



TRADE AGREEMENT

BETWEEN

BOSNIA AND HERZEGOVINA

AND

UKRAINE

Bosnia and Herzegovina and Ukraine, (hereinafter referred to as the "Contracting Parties"),

Having respect to the intention of Bosnia and Herzegovina and Ukraine to participate actively in the process of the economic integration in Europe,

Desiring to promote and strengthen the economic and trade relations between the two countries,

Firmly convinced of the necessity of lasting and effective co-operation which will mutually benefit both States' interests, and

Taking into consideration the principles of the World Trade Organisation (WTO).

Have agreed as follows:

Article 1

The Contracting Parties shall, within the scope of the laws and regulations in force in their respective territories, take all appropriate measures to intensify and strengthen their trade relations and co-operation.

Article 2

The Contracting Parties shall, in connection with an exchange of products originating in the territories of the Contracting Parties, grant each other the Most-Favoured-Nation Treatment.

Article 3

The provisions of Article 2 of this Agreement shall not, however, apply to:

1. The advantages which the Contracting Parties grant or shall grant in the future to their neighbouring states in order to facilitate frontier traffic.
2. The advantages which the Contracting Parties grant or shall grant in the future to third states on the basis of agreement of establishing customs union or free trade area or on the basis of interim agreement leading to the formation of customs union or free trade area, to which the Contracting Party is obliged.

Article 4

The import and export of products will be carried out in accordance with the laws and regulations in force in either Contracting Party, international trade practices, and on the basis of contracts concluded between natural and/or legal persons of the Contracting Parties.

Article 5

1. In case if any product is being imported from the territory of the one Contracting Party to the territory of the other Contracting Party in so increased quantities or under such conditions, which cause or may cause serious losses to the domestic production sector producing similar or directly competing products, the urgent consultations according to Article 12 of this Agreement will take place in order to find mutually satisfactory solution.
2. In the absence of any mutually agreed solution during the consultations the offended Contracting Party can take the appropriate measures for the duration needed in order to protect or remove damage.

3. In critical circumstances, where the delay would cause hardly retrievable loss, the Contracting Party can take the appropriate measures without prior consultations provided that the consultations will be called immediately after such action has been taken.

Article 6

For the purposes of this Agreement, the Contracting Parties shall encourage and facilitate the following activities of organisations and enterprises of both sides:

- a) Arrangement of business meetings, trade missions, trade and industrial fairs and exhibitions, seminars and talks;
- b) Exchange of information and experiences regarding their respective foreign trade;
- c) Co-operation in seeking the possibilities of enlarging market access to third states;
- d) Identification of problems that hamper bilateral trade co-operation and recommendation of solutions that may help to widen the market access.

Article 7

Each Contracting Party shall, subject to its laws and regulations in force, exempt the following goods from customs duties or any other charges:

- a) Goods and materials for fairs and exhibitions which are not intended for sale;
- b) Samples of merchandise, fit only to be used as such and of no commercial value;
- c) Advertising materials of no commercial value.

Article 8

All payments arising under this Agreement shall be effected in a freely convertible currency according to the foreign exchange regulations in force in each Contracting Party.

Article 9

Taking into account the importance of banking in developing mutual economic and commercial activities, the Contracting Parties agreed to promote the co-operation between the banks of their countries within the scope of laws and regulations in force in either Contracting Party.

Article 10

Natural and legal persons of either Contracting Party shall also be free to import or export products from each other on the basis of counter-trade and compensation agreements, leasing agreements or any other internationally recognised form of business co-operation, in accordance with the laws and regulations in force in either Contracting Party.

Article 11

There shall be freedom of transit through the territory of each Contracting Party, via the routes most convenient for international transit, traffic in transit to or from the territory of the other Contracting Party in accordance with the laws and regulations in force in either Contracting Party.

Article 12

1. In order to facilitate the implementation of this Agreement, the Contracting Parties agreed to set up a Joint Committee comprising the representatives of their respective authorities. The Joint Committee shall meet alternately in Bosnia and Herzegovina and Ukraine at any time agreed upon by the Contracting Parties.
2. The Joint Committee shall:
 - a) Review the implementation of this Agreement;
 - b) Seek the possibilities of increasing and diversifying mutual trade relations between the two Contracting Parties;
 - c) Submit and study appropriate proposals with the aim of recommending measures to the Contracting Parties for the dynamic development of trade co-operation;
 - d) Discuss any other issues arising out of this Agreement.
3. Subject to the approval of the respective authorities of both Contracting Parties, representatives of companies, economic or financial organisations and enterprises may participate in the work of the Joint Committee. The Joint Committee shall determine the rules and procedures of such participation.

Article 13

1. This Agreement shall enter into force on the latter date on which either Contracting Party notifies the other that its internal legal requirements for the entry into force of this Agreement have been fulfilled.

2. This Agreement shall remain in force for a period of five years and shall be automatically extended for another year, unless either Contracting Party gives to the other a written notice of its intention to terminate this Agreement, six months prior to the expiration of its validity.
3. The provisions of this Agreement shall not affect the contracts concluded between natural and/or legal persons of the Contracting Parties before the date of entry into force of this Agreement.

Article 14

1. This Agreement may be revised or amended by the mutual consent of the Contracting Parties, done in written form.
2. Amendments to this Agreement shall enter into force in accordance with the provisions of paragraph 1, Article 13 of this Agreement.
3. The revision or the amendment of this Agreement shall not affect the validity of contracts already concluded between natural and/or legal persons of the Contracting Parties under the provisions of this Agreement.


Article 15

Any dispute between the Contracting Parties relating to the interpretation or implementation of this Agreement shall be resolved by friendly consultations and negotiations within reasonable period of time.

IN WITNESS WHEREOF the undersigned representatives, duly authorised thereto, have signed this Agreement.

Done at Sarajevo, on 13 March 2002, in two originals, each in the Bosnian/Croatian/Serbian, Ukrainian and English languages, all texts being equally authentic. In case of any divergence on the interpretation, the English text shall prevail.

For
Bosnia and Herzegovina



For
Ukraine