

FREE TRADE AGREEMENT BETWEEN THE REPUBLIC OF BULGARIA AND THE REPUBLIC OF LATVIA

PREAMBLE

The Republic of Latvia and the Republic of Bulgaria (hereinafter called the Contracting Parties),

Reaffirming their commitment to the principles of market economy, which constitutes the basis for their relations,

Considering their common desire to participate actively in the process of international economic integration,

Expressing their readiness to co-operate in finding the means and ways for strengthening of this process;

Considering the rights and obligations arising out of the Europe Association Agreement between the European Communities and their Member States, of the one part, and the Republic of Latvia, of the other part, and the Europe Association Agreement between the European Communities and their Member States, of the one part, and the Republic of Bulgaria, of the other part,

Resolved to this end to eliminate progressively the obstacles to substantially all their mutual trade, in accordance with the provisions of the General Agreement on Tariffs and Trade (GATT 1994) and the Marrakesh Agreement establishing the World Trade Organization (WTO),

Convinced that this Agreement will create a new climate for their economic relations and, in particular, for the development of trade, investments and economic and technical co-operation,

Firmly decided that this Agreement will promote the intensification of mutually beneficial trade between them and will contribute to the process of integration in Europe;

Considering that no provision of this Agreement may be interpreted as exempting the Parties from their obligations under other international agreements, especially the Agreement establishing the WTO,

Recalling their firm commitment to the Final Act of the Conference on Security and Co-operation in Europe, the Paris Charter, and, in particular, the principles contained in the final document of the Bonn Conference on Economic Co-operation in Europe,

Have agreed as follows:

Article 1

Objectives

1. The Contracting Parties shall establish a free trade area in accordance with the provisions of the present Agreement and in conformity with those of the GATT 1994, in particular Article XXIV of the GATT 1994, and the Agreement establishing the WTO.

2. The objectives of the present Agreement are:

(a) to promote through the expansion of mutual trade the harmonious development of economic relations between the Contracting Parties and thus to foster the advance of economic activity in the Contracting Parties, the improvement of living and employment conditions and increased productivity and financial stability.

(b) to ensure fair conditions of competition in the trade between the Contracting Parties,

(c) to contribute in this way, by removal of barriers to trade, to the harmonious development and expansion of the world trade,

(d) to enhance the co-operation between the Contracting Parties.

CHAPTER I INDUSTRIAL PRODUCTS

Article 2 Scope

1. The provisions of this Chapter shall apply to the industrial products originating in one of the Contracting Parties.

2. For the purpose of this Agreement the term "industrial products" means products falling within Chapters 25 to 97 of the Harmonized Commodity Description and Coding System, with the exception of the products listed in Annex I to this Agreement.

Article 3 Customs Duties On Imports

1. Customs duties on imports applied in the Republic of Bulgaria to products originating in the Republic of Latvia shall be abolished on the date of entry into force of this Agreement.

2. Customs duties on imports applied in the Republic of Latvia to products originating in the Republic of Bulgaria shall be abolished on the date of entry into force of this Agreement.

3. No new customs duties on imports shall be introduced in the trade between the Contracting Parties from the date of entry into force of this Agreement.

Article 4 Charges Having Equivalent Effect To Import Duties

1. No new charges having an effect equivalent to customs duties on imports shall be introduced in the trade between the Contracting Parties from the date of entry into force of this Agreement.

2. All charges having an effect equivalent to customs duties on imports shall be abolished on the date of entry into force of this Agreement.

Article 5 Fiscal Duties

The provisions of Article 3 shall also be applied to customs duties of a fiscal nature.

Article 6 Customs Duties On Exports And Charges Having Equivalent Effect

1. No new customs duties on exports or charges having an effect equivalent to customs duties on exports shall be introduced in the trade between the Contracting Parties from the date of entry into force of this Agreement.

2. All customs duties on exports and charges having an effect equivalent to customs duties on exports shall be abolished on the date of entry into force of this Agreement.

