

[ENGLISH TEXT — TEXTE ANGLAIS]

AGREEMENT BETWEEN THE GOVERNMENT OF THE STATE OF ISRAEL
AND THE GOVERNMENT OF THE REPUBLIC OF ALBANIA ON
TRADE AND ECONOMIC COOPERATION

The Government of the State of Israel and the Government of the Republic of Albania (hereinafter referred to as the "Parties"),

Recognizing that trade and economic cooperation are important and indispensable factors in the development of bilateral relations on a stable, equitable and long-term basis;

Desiring to develop trade and economic relations between the two countries on the basis of equality and mutual benefit;

Striving to create favourable conditions for the development of contacts between economic entities of both countries and for the promotion of commercial and economic cooperation in areas of mutual interest;

Resolved to develop their trade relations in accordance with the basic principles of the General Agreement on Tariffs and Trade (GATT 1994) and the Agreement establishing the World Trade Organisation (WTO),

Have agreed as follows:.

Article 1. Objective

The objective of this Agreement is to establish principles, rules and disciplines for the conduct of mutual trade and economic relations between the Parties. The Parties undertake, within the framework of their internal legislation and international obligations, to promote and harmoniously develop bilateral trade as well as various forms of commercial and economic cooperation.

Article 2. MFN Treatment

1. The Parties shall grant each other the most-favoured-nation treatment in all areas regarding:

(a) customs duties and any other charges applicable in respect of import and export, including the methods of levying such duties and charges;

(b) rules and formalities in connection with import and export including those relating to customs clearance, transit, storage and transshipment;

(c) taxes and other internal charges of any kind applicable directly or indirectly in respect of imported goods;

(d) selling, purchasing, transportation, distribution, storage and use of imported goods in the domestic market;

(e) payments related to trade in goods.

2. The provisions of paragraph 1 of this Article shall not apply to advantages that either Party has accorded or may accord:

- (a) to contiguous countries for the purpose of facilitating frontier traffic;
- (b) for the purpose of participation in a customs union, free trade area or regional economic organisation, as defined in Article XXIV of the GATT 1994 wherein either Party is a member or may become such in the future,
- (c) to developing countries in accordance with GATT/WTO.

Article 3. Non-Discrimination

1. No prohibitions or quantitative restrictions, including licensing, on imports from or exports to the territory of the other Party shall be applied, unless the importation of the like product from third countries or the exportation of the like product to third countries is similarly prohibited or restricted. The Party which introduces such measures shall implement them in a manner which causes minimum harm to the other Party.

2. Each Party shall accord to products originating in or exported to the territory of the other Party, non-discriminatory treatment regarding quantitative restrictions, the granting of licenses and foreign currency regulations and procedures, in particular with respect to the purchase and allocation of currency needed to pay for imports of goods and services.

Article 4. Transit

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

2. In this connection, each Party shall provide for unrestricted transit via or through its territory of goods originating in the customs territory or destined for the customs territory of the other Party in accordance with Article V of the GATT 1994.

Article 5. National Treatment

The goods of the territory of one Party imported into the territory of the other Party shall be accorded treatment no less favourable than accorded to like goods of national origin in respect of internal taxes and other internal charges and all laws, regulations and requirements affecting their internal sale, offering for sale, purchase, transportation, distribution or use, in accordance with Article III of the GATT 1994.

Article 6. Liberalisation

Each Party shall accord the highest possible degree of liberalisation to imports of the products of the other Party. The process of liberalisation shall take account of the development of trade between the Parties, market conditions, changes in legislation and procedures concerning trade in each Party and progress made in implementing this Agreement.

Article 7. Country of origin

Country of origin shall be determined in accordance with the laws and regulations of each Party and with international agreements to which both Parties are parties.

Article 8. Payments

1. Payments in connection with trade in goods and related services between the two countries shall be made in freely convertible currencies, unless otherwise specifically agreed between individual economic entities, in accordance with the laws and regulations on foreign exchange of each Party.

2. Entities of either country engaged in individual transactions shall not be treated less favourably than entities of any third State with respect to the access and the transfer of freely convertible currency.

Article 9. Anti-dumping and countervailing measures

Nothing in this Agreement 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 1994, the Agreement on Implementation of Article VI of the GATT and the Agreement on Subsidies and Countervailing Measures.

Article 10. Other Business conditions

1. Goods shall be traded between economic entities of the Parties at market-related prices and the Parties shall not interfere in the prices of individual transactions. In particular, state agencies and state enterprises shall make any purchases of imports or sales of exports solely in accordance with commercial considerations including price, quality and quantity. In cases when an economic entity of one Party participates directly or indirectly in the management, control or capital of an economic entity of the other Party, or the same persons participate directly or indirectly in the management, control or capital of economic entities in both Parties, the conditions of the commercial relations between them shall be as between independent economic entities.

2. Each Party shall, in accordance with customary business practices, accord enterprises of the other Party non-discriminatory treatment and adequate opportunity to compete for participation in such transactions and public tenders.

3. Neither Party will require parties to individual transactions to engage in barter or counter-trade transactions, nor will they encourage them to do so. In case of barter-trade or counter-trade in public procurements, each Party shall grant suppliers of the other Party most-favoured-nation treatment and equitable access opportunities.

Article 11. Special Exemptions from Import or Export Taxes

The Parties shall allow the import and export of the following items without imposing customs duties, value added tax, excise tax, or other taxes and charges having equivalent effect as follows:

a) Samples and advertising material of no commercial value according to the provisions of the International Convention to Facilitate the Importation of Commercial Samples and Advertising Materials, Geneva, 1952.

b) Items for fairs and exhibitions in accordance with the Customs Convention Concerning Facilities for the Importation of Goods for Display or Use at Exhibitions, Fairs, Meetings or Similar Events, Brussels, 1962.

c) Special containers and packaging used in international trade on a return basis in accordance with the Customs Convention on the Temporary Importation of Packings, Brussels, 1960 and the Customs Convention on Containers and Protocol of Signature, Geneva, 1956.

