GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

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PROTOCOLS REGARDING TEMPORARY ARRANGEMENTS ON TRADE AND ECONOMIC CO-OPERATION BETWEEN FINLAND AND ESTONIA, LATVIA AND LITHUANIA

Communication from the Parties to the Agreement

Addendum

The following text reproduces the Protocols¹ Regarding Temporary Arrangements on Trade and Economic Co-operation between Finland and Estonia, Latvia and Lithuania.

ESTONIA

PROTOCOL

Regarding Temporary Arrangements on Trade and Economic Co-operation between the Government of the Republic of Finland and the Government of the Republic of Estonia

The Republic of Finland and the Republic of Estonia,

Desirous of creating favourable conditions for the development and diversification of trade and for the promotion of commercial and economic co-operation in areas of common interest on the basis of equality, mutual benefit and international law,

Taking into consideration 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,

¹The Annexes thereto are available in the Secretariat for consultation by interested contracting parties (office 2076).

92-1805

Recalling the traditional trade and economic links between Finland and Estonia, and taking into account their respective levels of economic development,

Taking into account the respective economic policies of the Parties and the favourable effect of the economic transformation under way in Estonia on their trade and economic relations,

Noting that substantially all trade between Finland and Estonia has taken place without customs duties and charges having equivalent effect,

Determined to continue the liberalized trade régime between Finland and Estonia, <u>mutatis mutandis</u>, to the extent and under the conditions previously in force,

Resolved to develop further their relations in the field of trade in accordance with the principles of the General Agreement on Tariffs and Trade,

Considering that no provision of this Protocol may be interpreted as exempting the Parties from the rights and obligations devolving upon them from other international agreements,

Have agreed as follows:

Article 1

The objective of this Protocol is to promote the expansion of trade and harmonious development of economic relations between the Parties and thus to foster in them the advance of economic activity, the improvement of living and employment conditions, increased productivity, financial stability and fair conditions of competition in their mutual trade.

<u>Article 2</u>

1. The trade between the Parties is conducted free of customs duties and other charges having equivalent effect.

2. The trade between the Parties is conducted free of quantitative restrictions or measures having equivalent effect.

3. This Article applies only to products which fall within Chapters 25-97 of the Harmonized Commodity Description and Coding System.

4. The Joint Committee will decide on measures applicable to products which fall within Chapters 1-24 of the Harmonized Commodity Description and Coding System.

Article 3

The Parties undertake to conduct their relations in the field of trade and economic endeavour in compliance with the principles and rules of the General Agreement on Tariffs and Trade done in Geneva on 30 October 1947.

Article 4

The Parties shall explore all avenues to promote trade and economic co-operation between them including fostering a favourable climate for investments, joint ventures and sub-contracting, facilitating trade promotion activities, protection of intellectual, industrial and commercial property rights and, as a temporary measure, utilizing barter, buy-back and counter-trade arrangements in contracts between legal and physical persons when payments in freely convertible currencies are not feasible.

Article 5

The Annex to this Protocol lays down the rules of origin.

<u>Article 6</u>

The Parties undertake to examine, in light of any relevant factor, the possibility of developing and deepening their relations in order to extend them to fields not covered by this Protocol, in particular to investment protection, economic assistance as well as economic, industrial and scientific co-operation.

Article 7

1. If any increase in imports of a given product originating in the territory of one of the Parties occurs in quantities or under conditions as to cause, or threaten to cause disruption to the domestic market or production of the other Party, the Party concerned may request that consultations on the situation be held without delay in the Joint Committee with a view to finding a mutually satisfactory solution.

2. The Party requesting such a consultation shall immediately inform the other Party of the disruption and supply the latter with all relevant information required for a thorough examination in the Joint Committee.

3. In the absence of any mutually satisfactory solution in the Joint Committee within three months of the matter being referred to it, the Party concerned may apply any safeguard measures necessary to remedy the situation.

4. Where exceptional circumstances requiring immediate action make prior examination impossible, the Party concerned may apply forthwith the precautionary measures strictly necessary to remedy the situation.

5. In the selection of measures under this Article priority must be given to those which least disturb the functioning of this Protocol.

<u>Article 8</u>

1. A Joint Committee is hereby established, which shall be responsible for the administration of this Protocol and shall review its implementation. For this purpose it shall follow closely the development of the trade and economic co-operation between the Parties and take any such measure which is necessary to improve and further develop those relations. The decisions of the Joint Committee shall be put into effect by the Parties in accordance with their own rules.

2. For the purpose of the proper implementation of the Protocol the Parties shall exchange information and, at the request of either party, shall hold consultations within the Joint Committee.

