area of electronic funds transfer;
- management of telecommunications networks and their "optimization";
- an appropriate regulatory basis for the provision of telecommunications and postal services and for the use of a radio frequency spectrum;
- training in the field of telecommunications and postal services for operations in market conditions.

Article 49. Financial Services

Cooperation shall in particular aim at facilitating the involvement of the Republic of Belarus in universally accepted systems of mutual settlements. Technical assistance shall focus on:

- the development of banking and financial services, the development of common market of credit resources, the involvement of the Republic of Belarus in universally accepted systems of mutual settlements;
- the development of the fiscal system, fiscal institutions in the Republic of Belarus and the exchange of experience and personnel training on fiscal matters; .
- the development of insurance services, which would inter alia create a favourable framework for the Community's companies' participation in the establishment of joint ventures in the insurance sector in the Republic of Belarus, as well as the development of export credit insurance.

This cooperation shall in particular contribute to foster the development of relations between the Republic of Belarus and the EC Member States in the financial services sector.

Article 49a. Monetary Policy

At the request of the Belarusian monetary policy authorities, the Community shall provide technical assistance designed to support the efforts of Belarus towards the strengthening of its own monetary system, achieving the eventual convertibility of its currency and the gradual adjustment of its policies to those of the European Monetary System. This will include informal exchange of views concerning the principles and the functioning of the European Monetary System.

Article 50. Money Laundering

1. The Parties agree on the necessity of making efforts and co-operating in order to prevent the use of their financial systems for laundering of proceeds from criminal activities in general and drug offences in particular.
2. Cooperation in this area shall include administrative and technical assistance with the purpose of establishing suitable standards against money laundering equivalent to those adopted by the Community and international fora in this field, including the Financial Action Task Force (FATF).

Article 51. Regional Development

1. The Parties shall strengthen cooperation on regional development and land-use planning.
2. To this end, they shall encourage exchange of information by national, regional and local authorities on regional and land-use planning policy and on methods of formulation of regional policies with special emphasis on the development of disadvantaged areas.

They shall also encourage direct contacts between the respective regions and public organizations responsible for regional development planning with the aim, inter alia, to exchange methods and ways of fostering regional development.

Article 52. Social Cooperation

1. With regard to health and safety, the parties shall develop cooperation between them with the aim of improving the level of protection of the health and safety of workers.

The cooperation shall include notably:

- education and training on health and safety issues with specific attention to high risk sectors of activity;
- development and promotion of preventive measures to combat work related diseases and other work related ailments;
- prevention of major accident hazards and the management of toxic chemicals;
- research to develop the knowledge base in relation to working environment and the health and safety of workers.

2. With regard to employment, the cooperation shall include notably technical assistance to:

- optimization of the labour market;
- modernisation of the job-finding and consulting services;
- planning and management of the restructuring programmes;
- encouragement of local employment development;
- exchange of information on the programmes of flexible employment, including those stimulating self-employment and

promoting entrepreneurship.

3. The Parties shall pay special attention to cooperation in the sphere of social protection which, inter alia, shall include cooperation in planning and implementing social protection reforms in the Republic of Belarus.

These reforms shall aim to develop in the Republic of Belarus methods of protection intrinsic to market economies and shall comprise all directions of social protection.

Article 53. Tourism

The Parties shall increase and develop cooperation between them, which shall include:

- facilitating the tourist trade;
- increasing the flow of information;
- transferring know-how;
- studying the opportunities for joint operations;
- cooperation between official tourism bodies.

Article 54. Small and Medium-sized Enterprises

1. The Parties shall create conditions for developing, strengthening and supporting small and medium- sized enterprises and cooperation between SMEs in the Community and the Republic of Belarus.

2. Cooperation shall include technical assistance, in particular in the following areas:

- the development of a legislative framework for SMEs;
- the development of an appropriate infrastructure (an agency to support SMEs, communications, assistance to the creation of a fund for SMEs);
- the development of technology parks.

Article 55. Information and Communication

The Parties shall support the development of modern methods of information handling, including the media, and stimulate the effective mutual exchange of information. Priority shall be given to programmes aimed at providing the general public with basic information about the Community, including, where possible, access to Community databases in full respect of intellectual property rights.

Article 56. Consumer Protection

The Parties will enter into close cooperation aimed at achieving compatibility between their systems of consumer protection. This cooperation may include the exchange of information on legislative work and institutional reform, the establishment of permanent systems of mutual information on dangerous products, the improvement of information provided to consumers especially on prices, characteristics of products and services offered, the development of exchanges between the consumer interest representatives, increasing the compatibility of consumer protection policies and the organization of seminars and training periods.

Article 57. Customs

1. The aim of cooperation shall be to guarantee compliance with all the provisions scheduled for adoption in connection with trade and fair trade and to achieve the approximation of Belarus's customs system to that of the Community.