Article 7 Quantitative Restrictions On Exports And Measures Having Equivalent Effect

1. No new quantitative restrictions on exports or measures having equivalent effect shall be introduced in the trade between the Contracting Parties from the date of entry into force of this Agreement.

2. All quantitative restrictions and measures having equivalent effect on exports of products originating in the Contracting Parties shall be abolished on the date of entry into force of this Agreement.

Article 8 Quantitative Restrictions On Imports And Measures Having Equivalent Effect

1. No new quantitative restrictions on imports or measures having equivalent effect shall be introduced in the trade between the Contracting Parties from the date of entry into force of this Agreement.

2. All quantitative restrictions and measures having equivalent effect on imports of products originating in the Contracting Parties shall be abolished on the date of entry into force of this Agreement.

Article 9 Technical Barriers To Trade

1. The rights and obligations of the Contracting Parties related to standards or technical regulations and the respective measures shall be stipulated as governed by the Agreement on Technical Barriers to Trade of the WTO.

2. The Contracting Parties shall cooperate and exchange information in the field of standardization, metrology, conformity assessment and accreditation, with the aim of reducing technical barriers to trade.

CHAPTER II: AGRICULTURAL PRODUCTS

Article 10

Scope

1. The provisions of this Chapter shall apply to agricultural products originating in one of the Contracting Parties.

2. For the purpose of this Agreement the term "agricultural products" means products falling within Chapters 1 to 24 of the Harmonized Commodity Description and Coding System, including the products listed in Annex I to this Agreement.

Article 11

Exchange Of Concessions

1. The Contracting Parties grant each other the concessions, specified in Protocol 1 in accordance with the provisions of this Chapter and those laid down in this Protocol.

2. The Contracting Parties declare their readiness to foster, in so far as their agricultural policies allow, the harmonious development of trade in agricultural products and to discuss this issue periodically within the Joint Committee.

Taking account of:

- * the role of agriculture in their economies,
 - * the development of trade in agricultural products between the Contracting Parties,
 - * the particular sensitivity of the agricultural products,
 - * the rules of their agricultural policies,
 - * the results of the multilateral trade negotiations under the GATT and of the WTO,
- the Contracting Parties shall examine within the framework of the Joint Committee the possibilities of granting each other further concessions.

Article 12

Concessions And Agricultural Policies

1. Without prejudice to the concessions granted under Protocol 1 to this Agreement, the provisions of this Chapter shall not restrict in any way the pursuance of the respective agricultural policies of the Contracting Parties or taking of any measures under such policies, including the implementation of the respective provisions of the Agreement on Agriculture within the framework of the WTO and the Agreement establishing the WTO.

2. The Contracting Parties shall notify each other through the Joint Committee of changes in their respective agricultural policies pursued or measures applied which may affect the conditions of agricultural trade among them as provided for in this Agreement. Prompt consultations shall be held, upon request of any Contracting Party, to examine the situation.

Article 13

Specific Safeguards

Notwithstanding other provisions of this Agreement and, in particular, Article 26 (General safeguards), if, given the particular sensitivity of the agricultural products, imports of products originating in a Contracting Party, which are subject to concessions granted under this Agreement, cause serious disturbance to the markets of the other Contracting Party, the Contracting Party concerned shall immediately enter into consultations to find an appropriate solution. Pending such solution, the Contracting Party concerned may take the measures it deems necessary.

Article 14

Veterinary, Sanitary And Phytosanitary Measures

1. The Contracting Parties shall apply their regulations in veterinary, sanitary and phytosanitary matters in a non-discriminatory fashion and shall not introduce any new measures that have the effect of unduly obstructing trade.
2. The veterinary and sanitary measures and the work of the veterinary services will be in accordance with international conventions in this field.
3. The phytosanitary measures and the work of the plant protection service will be in accordance with international conventions in this field.

