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LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject:	Enhanced Partnership and Cooperation Agreement between the European Union and its Member States, of the one part, and the Republic of Uzbekistan, of the other part

ENHANCED PARTNERSHIP AND COOPERATION AGREEMENT
BETWEEN THE EUROPEAN UNION AND ITS MEMBER STATES, OF THE ONE PART, AND THE REPUBLIC OF UZBEKISTAN, OF THE OTHER PART

PREAMBLE

THE KINGDOM OF BELGIUM,

THE REPUBLIC OF BULGARIA,

THE CZECH REPUBLIC,

THE KINGDOM OF DENMARK,

THE FEDERAL REPUBLIC OF GERMANY,

THE REPUBLIC OF ESTONIA,

IRELAND,

THE HELLENIC REPUBLIC,

THE KINGDOM OF SPAIN,

THE FRENCH REPUBLIC,

THE REPUBLIC OF CROATIA,

THE ITALIAN REPUBLIC,

THE REPUBLIC OF CYPRUS,

THE REPUBLIC OF LATVIA,

THE REPUBLIC OF LITHUANIA,

THE GRAND DUCHY OF LUXEMBOURG,

HUNGARY,

THE REPUBLIC OF MALTA,

THE KINGDOM OF THE NETHERLANDS,

THE REPUBLIC OF AUSTRIA,

THE REPUBLIC OF POLAND,

THE PORTUGUESE REPUBLIC,

ROMANIA,

THE REPUBLIC OF SLOVENIA,

THE SLOVAK REPUBLIC,

THE REPUBLIC OF FINLAND,

THE KINGDOM OF SWEDEN,

Contracting Parties to the Treaty on European Union and the Treaty on the Functioning of the European Union, hereinafter referred to as "the Member States",

and

THE EUROPEAN UNION,

of the one part,

and THE REPUBLIC OF UZBEKISTAN,

of the other part,

hereinafter jointly referred to as "the Parties",

CONSIDERING their strong ties and their common values,

CONSIDERING their desire to strengthen the mutually beneficial cooperation established through the Partnership and Cooperation Agreement establishing a partnership between the European Communities and their Member States, of the one part, and the Republic of Uzbekistan, of the other part, signed in Florence on 21 June 1996,

CONSIDERING their wish to upgrade their relations to reflect new political and economic realities and the advancement of their partnership,

EXPRESSING their common will to consolidate, deepen and diversify their cooperation at all levels on bilateral, regional and international issues of mutual interest,

REAFFIRMING their commitment to strengthen the promotion, protection and implementation of human rights and fundamental freedoms, the respect for democratic principles, the rule of law and good governance,

CONFIRMING their commitment to the principles laid down in the Charter of the United Nations (hereinafter referred to as the "UN Charter"), the Universal Declaration of Human Rights adopted by the UN General Assembly resolution A/RES/217 (III) A on 10 December 1948, the Organisation for Security and Co-operation in Europe (hereinafter referred to as the "OSCE"), in particular the Helsinki Final Act of 1975 adopted on 1 August 1975 during the Conference on Security and Cooperation in Europe (hereinafter referred to as the "OSCE Helsinki Final Act"), the International Covenant on Civil and Political Rights adopted by the UN General Assembly resolution 2200A (XXI) on 16 December 1966, the International Covenant on Economic, Social and Cultural Rights adopted by the UN General Assembly resolution 2200A (XXI) on 16 December 1966 as well as other universal principles and norms of international law,

REITERATING their commitment to actively promote international peace and security and engage in effective multilateralism and the peaceful settlement of disputes, notably by cooperating within the framework of the UN and the OSCE,

CONSIDERING their desire to further develop regular political dialogue on bilateral and international issues of mutual interest,

CONSIDERING their commitment to international obligations to fight against the proliferation of weapons of mass destruction (hereinafter referred to as "WMD") and their means of delivery,

CONSIDERING their commitment to strengthen cooperation in the field of justice, freedom and security, including in the fight against corruption,

CONSIDERING their commitment to contribute, through their cooperation, to sustainable political, socioeconomic and institutional development,

CONSIDERING their willingness to strengthen their economic relationship based on the principles of a free-market economy and to create a climate conducive to expanding bilateral trade and investment relations and mutually advantageous connectivity,

SUPPORTING the Republic of Uzbekistan's achievements and efforts to improve the business climate, to fight corruption, create economic growth and employment,

ENCOURAGING the Republic of Uzbekistan's accession to the World Trade Organisation (hereinafter referred to as the "WTO"), and the transparent and non-discriminatory implementation of rights and obligations in the framework of the WTO, and confirming the intention of the European Union to provide technical assistance in this process, including in the field of norms and standards certification, intellectual property protection legislation and law enforcement practices,

CONSIDERING their commitment to respect the principle of sustainable development and to work together in pursuit of the objectives of the UN 2030 Agenda for Sustainable Development,

CONSIDERING their commitment to ensure environmental sustainability and protection, including through transboundary cooperation and the implementation of multilateral environmental agreements to which they are parties, and strengthening cooperation in all areas of climate action in line with the Paris Agreement under the United Nations Framework Convention on Climate Change adopted on 12 December 2015 (hereinafter referred to as the "Paris Agreement on climate change"),

RECOGNISING that all cooperation in the peaceful uses of nuclear energy between the Parties to this Agreement is governed by the Agreement for cooperation in the peaceful uses of nuclear energy between the European Atomic Energy Community (Euratom) and the Government of the Republic of Uzbekistan, signed in Brussels on 6 October 2003, and does not fall under this Agreement,

CONSIDERING their desire to expand the cooperation and exchange in the field of science and technology, innovation and education, culture and sport,

CONSIDERING their commitment to promote cross-border and regional cooperation,

NOTING that, if the Parties decide, within the framework of this Agreement, to enter into specific agreements in the area of freedom, security and justice concluded by the European Union pursuant to Title V of Part Three of the Treaty on the Functioning of the European Union (TFEU) after the entry into force of this Agreement, the provisions of such future specific agreements would not bind Ireland unless the European Union, simultaneously with Ireland, as regards its previous bilateral relations, notifies Uzbekistan that Ireland has become bound by such future specific agreements as part of the European Union in accordance with Protocol No 21 on the position of Ireland in respect of the area of freedom, security and justice, annexed to the Treaty on European Union (TEU) and to the TFEU; also noting that any subsequent internal measures of the European Union which are adopted pursuant to Title V of Part Three of the TFEU to implement this Agreement would not bind Ireland, unless Ireland has notified its wish to take part in such measures or accept them in accordance with Protocol No 21; and further noting that such future agreements or such subsequent internal measures of the European Union would fall within Protocol No 22 on the position of Denmark annexed to the TEU and to the TFEU,

HAVE AGREED AS FOLLOWS:

TITLE I

OBJECTIVES AND GENERAL PRINCIPLES

ARTICLE 1

Objectives

1. This Agreement establishes an enhanced partnership and cooperation between the Parties, based on shared values, on common interests and on the ambition to strengthen their relationship in all areas of its application, to their mutual benefit.

2. This partnership and cooperation is a process between the Parties that contributes to sustainable development, peace, stability and security, through increased convergence on foreign and security policy, effective political and economic cooperation and multilateralism.

ARTICLE 2

General Principles

1. Respect for democratic principles and human rights and fundamental freedoms, as laid down in particular in the Universal Declaration of Human Rights, the UN Charter, the OSCE Helsinki Final Act and other relevant international human rights instruments to which they are party, underpins the internal and international policies of both Parties and constitutes an essential element of this Agreement.

2. The Parties reiterate their commitment to international labour standards in accordance with the conventions of the International Labour Organization (hereinafter referred to as the "ILO") to which they are or may become parties.

3. The Parties reaffirm their respect for the principles of good governance, including the fight against corruption at all levels.

4. The Parties reiterate their commitment to the principles of a free-market economy, promoting sustainable development and the fight against climate change.

5. The Parties commit themselves to the fight against the different forms of transnational organised crime and terrorism, the fight against the proliferation of WMD and their means of delivery, and to effective multilateralism.

6. The Parties shall implement this Agreement based on shared values, the principles of equal dialogue, mutual trust, respect and benefit, regional cooperation, effective multilateralism and respect for their international obligations arising from, in particular, their membership of the UN and the OSCE.

TITLE II

POLITICAL DIALOGUE AND REFORM;
COOPERATION IN THE FIELD OF FOREIGN AND SECURITY POLICY

ARTICLE 3

Aims of political dialogue

The Parties shall develop effective political dialogue in all areas of mutual interest, including foreign and security policy and internal reform. The aims of the political dialogue shall be:

(a) to increase the effectiveness of political cooperation and convergence on foreign and security policy and to promote, preserve and strengthen peace and regional and international stability and security on the basis of effective multilateralism;

(b) to strengthen sustainable political, socio-economic and institutional development;

(c) to strengthen the respect for democratic principles, the rule of law and good governance, human rights and fundamental freedoms, and to increase cooperation in these areas;

(d) to develop dialogue and deepen cooperation in the field of security and defence;

(e) to promote the peaceful resolution of disputes and the principles of territorial integrity, inviolability of borders, sovereignty and independence; and

(f) to further improve the conditions for regional cooperation.

ARTICLE 4

Democracy and the rule of law

The Parties shall enhance dialogue and cooperation with the aim of:

(a) ensuring respect for democratic principles and the rule of law as well as further strengthening the stability, effectiveness and accountability of democratic institutions;

(b) supporting efforts in implementing judicial and legal reforms to ensure the effective functioning of institutions in the field of law enforcement and justice, access to justice and the right to a fair trial, independence, accountability and efficiency of the judicial system as well as strengthening the procedural safeguards in criminal matters and victims "and witnesses" rights;

(c) promoting e-governance and pursuing public administration reform to build accountable, efficient and transparent governance at all levels;

(d) support in strengthening electoral processes and capacities of electoral management bodies; and

(e) ensuring effectiveness in the fight against corruption at all levels.

ARTICLE 5

Human rights and fundamental freedoms

The Parties shall cooperate in the promotion and protection of human rights and fundamental freedoms, and enhance dialogue and cooperation with the aim of:

(a) ensuring and promoting the respect for human rights, and the rights of persons belonging to ethnic, religious and linguistic minorities and vulnerable groups such as persons with disabilities, as well as combating violence and all forms of discrimination;

(b) ensuring and promoting the protection of children from violence, exploitation and abuse;

(c) ensuring the protection and promotion of human rights and fundamental freedoms, both civil and political rights as well as economic, social and cultural rights, including freedom of expression and of the media, freedom of peaceful assembly and of association, freedom from torture and ill treatment, and freedom of religion or belief;

(d) promoting economic, social and cultural rights and effective enforcement of labour standards in accordance with ILO conventions to which they are or may become parties;

(e) eliminating violence against women and girls and ensuring gender equality, including women's and girls' meaningful participation and empowerment;

(f) strengthening national human rights institutions, including through their meaningful participation in the decision-making processes; and

(g) strengthening cooperation within the United Nations human rights bodies and Special Procedures and effectively implementing their recommendations.

ARTICLE 6

Civil society

The Parties shall cooperate to strengthen an enabling environment for civil society and its role in economic, social and political development of an open democratic society, in particular by:

(a) strengthening capacity, independence and accountability of civil society organisations;

(b) fostering civil society engagement in law- and policy-making processes, by establishing an open, transparent and regular dialogue between, on the one hand, public institutions and, on the other, representatives of civil society;

(c) strengthening contacts, exchange of information and experiences between all sectors of civil society in the European Union and in the Republic of Uzbekistan; and

(d) ensuring the involvement of civil society in the relations between the Parties, including in implementing this Agreement.

ARTICLE 7

Foreign and security policy

1. The Parties reaffirm their commitment to the universal principles and norms of international law, including those enshrined in the UN Charter and the OSCE Helsinki Final Act, inter alia the principles of: sovereign equality, respect for the rights inherent in sovereignty; refraining from the threat or use of force; inviolability of frontiers; territorial integrity of States; peaceful settlement of disputes; non-intervention in internal affairs; respect for human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief; equal rights and self-determination of peoples; cooperation among States; and fulfilment in good faith of obligations under international law.

2. The Parties shall intensify their dialogue and cooperation in the area of foreign and security policy, including aspects of security and defence policy, and shall address, in particular, issues of conflict prevention and enhanced and effective crisis management, risk reduction, cybersecurity, efficient functioning of the security sector, regional stability, disarmament, non-proliferation, arms control and export control.

ARTICLE 8

Serious crimes of concern to the international community

1. The Parties reaffirm that the most serious crimes of concern to the international community as a whole must not go unpunished and that their effective prosecution must be ensured by taking measures at the national level and by enhancing international cooperation.

2. The Parties consider that the establishment and functioning of the International Criminal Court and other multilateral structures contribute to the promotion of international peace and justice. The Parties shall cooperate including through a dialogue in this respect.

3. The Parties shall cooperate in conducting a dialogue on issues relating to genocide, crimes against humanity and war crimes by making use of applicable bilateral and multilateral frameworks.

ARTICLE 9

Conflict prevention and crisis management

The Parties shall cooperate in conflict prevention and crisis management in order to create an environment of peace and stability.

ARTICLE 10

Regional stability and peaceful resolution of conflicts

1. The Parties shall intensify their joint efforts to improve conditions for further regional cooperation in key areas such as sustainable management of transboundary water, mineral and energy resources, border management that facilitates legitimate cross-border flows of persons and goods, sustainable connectivity, good neighbourly relations and democratic and sustainable development, thereby contributing to stability and security in Central Asia. The Parties shall work towards the peaceful settlement of conflicts.

2. The efforts referred to in paragraph 1 shall follow the objective of maintaining international peace and security, as enshrined in the UN Charter, the OSCE Helsinki Final Act and other relevant multilateral instruments to which the European Union and the Republic of Uzbekistan are parties.

ARTICLE 11

Countering proliferation of WMD

1. The Parties consider that the proliferation of WMD and their means of delivery, both to state and non-state actors, represents one of the most serious threats to international stability and security.

2. The Parties shall cooperate and contribute to countering the proliferation of WMD and their means of delivery through full compliance with and implementation of their respective obligations under international disarmament and non-proliferation treaties and agreements and other relevant international instruments to which they are parties. The Parties agree that this provision constitutes an essential element of this Agreement.

3. The Parties shall furthermore cooperate and contribute to countering the proliferation of WMD and their means of delivery by:

(a) taking steps to sign, ratify or accede to, as appropriate, and fully implement all other relevant international instruments;

(b) the establishment of an effective system of national export controls, controlling the export as well as transit of WMD related goods, including a WMD end-use control on dual use technologies and containing effective sanctions for breaches of export controls.

4. The Parties shall establish a regular dialogue to accompany and consolidate these elements.

ARTICLE 12

Small arms and light weapons and conventional arms exports control

1. The Parties recognise that the illicit manufacture, transfer and circulation of small arms and light weapons (hereinafter referred to as "SALW"), including their ammunition, and their excessive accumulation, poor management, inadequately secured stockpiles and uncontrolled spread continue to pose a serious threat to peace and international security.

2. The Parties shall observe and fully implement their obligations to deal with the illicit trade in SALW, including their ammunition, under UN Security Council resolutions, as well as their commitments within the framework of the UN Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in SALW in All Its Aspects adopted on 20 July 2001 and international treaties and agreements to which they are parties.

3. The Parties recognise the importance of domestic control systems for the transfer of conventional arms in line with existing international standards to which they are party. The Parties recognise the importance of applying such controls in a responsible manner, as a contribution to international and regional peace, security and stability, and to the reduction of human suffering, as well as to the prevention of diversion of conventional weapons.

4. The Parties shall encourage cooperation and coordination, complementarity and joint actions in their efforts to regulate or to improve the regulation of international trade in conventional arms and to prevent, combat and eradicate the illicit trade in arms including through conducting regular dialogue.

TITLE III

JUSTICE, FREEDOM AND SECURITY

ARTICLE 13

Protection of Personal Data

1. The Parties recognise the importance of ensuring and promoting fundamental rights to privacy and the protection of personal data.

2. The Parties shall cooperate to ensure a high level of protection and the effective enforcement of the rights referred to in paragraph 1, including in the context of law enforcement agencies, in order to prevent and combat international terrorism and other transnational crimes.

3. The Parties recognise that ensuring the protection of personal data is one of the fundamental factors in the further development of economic and trade relations, and in establishing citizens' trust in the digital economy.

4. The cooperation of the Parties shall include practical assistance in the harmonisation of their respective legislation in the sphere of the protection of personal data, taking into account European Union and international legal instruments and standards, including the Council of Europe Convention for the Protection of Individuals with regard to Automatic Processing of Personal Data done on 28 January 1981 and the Additional Protocol to the Convention for the Protection of Individuals with regard to Automatic Processing of Personal Data regarding supervisory authorities and transborder data flows done on 8 November 2001, as well as cooperation in the enforcement of data protection rules.

ARTICLE 14

Cooperation on migration, asylum and border management

1. The Parties reaffirm the importance of establishing a comprehensive dialogue on all issues related to migration, including legal migration in line with the European Union and national competences, the root causes of illegal migration, international protection and the prevention of and the fight against illegal migration, migrant smuggling and trafficking in human beings.

2. Cooperation shall be based on a specific needs-assessment conducted through mutual consultation between the Parties and shall be implemented in accordance with their relevant legislation. It shall, in particular, focus on:

(a) addressing the root causes of illegal migration;

(b) the development and implementation of national legislation and practices as regards international protection in line with universal principles and standards, and ensuring the respect for the principle of "non refoulement";

(c) acknowledging the relevance of the New York Declaration for Refugees and Migrants, adopted by UN General Assembly resolution A/RES/71/1 on 19 September 2016, and strengthening international and regional cooperation, within the framework of the United Nations and relevant regional fora;

(d) the admission rules and rights and status of persons admitted, fair treatment and integration of lawfully residing non-nationals, education and training and measures against racism and xenophobia;

(e) the establishment of an effective and preventive policy against illegal migration, the smuggling of migrants and trafficking in human beings in line with the United Nations Convention Against Transnational Organised Crime adopted by UN General Assembly resolution A/RES/55/25 on 8 January 2001 and its Protocols which have entered into force for the Parties, including the issue of how to combat networks of smugglers, disrupt criminal networks involved in trafficking in human beings and protect the victims of trafficking;

(f) issues such as organisation, training, best practices and other operational measures to tackle migration-related challenges, notably illegal migration, document security, visa policy with the aim of facilitating citizens' mobility, and border management and migration information systems; and

(g) issues relating to labour activities and the protection of the rights of legal migrants and their family members in accordance with international norms.