Article 12. Economic Cooperation

1. The Parties shall promote the exchange of information for the purpose of improving bilateral trade and economic cooperation, with particular regard to legislation and procedures affecting trade as well as to statistical information.

2. The Parties agree to promote trade and economic cooperation by means of measures aiming to improvement of mutual trade, including:

- organisation and holding of fairs, exhibitions, conferences, advertising, consultancy and other business services;
- development of contacts between business entities, manufacturers associations, chambers of commerce and other business associations of both Parties;
- development of joint economic and industrial cooperation, in particular in the fields of agricultural and agro-industrial activities as well as in the telecommunication, health, medical equipment, education and security sectors.

Article 13. Emergency Actions

1. The Parties agree to be guided by Article XIX of the GATT 1994 "Emergency Action of Imports of Particular Goods" and by the WTO Agreement on Safeguards.

2. The Parties shall consult promptly at the request of either Party whenever imports of products originating in the territory of the other Party causes or threatens to cause injury to domestic producers of like or directly competitive products, with the aim of finding immediate solutions to the problems raised.

3. If as result of the said consultations the Parties are unable to reach agreement, within a reasonable period of time, on the means of preventing or remedying injury, the importing Party will be free to take appropriate measures relative to the import of the products concerned to the extent and for such time as is necessary to prevent occurrence of injury.

4. In critical circumstances, where emergency action is necessary to prevent or remedy such injury, the importing Party may take appropriate measures without prior consultation, on the condition that the consultation be offered immediately after taking such measures.

5. In the selection of measures under this Article, the Parties shall endeavour to give priority to those measures which cause the least disturbances to the functioning of this Agreement.

Article 14. Commercial Representation

The Parties shall permit, in accordance with their laws and regulations, the opening in the territory of their countries of commercial representations of legal entities of the other country.

Article 15. General Exceptions

1. Nothing in this Agreement shall preclude the Parties from taking measures aimed at the protection of security interests, public morality and public order, the protection of life and health of human, animals and plants, the protection of national treasures of artistic, historical or archaeological values, or any other measures referred to in Article XX of the GATT 1994. Such prohibitions shall not, however, constitute a means of arbitrary or unjustifiable discrimination or concealed limitation of trade between the Parties.

2. This Agreement shall not limit the right of either Party to take any action justified on grounds referred to in Article XXI of the GATT 1994.

Article 16. Intellectual Property

1. Considering the importance of intellectual property for the promotion of trade and economic cooperation, the legislation of each Party shall ensure full and effective protection of intellectual property rights, including in particular adequate and effective protection of copyright and neighbouring rights, trademarks, geographical indications, patents without discrimination as to the field of invention, industrial designs, topographies of integrated circuits and undisclosed information on know-how.

2. In particular the Parties shall take all measures to comply with the provisions of the WTO Agreement on Trade Related Aspects of Intellectual Property Rights (Agreement on TRIPS) of April 15, 1994.

3. Furthermore, the Parties shall make best endeavours to accede to international conventions in the field of protection of intellectual property rights.

Article 17. Standards

1. Each Party, upon request of the other Party, shall provide information on standard related measures.

2. The Parties will cooperate in the field of standards, including quality standards, with the aim to reduce technical barriers to trade.

Article 18. Joint Committee

1. The Parties agree to establish an Israeli-Albania Joint Commission on Trade and Economic Cooperation (hereafter referred to as the "Joint Commission") with the objective of facilitating the implementation of this Agreement. The Committee shall meet upon request of either Party alternately in Jerusalem and in Tirana. The time of these meetings shall be decided by the two Parties jointly

2. The Committee shall, inter alia:

(a) review the implementation of this Agreement and consider measures which might be taken with a view to fulfilling its provisions;

(b) review the development and expansion of trade and economic relations between the two countries;

(c) explore the possibilities of increasing and diversifying trade and economic relations, including industrial and investment cooperation, on the basis of mutual benefit, and identify new areas for such cooperation;

(d) consult regarding problems which may arise in the course of the development of economic and trade relations between the two countries;

(e) formulate and submit to the authorities of the Parties amendments to this Agreement in order to take account of new developments.

3. The Committee shall submit to the Parties reports and recommendations relating to the above matters, on the basis of mutual consent.

Article 19. Consultations

The Parties shall strive to settle through consultations all disputes arising out of the interpretation or application of this Agreement.

Article 20. Entry into Force

This Agreement shall enter into force on the first day of the month following the day of transmission of the later of the Notes by which the Parties notify each other through diplomatic channels that their internal procedures required for the entry into force of this Agreement have been fulfilled, and it shall remain in force until either Party notify the other Party in writing through diplomatic channels of its intentions to terminate the Agreement. In such case, the Agreement shall be terminated six months from the date of the above notification by the other Party.

Should this Agreement be terminated, its provisions shall continue to be applied to all trade transactions concluded pursuant to this Agreement, but not completed before its termination.

Done at Jerusalem on the 13th Tevet 5761, which corresponds to 8 January 2001, in two originals in the Hebrew, Albanian and English languages, all texts being equally authentic.

In case of divergence of interpretation of the provisions of this Agreement, the English text shall prevail.

For the Government of the State of Israel:

SHLOMO BEN AMI

For the Government of the Republic of Albania:

PASCAL MILLO