CHAPTER III

GENERAL PROVISIONS

Article 15

Rules Of Origin And Co-Operation In Customs Administration

1. Protocol 2 to this Agreement lays down the rules of origin and related methods of administrative co-operation.
2. The Contracting Parties shall take appropriate measures, including regular reviews in the Joint Committee and arrangements for administrative co-operation, to ensure that the provisions of Protocol 2 and Articles 3 (Customs duties on imports) to 8 (Quantitative restrictions on imports and measures having equivalent effect), 12 (Concessions and agricultural policies), 16 (Internal taxation) and 27 (Structural adjustment) of the Agreement are effectively and harmoniously applied, and to reduce, as far as possible, the formalities imposed on trade, as well as to achieve mutually

satisfactory for both Contracting Parties solutions to any difficulties arising from the operation of those provisions.

3. The mutual assistance between administrative authorities in customs matters shall take place in accordance with the provisions of Protocol 3 to this Agreement.

Article 16

Internal Taxation

1. The Contracting Parties shall refrain from any measure or practice of an internal fiscal nature establishing, whether directly or indirectly, discrimination between the products originating in the Contracting Parties.

2. Products exported to the territory of one of the Contracting Parties may not benefit from repayment of internal taxation in excess of the amount of direct or indirect taxation imposed on them.

Article 17

General Exceptions

This Agreement shall not preclude prohibitions or restrictions on the imports, exports or goods in transit justified on grounds of public morality, public order or public security; the protection of health and life of humans, animals and plants; the protection of environment; the protection of national treasures possessing artistic, historic or archaeological value; the protection of the intellectual property or the rules relating to gold or silver or the conservation of exhaustible natural resources, if such measures are made effective in conjunction with restrictions on domestic production or consumption. Such prohibitions or restrictions shall not, however, constitute a means of arbitrary discrimination or a disguised restriction on the trade between the Contracting Parties.

Article 18

Security Exceptions

Nothing in this Agreement shall prevent a Contracting Party from taking any measure which it considers necessary:

1. to prevent the disclosure of information contrary to its essential security interests;

2. for the protection of its essential security interests or for the implementation of international obligations or national policies:

(a) relating to the traffic in arms, ammunition and implements of war, provided that such measures do not impair the conditions of competition in respect of products not intended for specifically military purposes, and to such traffic in other goods, materials and services as is carried on directly or indirectly for the purpose of supplying a military establishment; or

(b) relating to the non-proliferation of biological and chemical weapons, nuclear weapons or other nuclear explosive devices; or

(c) taken in time of war or other serious international tension, constituting threat of war.

Article 19

State Monopolies

1. The Contracting Parties shall adjust progressively any State monopoly of a commercial character so as to ensure that by the end of the year following the entry into force of this Agreement, no discrimination regarding the conditions under which goods are procured and marketed exists between nationals of the Contracting Parties. The Joint Committee shall be informed about the measures adopted to implement this objective.

2. The provisions of this Article shall apply to any body through which the competent authorities of the Contracting Parties, in law or in fact, either directly or indirectly supervise, determine or appreciably influence imports or exports between the Contracting Parties. These provisions shall likewise apply to monopolies delegated by a Contracting Party to other bodies.

Article 20

Payments

1. Payments in freely convertible currencies relating to trade in goods between the Contracting Parties and the transfer of such payments to the territory of the Contracting Party to this Agreement, where the creditor resides, shall be free from any restrictions.

2. The Contracting Parties shall refrain from any exchange or administrative restrictions on the grant, repayment or acceptance of short and medium term credits related to trade in goods in which a resident of a Contracting Party participates.

3. Notwithstanding the provisions of paragraph 2, any measures concerning current payments connected with the movement of goods shall be in conformity with the conditions laid down under Article VIII of the Agreement of the International Monetary Fund.

