

# FREE TRADE AGREEMENT BETWEEN ALBANIA AND BULGARIA

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## FREE TRADE AGREEMENT BETWEEN THE REPUBLIC OF ALBANIA AND REPUBLIC OF BULGARIA

### PREAMBLE

Desirous to develop and strengthen friendly relations, especially in the fields of trade and economic cooperation, with the aim to contribute to the development of economic cooperation between the two countries and to increase the scope of mutual trade exchange,

*The Republic of Albania 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 Agreement for Association between the European Communities and their Member States, of the one part, and the Republic of Bulgaria, of the other part, and the Co-operation Agreement between the European Community and the Republic of Albania,

*Resolved* to this and 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),

*Declaring* their readiness to undertake activities with a view of promoting harmonious development of their trade, as well as of expanding and diversifying their mutual co-operation in the fields of joint interest, including fields, not covered by this Agreement, thus creating a framework and supportive environment, based on equality, non-discrimination, and balance of rights and obligations,

*Firmly* decided that this Agreement will promote the intensification of mutually beneficial trade between them and will bring 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 General Agreement on Tariffs and Trade 1994 and the Marrakesh Agreement, establishing the World Trade Organization,

*Have Decided*, in pursuance of these objectives, to conclude the following Agreement (hereinafter referred to as "this Agreement"):

*Article 1*

Objectives

1. The Contracting Parties shall gradually establish a free trade area in a transitional period, ending on 1 January 2007, in accordance with the provisions of this Agreement and in conformity with the definition, set out in Article XXIV of the GATT 1994, and the Marrakesh Agreement, establishing the WTO.
2. The objectives of this Agreement are:
  - (a) to increase the economic co-operation of the two countries and to raise the standard of living of their population,
  - (b) to gradually eliminate restrictions on trade in goods,
  - (c) to provide fair conditions of competition for trade between the Contracting Parties,
  - (d) to contribute in this way, by removal of barriers to trade, to the harmonious development and expansion of world trade,
  - (e) to enhance co-operation between the Contracting Parties,
  - (f) to create conditions for further promotion of investments, particularly for the development of joint investment in both countries,
  - (g) to promote trade and co-operation of the Contracting Parties on third countries' markets.

**CHAPTER I : INDUSTRIAL PRODUCTS**

*Article 2*

Scope

The provisions of this Chapter shall apply to industrial products, originating in one of the Contracting Parties. For the purpose of this Agreement, the term "industrial products" means products, falling within Chapters 25 to 97 of Harmonized Commodity Description and Coding System with the exception of the products, listed in Annex I.

*Article 3*

Basic Duties

1. For the commercial exchange, covered by this Agreement, the Customs Tariffs of the Republic of Albania shall be applied to the classification of goods, imported in the Republic of Albania. The Customs Tariffs of the Republic of Bulgaria shall be applied to the classification of goods, imported in the Republic of Bulgaria.
2. For each product the basic duty, to which successive reductions, set out in this Agreement, are to be applied, shall be the most-favored-nation duty, applicable by the Contracting Parties on the day preceding the date of entering into force of this Agreement.

3. If after this date, any tariff reduction is applied *erga omnes*, in particular, reductions, resulting from the tariff agreements under the Uruguay Round of the GATT 1994 and the Marrakesh Agreement Establishing the WTO, the reduced duties shall replace the basic duties under Paragraph 2 from the date of application of the reduction.
4. The reduced duties, calculated in accordance with Paragraph 2, in accordance with arithmetical rules shall be rounded on first decimal number for the goods imported in Bulgaria and without decimal numbers for the goods imported in Albania.
5. The Contracting Parties shall mutually exchange information on their basic duties.

