

In the Name of the Most High

**AGREEMENT ON TRADE COOPERATION
BETWEEN
THE GOVERNMENT OF THE
REPUBLIC OF BOSNIA AND HERZEGOVINA
AND
GOVERNMENT OF THE ISLAMIC REPUBLIC OF IRAN**

The Government of the Republic of Bosnia and Herzegovina and the Government of the Islamic Republic of Iran, hereinafter referred to as the Contracting Parties,

Considering their mutual interest, in strengthening and developing of trade ties and expanding and diversifying of cooperation based on equality, non-discrimination and maintenance of mutual interests,

Have agreed as follows;

Article 1

Scope of the Agreement

Commercial exchanges between the Contracting Parties and contracts concluded between natural and juridical persons of the two countries shall be carried out within the framework of the present agreement and in conformity with the governing laws and regulations of each Contracting Party.

Article 2

The Issuance of the Certificate of Origin

Each Contracting Party shall in accordance with the rules of origin, provided for in the Agreement On the Global System of Trade Preference among Developing Countries (GSTP), take proper measures to issue certificates of origin for the commodities/goods exported to the other Contracting Party.

Article 3

Standards

The exchange of commodities/goods and services under the present Agreement shall be made in conformity with the standards of the importing country. However, the said commodities/goods shall not be sub-standard comparing with the standards of the country of origin.

Article 4

Customs Duties and Charges

Each Contracting Party shall, in relation with the imports & exports of the other Party, provide the best treatment, exactly as those provided to any third state, concerning import & export formalities and the amount, method and criterion for levying customs duties, taxes and any other owing dues currently applied or to be applied in future.

The above mentioned provisions of this article shall not apply to:

- a) Benefits, favors, privileges and exemptions, which either of Contracting Party grants, or shall in the future grant to any of its neighboring countries to facilitate frontier traffic.
- b) Benefits, favors, privileges and exemptions, which have been granted or shall be in future granted by either Contracting Parties as a consequence of its participation in free trade zones and customs unions.

Article 5

Taxes

The Contracting Parties agreed not to enact new or stricter regulations on taxes, customs duties and other owing dues on imports & exports, unless the following conditions are met;

- Promulgation of the regulations.
- Expiration of three months from the date of the promulgation,
- Prior arrangements for hearing of the complaints on taxes and customs,
- Non-exclusive application to and non-exclusive imposition of the heavier regulations on the nationals and commodities/goods of the other Party, and or non-exclusive effectiveness of enforcement of such regulations affect mostly the nationals or commodities/goods of the other Party.

Article 6

System of Currency, Receipt and Payment

All receipts or payments in foreign currency arisen from the application of the present Agreement shall be in accordance with payment conditions and currency agreed upon between the Parties or according to subsidiary agreements concluded by the central banks of the Parties.

Article 7

Participation in Fairs

Each Contracting Party shall encourage its commercial companies and institutions to participate in international or specific fairs held in the territory of the other Party and shall as far as possible provide the commercial companies and institutions of the other Party with the necessary facilities.

Any enactment and collection or exemption of customs duties, taxes and other owing dues regarding the exports of either Party entered into the territory of the other Party for exhibition or fair-related purposes shall be in accordance with Facilities for the importation of Goods for Display or Use at Exhibition, Fairs, Meetings or similar Events, Done at Brussels on 8th June 1961.

Article 8

Convenience of Fairs or Sale-permitted Exhibitions

Each Party shall permit the merchants and commercial companies/institutions of the other Party to hold an annual sale permitted exhibition or fair for displaying their home-made products provided that:

- The duration of the fair does not exceed 15 days
- Merchants and commercial companies/institutions shall observe the laws and regulations of the host country,
- Type and quantity of the commodities to be displayed and be agreed upon by the Contracting Parties,

The provisions of this article shall not prevent the Contracting Parties to agree otherwise on the dates and duration of the sale-permitted exhibition or fair.

Article 9

The Contracting Parties agreed to promote and facilitate cooperation and exchange the information between their Customs and respective institutions which are competent for issuing certifications and other commercial documents.

Article 10

Establishment of Trade Office or Center

In order to facilitate and develop the exchange of commodities/goods, services and trade information between the Parties, each Party shall permit the other Party to establish a Trade Office or Center in its territory. The number of employees and the equipment and branches of the said office or center shall be determined through the future agreement of the Parties.

Article 11

Achievement of Balance in Commercial Exchanges/Transactions

Each Contracting Party in order to attain a balanced trend in mutual trade exchanges, shall satisfy as far as possible, its trade needs, with the observance of the preferences under its laws and regulations, from the other Party.