Article 21

Rules Of Competition Concerning Undertakings

1. The following are incompatible with the proper functioning of this Agreement in so far as they may affect trade between the Contracting Parties:

(a) all agreements between undertakings, decisions by associations of undertakings and concerted practices between undertakings which have as their object or effect the prevention, restriction or distortion of competition;

(b) abuse by one or more undertakings of a dominant position in the territories of the Contracting Parties as a whole or in a substantial part thereof.

2. The provisions of paragraph 1 shall apply to the activities of all undertakings including public undertakings and undertakings to which the Contracting Parties grant special or exclusive rights. Undertakings entrusted with the operation of services of general economic interest or having the character of a revenue-producing monopoly, shall be subject to the provisions of paragraph 1 insofar as the application of these provisions does not obstruct the performance, in law or in fact, of the particular public tasks assigned to them.

3. With regard to products referred to in Chapter II the provisions stipulated in paragraph 1 (a) shall not apply to such agreements, decisions and practices which form an integral part of a national market organization.

4. If a Contracting Party considers that a given practice is incompatible with paragraphs 1, 2 and 3 of this Article, and if such practice causes or threatens to cause serious prejudice to the interest of that Contracting Party or material injury to its domestic industry, the Contracting Party concerned may take appropriate measures under the conditions and in accordance with the procedure laid down in Article 30 (Procedure for the application of safeguard measures).

Article 22

State Aid

1. Any aid granted by a State being a Contracting Party to this Agreement or through State resources in any form whatsoever which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods shall, in so far as it may affect trade between the Contracting Parties, be incompatible with the proper functioning of this Agreement.

2. The provisions of paragraph 1 shall not apply to products referred to in Chapter II.

3. The criteria on the basis of which the practices contrary to paragraph 1 shall be assessed, as well as the rules for their implementation, have to be compatible with the respective criteria applied within the European Union and the implementing rules agreed between each of the Contracting Parties and the European Union.

4. The Contracting Parties shall ensure transparency in the area of state aid measures, inter alia by reporting annually to the Joint Committee on the total amount and the distribution of the aid given and by providing to the other Contracting Party, upon request, information on aid schemes and on particular individual cases of state aid.

5. If a Contracting Party considers that a particular practice:

* is incompatible with the terms of paragraph 1, or

* causes or threatens to cause serious prejudice to the interest of that Contracting Party or material injury to its domestic industry,

it may take appropriate measures under the conditions of and in accordance with the provisions laid down in Article 30 (Procedure for the application of safeguard measures). Such appropriate measures may only be taken in conformity with the procedures and under the conditions laid down by the GATT 1994 and by the Agreement establishing the WTO and any other relevant instruments negotiated under the auspices of the WTO which are applicable between the Contracting Parties.

Article 23

Public Procurement

1. The Contracting Parties consider the liberalization of their respective public procurement markets as an objective of this Agreement. The Contracting Parties aim at opening up of the award of public contracts on the basis of non-discrimination and reciprocity.
2. The Contracting Parties will progressively develop their respective rules, conditions and practices on public procurement and shall grant suppliers of the other Contracting Party access to contract award procedures on their respective public procurement markets not less favourable than that accorded to companies of any third country.
3. The Contracting Parties to this Agreement shall endeavour to accede to the WTO Agreement on Government Procurement.

Article 24

Protection Of Intellectual Property

1. The Contracting Parties confirm their will to respect the obligations arising from the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights, constituting Annex Ic to the Marrakesh Agreement establishing the WTO, as well as other conventions on intellectual property protection, which are signed by both Contracting Parties, and listed in Annex II to this Agreement.
2. For the purpose of this Agreement the term "intellectual property" refers to all categories of intellectual property such as: copyright and related rights, trademarks, geographical indications including appellations of origin, industrial designs and models, patents, lay-out designs of integrated circuits and undisclosed information including trade secrets.
3. In fulfilment of their commitments under international agreements and legislation in the field of intellectual property rights, the Contracting Parties to this Agreement shall not grant to nationals of the state of the other Contracting Party treatment less favourable than that accorded to nationals of any third state.
4. The Contracting Parties shall co-operate in matters of intellectual property. Upon request of a Contracting Party, they shall hold consultations of experts on these

matters, in particular with respect to activities, relating to the existing or to future international conventions on the harmonization, administration and vindication of intellectual property rights, and on activities in international organizations, such as the WTO, World Intellectual Property Organization, as well as concerning the relations of the Contracting Parties with third countries with respect to the intellectual property matters.