2. Cooperation shall include the following in particular:

- the exchange of information;
- the improvement of working methods;

- the introduction of the Combined Nomenclature and the single administrative document;
- the interconnection between the transit systems of the Community and Belarus;
- the simplification of inspections and formalities in respect of the carriage of goods;
- the support in the introduction of modern customs information systems;
- the organization of seminars and training periods.

Technical assistance shall be provided where necessary. Without prejudice to further cooperation foreseen in this Agreement and in particular Article 60, the mutual assistance between administrative authorities in customs matters of the Parties shall take place in accordance with the provisions of the Protocol attached to this Agreement.

Article 58. Statistical Cooperation

Cooperation in this area shall have as its aim the development of an efficient statistical system to provide the reliable statistics needed to support and monitor the process of economic reform and contribute to the development of private enterprise in the Republic of Belarus.

The Parties, shall cooperate in particular, in the following fields:

adaptation of the Belarusian statistical system to international methods, standards and classification: exchange of statistical information;

provision of necessary statistical macro and microeconomic information to implement and manage economic reforms.

To this end the Community shall contribute by rendering technical assistance to the Republic of Belarus.

Article 59. Economics

The Parties shall facilitate the process of economic reform and the co-ordination of economic policies by co-operating to improve understanding of the fundamentals of their respective economies and the design and implementation of economic policy in market economies. To this end the Parties shall exchange information on macro economic performance and prospects.

The Community shall provide technical assistance so as to:

- assist the Republic of Belarus in the process of economic reform by providing expert advisory and technical assistance,
- encourage cooperation among economists in order to expedite the transfer of know-how for the drafting of economic policies, and provide for wide dissemination of policy-relevant research.

Article 60. Drugs

Within the framework of their respective powers and competences, the Parties shall co-operate in increasing the effectiveness and efficiency of policies and measures to counter the illicit production, supply and traffic of narcotic drugs and psychotropic substances, including the prevention of diversion of precursor chemicals, as well as in promoting drug demand prevention and reduction. The cooperation in this area shall be based on mutual consultation and close co-ordination between the Parties over the objectives and measures on the various drug-related fields.

Article 60a. Nuclear Smuggling

The Parties agree on the necessity to make efforts to cooperate, within the framework of their respective powers and competences, in order to combat nuclear smuggling. Co-operation in this area should include exchange of information, technical support for analysing and identifying the material, administrative and technical assistance for the installation of efficient customs controls. Further cooperation in this field could be identified as need arises.

Title VII. Cultural Cooperation

Article 61.

The Parties undertake to promote, encourage and facilitate cultural cooperation. Where appropriate, the Community's

cultural cooperation programmes or those of one or more Member States may be the subject of cooperation and further activities of mutual interest may be developed.

Title VIII. Financial Cooperation

Article 62.

In order to achieve the objectives of this Agreement and in accordance with Articles 63, 64 and 65 the Republic of Belarus shall benefit from temporary financial assistance from the Community by way of technical assistance in the form of grants to accelerate the economic transformation of the Republic of Belarus.

Article 63.

This financial assistance shall be covered within the framework of TACIS as foreseen in the Community's relevant Council Regulation.

Article 64.

The objectives and the areas of the Community's financial assistance shall be laid down in an indicative programme reflecting established priorities to be agreed between the two Parties taking into account the Republic of Belarus's needs, sectoral absorption capacities and progress with reform. The Parties shall inform the Cooperation Council thereof.

Article 65.

In order to permit optimum use of the resources available, the Parties shall ensure that Community's technical assistance contributions are made in close co-ordination with those from other sources such as the Member States, other countries, and international organisations such as the International Bank for Reconstruction and Development and the European Bank for Reconstruction and Development as well as the United Nations Development Programme (UNDP) and the IMF.

Title IX. Institutional, General and Final Provisions

Article 66.

A Cooperation Council is hereby established which shall supervise the implementation of this Agreement. It shall meet at ministerial level once a year. It shall examine any major issues arising within the framework of the Agreement and any other bilateral or international issues of mutual interest for the purpose of attaining the objectives of this Agreement. The Cooperation Council may also make appropriate recommendations, by agreement between the two Parties.

Article 67.

1. The Cooperation Council shall consist of the members of the Council of the European Communities and members of the Commission of the European Communities, on the one hand, and of members of the Government of the Republic of Belarus, on the other.
2. The Cooperation Council shall establish its rules of procedure.
3. The office of President of the Cooperation Council shall be held alternately by a representative of the Community and by a member of the Government of the Republic of Belarus.

Article 68.

