

**GENERAL AGREEMENT
ON TARIFFS AND TRADE**

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FREE TRADE AGREEMENT BETWEEN THE CZECH REPUBLIC
AND THE REPUBLIC OF SLOVENIA

Communication from the Permanent Mission of the Czech Republic

Addendum

The following text reproduces the Agreement¹ between the Czech Republic and the Republic of Slovenia.

¹The Annexes and Protocols thereto have been submitted to the Secretariat for consultation by interested Contracting Parties (Office 3006).

PREAMBLE

The Czech Republic and the Republic of Slovenia (hereinafter called the Contracting Parties),

Having regard to the Memorandum on the liberalization of the mutual trade relations between the Czech Republic and Republic of Slovenia of 4 May 1993,

Recalling their intention to participate actively in the process of economic integration in Europe and expressing their preparedness to co-operate in seeking ways and means to strengthen this process,

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

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,

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,

Firmly convinced that this Agreement will foster the intensification of mutually beneficial trade relations between them and contribute to the process of integration in Europe,

Considering that no provision of this Agreement may be interpreted as exempting the Contracting Parties from their obligations under other international agreements, especially the General Agreement on Tariffs and Trade,

Have decided as follows:

Article 1

Objectives

1. The Contracting Parties shall gradually establish a free-trade area in accordance with the provisions of the present Agreement and in conformity with Article XXIV of the General Agreement on Tariffs and Trade in a transitional period ending on 1 January 1996, at the latest.

2. The objectives of the present Agreement are:

- (a) to promote through the expansion of trade the harmonious development of the economic relations between the Contracting Parties and thus to foster in the Contracting Parties the advance of economic activity, the improvement of living and employment conditions, and increased productivity and financial stability;
- (b) to provide fair conditions of competition for trade between the Contracting Parties;
- (c) to contribute in this way, by the removal barriers to trade, to the harmonious development and expansion of world trade.

CHAPTER I - INDUSTRIAL PRODUCTS

Article 2

Scope

The provisions of this Chapter shall apply to industrial products originating in the Contracting Parties. The term "industrial products" means for the purpose of this Agreement the 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.

Article 3

Customs Duties on Imports

1. No new customs duty on imports shall be introduced in trade between the Contracting Parties.
2. Customs duties on imports shall be abolished in accordance with the provisions in Protocol 1 of this Agreement.

Article 4

Basic Duties

1. For each product the basic duty to which the successive reductions set out in this Agreement are to be applied shall be the most-favoured-nation rate of duty applicable on 1 January 1993.
2. If, after entry into force of this Agreement, any tariff reduction is applied on an *erga omnes* basis, in particular reductions resulting from the tariff agreement concluded as a result of the Uruguay Round of multilateral trade negotiations, such reduced duties shall replace the basic duties referred to in paragraph 1 as from that date when such reductions are applied.
3. The reduced duties calculated in accordance with paragraph 2 shall be applied rounded to the first decimal place.
4. The Contracting Parties shall communicate to each other their respective national basic rates of duties.

Article 5

Charges Equivalent to Duties

1. No new charge having an effect equivalent to a customs duty on imports shall be introduced in trade between the Contracting Parties.
2. All charges having an effect equivalent to customs duties on imports shall be abolished on the date of the entry into force of this Agreement, except as provided for in Annex II.

Article 6

Fiscal Duties

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

Article 7

Customs Duties on Exports and Charges having Equivalent Effect

1. No new customs duty on exports or charge having equivalent effect shall be introduced in trade between the Contracting Parties.
2. The Contracting Parties shall abolish between them on the date of the entry into force of this Agreement any customs duties on exports and charges having equivalent effect.

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 trade between the Contracting Parties.
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 the entry into force of this Agreement, except as provided for in Annex III.

Article 9

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 trade between the Contracting Parties.
2. The Contracting Parties do not apply any quantitative restrictions on exports or measures having equivalent effect.

Article 10

Information Procedure on Draft Technical Regulations

1. The Contracting Parties shall notify each other at the earliest practicable stage and in accordance with the provisions laid down in Annex IV of draft technical regulations and draft amendments thereto, which they intend to issue.
2. The Joint Committee shall decide on the date for implementing the provisions in paragraph 1.