ARTICLE 15

Readmission and the fight against illegal migration

1. In the framework of their cooperation to prevent and tackle illegal migration, the Parties agree that:

(a) the Republic of Uzbekistan shall readmit any of its nationals who do not, or who no longer, fulfil the conditions in force for entry to, presence in, or residence on the territory of a Member State, at the request of the latter and without undue delay;

(b) each Member State shall readmit any of its nationals who do not, or who no longer, fulfil the conditions in force for entry to, presence in or residence on the territory of the Republic of Uzbekistan, at the request of the latter and without undue delay; and

(c) the Member States and the Republic of Uzbekistan shall provide their nationals with appropriate travel documents for such purposes within thirty days from the date of submission, including by electronic means, of the readmission application by the requesting Party, drawn up in accordance with the model in Annex 3 (including, where possible, documents proving citizenship).

When the travel document has not been issued within this time limit, the Parties may make use of the "European travel document for the return of illegally staying third country nationals" as set out in the Annex to Regulation (EU) 2016/1953 of the European Parliament and of the Council[1] or a similar travel document of the Republic of Uzbekistan.

Where the person to be readmitted does not possess any documents or other proof of his or her nationality, the competent diplomatic and consular representations of the Member State concerned or the Republic of Uzbekistan shall, upon request by the Republic of Uzbekistan or the Member State concerned, provide full cooperation in order to establish his or her nationality.

[1] Regulation (EU) 2016/1953 of the European Parliament and of the Council of 26 October 2016 on the establishment of a European travel document for the return of illegally staying third-country nationals, and repealing the Council Recommendation of 30 November 1994 (OJ EU L 311, 17.11.2016, p. 13, ELI: http://data.europa.eu/eli/reg/2016/1953/oj).

2. The Parties may consider the possible negotiation of:

(a) an agreement between the European Union and the Republic of Uzbekistan regulating specific procedures and obligations for Member States and of the Republic of Uzbekistan on readmission;

(b) an agreement on visa facilitation for citizens of the European Union and the Republic of Uzbekistan.

ARTICLE 16

Anti-Money Laundering and Combating Financing of Terrorism

1. The Parties shall cooperate with a view to preventing and effectively combating the use of their financial institutions and designated non-financial businesses and professions for the purposes of money laundering or terrorist financing.

2. To that end, they shall exchange information within the framework of their respective legislation and cooperate to ensure the effective and full implementation of the Financial Action Task Force (hereinafter referred to as "FATF") recommendations and other standards adopted by relevant international bodies active in this area. Such cooperation may include, among other things, identification, tracing, seizure, confiscation and recovery of assets or funds derived from the proceeds of crime. For this exchange of information, the Parties shall use secure and reliable channels, such as the ones outlined in the Egmont Group of Financial Intelligence Units Charter and the Egmont Group of Financial Intelligence Units Principles for Information Exchange between Financial Intelligence Units

ARTICLE 17

Illicit drugs

1. The Parties shall cooperate to ensure a balanced, evidence-based and integrated approach towards illicit drugs as well as new psychoactive substances.

2. Drug-related policies and actions shall be aimed at reinforcing structures to prevent and address illicit drugs, reduce the supply of, trafficking in, and demand for illicit drugs, and cope with the health and social consequences of the use of illicit drugs with a view to reducing harm. The Parties shall cooperate to prevent the diversion of chemical precursors used for the illicit manufacture of narcotic drugs and psychotropic and new psychoactive substances.

3. The Parties shall agree on the necessary methods of cooperation to attain the objectives referred to in paragraph 1. Actions shall be based on commonly agreed principles set out in UN drug control conventions and other international agreements, to which they are party.

ARTICLE 18

Fight against organised crime and corruption

1. The Parties shall cooperate in combating and preventing criminal and illegal activities, including transnational activities, organised or otherwise, such as:

(a) smuggling of migrants;

(b) trafficking in human beings;

(c) smuggling and trafficking in firearms including SALW;

(d) smuggling and trafficking illicit drugs, psychotropic substances, and precursors;

(e) smuggling and trafficking in goods;

(f) illegal economic and financial activities such as counterfeiting, parallel imports and infringement of intellectual property rights, fiscal fraud and public-procurement fraud;

(g) embezzlement in projects funded by international donors;

(h) all forms of corruption, in both the private and public sector;

(i) forging documents and submitting false statements; and

(j) cybercrime.

2. The Parties shall enhance bilateral, regional and international cooperation among law enforcement bodies. The Parties shall implement effectively the relevant international standards, in particular those enshrined in the UN Convention Against Transnational Organised Crime of 2000, adopted by UN General Assembly resolution A/RES/55/25 on 8 January 2001, and the Protocols thereto, to which they are party.

3. The Parties shall cooperate in preventing and fighting corruption in line with relevant international standards, in particular those enshrined in the UN Convention Against Corruption, adopted by UN General Assembly resolution A/RES/58/4 on 31 October 2003, and the recommendations arising from assessments against this convention.

ARTICLE 19

Counter-terrorism

1. The Parties reaffirm the importance of the fight against and the prevention of terrorism, and agree to work together at bilateral, regional and international level to prevent and combat terrorism in all its forms and manifestations.

2. The Parties agree that it is essential that the fight against terrorism be conducted with full respect for the rule of law and in strict conformity with international law, including international humanitarian law, the principles of the UN Charter, and all relevant international counter-terrorism-related and human rights instruments to which they are party.

3. The Parties stress the importance of the universal ratification and implementation of all relevant UN counter-terrorism-related Treaties. The Parties agree to promote dialogue on the draft Comprehensive Convention on International Terrorism and to cooperate in the implementation of the United Nations Global Counter-Terrorism Strategy adopted by UN General Assembly resolution A/RES/60/288 on 8 September 2006, as well as all relevant UN Security Council resolutions.

4. The Parties reaffirm the importance of a law enforcement and judicial approach to the fight against terrorism, and agree to cooperate in the prevention and suppression of terrorism, in particular by:

(a) exchanging information on terrorist groups and individuals and their support networks, in accordance with international and national law, inter alia as regards data protection and the protection of privacy;

(b) exchanging experience with regard to the prevention and suppression of terrorism means and methods and their technical aspects, as well as training, in accordance with applicable law;

(c) exchanging views on radicalisation and recruitment, and ways to counter radicalisation, and promote de-radicalisation and rehabilitation;

(d) exchanging views and experience concerning cross-border movement and travel of terrorist suspects as well as terrorist threats;

(e) sharing best practices as regards the protection of human rights in the fight against terrorism, in particular in relation to criminal proceedings;

(f) ensuring the criminalisation of terrorist offences and taking measures to counter the financing of terrorism; and

(g) taking measures against the threat of chemical, biological, radiological and nuclear terrorism, and undertaking necessary measures to prevent the acquisition, transfer and use for terrorist purposes of chemical, biological, radiological and nuclear materials as well as to prevent illegal acts against high-risk chemical, biological, radiological and nuclear facilities.

5. Cooperation shall be based on relevant available assessments and conducted through mutual consultation between the Parties.

ARTICLE 20

Judicial cooperation

1. The Parties shall enhance existing cooperation on mutual legal assistance and extradition on the basis of international agreements to which they are party. The Parties shall strengthen existing mechanisms and, where appropriate, consider the development of new mechanisms to facilitate international cooperation in this area.

2. The Parties shall develop judicial cooperation on mutual legal assistance in civil, commercial, and criminal matters, in particular the negotiation, conclusion and implementation of bilateral agreements and multilateral conventions on criminal judicial cooperation and multilateral conventions on civil judicial cooperation, including the Conventions of The Hague Conference on Private International Law.

ARTICLE 21

Consular Protection

The Republic of Uzbekistan accepts that the diplomatic and consular authorities of any Member State which has a permanent representation in the Republic of Uzbekistan may provide protection to any national of a Member State which does not have a permanent representation in the Republic of Uzbekistan in a position to effectively provide consular protection in a given case, on the same conditions as to nationals of that Member State.

TITLE IV

TRADE AND TRADE RELATED MATTERS

CHAPTER 1

HORIZONTAL PROVISIONS

ARTICLE 22

Objectives

The objectives of this Title are:

(a) the expansion, diversification and facilitation of trade between the Parties in particular through provisions on the facilitation of customs procedures and trade, the reduction of technical barriers to trade as well as those related to sanitary and phytosanitary measures, while preserving the right of each Party to legislate in order to achieve public policy objectives;

(b) the facilitation of trade in services and investment between the Parties including through the free transfer of current payments and facilitation of capital movements;

(c) the effective and reciprocal opening of government procurement markets of the Parties;

(d) the promotion of innovation and creativity by ensuring an adequate and effective protection of all intellectual property rights;

(e) the promotion of conditions fostering undistorted competition in the economic activities of the Parties in particular with regard to trade and investment between them;

(f) the development of international trade in a manner that contributes to sustainable development in its economic, social and environmental dimensions;

(g) the establishment of an effective, fair and predictable dispute settlement mechanism to resolve disputes on the interpretation and application of this Title.

ARTICLE 23

Definitions

For the purposes of this Title:

(a) "Agreement on Agriculture" means the Agreement on Agriculture, contained in Annex 1A to the WTO Agreement;

(b) "Agreement on Import Licensing Procedures" means the Agreement on Import Licensing Procedures, contained in Annex 1A to the WTO Agreement;

(c) "Anti-Dumping Agreement" means the Agreement on Implementation of Article VI of GATT 1994, contained in Annex 1A to the WTO Agreement;

(d) "days" means calendar days, including weekends and holidays;

(e) "Energy Charter Treaty" means the Energy Charter Treaty, done at Lisbon on 17 December 1994;

(f) "existing" means in effect on the date of entry into force of this Agreement;

(g) "GATT 1994" means the General Agreement on Tariffs and Trade 1994, contained in Annex 1A to the WTO Agreement;

(h) "GATS" means the General Agreement on Trade in Services, contained in Annex 1B to the WTO Agreement;

(i) "measure" includes any measure, whether in the form of a law, regulation, rule, procedure, decision, administrative action or in any other forms[1];

(j) "measures of a Party" means any measures adopted or maintained by:[2]

(i) central, regional or local governments or authorities; and

(ii) non-governmental bodies in the exercise of powers delegated by central, regional or local governments or authorities;

(k) "person" means a natural person or a legal person;

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1 For greater certainty, the term measure includes failures to act.

2 For greater certainty, "measures of a Party" covers measures by entities listed in point (j)(i) and (ii) which are adopted or maintained by instructing, directing or controlling, either directly or indirectly, the conduct of other entities with regard to those measures.

(l) "Revised Kyoto Convention" means the International Convention on the Simplification and Harmonisation of Customs Procedures, done at Kyoto on 18 May 1973;

(m) "Safeguards Agreement" means the Agreement on Safeguards, contained in Annex 1A to the WTO Agreement;

(n) "SCM Agreement" means the Agreement on Subsidies and Countervailing Measures, contained in Annex 1A to the WTO Agreement;

(o) "SPS Agreement" means the Agreement on the Application of Sanitary and Phytosanitary Measures, contained in Annex 1A to the WTO Agreement;

(p) "TBT Agreement" means the Agreement on Technical Barriers to Trade, contained in Annex 1A to the WTO Agreement;

(q) "third country" means a country or territory outside the geographic scope of application of this Agreement;

(r) "Trade Facilitation Agreement" means the Agreement on Trade Facilitation, contained in Annex 1A of the WTO Agreement;

(s) "TRIPS Agreement" means the Agreement on Trade-Related Aspects of Intellectual Property Rights, contained in Annex 1C to the WTO Agreement;

(t) "Vienna Convention on the Law of Treaties" means the Vienna Convention on the Law of Treaties, done at Vienna on 23 May 1969;

(u) "World Customs Organization's Arusha Declaration" means the Declaration of the Customs Co-operation Council concerning integrity in Customs done at Arusha, Tanzania, on 7 July 1993;

(v) "WTO Agreement" means the Marrakesh Agreement Establishing the World Trade Organization, done on 15 April 1994;

(w) "WTO" means the World Trade Organization.

ARTICLE 24

Relation to other international agreements

1. The Parties affirm their rights and obligations with respect to each other under the international agreements to which they are both party.

2. Nothing in this Agreement shall be construed as requiring a Party to act in a manner inconsistent with its obligations under the WTO Agreement.

ARTICLE 25

References to laws and regulations and other agreements

1. Any reference in this Title to laws and regulations, either generally or by reference to a specific statute, regulation or directive, shall be construed as a reference to the laws and regulations as amended, unless indicated otherwise.

2. Any reference, or incorporation by means of a reference, in this Title, to other agreements or legal instruments in whole or in part, shall be construed, unless indicated otherwise, as including:

(a) related annexes, protocols, footnotes, interpretative notes and explanatory notes; and

(b) successor agreements to which the Parties are party or amendments that are binding on the Parties, except where the reference affirms existing rights.

ARTICLE 26

Right of action under domestic law

A Party shall not provide for a right of action under its law against the other Party on the grounds that a measure of the other Party is inconsistent with this Agreement.

ARTICLE 27

Specific tasks of the Cooperation Council acting in its trade configuration

1. When the Cooperation Council performs any of the tasks conferred upon it relating to this Title, it shall be composed of representatives of the Parties with responsibility for trade-related matters, in accordance with the Parties' respective legal frameworks, or by their designees.

2. The Cooperation Council acting in its trade configuration:

(a) shall have the power to adopt decisions in order to amend the following on the basis of mutual consent and following the completion of the Parties' respective internal procedures as provided for in their legislation.

(i) Annexes 5-A, 5-B, 5-C and 5-D;

(ii) Annex 6;

(iii) Annexes 7-A, 7-B and 7-C;

(iv) Annex 9-A;

(v) Annexes 14-A and 14-B;

(vi) the Protocol on mutual administrative assistance in customs matters (hereinafter referred to as the "Protocol").

(b) may adopt decisions to issue interpretation of this Title;

(c) may establish subcommittees composed of representatives of the Parties, in addition to those established in this Title and to assign them responsibilities within the limits of its own competence, including the modification of the assigned functions or the dissolution of the established sub-committee.

3. The amendments referred to in point (a) of paragraph 2 shall be confirmed by an exchange of diplomatic notes between the Parties and enter into force upon receipt of the last diplomatic note, unless otherwise agreed by the Parties.

4. The Cooperation Council acting in its trade configuration shall take decisions and make appropriate recommendations following the completion of the Parties' respective internal procedures, as provided for in their legislation.

5. When meetings of the Cooperation Council are not available, the decisions referred to in paragraph 2 may be taken by written procedure.

ARTICLE 28

Specific tasks of the Cooperation Committee acting in its trade configuration

1. When the Cooperation Committee performs any of the tasks conferred upon it in this Title, it shall be composed of representatives of the Parties with responsibility for trade-related matters or their designees.

2. The Cooperation Committee acting in its trade configuration shall have, in particular, the following tasks:

(a) assist the Cooperation Council in the performance of its tasks with regard to trade-related matters;

(b) monitor the proper implementation and application of this Title; in this respect, and without prejudice to the rights established in Chapter 14, either Party may refer for discussion within the Cooperation Committee any issue relating to the application or interpretation of this Title;

(c) oversee, as necessary, the further development of this Title and evaluate the results obtained from its application;

(d) seek appropriate ways for preventing and resolving issues which might arise in areas covered by this Title; and

(e) supervise the work of the subcommittees established under this Title.

3. In the performance of its tasks under paragraph 2 of this Article, the Cooperation Committee may make proposals for the adoption of amendments referred to in point (a) of Article 27(2) or issue interpretations as referred to in point (b) of Article 27(2) when meetings of the Cooperation Council are not available.

4. The Cooperation Committee, acting in its trade configuration, shall adopt decisions and make appropriate recommendations following the completion of the Parties' respective internal procedures, as provided in their legislation.

ARTICLE 29

Coordinators

1. Each Party shall appoint a coordinator for this Title, within 60 days after the entry into force of this Agreement, and notify each other of the contact details.

2. The coordinators shall jointly establish the agenda for the meetings of the Cooperation Council and the Cooperation Committee in accordance with this Chapter, conduct all other necessary preparations and follow up on the decisions of such bodies, as appropriate.

ARTICLE 30

Sub-Committees

1. The sub-committees shall be composed of representatives of the European Union, on the one part, and of the Republic of Uzbekistan, on the other part.

2. The sub-committees shall meet within a year of the date of entry into force of this Agreement and, thereafter, once per year or at the request of a Party or of the Cooperation Committee, at an appropriate level. Meetings may also be held remotely by any technological means available to the Parties. When in person, meetings shall be held alternately in Brussels or Tashkent.

3. The Sub-Committees shall be co-chaired by representatives of both Parties.

CHAPTER 2

TRADE IN GOODS

ARTICLE 31

Scope

Except as otherwise provided in this Agreement, this Chapter applies to trade in goods of a Party.

ARTICLE 32

Definitions

For the purposes of this Chapter:

(a) "consular transactions" means the procedure of obtaining from a consul of the importing Party in the territory of the exporting Party, or in the territory of a third party, a consular invoice or a consular visa for a commercial invoice, certificate of origin, manifest, shipper's export declaration or any other customs documentation in connection with the importation of a good;

(b) "customs duty" means a duty or charge of any kind imposed on or in connection with the importation of a good; it does not include any:

(i) charge equivalent to an internal tax imposed in accordance with Article 34;

(ii) anti-dumping, special safeguard, countervailing or safeguard duty applied in accordance with GATT 1994, the Anti-dumping Agreement, the Agreement on Agriculture, the SCM Agreement or the Safeguards Agreement, respectively; and

(iii) fee or other charge imposed on or in connection with the importation that is limited in amount to the approximate cost of the services rendered.

(c) "export licensing procedure" means an administrative procedure requiring the submission of an application or other documentation (other than that generally required for customs clearance purposes) to the relevant administrative body or bodies as a prior condition for exportation from the customs territory of the exporting Party.

(d) "good of a Party" means a domestic good as understood in GATT 1994.

(e) "Harmonised System" or "HS" means the Harmonized Commodity Description and Coding System, including all legal notes and amendments thereto developed by the World Customs Organization.

(f) "import licensing procedure" means an administrative procedure requiring the submission of an application or other documentation (other than that generally required for customs clearance purposes) to the relevant administrative body or bodies as a prior condition for importation into the customs territory of the importing Party.

(g) "repair" means any processing operation undertaken on a good to remedy operating defects or material damage and entailing the re-establishment of the good to its original function or to ensure compliance with technical requirements for its use, without which the good could no longer be used in the normal way for the purposes for which it was intended. Repair of goods includes restoration and maintenance but does not include an operation or processing that:

(i) destroys the essential characteristics of a good, or creates a new or commercially different good;

(ii) transforms an unfinished good into a finished good; or

(iii) is used to improve or upgrade the technical performance of a good.

ARTICLE 33

Most-favoured-nation-treatment

1. Each Party shall accord most–favoured-nation-treatment to goods of the other Party in accordance with Article I of GATT 1994, which is incorporated into and made part of this Agreement, *mutatis mutandis*.