#### *Article 4*

##### Customs Duties On Imports And Charges Having Equivalent Effect

1. No new customs duties on imports or charges having equivalent effect shall be introduced, nor shall those already applied be increased in trade between the Contracting Parties from the date of entry into force of this Agreement.
2. Customs duties on imports, applied in the Republic of Albania on products, originating in the Republic of Bulgaria, specified in Annex II, shall be progressively reduced and abolished in accordance with the timetable, provided in this Annex.
3. Customs duties on imports, applied in the Republic of Bulgaria on products, originating in the Republic of Albania, specified in Annex III, shall be progressively reduced and abolished in accordance with the timetable, provided in this Annex.
4. Customs duties on imports, applicable in the Republic of Albania to products originating in Republic of Bulgaria, which are not listed in Annex II, shall be abolished on the date of entry into force of this Agreement.
5. Customs duties on imports, applicable in Republic of Bulgaria to products originating in the Republic of Albania, which are not listed in Annex III, shall be abolished on the date of entry into force of this Agreement.

#### *Article 5*

##### Fiscal Duties

The provisions of Article 4 shall also apply 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 equivalent effect, shall be introduced in trade between the Contracting Parties as from the date of the entry into force of this Agreement.
2. All customs duties on export and charges having equivalent effect shall be abolished on the date of the entry into force of this Agreement.

#### *Article 7*

##### Quantitative Restrictions On Exports And Imports And Measures Having Equivalent Effect

1. No new quantitative restrictions on exports and 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 on exports and imports in the Contracting Parties and measures, having equivalent effect, shall be abolished on the date of entry into force of this Agreement.

*Article 8*

Technical Barriers To Trade

1. The rights and obligations of the Contracting Parties, relating to standards or technical regulations and the respective measures, shall be governed by the WTO Agreement on Technical Barriers to Trade.
2. The Contracting Parties shall cooperate and exchange information in the field of standardization, metrology, conformity assessment and accreditation, with the aim of eliminating technical barriers to trade.
3. Each Contracting party, upon a request from the other Contracting Party, shall submit information on particular individual cases of standards, technical rules or similar measures.

**CHAPTER II : AGRICULTURAL PRODUCTS**

*Article 9*

Scope

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

*Article 10*

Exchange Of Concessions

1. The Contracting Parties declare their readiness to foster, as far as their agricultural policies allow, the harmonious development of trade in agricultural products, and to discuss this issue periodically within the Joint Committee.
2. In pursuance of this objective, the Contracting Parties grant each other the concessions specified in Protocol A, providing for measures to facilitate trade in agricultural products, in accordance with the provisions of this Chapter and those, laid down in this Protocol.
3. Taking into account:
  - 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 consequences of the multilateral trade negotiations under the GATT and the WTO,

the Contracting Parties shall examine the possibilities of granting each other further concessions in trade in agricultural products.

#### *Article 11*

##### Concessions And Agricultural Policies

1. Without prejudice to the concessions, granted under Article 10, the provisions of this Chapter shall not restrict in any way the pursuance of the respective agricultural policies of the Contracting Parties or the application of any measures under such policies, including the implementation of the provision of the respective agreements negotiated under the auspices of the Agreement establishing WTO.
2. The Contracting Parties shall notify to the Joint Committee 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. Upon request of a Contracting Party, prompt consultations within the Joint Committee shall be held to examine the situation.

#### *Article 12*

##### Specific Safeguards

Notwithstanding other provisions of this Agreement and, in particular, Article 17 to this Agreement, and given the particular sensitivity of the agricultural products, if imports of products, originating in a Contracting Party, which are subject to concessions, granted under this Agreement, cause serious disturbances to the markets of the other Contracting Party, the Party concerned shall immediately enter into consultations to find an appropriate solution. Pending such solution, the Contracting Party concerned may take measures it seems necessary.

#### *Article 13*

##### Sanitary And Phytosanitary Measures

1. The Contracting Parties shall apply their national regulations in the fields of veterinary, sanitary and phytosanitary control in a way, corresponding to the WTO Agreement on Sanitary and Phytosanitary Measures.
2. Measures, concerning veterinary and phytosanitary control among the Contracting Parties, shall be harmonized on the basis of the EU legislation.
3. The Contracting Parties commit themselves not to introduce discriminatory measures or other measures, which lead to unduly restricting the flow of information about the level of sanitary and phytosanitary protection, animals, plants and products.