<u>Acticle 9</u>

1. The Joint Committee shall consist of representatives of Finland, on the one hand, and of representatives of Estonia on the other.

2. The Joint Committee shall act by mutual agreement.

3. The Joint Committee may decide to amend this Protocol.

Article 10

1. Each Party shall preside alternately over the Joint Committee.

2. The Chairman shall convene the meetings of the Joint Committee at least once a year in order to review the general functioning of the Protocol. The Joint Committee shall, in addition, meet whenever special circumstances so require at the request of either Party.

3. The Joint Committee may decide to set up any working group that can assist it in carrying out its duties.

Article 11

The Annex to this Protocol shall form an integral part thereof.

Article 12

Either Party may denounce this Protocol by notifying the other Party. The Protocol shall cease to be in force three months after the date of such notification.

Article 13

The Protocol will be subject to approval by the Parties in accordance with their own procedures. The documents confirming such an approval are to be exchanged through diplomatic channels. The Protocol shall enter into force on the first day of the month following the exchange of such documents.

Done at Tallinn on 13 February 1992, in duplicate in the English language, both texts being equally authentic.

For the Government of the Republic of Finland Esko Aho

For the Government of the Republic of Estonia Tiit Vähi

ANNEX

Rules of Origin

<u>Article 1</u>

The preferential treatment referred to in the Protocol shall in Finland be granted to products imported directly from and originating in Estonia upon presentation of a declaration of origin made on the invoice by the exporter or his authorized representative in Estonia.

Article 2

For the application of the preferential treatment referred to in Article 1 above, products shall be taken to be of Estonian origin if they have been produced or manufactured in Estonia.

<u>Article 3</u>

If the manufacture has taken place in two or more countries or if the products have been assembled of components manufactured in different countries, the country of origin shall be Estonia if the products have there been given their final form or shape after essential processing. Packaging, sorting and other minor operations are excluded from the concept of manufacture.

Article 4

For the application of Article 1 of this Annex products originating in Finland, Latvia, Lithuania and the Republics of the Soviet Union shall have the same status as products originating in Estonia.

Article 5

1. The declaration of origin referred to in Article 1 may be made out only if the goods covered by the invoice can be considered as products originating within the meaning of this Annex.

2. Where it is not possible to give the declaration on an invoice, the exporter or his authorized representative in Estonia may give the declaration of origin on a delivery note or any other commercial document which describes the products concerned in sufficient detail to enable them to be identified.

3. The text of the declaration of origin shall be as follows:

ENGLISH

I, the undersigned, declare that the goods covered by the invoice are of Estonian/Finnish/Latvian/Lithuanian/Soviet Union origin in accordance with the provisions of the Protocol between Finland and Estonia.

Place and date Authorized signature

<u>Article 6</u>

In order to ensure the proper application of this Annex, the Parties shall assist each other through their respective customs authorities in checking the authenticity and accuracy of declarations of origin. Where necessary for the application of Article 4, they shall also co-operate with the other customs authorities referred to in that Article.

Article 7

The Joint Committee may decide to amend the provisions of this Annex, in particular to adapt them to the needs arising in the scope of the development of trade relations between the Parties concerned.

<u>Article 8</u>

Where Estonia introduces a customs tariff, the exemption from duties and charges having equivalent effect referred to in the Protocol shall be granted in Estonia for products imported from and originating in Finland according to provisions similar to those contained in Articles 2 to 5.

Article 9

In the situation referred to in Article 8, the Parties shall study the need for the elaboration of more detailed provisions for the rules of origin.

^{*}Indicate the country of origin in question. Soviet Union means here the independent States that are situated in the territory of the former Soviet Union.

LATVIA

PROTOCOL

<u>Regarding Temporary Arrangements on Trade and Economic</u> <u>Co-operation Between the Republic of Finland and</u> <u>the Republic of Latvia</u>

The Republic of Finland and the Republic of Latvia,

Desirous of creating favourable conditions for the development and diversification of trade and for the promotion of commercial and economic co-operation in areas of common interest on the basis of equality, mutual benefit and international law,

Taking into consideration 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,

Recalling the traditional trade and economic links between Finland and Latvia, and taking into account their respective levels of economic development,

Taking into account the respective economic policies of the Parties and the favourable effect of the economic transformation under way in Latvia on their trade and economic relations,

Noting that substantially all trade between Finland and Latvia has taken place without customs duties and charges having equivalent effect,

Determined to continue the liberalized trade régime between Finland and Latvia, <u>mutatis mutandis</u>, to the extent and under the conditions previously in force,

Resolved to develop further their relations in the field of trade in accordance with the principles of the General Agreement on Tariffs and Trade,

Considering that no provision of this Protocol may be interpreted as exempting the Parties from the rights and obligations devolving upon them from other international agreements,

Have agreed as follows:

Article 1

The objective of this Protocol is to promote the expansion of trade and harmonious development of economic relations between the Parties and thus to foster in them the advance of economic activity, the improvement of living and employment conditions, increased productivity, financial stability and fair conditions of competition in their mutual trade.