2. Paragraph 1 shall not apply in respect of preferential treatment accorded by either Party to goods of a third country in accordance with the GATT 1994.

ARTICLE 34

National treatment on internal taxation and regulation

1. Each Party shall accord national treatment to the goods of the other Party in accordance with Article III of GATT 1994, including its Notes and Supplementary Provisions. To this end, Article III of GATT 1994 and its Notes and Supplementary Provisions are incorporated into and made part of this Agreement, *mutatis mutandis*.

2. With respect to the Republic of Uzbekistan for tobacco products, alcoholic beverages and white sugar without flavouring or colouring additives, this Article shall become applicable ten years after the date of entry into force of this Agreement or on the date on which the Republic of Uzbekistan becomes a WTO Member, whichever comes first.

ARTICLE 35

Import and export restrictions

Neither Party shall adopt or maintain any prohibition or restriction on the importation of any good of the other Party, or on the exportation or sale for export of any good destined for the territory of the other Party, except in accordance with Article XI of GATT 1994, including its Notes and Supplementary Provisions. To this end, Article XI of GATT 1994 and its Notes and Supplementary Provisions are incorporated into and made part of this Agreement, *mutatis mutandis*.

ARTICLE 36

Export duties, taxes or other charges

1. In the interest of the development of their trade partnership and to further facilitate their trading opportunities, the Parties endeavour not to introduce any new duty, tax or other charge of any kind imposed on, or in connection with, the exportation of a good to the other Party, or any internal tax or other charge on a good exported to the other Party that is in excess of the tax or charge that would be imposed on like goods when destined for domestic consumption or any other measures having an equivalent effect.

2. Where a Party grants a more favourable treatment regarding export duties, taxes or any other charges to its exports to another third Party, that Party shall extend the same treatment to exports destined for the other Party.

3. In exceptional circumstances, a Party can apply a measure referred to in paragraph 1 of this Article to the other Party. The Party applying such measure publishes on its official website relevant information 60 days prior to the entry into force of such measure, including the expected duration of application.

ARTICLE 37

Dual-use export controls

The Parties agree to exchange information and good practices on dual-use export controls with a view to promoting cooperation of the European Union and of the Republic of Uzbekistan on export controls.

ARTICLE 38

Fees and formalities

1. Fees and other charges imposed by a Party on or in connection with importation or exportation of a good of the other Party shall be limited in amount to the approximate cost of services rendered and shall not represent an indirect protection of domestic goods or taxation of imports or exports for fiscal purposes.

2. Each Party shall promptly publish all fees and charges it imposes in connection with importation or exportation in such a manner as to enable governments, traders and other interested parties to become acquainted with them.

3. Neither Party shall require consular transactions, including related fees and charges, in connection with the importation of any good of the other Party.

ARTICLE 39

Repaired goods

1. Neither Party shall apply a customs duty to a good, regardless of its origin, that re-enters the Party's customs territory after that good has been temporarily exported from its customs territory to the customs territory of the other Party for repair.

2. Paragraph 1 does not apply to a good imported in bond, into free trade zones, or in similar status, that is then exported for repair and is not re-imported in bond, into free trade zones, or in similar status.

3. Neither Party shall apply a customs duty to a good, regardless of its origin, imported temporarily from the customs territory of the other Party for repair.

ARTICLE 40

Temporary admission of goods

A Party shall grant the other Party exemption from import charges and duties on goods admitted temporarily, in the instances and in accordance with the procedures stipulated by any international convention on the temporary admission of goods binding upon it. This exemption shall be applied pursuant to the legislation of each Party.

ARTICLE 41

Transit

1. Article V of GATT 1994 is incorporated into and made part of this Agreement.

2. The Parties shall take all necessary measures to facilitate the transit of energy goods, in accordance with the principle of freedom of transit and with Article 7 of the Energy Charter Treaty.

ARTICLE 42

Origin marking

1. Where the Republic of Uzbekistan requires a mark of origin on the goods imported from the European Union, it shall accept the "Made in EU" origin marking or the equivalent in a language in accordance with the Republic of Uzbekistan origin marking requirements, under conditions that are no less favourable than those applied to marks of origin of Member States.

2. For the purposes of the origin mark "Made in EU", the Republic of Uzbekistan shall treat the European Union as a single territory.

ARTICLE 43

Import licensing procedures

1. Each Party shall adopt and administer any import licensing procedures in accordance with Articles 1, 2and 3 of the WTO Agreement on Import Licensing Procedures. To this end, Articles 1, 2 and 3 of the Agreement on Import Licensing Procedures are incorporated into and made part of this Agreement, *mutatis mutandis*.

2. A Party that institutes licensing procedures or changes to existing licensing procedures, shall notify the other Party within 90 days of publication of those changes. The notification shall include the information specified in Article 5(2) of the Agreement on Import Licensing Procedures. A Party shall be deemed to be in compliance with this Article if it has notified the relevant import licensing procedure, or any modifications thereof, to the Committee on Import Licensing provided for in Article 4 of the Import Licensing Agreement, including the information specified in Article 5(2) of that Agreement. For the Republic of Uzbekistan the notification obligation to the Committee on Import Licensing shall apply from the date that the Republic of Uzbekistan becomes a WTO Member.

3. Upon request of a Party, the other Party shall promptly provide any relevant information, including the information specified in Article 5(2) of the Agreement on Import Licensing Procedures, regarding any import licensing procedure that it intends to adopt, has adopted or maintains, or changes to existing licensing procedures.

ARTICLE 44

Export licensing procedures[1]

1. Each Party shall publish any new export licensing procedure, or any modification to an existing export licensing procedure, in such a manner as to enable governments, traders and other interested parties to become acquainted with them. Such publication shall take place, whenever practicable, no later than 45 days before a new export licencing procedure or any modification of any existing export licencing procedure takes effect, and in any event no later than the date when such procedure or modification takes effect.

[1] For greater certainty, nothing in this Article requires a Party to grant an export license, or prevents a Party from implementing its obligations or commitments under UN Security Council Resolutions, as well as under multilateral non-proliferation regimes and export control arrangements.

2. The publication of export licensing procedures shall include the following information:

(a) the texts of the export licensing procedures or modification thereto;

(b) the goods subject to each export licensing procedure;

(c) for each procedure, a description of the process for applying for an export license and any criteria an applicant has to fulfil to be eligible to apply for an export license, such as possessing an activity license, establishing or maintaining an investment, or operating through a particular form of establishment in a Party's territory;

(d) a contact point or points from which interested persons can obtain further information on the conditions for obtaining an export license;

(e) the administrative body or bodies to which an application or other relevant documentation is to be submitted;

(f) a description of any measure or measures that the export licensing procedure is designed to implement;

(g) the period during which each export licensing procedure will be in effect, unless the procedure will remain in effect until it is withdrawn or revised in a new publication;

(h) if the Party intends to use an export licensing procedure to administer an export quota, the overall quantity and, if applicable, the value of the quota and the opening and closing dates of the quota; and

(i) any exemptions from or exceptions to the requirement to obtain an export license, how to request or use those exemptions or exceptions, and the criteria for granting them.

3. Within 30 days after the date of entry into force of this Agreement, each Party shall notify to the other Party its existing export licensing procedures. A Party that adopts a new export licensing procedure, or modifies any existing export licensing procedure, shall notify to the other Party the procedure or modification within 90 days of publication. The notification shall include the reference to the source(s) where the information required pursuant to paragraph 2 is published and include, where appropriate, the address of the relevant official website.

ARTICLE 45

Trade in nuclear material

Cooperation in relation to trade in nuclear material shall be regulated by the Agreement for the cooperation in the peaceful uses of nuclear energy between the European Atomic Energy Community (Euratom) and the Government of the Republic of Uzbekistan[1] done at Brussels on 6 October 2003.

[1] OJ EU L 269, 21.10.2003, p. 9, ELI: http://data.europa.eu/eli/agree_internation/2003/744/oj.

CHAPTER 3

TRADE REMEDIES

ARTICLE 46

General provisions

1. The following texts are hereby incorporated into and made part of this Agreement, *mutatis mutandis*:

(a) Article XIX of GATT 1994

(b) the Safeguards Agreement;

(c) Article VI of GATT 1994;

(d) the Anti-Dumping Agreement; and

(e) the SCM Agreement.

2. The provisions of this Chapter shall not be subject to Chapter 14 of Title IV of this Agreement.

ARTICLE 47

Transparency

1. The Parties shall use trade defence instruments (anti-dumping, anti-subsidy and multilateral safeguards) in full compliance with the relevant WTO requirements and on the basis of a fair and transparent system.

Multilateral safeguards

2. The Party initiating a safeguard investigation shall notify the other Party of such initiation provided the latter has a substantial economic interest.

3. For the purposes of this Article, a Party shall be considered as having a substantial economic interest when it is among the five largest suppliers of the imported product during the three-year period of time preceding the date on which the safeguard investigation was initiated, measured in terms of either absolute volume or value.

4. Notwithstanding paragraphs 2, 3 and 5, at the request of the other Party, the Party initiating a safeguard investigation and intending to apply safeguard measures shall:

(a) provide immediately to the other Party an ad hoc written notification of all the pertinent information leading to the initiation of the safeguard investigation and the imposition of safeguard measures, including, where relevant, information on the initiation of a safeguard investigation, on the provisional findings and on the final findings of the investigation; and

(b) offer the possibility for consultations to the other Party.

5. In the selection of measures under this Article, the Parties shall endeavour to give priority to those which cause least disturbance to bilateral trade.

Anti-dumping and countervailing measures

6. The Parties shall fully and meaningfully disclose, immediately after the imposition of provisional measures and before the final determination is made, all essential facts and considerations which form the basis for the decision to apply measures, without prejudice to Article 6.5 of the Anti-Dumping Agreement and Article 12.4 of the SCM Agreement. Disclosures shall be made in writing and interested parties shall be given sufficient time to make their comments on such essential facts and considerations.

7. Each interested Party shall be given an opportunity to be heard in order to express its views during anti-dumping and anti-subsidy investigations, provided that this does not unnecessarily delay the conduct of the investigations.

ARTICLE 48

Consideration of public interest

During the course of anti-dumping and countervailing duty investigations, the domestic industry, consumers, users and importers shall have the right to submit relevant information and data, which will be considered by the investigating authorities, in accordance with the relevant domestic procedural rules.

Lesser duty rule

Should a Party decide to impose an anti-dumping duty, the amount of such duty shall not exceed the margin of dumping, but it may in principle be less than that margin if such lesser duty would be adequate to remove the injury to the domestic industry.

CHAPTER 4

CUSTOMS

ARTICLE 49

Customs cooperation

1. The Parties shall strengthen cooperation in the area of customs in order to ensure a transparent trade environment, facilitate trade, enhance supply-chain security, promote consumer safety, prevent the flows of goods infringing intellectual property rights and fight smuggling and other breaches of customs legislation.

2. In order to implement the objectives referred to in paragraph 1 and within the limits of available resources, the Parties shall cooperate with a view to, inter alia:

(a) improving customs law and harmonising and simplifying customs procedures, in accordance with international conventions and standards applicable in the field of customs and trade facilitation, including those developed by the European Union (including Customs Blueprints), the WTO and the World Customs Organization (in particular the Revised Kyoto Convention);

(b) establishing modern customs systems, including modern customs clearance technologies; provisions for authorised economic operators; automated risk-based analysis and controls; simplified procedures for the release of goods; post-clearance controls; transparent customs valuation and provisions for customs-to-business partnerships;

(c) encouraging the highest standards of integrity in the area of customs, in particular at the border, through the application of measures reflecting the principles set out in the World Customs Organization's Arusha Declaration;

(d) exchanging best practices and providing training and technical support for planning and capacity building and for ensuring the highest standards of integrity;

(e) exchanging, where appropriate, relevant information and data while respecting the Parties' rules on information confidentiality and on protection of personal data;

(f) engaging in coordinated customs actions between their customs authorities;

(g) establishing, where relevant and appropriate, mutual recognition of authorised economic operators' programmes and customs controls, including equivalent trade facilitation measures;

(h) pursuing, where relevant and appropriate, possibilities for interconnectivity of the respective customs transit systems.

ARTICLE 50

Mutual administrative assistance

The Parties shall provide each other with mutual administrative assistance in customs matters in accordance with the Protocol.

ARTICLE 51

Customs valuation

The Agreement on Implementation of Article VII of GATT 1994 contained in Annex 1A to the WTO Agreement shall govern the customs valuation of goods in trade between the Parties and is hereby incorporated into and made part of this Agreement, *mutatis mutandis*.

CHAPTER 5

TECHNICAL BARRIERS TO TRADE

ARTICLE 52

Objective

The objective of this Chapter is to facilitate trade in goods between the Parties by preventing, identifying and eliminating unnecessary technical barriers to trade.

ARTICLE 53

Scope

1. This Chapter applies to the preparation, adoption and application of all standards, technical regulations and conformity assessment procedures defined in the TBT Agreement that may affect trade in goods between the Parties.

2. Notwithstanding paragraph 1, this Chapter shall not apply to:

(a) purchasing specifications prepared by governmental bodies for production or consumption requirements of such bodies; or

(b) sanitary and phytosanitary measures, as defined in Annex A to the SPS Agreement, which are covered by Chapter 6 of this Agreement.

ARTICLE 54

Relationship with the TBT Agreement

1. Articles 2.1 to 2.8, 2.11, 2.12, 3.1, 3.4, 3.5, 4, 5.1-5.5, 5.8, 5.9, 6, 7.1, 7.4, 7.5, 8, 9, and Annexes 1 and 3 of the TBT Agreement are hereby incorporated into and made part of this Agreement.

2. The Republic of Uzbekistan shall complete the process of approximating its standardisation system to the TBT Agreement, in particular the Code of Good Practice, including the voluntary nature of standards as defined by the TBT Agreement, within 5 years of the entry into force of this Agreement.

3. References to "this Agreement" in the TBT Agreement, as incorporated into this Agreement, are to be read, as appropriate, as references to this Agreement.

4. The term "Members" in the provisions of the TBT Agreement that are incorporated into this Agreement are to be read as meaning the Parties to this Agreement.

ARTICLE 55

Technical regulations

1. Each Party shall carry out, in accordance with its respective rules and procedures, a regulatory impact assessment of planned technical regulations.

2. Each Party shall assess the available regulatory and non-regulatory alternatives to the proposed technical regulation that may fulfil the Party's legitimate objectives, in accordance with Article 2.2 of the TBT Agreement.

3. Each Party shall use the relevant international standards as a basis for its technical regulations unless the Party developing the technical regulation can demonstrate that such international standards would be an ineffective or inappropriate means for the fulfilment of the legitimate objectives pursued.

4. International standards developed by the organisations listed in Annex 5-A shall be considered to be the relevant international standards within the meaning of Article 2, Article 5 and Annex 3 of the TBT Agreement provided that, in their development, these organisations have complied with the principles and procedures set out in the Decision of the WTO Committee on Technical Barriers to Trade on Principles for the Development of International Standards, Guides and Recommendations with relation to Article 2, Article 5 and Annex 3 of the TBT Agreement.

5. At the request of either Party, the Cooperation Committee shall consider updating the list in Annex 5-A.

6. If a Party has not used international standards as a basis for its technical regulations, it shall, on the request of the other Party, identify any substantial deviation from the relevant international standards and explain the reasons why such standards were considered to be inappropriate or ineffective for the objective pursued and provide the scientific or technical evidence on which this assessment is based.

7. In addition to Articles 2.3 and 2.4 of the TBT Agreement, each Party shall review its technical regulations to increase their convergence with the relevant international standards, taking into account, inter alia, any new development in the relevant international standards or any change in the circumstances that have given rise to divergences from those relevant international standards.

8. When developing technical regulations that may have a significant effect on trade, each Party shall ensure, in accordance with its rules and procedures, that procedures exist that allow persons of the Parties to provide input through a public consultation process, except where urgent problems of safety, health, environmental protection or national security arise or threaten to arise. Each Party shall allow persons of the other Party to participate in such consultation on terms no less favourable than those accorded to its own persons, and make the results of that consultation process public.

ARTICLE 56

Standards

1. With a view to harmonising standards on as wide a basis as possible, each Party shall encourage the standardising bodies within its territory, and the regional standardising bodies of which a Party or the standardising bodies within its territory are members, to:

(a) participate, within the limits of their resources, in the preparation of international standards by relevant international standardising bodies;

(b) use relevant international standards as a basis for the standards they develop, except where such international standards would be ineffective or inappropriate, for instance because of an insufficient level of protection for human lives and health or fundamental climatic or geographical factors or fundamental technological problems;

(c) avoid duplication of, or overlap with, the work of international standardising bodies;

(d) review, at regular intervals, national and regional standards not based on relevant international standards, with a view to increasing their convergence with such international standards;

(e) cooperate with the relevant standardisation bodies of the other Party in international standardisation activities. That cooperation may be undertaken in the international standardisation bodies or at regional level; and

(f) foster bilateral cooperation between them and the standardisation bodies of the other Party.

2. The Parties should exchange information on:

(a) their use of standards in support of technical regulations; and

(b) their respective standardisation processes, and the extent of use of international standards, regional or sub-regional standards as a basis for their national standards.

3. If standards are made mandatory through incorporation or referencing in a draft technical regulation or in a conformity assessment procedure, the transparency obligations set out in Article 59 shall be fulfilled.

ARTICLE 57

Conformity assessment

1. The provisions set out in Article 55 with respect to the preparation, adoption and application of technical regulations shall apply to conformity assessment procedures, *mutatis mutandis*.

2. If a Party requires conformity assessment as a positive assurance that a product conforms with a technical regulation, it shall:

(a) select conformity assessment procedures proportionate to the risks involved as determined on the basis of a risk-assessment;

(b) consider the use of the supplier's declaration of conformity, i.e. a declaration of conformity issued by the manufacturer on his or her sole responsibility and excluding mandatory third-party assessment, as assurance of conformity among the options for showing compliance with technical regulations; and

(c) if requested, provide information to the other Party on the criteria used to select the conformity assessment procedures for specific products.

3. If a Party requires third-party conformity assessment as a positive assurance that a product conforms with a technical regulation, and it has not reserved this task to a government authority as specified in paragraph 5, it shall:

(a) preferentially use accreditation to qualify conformity assessment bodies;

(b) make best use of international standards for accreditation and conformity assessment, as well as international agreements involving the Parties' accreditation bodies, for example, through the mechanisms of the International Laboratory Accreditation Cooperation (ILAC) and the International Accreditation Forum (IAF);

(c) join or encourage its conformity assessment bodies to join, as applicable, any relevant international agreements or arrangements for harmonisation or facilitation of acceptance of conformity assessment results;

(d) ensure that economic operators have a choice amongst the conformity assessment bodies designated by the authorities of a Party for a particular product or set of products;

(e) ensure that conformity assessment bodies are independent of manufacturers, importers and economic operators in general, and that there are no conflicts of interest between accreditation bodies and conformity assessment bodies;

(f) allow conformity assessment bodies to use subcontractors to perform testing or inspections in relation to the conformity assessment, including subcontractors located in the territory of the other Party; and

(g) publish on a single website a list of the bodies that it has designated to perform such conformity assessment and the relevant information on the scope of the designation of each of those bodies.