## CHAPTER III : GENERAL PROVISIONS

### *Article 14*

#### Internal Taxation

1. The Contracting Parties shall refrain from any measures or practices of internal fiscal nature establishing, whether directly or indirectly, discrimination between the products, originating in the Contracting Parties.
2. Products exported to one of the Contracting Parties, may not benefit from repayment of internal indirect taxation in excess of the amount of indirect taxation imposed on them.

### *Article 15*

#### Structural Adjustment

1. Exceptional measures of limited duration, derogating from the provisions of Article 4 to this Agreement, 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 maintain an element of preference for products, originating in the other Party. The total value of imports of the product, subject to these measures, may not exceed 15% of total imports of industrial products from the other Contracting Party, as defined in Article 2, during the last year for which statistical data is available.
4. The Contracting Party concerned shall inform the Joint Committee of any exceptional measures it intends to take and, upon request of the other Party, consultations shall be held within the Joint Committee on such measures and the sectors to which they apply, before they are applied. When taking such measures, the 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 two years after their introduction, at equal annual rates. The Joint Committee may decide upon a different schedule.

### *Article 16*

#### Anti-Dumping And Countervailing Measures

Nothing in this Agreement shall prejudice or affect in any way the taking, by either Party of anti-dumping and countervailing in accordance with Article VI of the GATT 1994, the Agreement on Implementation of Article VI of the GATT 1944 and the Agreement on Subsidies and Countervailing Measures under the conditions and in accordance with the procedure laid down in Article 20 to this Agreement.

### *Article 17*

#### General Safeguards

Where a product is being imported into any of the Contracting Parties in such increased quantities and under such conditions as to cause or threaten to cause:

- (a) serious injuries to domestic producers of like or directly competitive products in the territory of the importing Party, or
- (b) serious disturbances to any related sector of the economy or difficulties which could bring about 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 20 to this Agreement.

#### *Article 18*

##### Re-Export And Serious Shortage

1. Where compliance with the provisions of Articles 6 and 7 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 referred to above give rise or are likely to give rise, to major difficulties for the exporting Party, that Contracting Party may take appropriate measures under the conditions and in accordance with the procedures, laid down in Article 20 to this Agreement.

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

#### *Article 19*

##### State Monopolies

1. The Contracting Parties shall adjust progressively any state monopoly of a commercial character so as to ensure that no discrimination regarding the conditions under which goods are procured and marketed exists between nationals of the Contracting Parties.
2. The Joint Committee shall be informed about the measures adopted to implement this objective.

#### *Article 20*

##### Procedure For The Application Of Safeguard Measures

1. Before initiating the procedure for the 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 imports of products, liable to give rise to the situation, referred to in Article 17 to this Agreement, 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 Party thereof and supply all relevant

information. Consultations between the Contracting Parties shall take place without delay in the Joint Committee with a view to finding a mutually acceptable solution.

4. a) As regards Articles 16, 17 and 18 to this Agreement, the Joint Committee shall examine the case of 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 30 to this Agreement, 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 Party,
- (c) As regards Article 25 to this Agreement, 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 on the matter, being referred to it, the Party concerned may adopt 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 to remedy 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 measures that will least disturb the functioning of this Agreement.

6. The safeguard measures taken shall be an object of periodic consultations within the Joint Committee with a view to their relaxation 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 16, 17 and 18 to this Agreement, 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 21*

##### General Exceptions

This 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 and environment; the protection of national treasures possessing artistic, historic or archeological value; the protection of intellectual property or 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 trade between the Contracting Parties.

## Article 22

### Security Exceptions

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

- (a) to prevent the disclosure of information contrary to its essential security interests;
- (b) for the protection of its essential security interests or for the implementation of international obligations or national policies:
  - (i) 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
  - (ii) relating to the non-proliferation of biological and chemical weapons, nuclear weapons or other nuclear explosive devices; or
  - (iii) taken in time of war or other serious international tension, constituting threat of war.