1. The Cooperation Council shall be assisted in the performance of its duties by a Cooperation Committee composed of representatives of the members of the Council of the European Communities and of members of the Commission of the European Communities on the one hand and of representatives of the Government of the Republic of Belarus on the other, normally at senior civil servant level. The office of President of the Cooperation Committee shall be held alternately by the Community and by the Republic of Belarus.

In its rules of procedure the Cooperation Council shall determine the duties of the Cooperation Committee, which shall include the preparation of meetings of the Cooperation Council, and how the Committee shall function.

2. The Cooperation Council may delegate any of its powers to the Cooperation Committee, which will ensure continuity between meetings of the Cooperation Council.

Article 69.

The Cooperation Council may decide to set up any other special committee or body that can assist it in carrying out its duties and shall determine the composition and duties of such committees or bodies and how they shall function.

Article 69a.

When examining any issue arising within the framework of this Agreement in relation to a provision referring to an article of the GATT, the Cooperation Council shall take into account to the greatest extent possible the interpretation that is generally given to the article of the GATT in question by the Contracting Parties to the GATT.

Article 70.

A Parliamentary Cooperation Committee is hereby established. It shall be a forum for Members of the Belarusian Parliament and the European Parliament to meet and exchange views. It shall meet at intervals which it shall itself determine.

Article 71.

1. The Parliamentary Cooperation Committee shall consist of members of the European Parliament, on the one hand, and of members of the Belarusian Parliament, on the other.

2. The Parliamentary Cooperation Committee shall establish its rules of procedure. '

3. The Parliamentary Cooperation Committee shall be presided in turn by the European Parliament and the Belarusian Parliament respectively, in accordance with the provisions to be laid down in its rules of procedure.

Article 72.

The Parliamentary Cooperation Committee may request relevant information regarding the implementation of this Agreement from the Cooperation Council, which shall then supply the Committee with the requested information.

The Parliamentary Cooperation Committee shall be informed of the recommendations of the Cooperation Council.

The Parliamentary Cooperation Committee may make recommendations to the Cooperation Council.

Article 73.

1. Within the scope of this Agreement, each Party undertakes to ensure that natural and legal persons of the other Party have access free of discrimination in relation to its own nationals to the competent courts and administrative organs of the Parties to defend their individual rights and their property rights, including those concerning intellectual, industrial and commercial property.

2. Within the limits of their respective powers, the Parties:

- shall encourage the adoption of arbitration for the settlement of disputes arising out of commercial and cooperation transactions concluded by economic operators of the Community and those of Belarus;

- agree that where a dispute is submitted to arbitration, each Party to the dispute may, except where the rules of the arbitration centre chosen by the Parties provide otherwise, choose its own arbitrator, irrespective of his nationality, and that the presiding third arbitrator or the sole arbitrator may be a citizen of a third state;

- will recommend their economic operators to choose by mutual consent the law applicable to their contracts;

- shall encourage recourse to the arbitration rules elaborated by the United Nations Commission on International Trade Law (Uncitral) and to arbitration by any centre of a state signatory to the Convention on Recognition and Enforcement of Foreign Arbitral Awards done at New York on 10th June 1958.

Article 74.

Nothing in the Agreement shall prevent a Party from taking any measures:

- (a) which it considers necessary to prevent the disclosure of information contrary to its essential security interests;
- (b) which relate to the production of, or trade in arms, munitions or war materials or to research, development or production indispensable for defence purposes, provided that such measures do not impair the conditions of competition in respect of products not intended for specifically military purposes;
- (c) which it considers essential to its own security in the event of serious internal disturbances affecting the maintenance of law and order, in time of war or serious international tension constituting threat of war or in order to carry out obligations it has accepted for the purpose of maintaining peace and international security.
- (d) which it considers necessary to respect its international obligations and commitments in the control of dual use industrial goods and technology.

Article 75.

1. In the fields covered by this Agreement and without prejudice to any special provisions contained therein: :

- the arrangements applied by the Republic of Belarus in respect of the Community shall Not give rise to any discrimination between the Member States, their nationals or their companies or firms;
- the arrangements applied by the Community in respect of the Republic of Belarus shall not give rise to any discrimination between Belarusian nationals, or its companies or firms.

2. The provisions of Paragraph | are without prejudice to the right of the Parties to apply the relevant provisions of their legislation to tax payers who are not in identical situations as regards their place of residence.

Article 75a.

1. Each of the two Parties may refer to the Cooperation Council any dispute relating to the application or interpretation of this Agreement. :

2. The Cooperation Council may settle the dispute by means of a recommendation.

3. In the event of it not being possible to settle the dispute in accordance with paragraph 2 of this Article, either Party may notify the other of the appointment of an conciliator; the other Party must then appoint a second conciliator within two months. For the application of this procedure, the Community and the Member States shall be deemed to be one Party to the dispute.

The Cooperation Council shall appoint a third conciliator.