5. The implementation of this article shall be regularly assessed by the Contracting Parties. Upon difficulties in trade in relation to the rights of intellectual property, any of the Contracting Parties may request urgent consultations for finding mutually acceptable solution.

Article 25 Dumping

If a Contracting Party to this Agreement finds that dumping within the meaning of Article VI of the GATT 1994 is taking place in the trade relations governed by this Agreement, it may take appropriate measures against that practice in accordance with Article VI of the GATT 1994 and the Agreement on Implementation of Article VI of the GATT 1994, and in accordance with the procedure laid down in Article 30 (Procedure for the application of safeguard measures).

Article 26 General Safeguards

Where any product is being imported in such increased quantities and under such conditions as to cause or threaten to cause:

- (a) serious injury to the domestic producers of like or directly competitive products in the territory of the importing Contracting Party, or
- (b) serious disturbances in any related sector of the economy or difficulties which could cause serious deterioration in the economic situation of a region,

the Contracting Party concerned may take appropriate measures under the conditions and in accordance with the procedure laid down in Article 30 (Procedure for the application of safeguard measures).

Article 27 Structural Adjustment

1. Exceptional measures of a limited duration which derogate from the provisions of Article 4 may be taken by any of the Contracting Parties in the form of increased customs duties.

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. Customs duties on imports applicable in the Contracting Party concerned to products originating in the other Party introduced by these measures may not exceed 25 % ad valorem and shall contain an element of preference for products originating in the other Contracting Party. The total value of imports of the products subject to these measures may not exceed 15% of the total imports of industrial products from the other Contracting Party as defined in Article 2 during the last year for which statistics are available.

4. These measures shall be applied for a period not exceeding three consecutive years.

5. No such measures shall be introduced in respect of a product if more than three years have elapsed since the entry into force of this Agreement.

6. The Contracting Party concerned shall inform the Joint Committee of any exceptional measures it intends to take and, at the request of the other Contracting Party, consultations shall be held within the Joint Committee on such measures and the sectors to which they apply before their introduction. When taking such measures the Contracting Party concerned shall provide the Joint Committee with a schedule for the elimination of the customs duties introduced under this Article. This schedule shall provide for a phasing out of these duties starting at the latest one year after their introduction, at equal annual rates. The Joint Committee may decide on a different schedule.

Article 28

Re-Export And Serious Shortage

1. Where compliance with the provisions of Articles 6 (Customs duties on exports and charges having equivalent effect) and 7 (Quantitative restrictions on exports and measures having equivalent effect) leads to:

(a) re-export towards a third country against which the exporting Contracting Party maintains for the product concerned quantitative export restrictions, export duties or measures or charges having equivalent effect; or

(b) a serious shortage, or threat thereof, of a product essential to the exporting Contracting Party;

and where the situations above referred give rise or are likely to give rise, to major difficulties for the exporting Contracting Party, that Contracting Party may take appropriate measures under the conditions and in accordance with the procedures laid down in Article 30 (Procedure for the application of safeguard measures).

2. Measures taken as a result of the situation referred to in paragraph 1 shall be eliminated when the conditions no longer justify their maintenance and in the case of the situation referred to in paragraph 1(b) shall be applied in a non-discriminatory manner.

Article 29

Fulfilment Of Obligations

1. The Contracting Parties shall take all necessary measures required to fulfil their obligations under the Agreement. They shall ensure to it that the objectives set out in the Agreement are achieved.
2. If a Contracting Party considers that the other Contracting Party has failed to fulfil an obligation under this Agreement, the Contracting Party concerned may take appropriate measures under the conditions and in accordance with the procedure laid down in Article 30 (Procedure for the application of safeguard measures) .