## Article 23

### Rules Of Origin And Co-Operation In Customs Administration

1. Protocol B of 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 B and Articles 3 to 7, 11, 14 and 15 to this Agreement are effectively and harmoniously applied, and to reduce, as far as possible, the formalities, imposed on trade, and to achieve mutually satisfactory solutions to any difficulties, arising from the operation of those provisions.

## Article 24

### 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, where the creditor resides, shall be free from any restrictions.
2. The Contracting Parties shall refrain from exchange or administrative restrictions on the grant, repayment and 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 to the Agreement of the International Monetary Fund.

*Article 25*Rules Of Competition Between Undertakings. State Aid

1. The following are incompatible with the proper functioning of this Agreement in so far as it affects 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;
- (c) any state aid which distorts or threatens to distort competition by favoring certain undertakings or the production of certain goods.

2. Each Contracting Party shall ensure transparency in the area of state aid. Upon request by one Party, the other Party shall provide information on particular individual cases of state aid.

3. For the purposes of applying the provisions of paragraph 1 of this Article, the Contracting Parties will take the measures in conformity with the procedures and under the conditions laid down in their respective Agreements with European Communities. In case of any change in those procedures and/or conditions these changes will be applicable between the Parties.

4. If a Contracting Party considers that a particular practice is incompatible with the terms of the first paragraph of this Article and:

- is not adequately dealt with under the implementing rules, referred to in paragraph 3 of this Article, or
- in the absence of such rules, 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 including its services industry, it may take appropriate measures after consultations within Joint Committee or after thirty working days following referral for such consultation.

5. The provisions of paragraph 1 (c) shall not apply to products, referred to in Chapter II.

6. If a Contracting Party considers that a given practice is incompatible with Paragraph 1 (c) of this Article such appropriate measures may, where GATT 1994 applies thereto, only be adopted in conformity with the procedures and under the conditions laid down by the WTO/GATT 1994 and any other relevant instruments negotiated under the auspices which are applicable between the Contracting Parties.

7. Notwithstanding any provisions to the contrary adopted in conformity with paragraph 3 of this Article, the Contracting Parties shall exchange information taking into account the limitations imposed by the requirements of professional and business security.

*Article 26*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 Articles of Agreement of the International Monetary Fund, 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 Party forthwith of their introduction and, whenever practicable, of a time schedule for their removal.

#### *Article 27*

#### Intellectual Property Rights

1. The Contracting Parties shall grant and ensure adequate and effective protection of intellectual property rights on a non-discriminatory basis, including effective measures for enforcing such rights against infringements and particularly against counterfeiting and piracy. The Contracting Parties agree to comply with the substantive standards of the multilateral agreements listed in Annex IV.

2. For the purpose of this Agreement the term "intellectual property" includes in particular copyright including the copyright on computer programs and neighbouring rights, patents, trademarks, industrial designs, geographical indications, topographies of integrated circuits, undisclosed information including know how.

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 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 expert consultations on these matters, in particular on activities relating to the existing or to future international conventions concerning the harmonization, administration and enforcement of intellectual property and on activities in international organizations, such as the WTO, World Intellectual Property Organization, as well as on the relations of the Contracting Parties with any third country on intellectual property matters.

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

#### *Article 28*

#### Public Procurement

1. The Contracting Parties consider the liberalization of their respective public procurement markets as an objective of this Agreement. The 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 with a view to granting 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. The Parties aim at opening up of the award of public contracts on the basis of non-discrimination and reciprocity.

3. The Joint Committee shall examine developments related to the achievement of the objectives of this Article and may recommend practical modalities of implementing the provisions of paragraph 2 so as to ensure free access, transparency and mutual opening of their respective public procurement markets.

4. During the examination referred to in this paragraph 3, the Joint Committee may consider, especially in the light of international developments and regulations in this area, the possibility of extending the coverage and/or the degree of the market opening provided for in paragraph 1.

5. The Contracting Parties shall endeavour to accede to the relevant Agreements negotiated under the auspices of the GATT 1994 and the Marrakesh Agreement, establishing the WTO.