The conciliator's recommendations shall be taken by majority vote. Such recommendations shall not be binding upon the Parties.

Article 75b.

The Parties agree to consult promptly through appropriate channels at the request of either party to discuss any matter concerning the interpretation or implementation of this Agreement and other relevant aspects of the relations between the Parties.

The provisions of this Article shall in no way affect and are without prejudice to Articles 13, 13 bis, 75a and 76a.

Article 75c.

Treatment granted to the Republic of Belarus hereunder shall in no case be more favourable than that granted by the Member States to each other.

Article 75d.

For the purposes of this Agreement, the term "Parties" shall mean the Republic of Belarus on the one part, and the Community, or the Member States, or the Community and the Member States, in accordance with their respective powers,

on the other part.

Article 75e.

Insofar as matters covered by this Agreement are covered by the European Energy Charter Treaty and Protocols thereto, such Treaty and Protocols shall upon entry into force apply to such matters but only to the extent that such application is provided for therein.

Article 76.

This Agreement is concluded for an initial period of 10 years. The Agreement shall be automatically renewed 'year by year provided that neither Party gives the other Party written notice of denunciation of the Agreement six months before it expires.

Article 76a.

1. The Parties shall take any general or specific measures required to fulfil their obligations under the Agreement. They shall see to it that the objectives set out in the Agreement are attained.

2. If either Party considers that the other Party has failed to fulfil an obligation under the Agreement, it may take the appropriate measures. Before so doing, except in cases of special urgency, it shall supply the Cooperation Council with all relevant information required for a thorough examination of the situation with a view to seeking a solution acceptable to the Parties.

In the selection of these measures, priority must be given to those which least disturb the functioning of the Agreement. These measures shall be notified immediately to the Cooperation Council if the other Party so requests.

Article 77.

Annexes I, II, III, IV, V, VI, VII, and VII together with the Protocol on mutual assistance between Administrative Authorities in Customs Matters shall form an integral part of this Agreement.

Article 78.

This Agreement shall not, until equivalent rights for individuals and economic operators have been achieved hereunder, affect rights assured to them through existing Agreements binding one or more Member States on the one hand and the Republic of Belarus on the other except in areas falling within Community competence and without prejudice to the obligations of Member States resulting from this Agreement in areas falling within their competence.

Article 79.

This Agreement shall apply, on the one hand, to the territories in which the treaties establishing the European Economic Community, the European Atomic Energy Community and the European Coal and Steel Community are applied and under the conditions laid down in those Treaties and, on the other hand, to the territory of the Republic of Belarus.

Article 79a.

The Secretary-General of the Council of the European Union shall be the depositary of this Agreement.

Article 80.

This Agreement is drawn up in duplicate in the Danish, Dutch, English, French, German, Italian, Spanish, Greek, Portuguese and Belarusian languages, each of these texts being equally authentic.

Article 81.

This Agreement will be approved by the Parties in accordance with their own procedures.

This Agreement shall enter into force on the first day of the second month following the date on which the Parties notify

each other that the procedures referred to in the first paragraph have been completed.

Upon its entry into force, and as far as relations between the Republic of Belarus and the Community are concerned, this Agreement shall replace the Agreement between the European Economic Community, the European Atomic Energy Community and the Union of Soviet Socialist Republics on trade and economic and commercial cooperation signed in Brussels on 18 December 1989.

Article 82.

In the event that, pending the completion of the procedures necessary for the entry into force of this Agreement, the provisions of certain parts of this Agreement are put into effect in 1994 by means of an interim agreement between the Community and Belarus, the Contracting Parties agree that, in such circumstances, the term "date of entry into force of the Agreement" shall mean the date of entry into force of the interim Agreement.

ANNEX I. Indicative list of advantages granted by the republic of belarus to the independent states in accordance with article 8(3)

1. Armenia, Azerbaijan, Moldova, Georgia, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Turkmenistan, Ukraine, Uzbekistan.

No import duties are implemented.

No export duties are implemented as regards goods delivered under clearing and interstate agreements within the volumes stipulated in these agreements.

No VAT is applied on export and import. No excise is applied on export.

Armenia, Azerbaijan, Moldova, Georgia, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Turkmenistan, Ukraine, Uzbekistan: export quotas for deliveries of products under annual interstate trade and cooperation agreements are opened in the same way as for deliveries for state needs.

2. Armenia, Azerbaijan, Moldova, Georgia, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Turkmenistan, Ukraine, Uzbekistan.

Payments could be made in national currency of these countries-or any other currencies accepted by the Republic of Belarus or these countries.

Armenia, Azerbaijan, Moldova, Estonia, Georgia, Kazakhstan, Lithuania, Russia, Tajikistan, Turkmenistan, Ukraine, Uzbekistan : special system of non-commercial operations, including payments resulting from these operations. '

3. Armenia, Azerbaijan, Moldova, Georgia, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Turkmenistan, Ukraine, Uzbekistan : special system of current payments.