CHAPTER II - AGRICULTURAL PRODUCTS

Article 11

Scope

The provisions of this Chapter shall apply to agricultural products originating in the Contracting Parties to this Agreement. The term "agricultural products" means for purpose of this Agreement the products falling within Chapters 1 to 24 of the Harmonized Commodity Description and Coding System and the products listed in Annex I.

Article 12

Exchange of Concessions

1. The Contracting Parties to this Agreement grant each other the concessions, specified in the Protocol 2 in accordance with provisions of this Chapter.

2. 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 consequences of the multilateral trade negotiations under the General Agreement on Tariffs and Trade,

the Contracting Parties shall examine the possibilities of granting each other further concessions.

Article 13

Concessions and Agricultural Policies

1. Without prejudice to the concessions granted under Article 12, the provisions of this Chapter shall not restrict in any way the pursuance of the respective agricultural policies of the Contracting Parties or the taking of any measures under such policies, including the implementation of the results of the Uruguay Round of the multilateral trade negotiations.

2. The Contracting Parties shall notify each others changes in their respective agricultural policies pursued or measures applied which may affect the conditions of agricultural trade between them as provided for in this Agreement. On the request of a Contracting Party prompt consultations shall be held to examine the situation.

Article 14

Specific Safeguards

Notwithstanding other provisions of this Agreement and in particular Article 27, if, given the particular sensitivity of the agricultural markets, imports of products originating in a Contracting Party, which are the subject to concessions granted under this Agreement, cause serious disturbance to the markets of the other Contracting Party, the Contracting Party concerned shall enter into consultations immediately to find the appropriate solution. Pending such solution, the Contracting Party concerned may take measures it deems necessary.

Article 15

Veterinary, Health and Phytosanitary Measures

Measures concerning phytosanitary control of plants and phytopharmaceutical preparations will be harmonized with European Community legislation and between the Contracting Parties of this Agreement.

The veterino-sanitary measures and the work of the veterinary services will be in accordance with the Office International des Epizoodies codex and other international conventions in this field.

The services commit themselves that they will not introduce discriminatory or other unusual measures which would limit the flow of information, animals, plants or products.

CHAPTER III - GENERAL PROVISIONS

Article 16

Rules of Origin and Co-operation in Customs Administration

1. Protocol 3 lays down the rules of origin and related methods of administrative co-operation.
2. The Contracting Parties shall take appropriate measures, including regular reviews by the Joint Committee and arrangements for administrative co-operation, to ensure that the provisions of Protocol 3 and Articles 3 to 9, 12, 17 and 28 of 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 17

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 18

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; the protection of national treasures possessing artistic, historic or archaeological value; 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 19

Security Exceptions

Nothing in this Agreement shall prevent a Contracting Party from taking any appropriate measure 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 fissionable materials or the materials from which they are derived,
 - or
 - (iii) taken in time of war or other serious international tension.

Article 20

State Monopolies

1. The Contracting Parties shall adjust progressively any State monopoly of commercial character so as to ensure that by the end of the fifth year after 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.

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 21

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 to trade in goods in which a resident participates.
3. Notwithstanding paragraph 2, until Article VIII of the Articles of the Agreement of the International Monetary Fund becomes applicable for the Contracting Parties, the Contracting Parties reserve the right to apply exchange restrictions on the grant or acceptance of short and medium term credits related to trade in goods to the extent permitted according to their status under the International Monetary Fund, provided that these restrictions are applied in a non-discriminatory manner as regards the origin of the products and that they are not applied only to specific products or kind of products.

The restrictions shall be of limited duration and shall be eliminated when conditions no longer justify their maintenance. The Contracting Party shall inform the other Contracting Party promptly of the introduction of such measures and of any changes therein.

Article 22

Rules of Competition concerning Undertakings

1. The following are incompatible with the proper functioning of this Agreement insofar 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 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 provisions of paragraph 1 insofar as the application of these provisions does not obstruct the performance, in law or 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, it may take appropriate measures under the conditions and in accordance with the procedure laid down in Article 31.