4. Point f of paragraph 3 shall not be construed as prohibiting a Party from requiring that subcontractors meet the same requirements that the conformity assessment body itself meets to perform the testing or inspections referred to in that point.

5. Nothing in this Article shall preclude a Party from requiring that conformity assessment, in relation to specific products, be performed by its specified government authorities. In such cases, the Party shall:

(a) limit the conformity assessment fees to the approximate cost of the services rendered and, on the request of an applicant for conformity assessment, explain how any fees it imposes for such conformity assessment are limited to the approximate cost of services rendered; and

(b) make publicly available the conformity assessment fees.

6. Notwithstanding the paragraphs 2 to 5, the Parties shall accept a Supplier's Declaration of Conformity as proof of compliance with existing technical regulations for the fields and in accordance with the modalities specified in Annex 5-B.

ARTICLE 58

Cooperation in the field of technical barriers to trade

1. The Parties shall strengthen their cooperation with regard to standards, technical regulations, metrology, market surveillance, accreditation and conformity assessment procedures with a view to increasing the mutual understanding of their respective systems and facilitating access to their respective markets. To that end, the Parties shall seek to identify and develop regulatory cooperation mechanisms and initiatives appropriate for the particular issues or sectors, including:

(a) exchanging information and experiences on the preparation and application of their respective technical regulations and conformity assessment procedures;

(b) working towards the possibility of converging or aligning technical regulations and conformity assessment procedures;

(c) encouraging cooperation between their respective bodies responsible for metrology, standardisation, conformity assessment and accreditation; and

(d) exchanging information on developments in relevant regional and multilateral fora related to standards, technical regulations, conformity assessment procedures and accreditation.

2. In order to promote trade between them, the Parties shall:

(a) seek to reduce the differences that exist between them with regard to technical regulations, metrology, standardisation, market surveillance, accreditation and conformity assessment procedures, including by encouraging the use of relevant internationally agreed instruments;

(b) promote, in accordance with international rules, the use of accreditation in support of the assessment of the technical competence of conformity assessment bodies and their activities; and

(c) promote the participation and, where possible, the membership of the Republic of Uzbekistan and its relevant national bodies in the European and international organisations whose activities relate to standards, conformity assessment, accreditation, metrology and related functions.

3. The Parties shall endeavour to establish and maintain a process through which gradual approximation of the technical regulations, standards and conformity assessment procedures of the Republic of Uzbekistan to those of the European Union can be achieved.

4. For areas in which alignment has been achieved, the Parties may consider negotiating agreements on conformity assessment and acceptance of industrial products.

ARTICLE 59

Transparency

1. When developing technical regulations that could have a significant effect on trade, each Party shall allow a period of at least 60 days following publication of proposed technical regulations and conformity assessment procedures for the other Party to provide written comments, except where urgent problems of safety, health, environmental protection or national security arise or threaten to arise. A Party shall give positive consideration to a reasonable request to extend the period for written comments.

2. If a Party receives written comments on a proposed technical regulation or conformity assessment procedure from the other Party, it shall:

(a) if requested by the other Party, discuss the written comments with the participation of its own competent regulatory authority, at a time when they can be taken into account; and

(b) reply to the comments in writing no later than the date of publication of the technical regulation or conformity assessment procedure.

3. Each Party shall, if requested by the other Party, provide information regarding the objectives of, and legal basis and rationale for, a technical regulation or conformity assessment procedure that the Party has adopted or is proposing to adopt.

4. Each Party shall ensure that the technical regulations and conformity assessment procedures it has adopted are published on a website and are accessible free of charge.

5. Each Party shall provide information on the adoption and the entry into force of the technical regulation and conformity assessment procedure and the adopted final text.

6. Each Party shall allow a reasonable interval between the publication of technical regulations and their entry into force in order to allow economic operators of the other Party to adapt. The term "reasonable interval" shall be understood to mean a period of not less than 6 months, except in cases where this would be an ineffective means for the fulfilment of the legitimate objectives pursued.

ARTICLE 60

Marking and labelling

1. Each Party affirms that its technical regulations which deal inter alia or exclusively with marking or labelling, will observe the principles of Article 2.2 of the TBT Agreement.

2. If a Party requires mandatory marking or labelling of products:

(a) it shall only require information that is relevant for consumers or users of the product or to indicate the product's conformity with the mandatory technical requirements;

(b) it shall not require any prior approval, registration or certification of either the labels or the markings of products, nor any fee disbursement, as a precondition for placing products on its market that otherwise comply with its mandatory technical requirements, unless it is necessary in view of the legitimate objectives referred to in Article 2.2 of the TBT Agreement;

(c) if it requires the use of a unique identification number by economic operators, it shall issue such a number to the economic operators of the other Party without undue delay and on a non-discriminatory basis;

(d) provided that the elements listed below are not misleading, contradictory or confusing in relation to the information required in the importing Party of the goods, that Party shall permit:

(i) information in other languages in addition to the language required by the importing Party of the goods;

(ii) internationally accepted nomenclatures, pictograms, symbols or graphics; and

(iii) additional information to that required by the importing Party of the goods;

(e) it shall accept that additional labelling or corrections to labelling take place in customs warehouses or other designated areas in the country of import, unless for reasons of public health and safety such labelling is required by the legislation of the Parties; and

(f) it shall endeavour to accept labels that can be affixed to existing labels or marking or labelling information that is in the accompanying documentation rather than being physically attached to the product.

3. Point (e) of paragraph 2 shall apply until the date of accession of the Republic of Uzbekistan to the WTO.

ARTICLE 61

Cooperation on market surveillance, safety and compliance of non-food products

1. The Parties recognise the importance of cooperation on market surveillance, safety and compliance of non-food products for the facilitation of trade and for the protection of consumers and other users, and of building mutual trust based on shared information.

2. To guarantee independent and impartial functioning of market surveillance, the Parties shall ensure:

(a) the separation of market surveillance functions from conformity assessment functions; and

(b) the absence of any interest that would affect the impartiality of market surveillance authorities in the performance of their control or supervision of economic operators.

3. The Parties may cooperate and exchange information in the area of market surveillance, safety and compliance of non-food products, in particular with respect to the following:

(a) market surveillance, and enforcement activities and measures;

(b) risk assessment methods and product testing;

(c) coordinated product recalls or other similar actions;

(d) scientific, technical and regulatory matters, aiming to improve non-food product safety and compliance;

(e) emerging issues of significant health and safety relevance;

(f) standardisation-related activities; and

(g) exchange of officials.

4. The European Union may provide the Republic of Uzbekistan with selected information from its rapid alert system with respect to consumer products as referred to in Directive 2001/95/EC of the European Parliament and of the Council[1] or its successor legal act, and the Republic of Uzbekistan may provide the European Union with relevant information on the safety of non-food consumer products and on preventive, restrictive and corrective measures taken, with respect to consumer products as referred to in the relevant legislation of the Republic of Uzbekistan. The information exchange may take the form of:

(a) ad-hoc exchanges, in duly justified cases, excluding personal data; or

(b) systematic exchanges, based on an arrangement that may be established by the Cooperation Committee in Annex 5-C.

[1] Directive 2001/95/EC of the European Parliament and of the Council of 3 December 2001 on general product safety (OJ EU L 11, 15.1.2002, p. 4, ELI: http://data.europa.eu/eli/dir/2001/95/oj).

5. The Cooperation Committee may establish, in Annex 5-D, an arrangement on the regular exchange of information, including by electronic means, on measures taken concerning non-compliant non-food products, other than information covered by paragraph 4.

6. The Parties shall use the information obtained pursuant to paragraphs 3, 4 and 5 for the sole purpose of the protection of consumers, health, safety or the environment.

7. Each Party shall treat the information obtained pursuant to paragraphs 3, 4 and 5 as confidential.

8. The arrangements referred to in paragraphs 4 and 5 shall specify the type of information to be exchanged, the modalities for the exchange and the application of rules on confidentiality and personal data protection. The Cooperation Committee shall have the power to adopt decisions in order to determine or amend arrangements set out in Annexes 5-C and 5-D.

9. For the purposes of this Chapter, "market surveillance" means activities conducted and measures taken by public authorities, including those taken in cooperation with economic operators, on the basis of procedures of a Party to enable that Party to monitor or address compliance or the safety of products with the requirements set out in its laws and regulations. For the Republic of Uzbekistan, "economic operator" means manufacturer, authorised representative, importer or seller.

ARTICLE 62

Technical discussions and consultations

1. Each Party may request to discuss with the other party of any draft or proposed technical regulation or conformity assessment procedure of the other Party that the Party considers might significantly adversely affect trade between the Parties. The request shall be made in writing and identify:

(a) the measure in question;

(b) the provisions of this Chapter to which the concerns relate; and

(c) the reasons for the request, including a description of the requesting Party's concerns regarding the measure.

2. A Party shall deliver its request to the TBT Chapter coordinator of the other Party.

3. At the request of either Party, the Parties shall meet to discuss the concerns raised in the request, in person or via video or teleconference, within 60 days of the date of the request and shall endeavour to resolve the matter as expeditiously as possible. If the requesting Party believes that the matter is urgent, it may request that the meeting take place within a shorter time frame. In such cases, the responding Party shall give positive consideration to such a request.

4. A Party may request consultations with the other Party regarding any matter arising under this Chapter by delivering a written request to the TBT Chapter coordinator of the other Party. The Parties shall make every attempt to resolve the matter in a mutually satisfactory manner.

5. This Article is without prejudice to the rights and obligations of the Parties under Chapter 14.

ARTICLE 63

TBT Chapter coordinator

1. Each Party shall nominate a TBT Chapter coordinator and notify the other Party of the contact details of that coordinator and of any changes thereto. The TBT Chapter coordinators shall work jointly to facilitate the implementation of this Chapter and the cooperation between the Parties in all matters related to the TBT Agreement.

2. The functions of each TBT Chapter coordinators shall include:

(a) following the implementation and administration of this Chapter, including any issue related to the development, adoption, application or enforcement of technical regulations, standards and conformity assessment procedures;

(b) communicating with the other Party's TBT Chapter coordinator on initiatives taken by the Parties for enhancing cooperation in the development and improvement of standards, technical regulations and conformity assessment procedures;

(c) arranging the establishment of technical discussions, as appropriate, in accordance with Article 62; and

(d) exchanging information on developments in non-governmental, regional and multilateral fora related to standards, technical regulations and conformity assessment procedures.

3. The TBT Chapter coordinators shall communicate with one another by any agreed method that is appropriate to carry out their functions.

ARTICLE 64

Transition period

With respect to the Republic of Uzbekistan, Articles55(3), Article 55(6), Article 55(7), point (b) of Article 56(1), point (c) of Article 56(1), point (b) of Article 57(3), point (d) of Article 57(3), Article 57(5) and Annex 5-B shall become applicable five years after the date of entry into force of this Agreement.

CHAPTER 6

SANITARY AND PHYTOSANITARY MATTERS

ARTICLE 65

Objectives

The objective of this Chapter is to set out the principles applicable to sanitary and phytosanitary (hereinafter referred to as "SPS") measures, as defined in the WTO SPS Agreement, including animal and plant health and food safety, in trade between the Parties, as well as to cooperation on animal welfare, antimicrobial resistance and sustainable food systems. The principles set out in this Chapter shall be applied by the Parties in a manner that facilitates trade and avoid the creation of unjustified barriers to trade between them, while preserving each Party's level of protection of human, animal or plant life or health.

ARTICLE 66

Principles

1. The Parties shall ensure that SPS measures are developed and applied on the basis of the principles of proportionality, transparency, non-discrimination and scientific justification, and taking into account the international standards (the International Plant Protection Convention, signed in Rome on 6 December 1951 (hereinafter referred to as the "IPPC"), the World Organisation for Animal Health (hereinafter referred to as the "WOAH"), and the Codex Alimentarius Commission (hereinafter referred to as the "Codex Alimentarius").

2. Each Party shall ensure that its SPS measures do not arbitrarily or unjustifiably discriminate between its own territory and the territory of the other Party to the extent that identical or similar conditions prevail. SPS measures shall not be applied in a manner which would constitute a disguised restriction on trade between the Parties.

3. Each Party shall ensure that SPS measures, procedures or controls are implemented properly and that requests for information received from a competent authority of the other Party are addressed without undue delay and in a manner no less favourable to imported products than to like domestic products.

ARTICLE 67

Import requirements and official SPS certificates

1. Each Party's import requirements shall be based on Codex Alimentarius, WOAH and IPPC principles and their relevant standards, unless the import requirements are supported by a science-based risk assessment conducted in accordance with the applicable international rules provided for in the SPS Agreement.

2. The import requirements of the importing Party shall be applicable to the entire territory of the exporting Party, as shall the official SPS certificates that may be required for trading between the Parties agricultural products, including plants and plant products, subject to Article 69.

3. For the purposes of this Chapter, official SPS certificates are defined as documents issued by the exporting party that guarantee that the listed import requirements defined by the law of the importing party regarding the products to which they relate have been met.

ARTICLE 68

Equivalence

1. Upon request of the exporting Party and subject to satisfactory evaluation by the importing Party, the Parties shall recognise equivalence, in accordance with relevant international procedures, with respect to a particular measure or group of measures or systems applied in general or to a sector or a part of a sector.

2. Recognition of equivalence shall be established by the Cooperation Committee and listed in Annex 6.

ARTICLE 69

Measures linked to animal and plant health

1. The Parties shall recognise the concept of pest- or disease-free areas and areas of low pest or disease prevalence in accordance with the SPS Agreement and the relevant Codex Alimentarius, WOAH and IPPC standards, guidelines or recommendations.

2. When determining pest- or disease-free areas and areas of low pest or disease prevalence, the Parties shall consider factors such as geographical location, ecosystems, epidemiological surveillance and the effectiveness of sanitary or phytosanitary controls in such areas.

3. The importing Party shall base the sanitary and phytosanitary measures which it applies to the exporting Party whose territory is affected by a pest or a disease on the zoning decision taken by the exporting Party provided that the importing Party is assured that an appropriate level of protection will be achieved.

ARTICLE 70

Inspections and audits

1. Inspections and audits carried out by the importing Party in the territory of the exporting Party to evaluate the latter's inspection and certification systems shall be performed in accordance with the relevant IPPC, WOAH and Codex Alimentarius standards, guidelines and recommendations. Additional inspections which are part of an inspection and certification systems audit may be directed to specific exporting facilities and manufacturers at any time.

2. If the importing Party is satisfied with the results of the inspections and audits referred to in paragraph 1 and maintains a list of authorised establishments or facilities for the import of animals or animal products, it shall approve establishments situated in the territory of the exporting party without prior inspection, if the exporting Party has requested so, accompanied by the appropriate guarantees as specified by the importing Party.

3. Each Party shall base its acceptance of guarantees on:

(a) the evaluation of the competent authority as well as its capacity to control the exporting establishments;

(b) the written guarantee of the competent authority on the compliance of the exporting party with the minimum requirements of the importing Party.

4. Whenever possible, the importing Party shall notify the other Party of any non-compliant commodity and the reason for the non-compliance and shall provide them with all relevant information on the reasons of non-compliance.

5. The costs of inspections and audits shall be borne by the Party carrying out the inspections and audits, in accordance with its internal procedures.

ARTICLE 71

Import controls and fees

1. If import controls reveal non-compliance with the relevant import requirements, the action taken by the importing Party shall be based on an assessment of the risk involved and not be more trade-restrictive than required to achieve an appropriate level of sanitary or phytosanitary protection in the importing Party.

2. Whenever possible, the importing Party shall notify the importer or its representative of any non-compliant consignment and of the reason for non-compliance, and shall provide them with an opportunity for the decision to be reviewed. The importing Party shall consider any relevant information submitted to assist in the review.

3. A Party may collect fees for conducting border controls. Such fees shall not exceed the amount necessary to recover the costs incurred.

ARTICLE 72

Exchange of information and cooperation

1. The Parties shall discuss and exchange information on existing SPS and animal welfare measures and on the development and implementation of such measures. Such discussions and exchanges of information shall, as appropriate, take into account the SPS Agreement and the standards, guidelines or recommendations of the IPPC, the WOAH and the Codex Alimentarius.

2. The Parties shall cooperate on matters relating to food safety, animal health, animal welfare, plant health and antimicrobial resistance through the exchange of information, expertise and experience with the objective to build up capacity in those fields. Such cooperation may include technical assistance. Particular attention shall be given to the detection and control of animal and plant diseases and improvement of risk analysis systems. The Cooperation Committee may adopt a technical assistance program for this purpose.

3. The Parties shall establish a timely dialogue on SPS issues upon request by either Party to consider matters relating to SPS and other urgent issues covered by this Chapter. The Cooperation Committee may adopt rules for the conduct of such dialogues.

4. The Parties shall designate and regularly update contact points for communication on matters covered by this Chapter.

ARTICLE 73

Transparency

Each Party shall:

(a) pursue transparency as regards SPS measures applicable to trade and, in particular, to the SPS requirements applied to imports of the other Party;

(b) communicate, upon the request of the other Party and without undue delay, the requirements that apply for the importation of specific products, and indicate whether a risk assessment is needed;

(c) notify the contact point of the other Party, by mail, fax or e-mail, without undue delay, of any serious or significant human, animal or plant health risk, including any food emergencies, related to goods traded between the Parties.

CHAPTER 7

INTELLECTUAL PROPERTY

SECTION 1

GENERAL PROVISIONS

ARTICLE 74

Objectives

The objectives of this Chapter are to:

(a) facilitate the production and commercialisation of innovative and creative products and services between the Parties contributing to a more sustainable and inclusive economy for the Parties;

(b) facilitate and govern trade between the Parties as well as reduce distortions and impediments to such trade; and

(c) achieve an adequate and effective level of protection and enforcement of intellectual property rights.

ARTICLE 75

Nature and Scope of Obligations

1. The Parties shall implement the international treaties dealing with intellectual property rights to which they are parties. The TRIPS Agreement contained in Annex 1C to the WTO Agreement is hereby incorporated into and made part of this Agreement, *mutatis mutandis*. This Chapter shall complement and further specify the rights and obligations of each Party under international treaties in the field of intellectual property to which they are party.