4. Armenia, Azerbaijan, Moldova, Georgia, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Turkmenistan, Ukraine, Uzbekistan : special price system in trade with some raw materials and semi-finished products.

5. Armenia, Azerbaijan, Moldova, Georgia, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Turkmenistan, 'Ukraine, Uzbekistan : special conditions of transit.

6. Armenia, Azerbaijan, Moldova, Georgia, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Turkmenistan, Ukraine, Uzbekistan: special conditions of customs procedures.

ANNEX II. Exceptional measures which derogate from the provisions of article 11

1. Exceptional measures which derogate from the provisions of Article 11 may be taken by the Republic of Belarus in the form of quantitative restrictions on a non-discriminatory basis.

2. These measures may only concern infant industries, or certain sectors undergoing restructuring or facing serious difficulties, particularly where these difficulties produce important social problems.

3. The total value of imports of the products which are subject to these measures may not exceed 15% of total imports from the Community during the last year, prior to the introduction of any quantitative restrictions for which statistics are available.

vessels flying the flag of a Community Member State and registered in Community territory unless otherwise provided for.

Real estate purchase In some Member States, the purchase of real estate by non-EC companies is subject to restrictions.

Audiovisual services including radio

National treatment concerning production and distribution, including broadcasting and other forms of transmission to the public, may be reserved to audiovisual works meeting certain origin criteria.

Telecommunications services including mobile and satellite services

Reserved services

In some Member States market access concerning complementary services and infrastructures is restricted. Professional services

Services reserved to natural persons nationals of Member States. Under certain conditions those persons may create companies.

Agriculture In some Member States national treatment is not applicable to non-EC controlled companies which wish to

These provisions shall not be circumvented by increased tariff protection on the imported goods concerned.

4. These measures may only be applied during a transitional period ending 31 December 1998 unless parties agree otherwise, or when the Republic of Belarus becomes a Contracting Party to GATT whichever is earlier.

5. The Republic of Belarus shall inform the Cooperation Council of any measures it intends to take under the terms of this Annex, and, at the request of the Community, consultations shall be held in the Cooperation Council on such measures and the sectors to which they apply before they enter into force.

ANNEX III. Community reservations in accordance with article 22(I)(b)

Mining

In some Member States, a concession may be required for mining and mineral rights for non-EC controlled companies.

Fishing

Access to and use of the biological resources and fishing grounds situated in the maritime waters coming under the sovereignty or within the jurisdiction of Member States of the Community is restricted to fishing vessels flying the flag of a Community Member State and registered in Community territory unless otherwise provided for.

Real estate purchase

In some Member States, the purchase of real estate by non-EC companies is subject to restrictions.

Audiovisual services including radio

National treatment concerning production and distribution, including broadcasting and other forms of transmission to the public, may be reserved to audiovisual works meeting certain origin criteria.

Telecommunications services including mobile and satellite services

Reserved services

In some Member States market access concerning complementary services and infrastructures is restricted.

Professional services

Services reserved to natural persons nationals of Member States. Under certain conditions those persons may create companies.

Agriculture

In some Member States national treatment is not applicable to non-EC controlled companies which wish to undertake an agricultural enterprise. The acquisition of vineyards by non-EC controlled companies is subject to notification, or, as necessary, authorization.

News agency services

In some Member States limitations of foreign participation in publishing companies and broadcasting companies.

ANNEX IV. Belarusian reservations in accordance with article 22(2)(a)

The Republic of Belarus reserves the right to maintain limited exceptions to national treatment, as provided in Article 22, paragraph 2 (a), in the sectors or matters indicated below:

- Ownership of insurance companies for foreigners is limited to 49% of the capital
- Electric, power stations connected to the United Energy System
- Ownership of land; exploration and exploitation of natural resources; ownership of real property: Community companies established in the territory of Belarus shall have, from entry into force of this Agreement, the right to acquire, use rent and sell real property, and as regards natural resources, agricultural land and forestry, the right to lease, where these are directly necessary for the conduct of the economic activities for which they are established. This right does not include the right of establishment for the purposes of dealing and agency in the area of real estate and natural resources.
- Acquisition of state and municipal property in the course of denationalization and privatization
- Special licensing requirement for dealership in Government securities of the Republic of Belarus
- Specific licensing for the provision of common carrier, telephone, and telegraph network services
- Ownership and specific licensing for operation of broadcast or common carrier, radio, and television stations
- Customhouse brokers
- Detective and security services

These reservations shall apply during a transitional period not exceeding five years from the date of entry into force of this Agreement. They shall be applied on a non discriminatory basis.