Article 2

1. The trade between the Parties is conducted free of customs duties and other charges having equivalent effect, except as provided for in Annex (I).

2. The trade between the Parties is conducted free of quantitative restrictions or measures having equivalent effect, except as provided for in Annex (II).

3. This Article applies to products originating in the Republic of Finland or in the Republic of Latvia, which fall within Chapters 25-97 of the Harmonized Commodity Description and Coding System.

4. The Joint Commission will decide on measures applicable to products, which fall within Chapters 1-24 of the Harmonized Commodity Description and Coding System.

Article 3

The Parties undertake to conduct their relations in the field of trade and economic endeavour according to the principles and rules of the General Agreement on Tariffs and Trade.

Article 4

The Parties shall explore all avenues to promote trade and economic co-operation between them including fostering a favourable climate for investments, joint ventures and sub-contracting, facilitating trade promotion activities, protection of intellectual, industrial and commercial property rights and, as a temporary measure, utilizing barter, buy-back and counter-trade arrangements in contracts between economic operators when payments in freely convertible currencies are not feasible. Individual economic operators may agree to any payment terms consistent with the respective laws of the Parties.

Article 5

Annex (III) to this Protocol lays down the rules of origin.

<u>Article 6</u>

The Parties undertake to examine, in light of any relevant factor, the possibility of developing and deepening their relations in order to extend them to fields not covered by this Protocol, in particular to investment protection, economic assistance as well as economic, industrial and scientific co-operation.

<u>Article 7</u>

1. A Joint Commission is hereby established, which shall be responsible for the administration of this Protocol and shall review its implementation. For this purpose it shall follow closely the development of the trade and economic co-operation between the Parties and take any such measure which is necessary to improve and further develop those relations. The decisions of the Joint Commission shall be put into effect by the Parties in accordance with their own procedures.

2. For the purpose of the proper implementation of the Protocol the Parties shall exchange information and, at the request of either Party, shall hold consultations within the Joint Commission.

3. The Joint Commission shall adopt its own rules of procedure.

<u>Article 8</u>

1. The Joint Commission shall consist of representatives of Finland, on the one hand, and of representatives of Latvia on the other.

2. The Joint Commission shall act by consensus.

3. The Joint Commission may decide, when permitted under the constitutional or other legal requirements of the Parties, to amend this Protocol in accordance with the conditions to be laid down in its rules of procedure.

Article 9

1. Each Party shall preside alternately over the Joint Commission, in accordance with the arrangements to be laid down in its rules of procedure.

2. The Chairman shall convene the meetings of the Joint Commission at least once a year in order to review the general functioning of the Protocol. The Joint Commission shall, in addition, meet whenever special circumstances so require, at the request of either Party, in accordance with the conditions to be laid down in its rules of procedure.

3. The Joint Commission may decide to set up any working group that can assist it in carrying out its duties.

Article 10

1. If an increase in imports of a given product originating in the territory of one of the Parties occurs in quantities or under conditions as to cause, or threaten to cause disruption to the domestic market or

production of the other Party, the Party concerned may request that consultations on the situation be held without delay in the Joint Commission with a view to finding a mutually satisfactory solution.

2. The Party requesting such a consultation shall immediately inform the other Party of the disruption and supply the latter with all relevant information required for a thorough examination in the Joint Commission.

3. In the absence of any mutually satisfactory solution in the Joint Commission within three months of the matter being referred to it, the Party concerned may apply any safeguard measures necessary to remedy the situation.

4. Where exceptional circumstances requiring immediate action make prior examination impossible, the Party concerned may apply forthwith the precautionary measures strictly necessary to remedy the situation.

5. In the selection of measures under this Article priority must be given to those which least disturb the functioning of this Protocol.

Article 11

The Annexes to this Protocol shall form an integral part thereof.

Article 12

Either Party may denounce this Protocol by means of a written notification to the other Party. The Protocol shall cease to be in force three months after the date of such notification.

Article 13

This Protocol shall be subject to approval by the Parties in accordance with their own procedures. The documents confirming such an approval are to be exchanged through diplomatic channels. The Protocol shall enter into force on the first day of the month following the exchange of such documents.