Article 23

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, insofar as it may affect trade between the Contracting Parties to this Agreement, 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 Joint Committee shall, within three years from the entry into force of this Agreement, adopt the criteria on the basis of which the practices contrary to paragraph 1 shall be assessed, as well as the rules for their implementation.
4. The Contracting Parties shall ensure transparency in the area of state aid, *inter alia*, by reporting annually to each other 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, including that in agriculture:
 - is incompatible with the terms of paragraph 1, and is not adequately dealt with under the implementing rules referred to in paragraph 3, 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,

it may take appropriate measures under the conditions of and in accordance with the provisions laid down in Article 31.

Such appropriate measures may only be taken in conformity with the procedures and under the conditions laid down by the General Agreement on Tariffs and Trade and any other relevant instrument negotiated under its auspices which are applicable between the Contracting Parties.

Article 24

Public Procurement

1. The Contracting Parties consider the liberalization of their respective public procurement markets as an objective of this Agreement.
2. The Contracting Parties shall progressively develop their respective regulations for public procurement with a view to grant suppliers of the other Contracting Party by the end of 1998, at the latest, access to contract award procedures on their respective public procurement markets according to the provisions of the Agreement on Government Procurement of 12 April 1979 related to the General Agreement on Tariffs and Trade, as amended by a Protocol of Amendments of 2 February 1987.
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 of this Article so as to ensure free access, transparency and full balance of rights and obligations.

4. During the examination referred to in paragraph 3 of this Article, the Joint Committee may consider, especially in the light of developments in this area in international relations, the possibility of extending the coverage and/or the degree of the market opening provided for in paragraph 2.

5. The Contracting Parties shall endeavour to accede to the relevant Agreements negotiated under the auspices of the General Agreement on Tariffs and Trade.

Article 25

Protection of Intellectual Property

1. The Contracting Parties shall grant and ensure protection of intellectual property rights on a non-discriminatory basis, including measures for the grant and enforcement of such rights. The protection shall be gradually improved and, before the end of the fifth year after the entry into force of this Agreement, of a level corresponding to the substantive standards of the multilateral agreements which are specified in Annex V.

2. For the purpose of this Agreement "intellectual property protection" includes in particular protection of copyright, comprising computer programs and databases, and neighbouring rights, trade marks, geographical indications, industrial designs, patents, topographies of integrated circuits, as well as undisclosed information on know-how.

3. Protection of topographies of integrated circuits ensured by any Contracting Party shall be granted on reciprocal basis.

4. The Contracting Parties shall co-operate in matters of intellectual property. They shall hold, upon request of any Contracting Party, expert consultations on these matters, in particular on activities relating to the existing or to future international conventions on harmonization, administration and enforcement of intellectual property and on activities in international organizations, such as the General Agreement on Tariffs and Trade, World Intellectual Property Organization, as well as relations of Contracting Parties with third countries on matters concerning intellectual property.

Article 26

Dumping

If a Contracting Party finds that dumping within the meaning of Article VI of the General Agreement on Tariffs and Trade is taking place in trade relations governed by this Agreement, it may take appropriate measures against that practice in accordance with Article VI of the General Agreement on Tariffs and Trade and agreements related to that Article, under the conditions and in accordance with the procedure laid down in Article 31.

Article 27

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 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 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 31.

Article 28

Structural Adjustment

1. Exceptional measures of limited duration which derogate from the provisions of Article 3 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 Contracting Party introduced by these measures may not exceed 25 per cent ad valorem and shall maintain an element of preference for products originating in the Contracting Parties. The total value of imports of the products which are subject to these measures may not exceed 15 per cent of total imports of industrial products from the other Contracting Party as defined in Chapter I, during the last year for which statistics are available.
4. These measures shall be applied for a period not exceeding five years unless a longer duration is authorized by the Joint Committee.
5. No such measures can be introduced in respect of a product if more than five years elapsed since the elimination of all duties and quantitative restrictions or charges or measures having an equivalent effect concerning that product.
6. The Contracting Party concerned shall inform the other Contracting Party 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 they are applied. 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 two years after their introduction, at equal annual rates. The Joint Committee may decide on a different schedule.