ANNEX V. Financial services: definitions (article 25)

A financial service is any service of a financial nature offered by a financial service provider of a party. Financial services include the following activities:

A. All insurance and insurance-related services;

1. Direct insurance (including co-insurance).

(i) Life

(ii) non-life

2. Reinsurance and retrocession.

3. Insurance intermediation, such as brokerage and agency.

4. Services auxiliary to insurance, such as consultancy, actuarial, risk assessment and claim settlement services.

B. Banking and other financial services (excluding insurance).

1. Acceptance of deposits and other repayable funds from the public.

2. Lending of all types, including, inter-alia, consumer credit, mortgage credit, factoring and financing of commercial transaction.

3. financial leasing.

4. All payment and money transmission services, including credit charge and debit cards, travellers cheques and bankers drafts.

5. Guarantees and commitments.

6. Trading for own account or for the account of customers, whether on an exchange, in an over the counter market or otherwise, the following:

(a) money market instruments (cheques, bills, certificates of deposits, etc.)

(b) foreign exchange

(c) derivative products including, but not limited to, futures and options

(d) exchange rates and interest rate instruments, including products such as swaps, forward rate agreements, etc.

(e) transferable securities

(f) other negotiable instruments and financial assets, including bullion.

7. Participation in issues of all kinds of securities, including under-writing and placement as agent (whether publicly or privately) and provision of services related to such issues.

8. Money brokering.

9. Asset management, such as cash or portfolio management, all forms of collective investment management, pension fund management, custodial depository and trust services.

10. Settlement and clearing services for financial assets, including securities, derivative products, and other negotiable instruments.

11. Advisory intermediation and other auxiliary financial services on all the activities listed in points 1 to 10 above, including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy.

12. Provision and transfer of financial information, and financial data processing and related software by providers of other financial services.

Are excluded from the definition of financial services the following activities:

(a) Activities carried out by central banks or by any other public institution in pursuit of monetary and exchange rate policies.

(b) Activities conducted by central banks, government agencies or departments, or public institutions, for the account or with the guarantee of the government, except when those activities may be carried out by financial service providers in competition with such public entities.

(c) Activities forming part of a statutory system of social security or public retirement plans, except when those activities may be carried out by financial service providers in competition with public entities or private institutions.

ANNEX VI. Cross-border supply of services

List of services for which the Parties shall grant MFN treatment in accordance with art 28

Sectors to be covered, according to the provisional Central Product Classification (CPC) of the United Nations Organization:

Consultancy services relating to accounting review services: part of CPC 86212 other than "auditing services", Consultancy services relating to bookkeeping services CPC 86220

Engineering services CPC 8672

Integrated engineering services CPC 8673

Advisory and Pre-design architectural services CPC 86711

Architectural design services CPC 86712

Urban planning and landscape architectural services.CPC 8674

Computer and related services:

Consultancy services related to the installation of computer hardware CPC 841 Software implementation services CPC 842

Data base services CPC 844

Advertising CPC 871

Market research and opinion polling CPC 864

Management consulting services CPC 866

Technical testing and Analysis services CPC 8676

Advisory and consulting services relating to agriculture, hunting and forestry Advisory and consulting services relating to fishing

Advisory and consulting services relating to mining

Printing and publishing CPC 88442

Convention services

Translation services CPC 87905

Interior design services CPC 87907

Telecommunications:

Value added services including (but not limited to) Electronic Mail, Voice Mail, On-line information and Data base retrieval, Data processing, EDI, Code and Protocol conversion

Packet and Circuit switched data services

Construction and related engineering services: site investigation work CPC 5111

Franchising CPC 8929

Adult education services by correspondence part of CPC 924

News and press agency services CPC 962

Rental/leasing services without operators related to other transport equipment (CPC 83101 private cars, 83102 goods transport vehicles, 83105) and relating to other machinery and equipment (CPC 83106, 83107, 83108, 83109)

Commission agents services and wholesale trade services related to import-export trade (part of CPC 621 and 622)

Research and development in software

Reinsurance and retrocession and the services auxiliary to insurance, such as consultancy, actuarial, risk assessment and claim settlement services

Insurance of risks relating to:

(i) maritime shipping and commercial aviation and space launching and freight (including satellites) with such insurance to cover any or all of the following: persons being transported, the goods being exported from or imported to, the same vehicle transporting the goods and any liability arising therefrom;

(ii) goods in international transit. Data processing services CPC 843

Provision and transfer of financial information and financial data processing (see paragraphs B.11 and B.12 of Annex V).

ANNEX VII. Provisions in relation to article 30

Part A.

The consultations shall begin within thirty days of the request therefor by the first Party. They shall be held with a view to reaching agreement either on:

- withdrawal by the other Party of the measures which have resulted in the significantly more restrictive situation; or

- adjustments of the obligations of both Parties; or

- adjustments to be made by the first Party to compensate for the more restrictive situation created by the other Party.