LITHUANIA

PROTOCOL

<u>Regarding Temporary Arrangements on Trade and Economic Co-operation</u> <u>Between the Republic of Finland and the Republic of Lithuania</u>

The Republic of Finland and the Republic of Lithuania,

Desirous of creating favourable conditions for the development and diversification of trade and for the promotion of commercial and economic co-operation in areas of common interest on the basis of equality, mutual benefit and international law,

Taking into consideration 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,

Recalling the traditional trade and economic links between Finland and Lithuania, and taking into account their respective levels of economic development,

Taking into account the respective economic policies of the Parties and the favourable effect of the economic transformation under way in Lithuania on their trade and economic relations,

Noting that substantially all trade between Finland and Lithuania has taken place without customs duties and charges having equivalent effect,

Determined to continue the liberalized trade régime between Finland and Lithuania, <u>mutatis mutandis</u>, to the extent and under the conditions previously in force,

Resolved to develop further their relations in the field of trade in accordance with the principles of the General Agreement on Tariffs and Trade,

Considering that no provision of this Protocol may be interpreted as exempting the Parties from the rights and obligations devolving upon them from other international agreements,

Have agreed as follows:

<u>Article 1</u>

The objective of this Protocol is to promote the expansion of trade and harmonious development of economic relations between the Parties and thus to foster in them the advance of economic activity, the improvement of living and employment conditions, increased productivity, financial stability and fair conditions of competition in their mutual trade.

Article 2

1. The trade between the Parties is conducted free of customs duties and other charges having equivalent effect except a statistical and administrative fee imposed on imports to and exports from Lithuania. This fee shall be abolished when a new customs data collection system is introduced. Until that time the amount of that fee may not be increased.

2. The trade between the Parties is conducted free of quantitative restrictions or measures having equivalent effect. The provisions of this paragraph do not apply to the products listed in Annex (I).

3. This Article applies to products which fall within Chapters 25-97 of the Harmonized Commodity Description and Coding System.

4. The Joint Commission will decide on measures applicable to products which fall within Chapters 1-24 of the Harmonized Commodity Description and Coding System.

Article 3

The Parties undertake to conduct their relations in the field of trade and economic endeavour according to the principles of the General Agreement on Tariffs and Trade.

Article 4

The Parties shall explore all avenues to promote trade and economic co-operation between them including fostering a favourable climate for investments, joint ventures and sub-contracting, facilitating trade promotion activities, protection of intellectual, industrial and commercial property rights and, as a temporary measure, utilizing barter, buy-back and counter-trade arrangements in contracts between economic operators when payments in freely convertible currencies are not feasible.

<u>Article 5</u>

The Annex (II) to this Protocol lays down the rules of origin.

Article 6

The Parties undertake to examine, in light of any relevant factor, the possibility of developing and deepening their relations in order to extend them to fields not covered by this Protocol, in particular to investment protection, economic assistance as well as economic, industrial and scientific co-operation.

<u>Article 7</u>

1. If an increase in imports of a given product originating in the territory of one of the Parties occurs in quantities or under conditions as to cause, or threaten to cause disruption to the domestic market or production of the other Party, the Party concerned may request that consultations on the situation be held without delay in the Joint Commission with a view to finding a mutually satisfactory solution.

2. The Party requesting such a consultation shall immediately inform the other Party of the disruption and supply the latter with all relevant information required for a thorough examination in the Joint Commission.

3. In the absence of any mutually satisfactory solution in the Joint Commission within three months of the matter being referred to it, the Party concerned may apply any safeguard measures necessary to remedy the situation.

4. Where exceptional circumstances requiring immediate action make prior examination impossible, the Party concerned may apply forthwith the precautionary measures strictly necessary to remedy the situation.

5. In the selection of measures under this Article priority must be given to those which least disturb the functioning of this Protocol.

<u>Article 8</u>

1. A Joint Commission is hereby established, which shall be responsible for the administration of this Protocol and shall review its implementation. For this purpose it shall follow closely the development of the trade and economic co-operation between the Parties and take any such measure which is necessary to improve and further develop those relations. The decisions of the Joint Commission shall be put into effect by the Parties in accordance with their own procedures.

2. For the purpose of the proper implementation of the Protocol the Parties shall exchange information and, at the request of either Party, shall hold consultations within the Joint Commission.

Article 9

1. The Joint Commission shall consist of representatives of Finland, on the one hand, and of representatives of Lithuania on the other.

- 2. The Joint Commission shall act by consensus.
- 3. The Joint Commission may decide to amend this Protocol.