2. For the purposes of this Chapter, "intellectual property rights" means all categories of intellectual property that are referred to in of Articles 78 to 120 of this Chapter and Sections 1 to 7 of Part II of the TRIPS Agreement.

3. The protection of intellectual property rights includes protection against unfair competition as referred to in Article 10bis of the Paris Convention for the Protection of Industrial Property of 20 March 1883, as revised at Stockholm on 14 July 1967 (the "Paris Convention").

4. This Chapter does not preclude a Party from applying provisions of its law introducing higher standards for the protection and enforcement of intellectual property rights, provided that they are compatible with this Chapter.

ARTICLE 76

Exhaustion

1. Each Party shall provide for a regime of national or regional exhaustion of intellectual property rights.

2. In the area of copyright and related rights, exhaustion of rights applies only to the distribution to the public by sale or otherwise of the original of works or of other protected subject matter or copies thereof.

ARTICLE 77

National treatment

1. In respect of intellectual property rights covered by this Chapter, each Party shall accord to the nationals of the other Party treatment no less favourable than that it accords to its own nationals with regard to the protection[1] of intellectual property rights, subject to the exceptions already provided for, respectively, in:

(a) the Paris Convention;

[1] For the purposes of this paragraph, "protection" shall include matters affecting the availability, acquisition, scope, maintenance, and enforcement of intellectual property rights as well as matters affecting the use of intellectual property rights specifically addressed in this Chapter. Further, for the purposes of this paragraph, "protection" also includes measures to prevent the circumvention of effective technological measures and measures concerning rights management information.

(b) the Berne Convention for the Protection of Literary and Artistic Works (hereinafter referred to as the "Berne Convention") revised at Paris on 24 July 1971 and amended on 28 September 1979;

(c) the International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations done at Rome on 26 October 1961 (hereinafter referred to as the "Rome Convention"); or

(d) the Treaty on Intellectual Property in Respect of Integrated Circuits adopted at Washington, on 26 May 1989.

In respect of performers, producers of phonograms and broadcasting organisations, the obligation referred to in the first subparagraph only applies in respect of the rights provided for in this Agreement.

2. A Party may avail itself of the exceptions permitted pursuant to paragraph 1 in relation to its judicial and administrative procedures, including requiring a national of the other Party to designate an address for service of process in its territory, or to appoint an agent in its territory, provided that such exceptions are:

(a) necessary to secure compliance with the Party's laws or regulations that are not inconsistent with this Chapter; and

(b) not applied in a manner that would constitute a disguised restriction on trade.

3. Paragraph 1 does not apply to procedures provided for in multilateral agreements concluded under the auspices of the World Intellectual Property Organisation (hereinafter referred to as the "WIPO") relating to the acquisition or maintenance of intellectual property rights.

SECTION 2

STANDARDS CONCERNING INTELLECTUAL PROPERTY RIGHTS

SUB-SECTION 1

COPYRIGHT AND RELATED RIGHTS

ARTICLE 78

International agreements

1. Each Party shall comply with:

(a) the WIPO Copyright Treaty (WCT) adopted in Geneva on 20 December 1996;

(b) the WIPO Performances and Phonograms Treaty (WPPT) adopted in Geneva on 20 December 1996; and

(c) the Marrakesh Treaty to Facilitate Access to Published Works for Persons Who Are Blind, Visually Impaired or Otherwise Print Disabled adopted in Marrakesh on 28 June 2013.

2. Each Party shall make all reasonable efforts to ratify or accede to the Beijing Treaty on Audiovisual Performances adopted in Beijing on 24 June 2012.

ARTICLE 79

Authors

Each Party shall provide that authors have the exclusive right to authorise or prohibit:

(a) direct or indirect, temporary or permanent reproduction by any means and in any form, in whole or in part of their works;

(b) any form of distribution to the public by sale or otherwise of the original of their works or of copies thereof;

(c) any communication to the public of their works, by wire or wireless means, including the making available to the public of their works in such a way that members of the public may access them from a place and at a time individually chosen by them; and

(d) the commercial rental to the public of originals or copies of their works.

ARTICLE 80

Performers

Each Party shall provide that performers have the exclusive right to authorise or prohibit:

(a) the fixation[1] of their performances;

[1] "Fixation" means the embodiment of sounds, or of the representations thereof, or the embodiment of moving images, whether or not accompanied by sounds or by the representations thereof, from which they can be perceived, reproduced or communicated through a device.

(b) the direct or indirect, temporary or permanent reproduction by any means and in any form, in whole or in part of fixations of their performances;

(c) the distribution to the public, by sale or otherwise, of the fixations of their performances;

(d) the making available to the public of fixations of their performances, by wire or wireless means, in such a way that members of the public may access them from a place and at a time individually chosen by them;

(e) the broadcasting by wireless means and the communication to the public of their performances, except where the performance is itself already a broadcast performance or is made from a fixation; and

(f) the commercial rental to the public of the fixation of their performances.

ARTICLE 81

Producers of phonograms

Each Party shall provide that phonogram producers have the exclusive right to authorise or prohibit:

(a) the direct or indirect, temporary or permanent, reproduction by any means and in any form, in whole or in part of their phonograms;

(b) the distribution to the public, by sale or otherwise, of their phonograms, including copies thereof;

(c) the making available to the public of their phonograms, by wire or wireless means, in such a way that members of the public may access them from a place and at a time individually chosen by them; and

(d) the commercial rental of their phonograms to the public.

ARTICLE 82

Broadcasting organisations

Each Party shall provide that broadcasting organisations have the exclusive right to authorise or prohibit:

(a) the fixation of their broadcasts, whether those broadcasts are transmitted by wire or over the air, including by cable or satellite;

(b) the direct or indirect, temporary or permanent reproduction by any means and in any form, in whole or in part, of fixations of their broadcasts, whether those broadcasts are transmitted by wire or over the air, including by cable or satellite;

(c) the making available to the public, by wire or wireless means, of fixations of their broadcasts, whether those broadcasts are transmitted by wire or over the air, including by cable or satellite, in such a way that members of the public may access them from a place and at a time individually chosen by them;

(d) the distribution to the public, by sale or otherwise, of fixations, including copies thereof, of their broadcasts, whether those broadcasts are transmitted by wire or over the air, including by cable or satellite; and

(e) the rebroadcasting of their broadcasts by wireless means, as well as the communication to the public of their broadcasts if such communication is made in places accessible to the public against payment of an entrance fee.

ARTICLE 83

Broadcasting and communication to the public of phonograms published for commercial purposes

1. Each Party shall provide that the performers, and the producers of phonograms, have a right to a single equitable remuneration to be paid by the user, if a phonogram published for commercial purposes or a reproduction of such a phonogram, is used for broadcasting or communication to the public.

2. Each Party shall ensure that the single equitable remuneration referred to in paragraph 1 is shared between the relevant performers and phonogram producers. Each Party may, in the absence of an agreement between performers and producers of phonograms, set the terms in accordance with which performers and producers of phonograms shall share the single equitable remuneration.

ARTICLE 84

Term of protection

1. With respect to the Republic of Uzbekistan, this Article shall become applicable three years after the date of entry into force of this Agreement.

2. The rights of an author of a work shall run for the life of the author and for 70 years after his or her death, irrespective of the date when the work is lawfully made available to the public.

3. The term of protection of a musical composition with words shall expire 70 years after the death of the last of the following persons to survive, whether or not those persons are designated as co-authors: the author of the lyrics and the composer of the musical composition, provided that both contributions were specifically created for that musical composition with words.

4. In the case of a work of joint authorship, the term referred to in paragraph 1 shall be calculated from the death of the last surviving author.

5. In the case of anonymous or pseudonymous works, the term of protection shall run for 70 years after the work is lawfully made available to the public. However, when the pseudonym adopted by the author leaves no doubt as to his or her identity, or if the author discloses his or her identity during the period referred to in the first sentence, the term of protection applicable shall be that laid down in paragraph 1.

6. The term of protection of cinematographic or audiovisual works shall expire 70 years after the death of the last of the following persons to survive, whether or not those persons are designated as co-authors:

(a) the principal director;

(b) the author of the screenplay;

(c) the author of the dialogue; and

(d) the composer of music specifically created for use in the cinematographic or audiovisual work.

7. The rights of broadcasting organisations shall expire 50 years after the first transmission of a broadcast, whether that broadcast is transmitted by wire or over the air, including by cable or satellite.

8. The rights of performers shall expire not less than 50 years after the date of the fixation of the performance.

9. The rights of producers of phonograms shall expire not less than 50 years after the fixation is made, or, if the phonogram has been lawfully published during this time, 70 years from such publication. In the absence of a lawful publication, if the phonogram has been lawfully communicated to the public during this time, the term of protection shall be 70 years from such act of communication. Each Party may provide for effective measures in order to ensure that the profit generated during the 20 years of protection beyond 50 years is shared fairly between the performers and the producers of phonograms.

10. The terms laid down in this Article shall be calculated from 1 January of the year following the event.

11. Each Party may provide for longer terms of protection than those provided for in this Article.

ARTICLE 85

Resale right

1. Each Party shall provide, for the benefit of the author of an original work of graphic or plastic art, a resale right, to be defined as an inalienable right, which cannot be waived, even in advance, to receive a royalty based on the sale price obtained for any resale of the work, subsequent to the first transfer of the work by the author.

2. The right referred to in paragraph 1 shall apply to all acts of resale involving art market professionals as sellers, buyers or intermediaries, such as salesrooms, art galleries and, in general, any dealers in works of art.

3. Each Party may provide that the right referred to in paragraph 1 shall not apply to acts of resale where the seller has acquired the work directly from the author less than three years before that resale and where the resale price does not exceed a certain minimum amount.

4. The procedure for collection of the remuneration and their amounts shall be determined by the law of each Party.

ARTICLE 86

Collective management of rights

1. The Parties shall promote cooperation between their respective collective management organisations for the purpose of fostering the availability of works and other protected subject matter in the territories of the Parties and the transfer of rights revenue between the respective collective management organisations for the use of such works or other protected subject matter.

2. The Parties shall promote transparency of collective management organisations, in particular regarding rights revenue they collect, deductions they apply to rights revenue they collect, the use of the rights revenue collected, the distribution policy and their repertoire.

3. Each Party shall encourage collective management organisations established in its territory and representing another collective management organisation established in the territory of the other Party by way of a representation agreement, to accurately, regularly and diligently pay amounts owed to the represented collective management organisations as well as provide the represented collective management organisation with information on the amount of rights revenue collected on its behalf and any deductions made to that rights revenue.

ARTICLE 87

Exceptions and limitations

Each Party shall confine limitations or exceptions to the rights set out in Articles 79 to 82 to certain special cases which do not conflict with a normal exploitation of the work or other subject-matter and do not unreasonably prejudice the legitimate interests of the right holders.

ARTICLE 88

Protection of technological measures

1. With respect to the Republic of Uzbekistan, this Article shall become applicable three years after the date of entry into force of this Agreement.

2. Each Party shall provide adequate legal protection against the circumvention of any effective technological measures which the person concerned carries out in the knowledge, or with reasonable grounds to know, that he or she is pursuing that objective.

3. Each Party shall provide adequate legal protection against the manufacture, import, distribution, sale, rental, advertisement for sale or rental, or possession for commercial purposes of devices, products or components or the provision of services which:

(a) are promoted, advertised or marketed for the purpose of circumventing any effective technological measure;

(b) have only a limited commercially significant purpose or use other than to circumvent any effective technological measure; or

(c) are primarily designed, produced, adapted or performed for the purpose of enabling or facilitating the circumvention of any effective technological measure.

4. For the purposes of this Sub-Section, "technological measures" means any technology, device or component that, in the normal course of its operation, is designed to prevent or restrict acts, in respect of works or other subject-matter, which are not authorised by the right-holder of any copyright or related right as provided for by national legislation. Technological measures shall be deemed "effective" where the use of a protected work or other subject matter is controlled by the right-holders through application of an access control or protection process, such as encryption, scrambling or other transformation of the work or other subject-matter or a copy control mechanism, which achieves the protection objective.

5. Notwithstanding the legal protection provided for in paragraph 1, in the absence of voluntary measures taken by the right-holders, each Party may take appropriate measures to ensure that the adequate legal protection against the circumvention of effective technological measures provided for in accordance with this Article does not prevent beneficiaries of exceptions or limitations provided for in accordance with Article 87 from enjoying such exceptions or limitations.

ARTICLE 89

Obligations concerning rights management information

1. With respect to the Republic of Uzbekistan, this Article shall become applicable three years after the date of entry into force of this Agreement.

2. Each Party shall provide adequate legal protection against any person knowingly performing without authority any of the following acts if such person knows, or has reasonable grounds to know, that by so doing he or she is inducing, enabling, facilitating or concealing an infringement of a copyright or any related rights provided for in national legislation:

(a) the removal or alteration of any electronic rights-management information; and

(b) the distribution, importation for distribution, broadcasting, communication or making available to the public of works or other subject-matter protected under this Sub-Section from which electronic rights-management information has been removed or altered without authority.

3. For the purposes of this Article, "rights-management information" means any information provided by right holders which identifies the work or other subject-matter referred to in this Article, the author or any other right holder, or information about the terms and conditions of use of the work or other subject-matter, and any numbers or codes that represent such information.

4. Paragraph 2 shall apply when any of those items of information is associated with a copy of, or appears in connection with the communication to the public of, a work or other subject-matter referred to in this Article.

SUB-SECTION 2

TRADEMARKS

ARTICLE 90

International agreements

1. Each Party shall:

(a) comply with the Protocol relating to the Madrid Agreement concerning the International Registration of Marks adopted at Madrid on 27 June 1989, as amended on 3 October 2006 and on 12 November 2007;

(b) maintain a trademark classification system that is consistent with the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as amended on 28 September 1979; and

(c) make all reasonable efforts to accede to the Singapore Treaty on the Law of Trademarks, done at Singapore on 27 March 2006.

ARTICLE 91

Signs of which a trademark may consist

A trademark may consist of any signs, in particular words, including personal names, or designs, letters, numerals, colours, the shape of goods or of the packaging of goods, or sounds, provided that such signs are capable of:

(a) distinguishing the goods or services of one undertaking from those of other undertakings; and

(b) being represented on the respective trademark register of each Party, in a manner which enables the competent authorities and the public to determine the clear and precise subject matter of the protection afforded to its proprietor.

ARTICLE 92

Rights conferred by a trademark

1. The registered trademark shall confer on the owner exclusive rights therein. The owner shall be entitled to prevent all third parties not having the consent of the proprietor from using in the course of trade any sign:

(a) which is identical with the registered trademark in relation to goods or services which are identical with those for which the trademark is registered;

(b) where, because of its identity with, or similarity to, the registered trademark and the identity or similarity of the goods or services covered by that trademark and the sign, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association between the sign and the registered trademark.

2. The Parties shall initiate a dialogue with a view to the Republic of Uzbekistan establishing the legal measures, in line with Union law, ensuring that the owner of a registered trademark is entitled to prevent all third parties from bringing goods, in the course of trade, into the Party where the trademark is registered without being released for free circulation there.

ARTICLE 93

Registration procedure

1. Each Party shall provide for a system for the registration of trademarks in which each final negative decision, including partial refusal, taken by the relevant trademark administration, shall be communicated in writing to the relevant party, duly reasoned and subject to appeal.

2. Each Party shall provide for the possibility for third parties to oppose trademark applications or, where appropriate, trademark registrations. Such opposition proceedings shall be adversarial.

3. Each Party shall provide a publicly available electronic database of trademark applications and trademark registrations.

ARTICLE 94

Well-known trademarks

For the purpose of giving effect to protection of well-known trademarks, as referred to in Article 6bis of the Paris Convention and Article 16(2) and (3) of the TRIPS Agreement, each Party shall apply the Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks adopted by the assembly of the Paris Union for the Protection of Industrial Property and the General Assembly of the WIPO at the Thirty-Fourth Series of Meetings of the Assemblies of the Member States of WIPO from 20 to 29 September 1999.

ARTICLE 95

Exceptions to the rights conferred by a trademark

1. Each Party shall provide for limited exceptions to the rights conferred by a trademark such as the fair use of descriptive terms, including geographical indications, and may provide for other limited exceptions, provided such exceptions take account of the legitimate interests of the proprietor of the trademark and of third parties.

2. A trademark shall not entitle the owner to prohibit a third party from using, in the course of trade, the following, provided that he or she uses them in accordance with honest practices in industrial or commercial matters:

(a) the name or address of the third party, where that third party is a natural person;

(b) signs or indications concerning the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of the service, or other characteristics of goods or services; and

(c) the trademark where it is necessary to indicate the intended purpose of a good or service, in particular as accessories or spare parts.

3. The trademark shall not entitle the owner to prohibit a third party from using, in the course of trade, an earlier right which only applies in a particular locality if that right is recognised by the laws of the Party in question and within the limits of the territory in which it is recognised.

ARTICLE 96

Grounds for revocation

1. Each Party shall provide that a trademark shall be liable to revocation if, within a continuous period of at least three years, it has not been put to genuine use in the relevant territory in connection with the goods or services in respect of which it is registered, and there are no proper reasons for non-use.

2. No person may claim that the proprietor's rights in a trademark should be revoked where, during the interval between the expiry of a period of at least three-years and filing of the application for revocation, genuine use of the trademark has been started or resumed.

3. The commencement or resumption of use within a period of three months preceding the filing of the application for revocation which began at the earliest on expiry of the continuous period of minimum three years of non-use, shall, however, be disregarded where preparations for the commencement or resumption occur only after the proprietor becomes aware that the application for revocation may be filed.

4. A trademark shall also be liable to revocation if, after the date on which it was registered:

(a) as a consequence of acts or inactivity of the proprietor, it has become the common name in the trade for a good or service in respect of which it is registered;

(b) as a consequence of the use made of it by the proprietor of the trademark or with the consent of the proprietor in respect of the goods or services for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of those goods or services.

ARTICLE 97

Bad-faith applications

A trademark shall be liable to be declared invalid where the application for registration of the trademark was made in bad faith by the applicant. Each Party may also provide that such a trademark shall not be registered.

SUB-SECTION 3

DESIGNS

ARTICLE 98

International agreements

The European Union shall comply with its commitments under the Geneva Act of the Hague Agreement Concerning the International Registration of Industrial Designs adopted on 2 July 1999 and the Republic of Uzbekistan shall make all reasonable efforts to ratify or accede to the Geneva Act.

ARTICLE 99

Protection of registered designs

1. Each Party shall provide for the protection of independently created designs that are new and original. Such protection shall be provided by registration and shall confer exclusive rights upon their holders in accordance with this Sub-Section. For the purposes of this Article, a Party may consider that a design having individual character is original.