If agreement is not reached within sixty days of the request for consultations made by the first Party, such first Party may make appropriate compensatory adjustments to its obligations. Such adjustments shall be made to the extent and for such time as is necessary to take account of the significantly more restrictive situation created by the other Party. Priority must be given to those measures which least disturb the functioning of the Agreement. The rights which economic operators have acquired under the Agreement at the time such adjustments are made shall not be affected by the said adjustments.

Part B.

1. Acting in the spirit of partnership and cooperation the Government of Belarus shall inform the Community, during a transitional period of three years following the signature of the Agreement, of its intentions to submit new legislation or adopt new regulations which may render the conditions for cross-border supply of services by Community companies or branches more restrictive than the situation existing on the day preceding the date of signature of the Agreement. The Community may request Belarus to communicate the drafts of such legislation or regulations and to enter into consultations about those drafts.

2. Where new legislation or regulations introduced in Belarus within the transitional period mentioned in paragraph 1 would result in rendering the conditions for cross-border supply of services by Community companies or branches more restrictive than the situation existing on the day of signature of the Agreement, such respective legislation or regulations shall not apply to such companies and branches, until the expiry of a period of three years from such entry into force.

ANNEX VIII. Intellectual, industrial and commercial property rights conventions referred to in article 34a(2) :

1. Paragraph 2 of Article 34a concerns the following multilateral conventions:

Berne Convention for the Protection of Literary and Artistic Works (Paris Act, 1971);

International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations (Rome, 1961);

Protocol relating to the Madrid Agreement concerning the International Registration of Marks (Madrid, 1989);

Nice Agreement concerning the International Classification of Goods and Services for the purposes of the Registration of Marks (Geneva 1977, amended 1979);

Budapest Treaty on the International Recognition of the Deposit of Micro-organisms for the purposes of Patent Procedures (1977, modified in 1980);

International Convention for the Protection of New Varieties of Plants (UPOV) (Geneva Act, 1991).

2. The Cooperation Council may recommend that paragraph 2 of Article 34a shall apply to other multilateral conventions. If problems in the area of intellectual, industrial, and commercial property affecting trading conditions were to occur, urgent consultation shall be undertaken, at the request of either Party, with a view to reaching mutually satisfactory solutions.

3. The Parties confirm the importance they attach to the obligations arising from the following multilateral conventions:

Paris Convention for the Protection of Industrial Property (Stockholm Act, 1967 and amended in 1979);

Madrid Agreement concerning the International Registration of Marks (Stockholm Act, 1967, and amended in 1979);

Patent Cooperation Treaty (Washington 1970, amended and modified in 1984);

4. From the entry into force of this Agreement the Republic of Belarus shall grant to Community companies and nationals, in respect of the recognition and protection of intellectual, industrial and commercial property, treatment no less favourable than that granted by it to any third country under bilateral agreements.

5. The provisions of paragraph 4 shall not apply to advantages granted by the Republic of Belarus to any third country on an effective reciprocal basis or to advantages granted by the Republic of Belarus to another country of the former USSR.

Joint declaration concerning article 13

The Community and the Republic of Belarus declare that the text of the safeguard clause does not grant GATT safeguard treatment.

Joint declaration concerning article 13bis

It is understood that the provisions of Article 13bis are neither intended to, nor shall slow down, hinder or impede the procedures provided for in the respective legislations of the Parties regarding anti-dumping and subsidies investigations.

Joint declaration concerning article 22

Without prejudice to the reservations listed in Annexes III and IV and to the provisions of Articles 32b and 23e, the Parties agree that the words "in conformity with their legislation and regulations" mentioned in paragraphs 1 and 2 of Article 22 mean that each Party may regulate the establishment and operation of companies on its territory, provided that these regulations do not create for the establishment and operations of companies of the other Party any new reservation resulting in a less favourable treatment than that accorded to their own companies or to companies or branches or subsidiaries of companies of any third country.

Joint declaration concerning articles 28 and 28bis

The Community declares that the cross-border supply of services as referred to in Articles 28 and 28bis does not imply the movement of the service supplier into the territory of the country for which the service is destined, nor the movement of the recipient of the service into the territory of the country from which the service comes.

Joint declaration concerning article 28bis

The Parties agree that the words "pursuant to the legislation and regulations applicable in each Party" mean that each party may regulate the conditions of cross border supply of services into its territory provided that in so doing it does not result in a less favourable treatment for the companies of the other Party than that accorded to companies of any third country.