## **CHAPTER IV : INSTITUTIONAL AND FINAL PROVISIONS**

### *Article 29*

#### The Joint Committee

1. A Joint Committee is hereby established in which each Contracting Party shall be represented. The Committee will be headed by two Co-Chairmen. The Co-Chairman from each side will be the Minister responsible for trade. The Joint Committee will consist of five members for each Contracting Party.

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, upon request of any Party, shall hold consultations within the Joint Committee. The 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 30, take decisions in the cases provided for in this Agreement. On other matters the Committee may make recommendations.

### *Article 30*

#### 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. Either Party may request a meeting to be held.

2. The Joint Committee shall act by common agreement.

3. If a representative of a Contracting Party in the Joint Committee has accepted under reservation, 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 date of the receipt of the written notification about the fulfilment of such requirements.

4. The Joint Committee shall adopt its rules of procedure, which shall, *inter alia*, contain provisions for convening meetings and for the designation of the Chairperson and his/her term of office.

5. The Joint Committee may decide to set up such sub-committees and working parties, as it deems necessary to assist it in accomplishing its tasks.

#### *Article 31*

##### 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 frontier trade arrangements to the extent that these do not negatively affect the trade regime of the Contracting Parties and in particular the provisions, concerning rules of origin, provided for in this Agreement.
2. Upon request the Contracting Parties shall inform each other of any agreement, establishing customs union or free trade areas.

#### *Article 32*

##### Services And Investment

1. The Contracting Parties recognize the growing importance of certain areas, such as services and investments. In their efforts to gradually develop and broaden their cooperation, in particular in the context of the European integration, they will co-operate with the aim of achieving a progressive liberalization and mutual opening of their markets for investments and trade in services, taking into account relevant provisions of the General Agreement on Trade in Services.
2. The Contracting Parties will discuss in the Joint Committee this co-operation with the aim of developing and deepening of their relations governed in this Article.

#### *Article 33*

##### Fulfilment Of Obligations

1. The Contracting Parties shall take all necessary measures to ensure the achievement of the objectives and the fulfilment of the obligations under this Agreement.
2. If any Contracting Party considers that the other Party has failed to fulfil an obligation under this Agreement, the Party concerned may take the appropriate measures under the conditions and in accordance with the procedures laid down in Article 20 to this Agreement.

#### *Article 34*

##### Evolutionary Clause

Where a Contracting Party considers that it would be useful in the interest 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 Party. The Contracting Parties may instruct the Joint Committee to examine this request and, where appropriate, to make recommendations to them, particularly with a view to opening negotiations.

#### *Article 35*

##### Amendments

Amendments to this Agreement other than those decided upon in accordance with paragraph 3 of Article 30 to this Agreement, and which are approved by the Joint Committee, shall enter into

force on the date of a receipt of the later diplomatic note, confirming that all procedures required by the national legislation of each Contracting Party for entry into force of the amendments have been completed.

*Article 36*

Protocols And Annexes

Records of Understanding, Annexes and Protocols to this Agreement are an integral part of it. The Joint Committee may decide to amend the Records of Understanding, Annexes and Protocols subject to the internal legal procedures of the Contracting Parties.

*Article 37*

Validity And Withdrawal

1. The Agreement is concluded for an unlimited period.
2. Each Contracting Party to this Agreement may withdraw there from, by means of a written notification to the other Party. The termination shall take effect on the first day of the seventh month following the date on which the notification was received by the other Party.
3. The Contracting Parties agree, that in case of accession of one of the Parties to this Agreement to the European Union, the Agreement will be terminated on the day before the date of the accession to the EU, without successive compensations for the other Contracting Party.

*Article 38*

Entry Into Force

This Agreement is subject to ratification. It enters into force on the first date of the second month following the date of receiving of the second of the notes, with which the Contracting Parties notify each other through diplomatic channels that they have ratified the Agreement.

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

DONE in duplicate at Tirana this 26<sup>th</sup> day of March 2003 in Albanian, Bulgarian and English language, each of these being equally authentic. In case of divergence the English text shall prevail.

For the Government  
Of the Republic of Albania

For the Government  
Of the Republic of Bulgaria

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