Article 12

Cooperation of Chambers of Commerce and Exchange of Delegations

The Parties agreed to encourage their chambers of commerce to maintain close and effective cooperation and if necessary, to establish joint chambers of commerce, exchange of commercial delegations, and convenience of specialized seminars and conferences in order to become familiar with each other's products and marketing and also provide the required facilities to this end.

Article 13

Expansion and Diversification of Commercial Relations

The Parties, in order to develop commercial relations, shall encourage their natural and juridical persons to implement international trade methods and establishing trade partnerships-ventures and long term commercial cooperation and trade on services.

The Parties shall encourage and help cooperation in exchange of technologies and know-how projects, establishing and using their free zones, as well as joint cooperation on third markets.

Article 14

Transit of Commodities/Goods

The transit of commodities/goods via the territory of either Party shall be carried out in accordance with the provisions of the transport agreement in force between the Parties.

Article 15

National Treatment

The Contracting Parties agreed to extend national treatment to the nationals of the other Party within the context of the present Agreement, except in such areas exclusively reserved for their own nationals.

Article 16

Accession to Judicial Authorities

The Contracting Parties agreed that the nationals of either Party shall enjoy equal treatment with regard to access to judicial authorities within their territories.

Article 17

Joint Commission

On basis of this Agreement, a Joint Commission for Trade and Economic Cooperation (hereinafter referred to as: the Joint Commission) shall be formed in order to supervise and review the realization of this Agreement. The Joint Commission shall analyze problems arising from implementation of this Agreement and submit to the Contracting Parties proposals regarding to solutions for elimination of those problems, as well as proposals for further expansion of this Agreement and expansion and promotion of bilateral trade and economic relations.

The Joint Commission shall regularly and once a year at least, analyze mutual trade balance and arrange the measures leading to its equalization.

The Joint Commission shall hold sessions when needed, and once a year at least, in the Republic of Bosnia and Herzegovina and the Islamic Republic of Iran alternately.

Article 18

Dispute Settlement Commission

All issues and disputes which might arise in connection with this Agreement shall be, for presentation of solution, referred by each Party to a joint commission consisting of one representative from each Party and one or three international personalities other than nationals of the Parties, and to be chosen by agreement between the said representatives. The commission shall examine the facts and in conformity with the respective rules, regulations and custom, present appropriate solution to the Parties.

Arbitration

All issues which might arise in relation to the application or interpretation of the present Agreement, shall in the first place be amicably settled through diplomatic channels. In case no solution is agreed upon, each Party may, while observing the relevant rules and regulations, notify the other Contracting Party and refer the case to an arbitrage tribunal consisting of three arbitrators: two of whom to be nominated by the parties and one umpire.

In case of the reference of the matter to arbitration, each Contracting Party shall, within 60 days from the date of receipt of notification, nominate an arbitrator and the two arbitrators so nominated shall, within 60 days from the date of last nomination, appoint the umpire. In case either Party fails to nominate its arbitrator in due time or the nominated arbitrators fail to agree on an umpire in due time, each Party may request the President of the International Court of Justice (ICJ) to appoint, as the case may be, the arbitrator of the refusing Party or the umpire.

The arbitrage tribunal shall decide according to the following rules and regulations:

- a) Provisions of the present Agreement
- b) International Law
- c) International Trade Law
- d) Pertinent trade usage

The arbitrage tribunal shall determine its own internal regulations and rules of procedure. The seat of the arbitrage tribunal shall be in a third state and the relevant expenses shall be, equitably apportioned between the Parties. The award of the arbitrage tribunal shall be final and binding upon the Parties.

Article 19

Protection of Public Health and National Interests

The provisions of the present Agreement shall not confine the rights of each party as for the imposition of any banning or restriction with regard to the protection of national interests, public health and/or prevention of diseases and animal or plant pests.

Article 20

Duration of the Validity of the Agreement

This Agreement shall come into force from the date of the last notification by one of the Contracting Parties to the other, indicating that it has complied with its constitutional requirements for entry into force of the present Agreement.

This Agreement shall remain in force for a period of five years. After expiration of this period, the present Agreement shall be extended for one year periods, unless either Party notifies the other Party in writing, six months prior termination of this period, that it does not intend to extend the Agreement.

Upon termination of the validity of this Agreement, its provisions with regard to the contracts accordingly signed and are being executed shall be valid for one year after the termination of this Agreement at latest, unless the Parties agree otherwise.

This Agreement does not affect the rights and obligations resulting from other international agreements signed or to be signed by the Contracting Parties.

Done in one preamble and 20 Article on this _____ day of _____ in three originals in Bosnian, Persian, and English, all three texts being equally authentic. In case of divergent interpretation, the English text shall prevail.

ON BEHALF OF THE
GOVERNMENT OF THE
REPUBLIC OF
BOSNIA AND HERZEGOVINA

ON BEHALF OF THE
GOVERNMENT OF THE
ISLAMIC REPUBLIC OF
IRAN