Article 30

Procedure For The Application Of Safeguard Measures

1. Before initiating the procedure for application of safeguard measures set out in the following paragraphs of the present Article, the Contracting Parties shall endeavour to solve any differences between them through direct consultations.
2. If a Contracting Party subjects the imports of products liable to give rise to the situation referred to in Article 26 (General safeguards) to an administrative procedure, the purpose of which is the rapid provision of information on the trend of trade flows, it shall inform the other Party.
3. Without prejudice to paragraph 7 of the present Article, a Contracting Party which considers resorting to safeguard measures shall promptly notify the other Contracting Party thereof and supply all relevant information. Consultations between the Contracting Parties shall take place without delay but not later than 30 days after requesting such consultations in the Joint Committee with a view to finding a mutually acceptable solution.
4. (a) As regards Articles 25 (Dumping), 26 (General safeguards) and 28 (Re-export and serious shortage) the Joint Committee shall examine the case or the situation and may take any decision needed to put an end to the difficulties notified by the Party concerned. In the case of the absence of such decision within thirty days of the matter being referred to the Joint Committee, the Contracting Party concerned may adopt the measures necessary in order to remedy the situation,

(b) As regards Article 29 (Fulfilment of obligations), the Contracting Party concerned may take appropriate measures after the consultations have been concluded or after a period of three months has elapsed from the date of the first notification to the other Contracting Party,

(c) As regards Article 21 (Rules of competition concerning undertakings) and 22 (State aid), the Contracting Party concerned shall give the Joint Committee all the assistance required in order to examine the case and, where appropriate, eliminate the practice objected to. If the other Contracting Party fails to put an end to the practice objected to within the period fixed by the Joint Committee or if the Joint Committee fails to reach an agreement within thirty working days, of the matter being referred to it, the

Contracting Party concerned may adopt the appropriate measures to deal with the difficulties resulting from the practice in question.

5. The safeguard measures taken shall be notified immediately to the Joint Committee. They shall be limited with regard to their extent and to their duration to what is strictly necessary in order to rectify the situation giving rise to their application and shall not be in excess of the injury caused by the practice or the difficulty in question. Priority shall be given to such measures that will least disturb the functioning of this Agreement.

6. The safeguard measures taken shall be the object of periodic consultations in the Joint Committee with a view to their relaxation as soon as possible or abolition when conditions no longer justify their maintenance.

7. Where exceptional circumstances requiring immediate action make prior examination impossible, the Contracting Party concerned may, in the cases of Articles 25 (Dumping), 26 (General safeguards) and 28 (Re-export and serious shortage), apply forthwith the provisional measures strictly necessary to remedy the situation. The measures shall be notified without delay and consultations between the Contracting Parties shall take place as soon as possible in the Joint Committee.

Article 31

Balance Of Payments Difficulties

1. The Contracting Parties shall endeavour to avoid the imposition of restrictive measures including measures relating to imports for balance of payments purposes.

2. Where one of the Contracting Parties is in serious balance of payments difficulties, or under imminent threat thereof, the Party concerned may, in accordance with the conditions established under the GATT 1994 and Article VIII of the IMF Agreement, adopt restrictive measures, including measures related to imports, which shall be of limited duration and may not go beyond what is necessary to remedy the balance of payments situation. The measures shall be progressively relaxed as balance of payments conditions improve and they shall be eliminated when conditions no longer justify their maintenance. The Contracting Party concerned shall inform the other Contracting Party forthwith of their introduction and, whenever practicable, of a time schedule for their removal.

Article 32

Customs Unions, Free Trade Areas And Frontier Trade

1. This Agreement shall not prevent the maintenance or establishment of customs unions, free trade areas or arrangements for frontier trade to such an extent that these do not negatively affect the trade regime of the Contracting Parties and in particular the provisions concerning the rules of origin provided for in this Agreement.