2. The holder of a registered design shall have the right to prevent third parties not having the consent of the holder of a registered design at least from making, offering for sale, selling, importing, stocking the product bearing and embodying the protected design or using articles bearing or embodying the protected design in cases where such acts are undertaken for commercial purposes.

3. A design applied to or incorporated in a product which constitutes a component part of a complex product shall only be considered to be new and original:

(a) if the component part, once it has been incorporated into the complex product, remains visible during normal use of the latter; and

(b) to the extent that those visible features of the component part fulfil in themselves the requirements as to novelty and originality.

4. For the purposes of point (a) of paragraph 3, "normal use" means use by the end user, excluding maintenance, servicing or repair work.

ARTICLE 100

Duration of Protection

Each Party shall ensure that a design shall be protected for a period of at least five years as from the date of the filing of the application and that the right-holder has the right to renew the term of protection for one or more five-year periods, up to a total term of at least 15 years from the date of filing.

ARTICLE 101

Exceptions and exclusions

1. Each Party may provide limited exceptions to the protection of designs provided that such exceptions do not unreasonably conflict with the normal exploitation of protected designs and do not unreasonably prejudice the legitimate interests of the holder of the protected design, taking account of the legitimate interests of third parties.

2. Design protection shall not extend to designs solely dictated by its technical or functional considerations. A design shall not subsist in features of appearance of a product which must necessarily be reproduced in their exact form and dimensions in order to permit the product in which the design is incorporated or to which it is applied to be mechanically connected to or placed in, around or against another product so that either product can perform its function.

3. A design right shall not subsist in a design which is contrary to public policy or to accepted principles of morality.

4. By way of derogation from paragraph 2 of this Article, a design shall, under the conditions set out in Article 99 (1), subsist in a design which has the purpose of allowing the multiple assembly or connection of mutually interchangeable products within a modular system.

ARTICLE 102

Relationship to Copyright

Each Party shall ensure that a design is eligible for protection under its copyright law as from the date on which the design was created or fixed in any form. The extent to which, and the conditions under which, such a protection is conferred, including the level of originality required, shall be determined by each Party.

SUB-SECTION 4

GEOGRAPHICAL INDICATIONS

ARTICLE 103

Scope

1. For the purposes of this Sub-Section, "Geographical indication" means a geographical indication as defined in Article 22(1) of the TRIPS Agreement and shall be understood as also including "appellations of origin".

2. This Sub-Section applies to the recognition and protection of geographical indications originating in the territories of the Parties.

3. Geographical indications of a Party which are to be protected by the other Party shall only be subject to this Sub-Section if they are covered by the scope of the legislation referred to in Article 104.

ARTICLE 104

Established Geographical Indications

1. By five years after the date of entry into force of this Agreement, the legislation of the Republic of Uzbekistan listed in Section A of Annex 7-A shall contain the elements for the registration and control of geographical indications set out in Section B of Annex 7-A.

2. Having examined the legislation of the European Union listed in Section A of Annex 7-A, the Republic of Uzbekistan concludes that that legislation contains the elements for the registration and control of geographical indications set out in Section B of Annex 7-A.

3. Following the completion of an opposition procedure in accordance with the criteria set out in Annex 7-B and an examination of the geographical indications for products of the European Union to be protected in the Republic of Uzbekistan listed in Section A of the Annex 7-C, which have been registered by the European Union under the legislation referred to in paragraph 2, the Republic of Uzbekistan shall protect those geographical indications according to the level of protection laid down in this Sub-Section.

4. Paragraph 3 shall become applicable five years after the date of entry into force of this Agreement. During that transitional period of five years, the Republic of Uzbekistan shall put in place all complementary actions and shall protect the geographical indications for products of the European Union listed in Section A of the Annex 7-C at the level provided by its national legislation. During the transition period the level of protection provided shall not be decreased.

5. Following the completion of an opposition procedure in accordance with the criteria set out in Annex 7-B and an examination of the geographical indications for products of the Republic of Uzbekistan listed in Section B of the Annex 7-C, which have been registered by the Republic of Uzbekistan under the legislation referred to in paragraph 1, the European Union shall protect those geographical indications according to the level of protection laid down in this Sub-Section.

ARTICLE 105

Addition of new geographical indications

The Parties may amend the list of geographical indications to be protected in Annex 7-C in accordance with Article 136. New geographical indications shall be added following the completion of the opposition procedure and their examination as referred to in Article 104 (3) or (4).

ARTICLE 106

Scope of protection of geographical indications

1. The geographical indications listed in Annex 7-C as well as the geographical indications added in accordance with Article 105 shall be protected against:

(a) any direct or indirect commercial use of a protected name, including in cases where the product is used as an ingredient:

(i) for comparable products not compliant with the product specification of the protected name; or

(ii) in so far as such use exploits the reputation of a geographical indication;

(b) any misuse, imitation or evocation, even if the true origin of the product is indicated or if the protected name is translated, transcribed, transliterated or accompanied by an expression such as "style", "type", "method", "as produced in", "imitation", "flavour", "like" or similar, including in cases where those products are used as an ingredient;

(c) any other false or misleading indication as to the origin, nature or essential qualities of the product, on the inner or outer packaging, advertising material or documents relating to the product concerned, and the packing of the product in a container liable to convey a false impression as to its origin, including in cases where those products are used as an ingredient; and

(d) any other practice liable to mislead the consumer as to the true origin of the product.

2. Geographical indications listed in Annex 7-C shall not become generic in the territories of the Parties.

3. Nothing in this Agreement shall oblige a Party to protect a geographical indication of the other Party, which is not, or ceases to be, protected in the territory of origin. Each Party shall notify the other Party if a geographical indication ceases to be protected in the territory of that Party of origin. Such notification shall take place in accordance with Article 136.

4. Nothing in this Agreement shall prejudice the right of any person to use, in the course of trade, the name of that person or the name of the predecessor of that person in business, except where such name is used in such a manner as to mislead the public.

ARTICLE 107

Right of use of geographical indications

1. A name protected under this Agreement may be used by any operator marketing a product which conforms to the corresponding specification.

2. Once a geographical indication is protected under this Agreement, the use of such protected name shall not be subject to any registration of users or further charges.

ARTICLE 108

Relationship to trademarks

1. The Parties shall, where a geographical indication is protected under this Agreement, refuse to register a trademark the use of which would be contrary to Article 106(1), provided an application to register the trademark is submitted after the date of submission of the application for protection of the geographical indication in the territory of the Party concerned.

2. Trademarks registered in breach of paragraph 1 shall be invalidated.

3. For geographical indications referred to in Article 104, the date of submission of the application for protection referred to in paragraph 1 of this Article shall be the date of the transmission of a request to the other Party to protect a geographical indication.

4. For geographical indications referred to in Article 105, the date of submission of the application for protection referred to in paragraph 1 of this Article shall be the date of the transmission of a request to the other Party to protect a geographical indication.

5. Without prejudice to paragraph 7 of this Article, each Party shall protect geographical indications also where a prior trademark exists. A "prior trademark" means a trademark the use of which is contrary to Article 106(1) and which has been applied for, registered or established by use, if that possibility is provided for by the legislation concerned, in good faith in the territory of one Party before the date on which the application for protection of the geographical indication is submitted by the other Party under this Agreement.

6. A prior trademark may continue to be used and renewed notwithstanding the protection of the geographical indication, provided that no grounds for the invalidity or revocation of the trademark exist in the Party's legislation on trademarks. In such cases, the use of the protected geographical indication as well as the use of the relevant trademarks shall be permitted.

7. A Party shall not be required to protect a name as a geographical indication under this Agreement if, in light of a trademark's reputation and renown and the length of time it has been used, that name is liable to mislead the consumer as to the true identity of the product.

ARTICLE 109

Enforcement of geographical indication rights

The Parties shall enforce the protection provided for in Articles 104 to 108 by appropriate administrative and judicial measures including at the customs control by their public authorities to prevent or stop the unlawful use of a protected designation of origin and a protected geographical indication. They shall also enforce such rights at the request of an interested party.

ARTICLE 110

General rules

1. This Agreement shall apply without prejudice to the rights and obligations of each Party that it may have under the WTO Agreement.

2. A Party shall not be required to protect a name as a geographical indication under this Agreement if that name conflicts with the name of a plant variety or an animal breed and as a result is likely to mislead the consumer as to the true origin of the product.

3. A homonymous name which misleads consumers into believing that a product comes from another territory shall not be protected even if the name is accurate as far as the actual territory, region or place of origin of the product in question is concerned. Without prejudice to Article 23 of the TRIPS Agreement, the Parties shall mutually decide on the practical conditions of use under which wholly or partially homonymous geographical indications will be differentiated from each other, taking into account the need to ensure equitable treatment of the producers concerned and that consumers are not misled.

4. When a Party, in the context of negotiations with a third party, proposes to protect a geographical indication of that third party which is wholly or partially homonymous with a geographical indication of the other Party protected under this Agreement, it shall inform the other Party thereof and give it an opportunity to comment before the geographical indication of the third party becomes protected.

5. Any matter arising from product specifications of protected geographical indications shall be dealt with in the Intellectual Property Rights Sub-Committee established by Article 136.

6. The protection of geographical indications protected under this Agreement may only be cancelled by the Party in which the product originates.

7. A product specification referred to in this Agreement shall be that which is approved, including any amendments also approved, by the authorities of the Party in the territory from which the product originates.

ARTICLE 111

Technical Assistance

For the purposes of facilitating the implementation of this Sub-section in the Republic of Uzbekistan, the European Union shall provide to the Republic of Uzbekistan, subject to its request and according to its needs, adequate technical assistance in accordance with European Union law.

SUB-SECTION 5

PATENTS

ARTICLE 112

International agreements

Each Party shall ensure that the procedures provided under the Patent Cooperation Treaty, done at Washington on 19 June 1970, are available in its territory.

ARTICLE 113

Patents and public health

1. The Parties recognise the importance of the Declaration on the TRIPS Agreement and Public Health, adopted in Doha on 14 November 2001 by the Ministerial Conference of the WTO (the "Doha Declaration"). In interpreting and implementing the rights and obligations under this Sub-Section, each Party shall ensure consistency with the Doha Declaration.

2. Each Party shall implement Article 31bis of the TRIPS Agreement, the Annex to the TRIPS Agreement and the Appendix to the Annex to the TRIPS Agreement, which entered into force on 23 January 2017.

ARTICLE 114

Extension of the period of protection conferred by a patent on medicinal products and plant protection products

1. The Parties recognise that medicinal products and plant protection products protected by a patent in their respective territory may be subject to an administrative authorisation procedure before being put on their market. The Parties recognise that the period that elapses between the filing of the application for a patent and the first authorisation to place the product on their respective market, as defined for that purpose by their respective law, may shorten the period of effective protection under the patent.

2. Each Party shall provide for a further period of protection for a medicinal product or plant protection product which is protected by a patent and which has been subject to an administrative authorisation procedure for a period being equal to the period referred to in the second sentence of paragraph 1. The further period may be reduced by a period of up to five years.

3. The duration of the further period of protection shall not exceed five years[1].

SUB-SECTION 6

PROTECTION OF UNDISCLOSED INFORMATION

ARTICLE 115

Scope of protection of trade secrets

1. In fulfilling its obligation to comply with the TRIPS Agreement, and in particular Article 39(1) and (2) of the TRIPS Agreement, each Party shall provide for appropriate civil judicial procedures and remedies for any trade secret holder to prevent, and obtain redress for, the acquisition, use or disclosure of a trade secret whenever carried out in a manner contrary to honest commercial practices.

[1] In the case of medicinal products for which paediatric studies have been carried out, and the results of those studies are reflected in the product information, a possible further period of protection may be provided to the period of protection referred to in paragraph 2.

2. For the purposes of this Sub-Section, the following definitions apply:

(a) "trade secret" means information that:

(i) is secret in the sense that it is not, as a body or in the precise configuration and assembly of its components, generally known among or readily generally accessible to persons within the circles that normally deal with the kind of information in question;

(ii) has commercial value because it is secret; and

(iii) has been subject to reasonable steps under the circumstances, by the person lawfully in control of the information, to keep it secret;

(b) "trade secret holder" means any natural or legal person lawfully controlling a trade secret.

3. For the purposes of this Sub-Section, at least the following conduct shall be considered contrary to honest commercial practices:

(a) the acquisition of a trade secret without the consent of the trade secret holder, whenever carried out by unauthorised access to, appropriation or copying of any documents, objects, materials, substances or electronic files, lawfully under the control of the trade secret holder, containing the trade secret or from which the trade secret can be deduced;

(b) the use or disclosure of a trade secret whenever carried out, without the consent of the trade secret holder, by a person who is found to meet any of the following conditions:

(i) having acquired the trade secret in a manner referred to in point (a);

(ii) being in breach of a confidentiality agreement or any other duty not to disclose the trade secret; or

(iii) being in breach of a contractual or any other duty to limit the use of the trade secret; and

(c) the acquisition, use or disclosure of a trade secret whenever carried out by a person who, at the time of the acquisition, use or disclosure, knew or ought, under the circumstances, to have known that the trade secret had been obtained directly or indirectly from another person who was using or disclosing the trade secret unlawfully within the meaning of point (b).

4. Nothing in this Sub-Section shall be understood as requiring any Party to consider any of the following conduct as contrary to honest commercial practices:

(a) the independent discovery or creation;

(b) the reverse engineering of a product by a person who is lawfully in possession of it and who is free from any legally valid duty to limit the acquisition of the relevant information;

(c) the acquisition, use or disclosure of information required or allowed by the law of a Party; and

(d) the use by employees of their experience and skills honestly acquired in the normal course of their employment.

5. Nothing in this subsection shall be understood as restricting freedom of expression and information, including media freedom as protected in accordance with the laws and regulations of a Party.

ARTICLE 116

Civil judicial procedures and remedies for trade secret holders

1. Each Party shall ensure that any person participating civil judicial proceedings referred to in Article 115 or who has access to documents which form part of those legal proceedings, is not permitted to use or disclose any trade secret or alleged trade secret which the competent judicial authorities have, in response to a duly reasoned application by an interested party, identified as confidential and of which they have become aware as a result of such participation or access.

2. In civil judicial proceedings as referred to in Article 115, each Party shall provide that its judicial authorities have the authority at least to:

(a) order provisional measures in accordance with its respective laws and regulations to prevent the acquisition, use or disclosure of the trade secret in a manner contrary to honest commercial practices;

(b) order injunctive relief to prevent the acquisition, use or disclosure of the trade secret in a manner contrary to honest commercial practices;

(c) order, in accordance with its respective laws and regulations, any person that knew or ought to have known that a trade secret was acquired, used or disclosed in a manner contrary to honest commercial practices to pay the trade secret holder damages appropriate to the actual prejudice suffered as a result of such acquisition, use or disclosure of the trade secret;

(d) take specific measures to preserve the confidentiality of any trade secret or alleged trade secret produced in civil proceedings relating to the alleged acquisition, use and disclosure of a trade secret in a manner contrary to honest commercial practices. Such specific measures may include, in accordance with the law of the Party, the possibility of:

(i) restricting access to certain documents in whole or in part;

(ii) restricting access to hearings and their corresponding records or transcript; and

(iii) making available a non-confidential version of judicial decision in which the passages containing trade secrets have been removed or redacted; and

(e) impose sanctions on any person participating in the legal proceedings who fails or refuses to comply with the court orders concerning the protection of the trade secret or alleged trade secret.

3. Neither Party shall be required to provide for the civil judicial procedures and remedies referred to in Article 115 where the conduct contrary to honest commercial practices is carried out, in accordance with the relevant law of a Party, to reveal misconduct, wrongdoing or illegal activity or for the purpose of protecting a legitimate interest recognised by its law.

ARTICLE 117

Protection of data submitted to obtain an authorisation
to place a medicinal product on the market

1. Each Party shall protect commercially confidential information submitted to obtain an authorisation to place a medicinal product on the market ("marketing authorisation") against disclosure to third parties, unless steps are taken to ensure that the data are protected against unfair commercial use or except where the disclosure is necessary for an overriding public interest.

2. Each Party shall ensure that, for a period of at least 6 years from the date of a first marketing authorisation in the Party concerned, the authority responsible for the granting of a marketing authorisation does not accept any subsequent application for a marketing authorisation that refers to the results of pre-clinical tests or clinical trials submitted in the application for the first marketing authorisation without the explicit consent of the holder of the first marketing authorisation, unless international agreements to which both the European Union and the Republic of Uzbekistan are parties provide otherwise. This rule shall apply regardless of whether or not the information referred to in paragraph 1 or 2 has been made available to the public.

3. This Article is without prejudice to additional periods of protection which each Party may provide in its law.

4. With respect to the Republic of Uzbekistan, this Article shall become applicable two years after the entry into force of this Agreement.

ARTICLE 118

Protection of data submitted to obtain marketing authorisation
for plant protection products

1. Each Party shall recognise a temporary right of the owner of a test report or of a study report submitted for the first time to obtain a marketing authorisation for a plant protection product. During such period, the test or study report shall not be used for the benefit of any other person aiming to obtain a marketing authorisation for plant protection product, unless the explicit consent of the first owner has been proved. This right is referred to in this Article as data protection.

2. The test or study report submitted for marketing authorisation of a plant protection product should fulfil the following conditions:

(a) be necessary for the authorisation or an amendment of an authorisation in order to allow the use on other crops; and

(b) be certified as compliant with the principles of good laboratory practice or good experimental practice.

3. The period of data protection shall be at least 10 years from the first authorisation granted by the relevant authority in the territory of that Party. For low-risk plant protection products the period can be extended to 13 years.

4. The period of data protection shall be extended by 3 months for each extension of authorisation for minor uses if the applications for such authorisations are made by the authorisation holder at the latest 5 years after the date of the first authorisation. The total period of data protection may in no case exceed 13 years. For low-risk plant protection products the total period of data protection may in no case exceed 15 years.

5. A test or study report shall also be protected if it was necessary for the renewal or review of an authorisation. In those cases, the period of data protection shall be 30 months.

6. Notwithstanding paragraphs 3, 4 and 5, the public body responsible for the granting of a marketing authorisation shall not take into account the information referred to in paragraphs 1 and 2 for any successive marketing authorisation, regardless of whether or not it has been made available to the public.

7. Each Party shall lay down measures obliging the applicant and holders of previous authorisations established in the Parties' respective territories, to share proprietary information, so as to avoid duplicative testing on vertebrate animals.

8. With respect to the Republic of Uzbekistan, this Article shall become applicable two years after the entry into force of this Agreement.

SUB-SECTION 7

PLANT VARIETIES

ARTICLE 119

General provisions

Each Party shall protect plant variety rights in accordance with the International Convention for the Protection of New Varieties of Plants adopted by the Diplomatic Conference on December 2, 1961 ("UPOV Convention") as last revised in Geneva on 19 March 1991, including the optional exceptions to the breeder's right as referred to in Article 15(2) of the UPOV Convention. The Parties shall co-operate to promote and enforce those rights.