Joint declaration concerning article 32

The sole fact of requiring a visa for natural persons of certain Parties and not for those of others shall not be regarded as nullifying or impairing benefits under a specific commitment. :

Joint declaration concerning the notion of "control" in article 24(b) and article 32a

1. The Parties confirm their mutual understanding that the question of control shall depend on the factual circumstances of the particular case.

2. A company shall, for example, be considered as being "controlled" by another company, and thus a subsidiary of such other company if:

the other company holds directly or indirectly a majority of the voting rights, or

the other company has the right to appoint or dismiss a majority of the administrative organ, of the management organ or of the supervisory organ and is at the same time a shareholder or member of the subsidiary.

3. Both Parties consider the criteria in paragraph 2 to be non-exhaustive.

Joint declaration concerning article 34a

The Parties agree that for the purpose of the Agreement, intellectual, industrial and commercial property includes in particular copyright, including the copyright in computer programs, and neighbouring rights, the rights relating to patents, industrial designs, geographical indications, including appellations of origin, trademarks and service marks, topographies of integrated circuits as well as protection against unfair competition as referred to in Article 10 bis of the Paris Convention for the protection of Industrial Property and protection of undisclosed information on know-how.

Joint declaration concerning article 76a

The Parties agree, for the purpose of its correct interpretation and its practical application, that the term "cases of special urgency" included in Article 76a of the Agreement mean cases of material breach of the Agreement by one of the Parties. A material breach of the Agreement consists in

- (a) repudiation of the Agreement not sanctioned by the general rules of international law, or
- (b) violation of the essential elements of the Agreement set out in Article 2.

Unilateral declaration by the french government

The French Republic notes that the Partnership and Cooperation Agreement with the Republic of Belarus does not apply to the overseas countries and territories associated with the European Community pursuant to the Treaty establishing the European Community.

Exchange of letters between the community and the republic of belarus in relation to the establishment of companies

A. Letter from the Republic of Belarus

Dear Sir,

I refer to the Partnership and Cooperation Agreement initialled on 1994.

As I underlined during the negotiations, the Republic of Belarus grants to Community companies establishing and operating in the Republic of Belarus in certain respects a privileged treatment. I explained that this reflects the Belarusian policy to promote by all means the establishment of Community companies in the Republic of Belarus.

With this in mind, it is my understanding that during the period between the date of initialling of this Agreement and the entry into force of the relevant articles on establishment of companies, the Republic of Belarus shall not adopt measures or regulations which would introduce or worsen discrimination of

Community companies vis-a-vis Belarusian companies or companies from any third country as compared to the situation existing on the date of initialling of this agreement.

I would be obliged if you could acknowledge receipt of this letter. Please accept, Sir, the assurance of my highest consideration.

For the Government of the Republic of Belarus

B. Letter from the Community

Dear Sir,

Thank you for your letter of today's date, which reads as follows:

"I refer to the Partnership and Cooperation Agreement initialled on 1994. As I underlined during the negotiations, the Republic of Belarus grants to Community companies establishing and operating in the Republic of Belarus in certain respects a privileged treatment. I explained that this reflects the Belarusian policy to promote by all means the establishment of | Community companies in the Republic of Belarus. With this in mind, it is my understanding that during the period between the date of initialling of this agreement and the entry into force of the relevant articles on establishment of companies, the Repub of Belarus shall not adopt measures or regulations which would introduce or worsen discrimination - Community companies vis-a-vis Belarusian companies or companies from any third country as compared to the situation existing on the date of initialling of this agreement.

I would be obliged if you could acknowledge receipt of this letter." I can acknowledge receipt of this letter.

Please accept, Sir, the assurance of my highest consideration.

On behalf of the European Communities

Exchange of letters on the consequences of enlargement

A. Letter from the Communities

Dear Sir,

I refer to the Partnership and Cooperation Agreement signed today and confirm that if any amendment to this Agreement might become necessary as a result of an enlargement of the Community, this would become the subject of consultations between the Parties pursuant to Article 82 and in this context account would be taken, to the extent possible, of the character of bilateral trade and economic relations between the Republic of Belarus and acceding States.

I would be obliged if you could confirm the agreement of the Republic of Belarus to the content of this letter.

B. Letter from the Republic of Belarus

Dear Sir,

Thank you for your letter of today's date, which reads as follows:

"I refer to the Partnership and Cooperation Agreement signed today and confirm that if any amendment to this Agreement might become necessary as a result of an enlargement of the Community, this would become the subject of consultations between the Parties pursuant to Article 82 and in this context account would be taken, to the extent possible, of the character of bilateral trade and economic relations between the Republic of Belarus and acceding States.

I would be obliged if you could confirm the agreement of the Republic of Belarus to the content of this letter."

I can acknowledge receipt of this letter and confirm the agreement of the Republic of Belarus to its content. -

Please accept, Sir, the assurance of my highest consideration.

On behalf of the Republic of Belarus