2. Upon request, consultations between the Contracting Parties shall take place within the Joint Committee, in order the Contracting Parties to inform each other about any agreement establishing such customs union or free trade area.

CHAPTER IV INSTITUTIONAL AND FINAL PROVISIONS

Article 33 The Joint Committee

1. A Joint Committee is hereby established in which each Contracting Party shall be represented.
2. The Joint Committee shall be responsible for the administration of this Agreement and shall ensure its proper implementation.
3. For the purpose of the proper implementation of this Agreement, the Contracting Parties shall exchange information and, at the request of any Contracting Party, shall hold consultations within the Joint Committee. The Joint Committee shall keep under review the possibility of further removal of the obstacles to trade between the Contracting Parties.
4. The Joint Committee may, in accordance with the provisions of paragraph 3 of Article 34 (Procedures of the Joint Committee), take decisions in the cases provided for in this Agreement. On other matters the Committee may make recommendations.

Article 34 Procedures Of The Joint Committee

1. For the proper implementation of this Agreement the Joint Committee shall meet whenever necessary but at least once a year. Each Contracting Party may request a meeting to be held.
2. The Joint Committee shall act by common agreement.
3. If a representative in the Joint Committee of a Contracting Party to this Agreement has accepted a decision subject to the fulfilment of internal legal requirements, the decision shall enter into force, if no later date is contained therein, on the first day of the second month following the receipt of a written notification as to the fulfilment by that Contracting Party of such requirements.
4. For the purpose of this Agreement the Joint Committee shall adopt its rules of procedure which shall, inter alia, contain provisions for convening meetings and for the designation of the Chairman and his term of office.
5. The Joint Committee may decide to set up such subcommittees and working groups as it considers necessary to assist it in accomplishing its tasks.

Article 35 Evolutionary Clause

Where a Contracting Party considers that it would be useful in the interests of the economies of the Contracting Parties to develop and deepen the relations established by this Agreement by extending them to fields not covered thereby, it shall submit a reasoned request to the other Contracting Party. The Contracting Parties may instruct the Joint Committee to examine such a request and, where appropriate, to make recommendations, particularly with a view to opening negotiations.

Article 36

Amendments, Annexes And Protocols

1. Amendments to this Agreement other than those decided upon in accordance with paragraph 3 of Article 34 and which are approved by the Joint Committee shall enter into force on the first day of the second month following the receipt of the latter diplomatic note confirming that the internal legal requirements of each Contracting Party for their entry into force have been fulfilled.
2. Annexes and Protocols to this Agreement are an integral part of it.
3. The Joint Committee may decide to amend the Annexes and Protocols, taking into account the procedure mentioned in paragraph 3 of Article 34.

Article 37

Validity And Denunciation

1. This Agreement is concluded for an unlimited period of time.
2. Each Contracting Party to this Agreement may denounce this Agreement by means of a written notification to the other Contracting Party. The termination shall take effect on the first day of the sixth month following the date on which the notification was received by the other Contracting Party.
3. Both Contracting Parties agree that in the event of a Contracting Party to this Agreement becoming a member of the European Union, that Contracting Party will withdraw from this Agreement at the latest the day before membership takes effect, and without any compensation to the other Contracting Party.

Article 38

Entry Into Force

1. This Agreement is subject to ratification.
2. This Agreement shall enter into force on the first day of the second month following the date on which the Contracting Parties have notified each other through diplomatic channels that their internal legal requirements for the entry into force of this Agreement have been fulfilled.

IN WITNESS WHEREOF the undersigned plenipotentiaries, being duly authorized thereto, have signed the present Agreement.

DONE at Riga this 16th day of October, 2002, in duplicate copies in the Latvian, Bulgarian and English languages, each of these texts being equally authentic. In case of divergences the English text shall prevail.

1 The full text of the Agreement together with its annexes and protocols has been submitted to the Secretariat for consultation by interested Members (office 1174).

WT/REG151/1