SECTION 3

ENFORCEMENT OF INTELLECTUAL PROPERTY RIGHTS

SUB-SECTION 1

CIVIL AND ADMINISTRATIVE ENFORCEMENT

ARTICLE 120

General obligations

1. Each Party reaffirms its commitment to comply with Part III of the TRIPS Agreement and shall provide for the measures, procedures and remedies necessary to ensure the enforcement of intellectual property rights.

For the purposes of this Section, the term "intellectual property rights" shall not include rights covered by Sub-Section 6 of Section 2.

2. The measures, procedures and remedies referred to in paragraph 1 shall:

(a) be fair and equitable;

(b) not be unnecessarily complicated or costly or entail unreasonable time-limits or unwarranted delays;

(c) be effective, proportionate and dissuasive; and

(d) be applied in such a manner as to avoid the creation of barriers to legitimate trade and to provide for safeguards against their abuse.

ARTICLE 121

Persons entitled to apply for the application of measures, procedures and remedies

Each Party shall recognise as persons entitled to seek application of the measures, procedures and remedies referred to in this Sub-section and in Part III of the TRIPS Agreement:

(a) the holders of intellectual property rights in accordance with the applicable law;

(b) all other persons authorised to use intellectual property rights, in particular licensees, in so far as permitted by and in accordance with the applicable law;

(c) intellectual property collective rights management bodies which are regularly recognised as having a right to represent holders of intellectual property rights, in so far as permitted by and in accordance with the applicable law;

(d) professional defence bodies which are regularly recognised as having a right to represent holders of intellectual property rights, in so far as permitted by and in accordance with the applicable law.

ARTICLE 122

Evidence

1. Each Party shall ensure that, even before the commencement of proceedings on the merits of the case, the competent judicial authorities may, on application by a party who has presented reasonably available evidence to support the claims of that party that his or her intellectual property right has been infringed or is about to be infringed, order prompt and effective provisional measures to preserve relevant evidence in respect of the alleged infringement, subject to the protection of confidential information. In ordering interim or provisional measures, the judicial authorities shall take into account the legitimate interests of the alleged infringer.

2. Such measures may include the detailed description, with or without the taking of samples, or the physical seizure of the alleged infringing goods, and, in appropriate cases, the materials and implements used in the production or distribution of those goods and the documents relating thereto.

3. Each Party shall take the measures necessary, in cases of infringement of an intellectual property right committed on a commercial scale, to enable the competent judicial authorities to order, where appropriate, on application by a party, the communication of banking, financial or commercial documents under the control of the opposing party, subject to the protection of confidential information.

ARTICLE 123

Right of information

1. Each Party shall ensure that, during civil proceedings concerning an infringement of an intellectual property right and in response to a justified and proportionate request of the claimant, the competent judicial authorities may order the infringer or any other person which is party to the litigation or a witness therein to provide information on the origin and distribution networks of the goods or services which infringe an intellectual property right.

2. For the purposes of paragraph, 1 "any other person" means a person who was:

(a) found in possession of the infringing goods on a commercial scale;

(b) found to be using the infringing services on a commercial scale;

(c) found to be providing, on a commercial scale, services used in infringing activities; or

(d) indicated by the person referred to in point (a), (b) or (c) of this paragraph as being involved in the production, manufacture or distribution of the goods or the provision of the services.

3. Information referred to in paragraph 1 shall, as appropriate, comprise:

(a) the names and addresses of the producers, manufacturers, distributors, suppliers and other previous holders of the goods or services, as well as the intended wholesalers and retailers; and

(b) information on the quantities produced, manufactured, delivered, received or ordered, as well as the price obtained for the goods or services in question.

4. Paragraphs 1 and 2 shall apply without prejudice to the law of a Party which:

(a) grants the right-holder rights to receive fuller information;

(b) governs the use in civil proceedings of the information communicated pursuant to this Article;

(c) governs responsibility for misuse of the right to information;

(d) affords an opportunity for refusing to provide information which would force the person referred to in paragraph 1 to admit his or her own participation or that of his or her close relatives in an infringement of an intellectual property right; or

(e) governs the protection of confidentiality of information sources or the processing of personal data.

ARTICLE 124

Provisional and precautionary measures

1. Each Party shall ensure that its judicial authorities may, at the request of the applicant, issue an interlocutory injunction against the alleged infringer, intended to prevent any imminent infringement of an intellectual property right, or to forbid, on a provisional basis and subject, where appropriate, to a recurring penalty payment where provided for by the law of that Party, the continuation of the alleged infringements of that right, or to make such continuation subject to the lodging of guarantees intended to ensure the compensation of the right holder. An interlocutory injunction may also be issued, under the same conditions, against an intermediary whose services, including internet services, are being used by a third party to infringe an intellectual property right.

2. An interlocutory injunction may also be issued to order the seizure or delivery up of goods suspected of infringing an intellectual property right, so as to prevent their entry into or movement within the channels of commerce.

3. Each Party shall provide that in the case of an alleged infringement committed on a commercial scale, if the applicant demonstrates circumstances likely to endanger the recovery of damages, its judicial authorities may order the precautionary seizure of the movable and immovable property of the alleged infringer, including the blocking of his or her bank accounts and other assets. To that end, the competent authorities may order the communication of bank, financial or commercial documents, or appropriate access to the relevant information.

ARTICLE 125

Remedies

1. Each Party shall ensure that the judicial authorities may order, at the request of the applicant and without prejudice to any damages due to the right holder by reason of the infringement, and without compensation of any sort, the destruction or at least the definitive removal from the channels of commerce, of goods that they have found to infringe an intellectual property right. If appropriate, the judicial authorities may also order the destruction of materials and implements predominantly used in the creation or manufacture of those goods.

2. Each Party's judicial authorities shall have the authority to order that the remedies referred to in paragraph 1 shall be carried out at the expense of the infringer, unless particular reasons are invoked for not doing so.

3. In considering a request for remedies, the need for proportionality between the seriousness of the infringement and the remedies ordered as well as the interests of third parties shall be taken into account.

4. With respect to the Republic of Uzbekistan, paragraph 1 shall become applicable three years after the date of entry into force of this Agreement.

ARTICLE 126

Injunctions

Each Party shall ensure that, where a judicial decision is taken finding an infringement of an intellectual property right, the judicial authorities may issue against the infringer as well as against an intermediary whose services are used by a third party to infringe an intellectual property right an injunction aimed at prohibiting the continuation of the infringement.

ARTICLE 127

Alternative measures

Each Party may provide that the judicial authorities, in appropriate cases and at the request of the person liable to be subject to the measures provided for in Article 125 or Article 126, may order pecuniary compensation to be paid to the injured party instead of applying the measures provided for in those Articles if that person acted unintentionally and without negligence, if execution of the measures in question would cause him disproportionate harm and if pecuniary compensation to the injured party appears reasonably satisfactory.

ARTICLE 128

Damages

1. Each Party shall ensure that the judicial authorities, on application of the injured party, order the infringer who knowingly, or with reasonable grounds to know, engaged in an infringing activity, to pay the right-holder damages appropriate to the actual prejudice suffered by the right-holder as a result of the infringement.

2. Each Party shall ensure that when the judicial authorities set the damages referred to in paragraph 1:

(a) they shall take into account all appropriate aspects, such as the negative economic consequences, including lost profits, which the injured party has suffered, any unfair profits made by the infringer and, in appropriate cases, elements other than economic factors, such as the moral prejudice caused to the right holder by the infringement; or

(b) as an alternative to point (a), they may, in appropriate cases, set the damages as a lump sum on the basis of elements such as at least the amount of royalties or fees which would have been due if the infringer had requested authorisation to use the intellectual property right in question.

3. Where the infringer did not knowingly, or with reasonable grounds to know, engage in infringing activity, the Parties may lay down that the judicial authorities may order in favour of the injured party the recovery of profits or the payment of damages which may be pre-established.

ARTICLE 129

Legal costs

Each Party shall ensure that reasonable and proportionate legal costs and other expenses incurred by the successful party be, as a general rule, borne by the unsuccessful party, unless equity does not allow this.

ARTICLE 130

Publication of judicial decisions

Each Party shall ensure that, in legal proceedings instituted with regard to infringement of an intellectual property right, the judicial authorities may order, at the request of the applicant and at the expense of the infringer, appropriate measures for the dissemination of the information concerning the decision, including displaying the decision and publishing it in full or in part.

ARTICLE 131

Presumption of authorship or ownership

The Parties shall recognise that for the purpose of applying the measures, procedures and remedies provided for in this Section:

(a) for the author of a literary or artistic work, in the absence of proof to the contrary, to be regarded as such, and consequently to be entitled to institute infringement proceedings, it shall be sufficient for his or her name to appear on the work in the usual manner; and

(b) point (a) applies *mutatis mutandis* to the holders of rights related to copyright with regard to their protected subject matter.

ARTICLE 132

Administrative procedures

To the extent that any civil remedy can be ordered as a result of administrative procedures on the merits of a case, such procedures shall conform to principles equivalent in substance to those set out in the relevant provisions of this Section.

SUB-SECTION 2

BORDER ENFORCEMENT

ARTICLE 133

Border measures

1. With respect to goods under customs control, each Party shall adopt or maintain procedures under which a right-holder may submit applications requesting customs authorities to suspend the release of or detain goods suspected of infringing trademarks, copyrights and related rights, geographical indications, patents, utility models, industrial designs, topographies of integrated circuits and plant variety rights (hereinafter referred to as "suspected goods").

2. Each Party shall have in place electronic systems for the management by its customs authorities of the granting or recording of applications.

3. When a Party charges a fee to cover the administrative costs resulting from the granting or recording of applications, that fee shall be proportionate to the service rendered and the cost incurred.

4. Each Party shall ensure that its customs authorities decide on the granting or recording of an application within a reasonable period of time.

5. Each Party may provide for the applications referred to in paragraph 1 to apply to multiple shipments.

6. Each Party shall ensure that, with respect to goods under customs control, its customs authorities may act upon their own initiative to suspend the release of or detain suspected goods.

7. Each Party shall ensure that its customs authorities use risk analysis to identify suspected goods in addition to other methods of identification as necessary.

8. A Party may adopt or maintain procedures by which its competent authorities may determine, within a reasonable period after the initiation of the procedures referred to in paragraphs 1 and 5, whether the suspected goods are infringing. In such case, the competent authorities shall have the authority to order the destruction of goods following a determination of infringement. A Party may have in place procedures allowing for the destruction of suspected goods without there being any need for a determination of infringement, where the persons concerned agree or do not oppose the destruction of the goods.

9. Each Party may have in place procedures allowing for the swift destruction of counterfeit trademark and pirated goods sent in postal or express couriers' consignments.

10. Each Party may decide not to apply this Article to the import of goods placed on the market in another country by or with the consent of the right-holders. A Party may exclude from the application of this Article goods of a non-commercial nature contained in travellers' personal luggage.

11. Each Party shall ensure that its customs authorities maintain a regular dialogue and promote cooperation with the relevant stakeholders and with other authorities involved in the enforcement of intellectual property rights.

12. The Parties agree to cooperate in respect of international trade in suspected goods. In particular, the Parties agree to share information on trade in suspected goods affecting the other Party.

13. Without prejudice to other forms of cooperation, the Protocol on mutual administrative assistance in customs matters shall be applicable with regard to breaches of legislation on intellectual property rights for the enforcement of which the customs authorities are competent in accordance with this Article.

14. The Sub-Committee referred to in Article 136 shall be responsible for ensuring the proper functioning and implementation of this Article, in particular in terms of cooperation between the Parties.

15. In implementing border measures for the enforcement of intellectual property rights by customs authorities, whether or not covered by this Sub-Section, the Parties shall ensure consistency and comply with Article V of GATT 1994 and Article 41 and Section 4 of the Part III of the TRIPS Agreement.

SECTION 4

FINAL PROVISIONS

ARTICLE 134

Cooperation

1. The Parties shall agree to cooperate with a view to supporting the implementation of the commitments and obligations undertaken under this Chapter. The Parties shall draw on the following modalities, among others, with respect to cooperation on intellectual property rights protection and enforcement matters.

2. The areas of cooperation include, but are not limited to, the following activities:

(a) exchange of information on the legal framework concerning intellectual property rights and relevant rules of protection and enforcement;

(b) exchange of experience between the Parties on legislative progress;

(c) exchange of experience between the Parties on the enforcement of intellectual property rights;

(d) exchange of experiences between the Parties on enforcement at central and sub-central level by customs, police, administrative and judiciary bodies;

(e) coordination, including with other countries, to prevent exports of counterfeit goods;

(f) technical assistance, capacity building; exchange and training of personnel;

(g) protection and defence of intellectual property rights and the dissemination of information in this regard in, inter alia, business circles and civil society;

(h) public awareness of consumers and right holders; enhancement of institutional cooperation, particularly between the intellectual property offices;

(i) awareness promotion and education of the general public on policies concerning the protection and enforcement of intellectual property rights;

(j) promotion of protection and enforcement of intellectual property rights with public-private collaboration involving small and medium-sized enterprises (hereinafter referred to as "SMEs"); and

(k) formulation of effective strategies to identify audiences and communication programmes to increase consumer and media awareness on the impact of infringements of intellectual property rights, including the risk to health and safety and the connection to organised crime.

3. Each Party may make publicly available the product specifications, or a summary thereof, and relevant contact points for control or management of geographical indications of the other Party protected pursuant to Sub-Section 4.

4. The Parties shall, either directly or through the Sub-Committee referred to in Article 136, maintain contact on all matters related to the implementation and functioning of this Section.

ARTICLE 135

Voluntary stakeholder initiatives

Each Party shall endeavour to facilitate voluntary stakeholder initiatives to reduce the infringement of intellectual property rights, including online and in other marketplaces, focusing on concrete problems and seeking practical solutions that are realistic, balanced, proportionate and fair for all concerned including in the following ways:

(a) each Party shall endeavour to convene stakeholders consensually in its territory to facilitate voluntary initiatives to find solutions in order to reduce IPR infringements and resolve differences regarding the protection and enforcement of intellectual property rights;

(b) the Parties shall endeavour to exchange information with each other regarding efforts to facilitate voluntary stakeholder initiatives in their respective territories; and

(c) the Parties shall endeavour to promote open dialogue and cooperation among the stakeholders of the Parties, and to encourage those stakeholders to jointly find solutions and resolve differences regarding the protection and enforcement of intellectual property rights and reducing infringement.

ARTICLE 136

Institutional provisions

1. The Parties hereby establish an Intellectual Property Rights Sub-Committee (hereinafter referred to as the "IPR Sub-Committee") consisting of representatives of the European Union and the Republic of Uzbekistan with the purpose of monitoring the implementation of this Chapter and of intensifying their cooperation and dialogue on intellectual property rights.

2. The IPR Sub-Committee shall meet at the request of either Party, alternately in the European Union and in the Republic of Uzbekistan, at a time and a place and in a manner agreed by the Parties, which may include by video conference, but no later than 90 days after the request has been submitted.

3. The IPR Sub-Committee shall facilitate the implementation of this Chapter and the cooperation between the Parties in all matters related to intellectual property. In particular, it shall be responsible for amending:

(a) Section A of Annex 7-A as regards the references to the law applicable in the Parties;

(b) Section B of Annex 7-A as regards the elements for registration and control of geographical indications;

(c) Annex 7-B as regards the criteria to be included in the opposition procedure; and

(d) Annex 7-C as regards geographical indications.

CHAPTER 8

COMPETITION AND STATE-OWNED ENTERPRISES

SECTION A

COMPETITION

ARTICLE 137

Principles

The Parties recognise the importance of free and undistorted competition in their trade and investment relations. The Parties acknowledge that anticompetitive business practices and State interventions have the potential to distort the proper functioning of markets and undermine the benefits of trade and investment liberalisation.

ARTICLE 138

Competitive neutrality

Each Party shall apply this Chapter to all enterprises, public or private.

SUB-SECTION 1

ANTICOMPETITIVE CONDUCT AND MERGER CONTROL

ARTICLE 139

Legislative framework

Each Party shall adopt or maintain competition law which applies to all enterprises in all sectors of the economy[1] and addresses, in an effective manner, the following practices:

(a) horizontal and vertical agreements between enterprises, decisions by associations of enterprises and concerted practices which have as their object or effect the prevention, restriction or distortion of competition;

(b) the abuse by one or more enterprises of a dominant position; and

(c) concentrations between enterprises which would significantly impede effective competition, in particular as a result of the creation or strengthening of a dominant position.

[1] For greater certainty, pursuant to Article 42 of the Treaty on the Functioning of the European Union, competition law in the European Union applies to the agricultural sector in accordance with Regulation (EU) No 1308/2013 of the European Parliament and Council establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 (OJ EU L 347, 20.12.2013, p. 671, ELI: http://data.europa.eu/eli/reg/2013/1308/oj).

ARTICLE 140

Tasks of public economic interest

The application of competition law by a Party should not obstruct the performance, in law or in fact, of the particular tasks of public interest that may be assigned to enterprises. Exemptions from the competition law of a Party should be limited to tasks of public interest, and to what it is necessary to achieve the desired public policy objective and be transparent.

ARTICLE 141

Implementation

1. Each Party shall establish and maintain an operationally independent authority which is responsible for, and appropriately equipped with the powers and resources necessary to ensure, the full application and effective enforcement of its competition law.

2. Each Party shall apply its competition law in a transparent manner, respecting the principles of procedural fairness, including the rights of defence of the enterprises concerned, in particular the right to be heard and the right to judicial review.

ARTICLE 142

Cooperation

1. The Parties acknowledge that it is in their common interest to promote cooperation with regard to competition policy and enforcement.

2. To facilitate such cooperation, the competition authorities of the Parties may exchange information, subject to the confidentiality rules under the Parties' respective law.

3. The competition authorities of the Parties shall endeavour to coordinate, where possible and appropriate, their enforcement activities relating to the same or related conduct or cases.

ARTICLE 143

Non-application of dispute settlement

Chapter 14 does not apply to this Section.

SUB-SECTION 2

SUBSIDIES

ARTICLE 144

Definition and scope

1. For the purposes of this Section, "a subsidy" means a measure which fulfils the conditions set out in paragraph 1.1 of Article 1 of the SCM Agreement, irrespective of whether it is granted to an enterprise supplying goods or services[1].

2. This Section applies to subsidies that are specific within the meaning of Article 2 of the SCM Agreement. Any subsidy falling under the provisions of Article 148 of this Agreement is deemed to be specific.

3. The provisions of this Section shall not be construed in a manner obstructing the performance, in law or in fact, of the particular tasks of public interest that may be assigned to the enterprises. Exemptions from the rules of this Section should be limited to tasks of public interest and to what it is necessary to achieve the public policy objective and transparent.