Article 10

1. Each Party shall preside alternately over the Jcint Commission.

2. The Chairman shall convene the meetings of the Joint Commission at least once a year in order to review the general functioning of the Protocol. The Joint Commission shall, in addition, meet whenever special circumstances so require, at the request of either Party.

3. The Joint Commission may decide to set up any working group that can assist it in carrying out its duties.

Article 11

The Annexes to this Protocol shall form an integral part thereof.

Article 12

Either Party may denounce this Protocol by notifying the other Party. The Protocol shall cease to be in force three months after the date of such notification.

Article 13

This Protocol shall be subject to approval by the Parties in accordance with their own procedures. The documents confirming such an approval are to be exchanged through diplomatic channels. The Protocol shall enter into force on the first day of the month following the exchange of such documents.

Done at Vilnius on 5 June 1992 in two originals in the English language.

For the Government of the Republic of Finland Taisto Tolvanen

For the Government of the Republic of Lithuania Vytenis Aleskaitis

ANNEX I

List of Products to Which the Provisions of Article 2, Paragraph 2 Do Not Apply

A. When exported from Finland:

ex.72.04 Ferrous waste and scrap

ex.89.09 Vessels for breaking up

B. When exported from Lithuania:

(List to be agreed by the Joint Commission)

ANNEX II

<u>Rules of Origin</u>

Article 1

The preferential treatment referred to in the Protocol shall, in Finland, be granted to products imported directly from and originating in Lithuania upon presentation of a declaration of origin made on the invoice by the exporter or his authorized representative in Lithuania.

Article 2

For the application of the preferential treatment referred to in Article 1 above, products shall be taken to be of Lithuanian origin if they have been produced or manufactured in Lithuania.

<u>Article 3</u>

If the manufacture has taken place in two or more countries or if the products have been assembled of components manufactured in different countries, the country of origin shall be Lithuania if the products have there been given their final form or shape after essential processing. Packaging, sorting and other minor operations are excluded from the concept of manufacture.

Article 4

For the application of Article 1 of this Annex, products originating in Finland, Estonia, Latvia and the Independent States, located within the territory of the former Soviet Union, shall have the same status as products originating in Lithuania.

<u>Article 5</u>

1. The declaration of origin referred to in Article 1 may be made out only if the goods covered by the invoice can be considered as products originating within the meaning of this Annex.

2. Where it is not possible to give the declaration on an invoice, the exporter or his authorized representative in Lithuania may give the declaration of origin on a delivery note or any other commercial document which describes the products concerned in sufficient detail to enable them to be identified.

3. The text of the declaration of origin shall be as follows:

ENGLISH

I, the undersigned, declare that the goods covered by the invoice are of Lithuanian/Finnish/Estonian/Latvian/the Independent States, located within the territory of the former Soviet Union, origin in accordance with the provisions of the Protocol between Finland and Lithuania.

Place and date Authorized signature

FINNISH

Allekirjoittanut ilmoittaa, että kauppalaskussa mainitut tavarat ovat Liettuan/Suomen/Viron/Latvian/entisen Neuvostoliiton alueella sijaitsevien itsenäisten valtioiden alkuperää Suomen ja Liettuan välisen pöytäkirjan määräysten mukaisesti.

Paikka ja päiväys Valtuutetun allekirjoitus

LITHUANIAN

Aš, žemiau pasirašes, pranešu, kad prekes, nurodytos važtaraštyje, yra kildinamos iš Lietuvos/Suomijos/Estijos/Latvijos/nepriklausomų valstybių, esančių buvusios Sovietų Sajungos teritorijoje , pagal Protokolo tarp Suomijos ir Lietuvos sąlygas.

Vieta ir data Igalioto asmens parasas

Article 6

In order to ensure the proper application of this Annex, the Parties shall assist each other through their respective customs authorities in checking the authenticity and accuracy of declarations of origin. Where necessary for the application of Article 4, they shall also co-operate with the other customs authorities referred to in that Article.

^{*}Indicate the country of origin in question.

^{**} Mainitaan asianomainen alkuperämaa.

^{***}Nurodyti paminetos šalies kilmę.

Article 7

The Joint Commission may decide to amend the provisions of this Annex, in particular to adapt them to the needs arising in the scope of the development of trade relations between the Parties concerned.

Article 8

Where Lithuania introduces a customs tariff, the exemption from duties and charges having equivalent effect referred to in the Protocol shall be granted in Lithuania for products imported from and originating in Finland according to provisions similar to those contained in Articles 2 to 5.

Article 9

In the situation referred to in Article 8, the Parties shall study the need for the elaboration of more detailed provisions for the rules of origin.