Article 29

Re-export and Serious Shortage

Where compliance with the provisions of Articles 7 and 9 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 Contracting Party, that Contracting Party may take appropriate measures under the conditions and in accordance with the procedures laid down in Article 31.

Article 30

Fulfilment of Obligations

1. The Contracting Parties shall take any general or specific measures required to fulfil their obligations under this Agreement. They shall see to it that the objectives set out in this Agreement are attained.
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 31.

Article 31

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. In the event of a Contracting Party subjecting imports of products liable to give rise to the situation referred to in Article 27 to an administrative procedure having as its purpose the rapid provision of information on the trend of trade flows, it shall inform the other Contracting 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 in the Joint Committee with a view to finding a solution.
4.
 - (a) As regards Articles 26, 27 and 29, 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 Contracting 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, the Contracting Party concerned may take appropriate measures after the consultations have been concluded or a period of three months has elapsed from the date of first notification to the other Contracting Party.
 - (c) As regards Articles 22 and 23, 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 Contracting Party in question 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 other Contracting Party. They shall be restricted 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 as will least disturb the functioning of this Agreement.

6. The safeguard measures taken shall be the subject of periodic consultations within 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 26, 27 and 29, 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 within the Joint Committee.

Article 32

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 Contracting Party concerned may, in accordance with the conditions established under the General Agreement on Tariffs and Trade, 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 33

Evolutionary Clause

1. 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.

2. Agreements resulting from the procedure referred to in paragraph 1 will be subject to ratification or approval by the Contracting Parties in accordance with their national legislation.

Article 34

The Joint Committee

1. The Contracting Parties agree to set up the Joint Committee composed of representatives of the Contracting Parties.
2. The implementation of this Agreement shall be supervised and administered by the Joint Committee.
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 take decisions in the cases provided for in this Agreement. On other matters the Joint Committee may make recommendations.

Article 35

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 that a meeting 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, under the reservation, accepted a decision subject to the fulfilment of constitutional requirements, the decision shall enter into force, if no later date is contained therein, on the day the lifting of the reservation is notified.
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 sub-committees and working parties as it considers necessary to assist it in accomplishing its tasks.

Article 36

Trade Relations Governed by this and other Agreements

1. This Agreement shall apply to trade relations between the Czech Republic and the Republic of Slovenia.
2. This Agreement shall not prevent the maintenance or establishment of customs unions, free-trade areas or arrangements for frontier trade to the extent that these do not negatively affect the trade regime and in particular the provisions concerning rules of origin provided for by this Agreement.

Article 37

Annexes and Protocols

The Annexes I-V and the Protocols 1-3 to this Agreement are an integral part of it. The Joint Committee may decide to amend the Annexes and Protocols in accordance with the provisions of paragraph 3 of the Article 35.

Article 38

Amendments

Amendments to this Agreement other than those referred to in paragraph 4 of Article 34 which are approved by the Joint Committee shall be submitted to the Contracting Parties to this Agreement for acceptance and shall enter into force if accepted by both Contracting Parties in accordance with their national legislation.

Amendments shall enter into force on the date of a receipt of a last diplomatic note confirming that all procedures required by the national legislations for the entry into force of the amendments by each Contracting Party have been completed.

Article 39

Entry into Force

1. This Agreement shall enter into force on 1 January 1994 provided that both Contracting Parties have notified each other before this date confirming that all procedures required by national legislations for entry into force of this Agreement have been completed.

2. In the event that this Agreement has not entered into force in accordance with the provision of paragraph 1, it shall enter into force on the date of the last notification of a Contracting Party that the procedures referred to in the paragraph 1 have been completed.

3. Contracting Parties shall apply this Agreement provisionally from 1 January 1994 if this Agreement cannot enter into force by 1 January 1994.

Article 40

Validity of Termination

Each Contracting Party may terminate this Agreement including the provisional application by means of a written notification to the other Contracting Party. The termination shall take effect six months after the date on which the notification was received by the other Contracting Party.

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

Done in the Duplication at Ljubljana on this day of December 1993 in the English language.

For the Czech Republic

For the Republic of Slovenia