4. Article 146 of this Agreement shall not apply to subsidies related to trade in goods covered by Annex 1 to the Agreement on Agriculture.

[1] For greater certainty, this definition is without prejudice to the outcome of any future discussions in the WTO on the definition of subsidies for services. Depending on the progress of those discussions at the WTO level, the Parties may update this Agreement in this respect.

5. Articles 146 and 147 shall not apply to the audio-visual sector and the tourism sector.

ARTICLE 145

Transparency

1. Each Party shall, with respect to a subsidy granted or maintained within its territory, make the following information public:

(a) the legal basis and purpose of the subsidy;

(b) the form of the subsidy;

(c) if possible, the total amount or the annual amount budgeted for the subsidy and the name of the recipient of the subsidy;

2. A Party may comply with paragraph 1 by:

(a) submitting a notification pursuant to Article 25 of the SCM Agreement, which is provided at least every two years;

(b) submitting a notification pursuant to Article 18 of the Agreement on Agriculture; or[1],

[1] For greater clarity the notification requirements under points (a) and (b) of Article 145.2 will apply in respect of the Republic of Uzbekistan as of its date of accession to the WTO.

(c) ensuring that the information referred to in paragraph 1 is published by itself or on its behalf on a publicly accessible website by 31 December of the calendar year following the year in which the subsidy was granted or maintained.

ARTICLE 146

Consultations

1. If a Party considers that a subsidy is adversely affecting or is likely to adversely affect its trade or investment liberalisation interests, it may express its concerns in writing to the other Party and request further information on the matter.

2. The request referred to in paragraph 1 shall include an explanation of how the subsidy may adversely affect the requesting Party's trade or investment liberalisation interests. The requesting Party may seek the following information about the subsidy:

(a) the legal basis for and purpose of the subsidy;

(b) the form of the subsidy;

(c) the dates and duration of the subsidy and any other time limits attached to it;

(d) the eligibility requirements for the subsidy;

(e) if possible, the total amount or the annual amount budgeted for the subsidy and the name of the recipient of the subsidy;

(f) any other information permitting an assessment of the potentially adverse effects of the subsidy.

3. The requested Party shall provide the information in writing no later than 60 days after the date of delivery of the request. In the event that the requested Party does not provide the requested information, that Party shall give reasons for the absence of that information in its written response.

4. After having received the requested information, the requesting Party may request consultations on the matter. Consultations between the Parties to discuss the concerns raised shall be held within 60 days of the request for consultations.

5. Each Party will endeavour to arrive at a mutually satisfactory resolution of the matter.

ARTICLE 147

Subsidies subject to conditions

1. To the extent that a subsidy adversely affects trade or investment of the other Party, each Party shall endeavour to apply conditions to subsidies as follows:

(a) subsidies whereby a government guarantees debts or liabilities of certain enterprises are allowed, provided that the amount of those debts and liabilities or the duration of such guarantee are limited; and

(b) subsidies to insolvent or ailing enterprises are allowed, provided that:

(i) there is a credible restructuring plan based on realistic assumptions with a view to ensuring the return to long-term viability of the insolvent or ailing enterprise within a reasonable time period; or

(ii) the enterprise contributes to the costs of restructuring; small and medium-sized enterprises are not obliged to contribute to the costs of restructuring.

2. Point (b) of paragraph 1 does not apply to subsidies provided to enterprises as temporary liquidity support in the form of loan guarantees or loans during the period which is necessary to prepare a restructuring plan. Such temporary liquidity support shall be limited to the amount needed to solely keep the enterprise in business.

3. Subsidies to ensure the orderly market exit of a company shall be allowed.

4. This Article shall not apply to subsidies the cumulative amounts or budgets of which are less than 500 000 euros per enterprise over a period of three consecutive years.

ARTICLE 148

Prohibited subsidies

From the accession of the Republic of Uzbekistan to the WTO, except as provided in the Agreement on Agriculture, the following subsidies on industrial goods shall be prohibited:

(a) subsidies contingent, in law or in fact[1], and whether solely or as one of several other conditions, upon export performance; and

(b) subsidies contingent, whether solely or as one of several other conditions, upon the use of domestic over imported goods.

ARTICLE 149

Use of subsidies

Each Party shall ensure that enterprises use subsidies only for the purpose for which the subsidies were granted.

[1] This standard is met when the facts demonstrate that the granting of a subsidy, without having been made legally contingent upon export performance, is in fact tied to actual or anticipated exportation or export earnings. The mere fact that a subsidy is granted to enterprises which export shall not for that reason alone be considered to be an export subsidy within the meaning of this provision.

SECTION B

STATE-OWNED ENTERPRISES, ENTERPRISES GRANTED SPECIAL RIGHTS OR PRIVILIGES AND DESIGNATED MONOPOLIES

ARTICLE 150

Definitions

For the purposes of this Section:

(1) "Arrangement" means the Arrangement on Officially Supported Export Credits of the Organisation for Economic Co-operation and Development (hereinafter referred to as "OECD") or a successor undertaking, whether developed within or outside of the OECD framework that has been adopted by at least 12 original WTO Members that were Participants to the Arrangement as of 1 January 1979;

(2) "commercial activities" means activities the end result of which is the production of a good or supply of a service which will be sold in quantities and at prices determined by an enterprise, and are undertaken with an orientation towards profit-making[1];

(3) "commercial considerations" means price, quality, availability, marketability, transportation and other terms and conditions of purchase or sale; or other factors that would normally be taken into account in commercial decisions of a privately owned enterprise operating in accordance with market economy principles in the relevant business or industry;

[1] For greater certainty, activities undertaken by an enterprise which operates on a non-profit basis or a cost-recovery basis are not activities undertaken with an orientation towards profit-making.

(4) "designate" means to establish or authorise a monopoly, or to expand the scope of a monopoly to cover an additional good or service;

(5) "designated monopoly" means an entity, including a consortium or a government agency, that in a relevant market in the territory of a Party is designated as the sole supplier or purchaser of a good or service, but does not include an entity that has been granted an exclusive intellectual property right solely by reason of such granting;

(6) "enterprise granted special rights or privileges" means an enterprise, public or private, to which a Party has granted, in law or in fact, special rights or privileges by designating or limiting to two or more the number of enterprises authorised to supply a good or a service, other than in accordance with objective, proportional and non-discriminatory criteria, in a way that substantially affects the ability of any other enterprise to supply the same good or service in the same geographical area under substantially equivalent conditions;

(7) "service supplied in the exercise of governmental authority" means a service supplied in the exercise of governmental authority as defined in GATS including, if applicable, in the Annex on Financial Services to GATS; and

(8) "state-owned enterprise" means an enterprise in which a Party:

(a) directly owns more than 50 per cent of the share capital;

(b) controls the exercise of more than 50 per cent of the voting rights directly or otherwise exercises an equivalent degree of control through voting rights;

(c) holds the power to appoint a majority of the members of the board of directors or any other equivalent management body; or

(d) has the power to exercise control[1] over the enterprise.

ARTICLE 151

Scope

1. This Section shall apply to state-owned enterprises, enterprises granted special rights or privileges and designated monopolies engaged in a commercial activity. Where such enterprises or monopolies engage in both commercial and non-commercial activities, only the commercial activities are covered by this Section.

2. This Section shall apply to state-owned enterprises, enterprises granted special rights or privileges and designated monopolies at all levels of government.

3. This Section shall not apply to state-owned enterprises, enterprises granted special rights or privileges or designated monopolies when they act as procuring entities covered by a Party's annexes to Appendix I to the Agreement on Government Procurement, done at Marrakesh on 15 April 1994, contained in Annex 4 to the WTO Agreement[2] or by Annex 9-A to this Agreement, when that procurement is purchased for governmental purposes and not with a view to commercial resale of the goods or services procured or with a view to use the goods or the services procured in the supply of a good or service for commercial sale.

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1 For greater certainty, for the establishment of control, all relevant legal and factual elements are be taken into account on a case by case basis.

2 The Republic of Uzbekistan is not a party to the GPA [EU: at the date of signature of this Agreement].

4. This Section shall not apply to any service supplied in the exercise of governmental authority.

5. Article 154 shall not apply to the supply of financial services by a state-owned enterprise pursuant to a government mandate if that supply of financial services:

(a) supports exports or imports, provided that the services are:

(i) not intended to displace commercial financing; or

(ii) offered on terms no more favourable than those that could be obtained for comparable financial services in the commercial market;

(b) supports private investment outside the territory of the Party, provided that the services are:

(i) not intended to displace commercial financing: or

(ii) offered on terms no more favourable than those that could be obtained for comparable financial services in the commercial market; or

(c) offered on terms consistent with the Arrangement, provided that it falls within the scope of the Arrangement.

6. Article 154 shall not apply to the services sectors outside the scope of this Agreement as set out in Chapter 12.

7. Without prejudice to Article 190, Article 154 shall not apply to purchases and sales of goods or services by a state-owned enterprise, an enterprise granted special rights or privileges or a designate monopoly of a Party in the sectors covered by the reservations listed in Annex 12-D or the GATS schedules of specific commitments of the European Union and Annexes 12-A, 12-B and 12-C.

ARTICLE 152

Relation to the WTO Agreement

1. Paragraphs 1 to 3 of Article XVII of GATT 1994, the Understanding on the Interpretation of Article XVII of GATT 1994 and paragraphs 1, 2 and 5 of Article VIII of GATS are hereby incorporated into and made part of this Agreement, *mutatis mutandis*.

2. This Article shall apply as from the date of accession of the Republic of Uzbekistan to the WTO or six years after the date of entry into force of this Agreement, whichever comes first.

ARTICLE 153

General provisions

1. Without prejudice to the rights and obligations of each Party under this Section, nothing in this Section prevents a Party from establishing or maintaining state-owned enterprises, granting enterprises special rights or privileges, or designating or maintaining monopolies.

2. Neither Party shall require or encourage a state-owned enterprise, an enterprise granted special rights or privileges or a designated monopoly to act in a manner inconsistent with this Section.

ARTICLE 154

Non-discriminatory treatment and commercial considerations

1. Each Party shall ensure that its state-owned enterprises, enterprises granted special rights or privileges or designated monopolies, when engaging in commercial activities in their purchases or sales of goods or services act in accordance with commercial considerations, except to fulfil any terms of their public service mandate that are not inconsistent with paragraph 2.

2. Each Party shall ensure that its state-owned enterprises, enterprises granted special rights or privileges or designated monopolies, when engaging in commercial activities:

(a) in their purchase of a good or a service:

(i) accord to a good or a service supplied by an enterprise of the other Party treatment no less favourable than that which they accord to a like good or a like service supplied by enterprises of the Party;

(ii) accord to a good or a service supplied by enterprises that are investments of investors of the other Party treatment no less favourable than that which they accord to a like good or a like service supplied by enterprises that are investments of investors of the Party in the relevant market in the Party; and

(b) in their sale of a good or a service:

(i) accord to an enterprise of the other Party treatment no less favourable than that which they accord to enterprises of the Party; and

(ii) accord to enterprises that are investments of investors of the other Party treatment no less favourable than that which they accord to enterprises that are investments of investors of the Party in the relevant market in the Party.

3. Paragraphs 1 and 2 do not preclude state-owned enterprises, enterprises granted special rights or privileges or designated monopolies enterprises from:

(a) purchasing or supplying goods or services on different terms or conditions, including those relating to price, provided that such different terms or conditions or refusal is undertaken in accordance with commercial considerations; or

(b) refusing to purchase or supply goods or services, provided that such different terms or conditions or refusal is undertaken in accordance with commercial considerations.

4. This Article shall become applicable eight years after the date of entry into force of this Agreement.

ARTICLE 155

Regulatory framework

1. Each Party makes best use of relevant international standards including the OECD Guidelines on Corporate Governance of State-Owned Enterprises.

2. Each Party shall ensure that any regulatory body or any other body exercising a regulatory function that it establishes or maintains:

(a) is independent of, and not accountable to, any of the enterprises regulated by that body; and

(b) acts impartially[1] with respect to all enterprises regulated by that body, including state-owned enterprises, enterprises granted special rights or privileges and designated monopolies[2].

3. Without prejudice to their reservation in Annexes 12-A, 12-B, 12-C and 12-D, each Party shall apply its laws and regulations to state-owned enterprises, enterprises granted special rights or privileges and designated monopolies in a consistent and non-discriminatory manner.

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1 For greater certainty, the impartiality with which the body exercises its regulatory functions is to be assessed by reference to a general pattern or practice of that body.

2 For greater certainty, for those sectors in which the Parties have agreed to specific obligations relating to such a body in other Chapters, the relevant provisions of those Chapters shall prevail.

ARTICLE 156

Information exchange

1. A Party which considers that its interests under this Section are being adversely affected by the commercial activities of a state-owned enterprise, an enterprise granted special rights or privileges or a designated monopoly (hereinafter referred to in this Article as "the entity") of the other Party may request the other Party to provide in writing information on the commercial activities of the entity related to the implementation of this Section, in accordance with paragraph 2.

2. The requested Party shall provide the following information, provided that the request includes an explanation of how the activities of the entity could be affecting the interests of the requesting Party under this Section and indicates which of the following information shall be provided:

(a) the ownership and the voting structure of the entity, indicating the percentage of shares that the requested Party, its state-owned enterprises, enterprises granted special rights or privileges or designated monopolies cumulatively own, and the percentage of voting rights that they cumulatively hold, in the entity;

(b) a description of any preferred or special shares or special voting or other rights that the requested Party, its state-owned enterprises, enterprises granted special rights or privileges or designated monopolies hold, where such rights are different from those attached to the general common shares of the entity;

(c) a description of the organisational structure of the entity and the composition of its board of directors or of any other equivalent body of the entity;

(d) a description of the government departments or public bodies that regulate or monitor the entity, a description of the reporting requirements imposed on it by those departments or bodies, and the rights and practices of those departments or bodies with respect to the appointment, dismissal or remuneration of senior executives and members of the board of directors or any other equivalent management body of the entity;

(e) annual revenue and total assets of the entity over the most recent three-year period for which information is available;

(f) any exemptions, immunities and related measures from which the entity benefits under the laws and regulations of the requested Party; and

(g) any additional information regarding the entity that is publicly available, including annual financial reports and third party audits.

3. The provisions of paragraphs 1 and 2 shall not require a Party to disclose confidential information the disclosure of which would be inconsistent with its laws and regulations, impede law enforcement, or otherwise be contrary to the public interest, or would prejudice the legitimate commercial interests of particular enterprises.

4. If the requested information is not available to the requested Party, that Party shall provide the reasons for this in writing to the other Party who requested the information.

5. This Article does not apply to SMEs.

CHAPTER 9

GOVERNMENT PROCUREMENT

ARTICLE 157

Definitions

For the purposes of this Chapter:

(a) "commercial goods or services" means goods or services of a type generally sold or offered for sale in the commercial marketplace to, and customarily purchased by, non-governmental buyers for non-governmental purposes;

(b) "construction service" means a service that has as its objective the realisation by whatever means of civil or building works, based on Division 51 of the United Nations Provisional Central Product Classification (CPC);

(c) "electronic auction" means an iterative process that involves the use of electronic means for the presentation by suppliers of either new prices or new values for quantifiable non-price elements of the tender related to the evaluation criteria, or both, resulting in a ranking or re-ranking of tenders;

(d) "in writing" or "written" means any worded or numbered expression that can be read, reproduced and later communicated. It may include electronically transmitted and stored information;

(e) "limited" tendering means a procurement method whereby the procuring entity contacts a supplier or suppliers of its choice;

(f) "measure" means any law, regulation, procedure, administrative guidance or practice, or any action of a procuring entity relating to a covered procurement;

(g) "multi-use list" means a list of suppliers that a procuring entity has determined satisfy the conditions for participation in that list, and that the procuring entity intends to use more than once;

(h) "notice of intended procurement" means a notice published by a procuring entity inviting interested suppliers to submit a request for participation or a tender, or both;

(i) "offset" means any condition or undertaking that encourages local development or improves a Party's balance-of-payments accounts, such as the use of domestic content, the licensing of technology, investment, counter-trade or similar action or requirement;

(j) "open tendering" means a procurement method whereby all interested suppliers may submit a tender;

(k) "procuring entity" means an entity covered by Section 1, 2 or 3 of Annex 9;

(l) "qualified supplier" means a supplier that a procuring entity recognises as having satisfied the conditions for participation;

(m) "selective tendering" means a procurement method whereby only qualified suppliers are invited by the procuring entity to submit a tender;

(n) "services" includes construction services, unless otherwise specified;

(o) "standard" means a document approved by a recognised body that provides for common and repeated use, rules, guidelines or characteristics for goods or services, or related processes and production methods, with which compliance is not mandatory, and that may also include or deal exclusively with terminology, symbols, packaging, marking or labelling requirements as they apply to a good, service, process or production method;

(p) "supplier" means a person or group of persons that provides or could provide goods or services; and

(q) "technical specification" means a tendering requirement that:

(i) lays down the characteristics of goods or services to be procured, including quality, performance, safety and dimensions, or the processes and methods for their production or provision; or

(ii) addresses terminology, symbols, packaging, marking or labelling requirements, as they apply to a good or service.

ARTICLE 158

Scope and coverage

Application of Agreement

1. This Chapter shall become applicable ten years after the date of entry into force of this Agreement.

2. This Chapter applies to any measure relating to a covered procurement, whether or not it is conducted exclusively or partially by electronic means.

3. For the purposes of this Chapter, "covered procurement" means procurement for governmental purposes:

(a) of a good, a service, or any combination thereof:

(i) as specified in Annex 9; and

(ii) not procured with a view to commercial sale or resale, or for use in the production or supply of a good or a service for commercial sale or resale;

(b) by any contractual means, including purchase, and rental or hire purchase, with or without an option to buy;

(c) for which the value, as estimated in accordance with paragraphs 6 to 8, equals or exceeds the relevant threshold specified in Annex 9 at the time of publication of a notice in accordance with Article 162;

(d) by a procuring entity; and

(e) that is not otherwise excluded from coverage in paragraph 3 or Annex 9.

4. Except as otherwise provided in Annex 9, this Chapter does not apply to:

(a) the acquisition or rental of land, existing buildings or other immovable property or the rights thereon;

(b) non-contractual agreements or any form of assistance that a Party provides, including cooperative agreements, grants, loans, equity infusions, guarantees and fiscal incentives;

(c) the procurement or acquisition of fiscal agency or depository services, liquidation and management services for regulated financial institutions or services related to the sale, redemption and distribution of public debt, including loans and government bonds, notes and other securities;

(d) public employment contracts;

(e) procurement conducted:

(i) for the specific purpose of providing international assistance, including development aid;

(ii) under a particular procedure or condition of an international agreement relating to the stationing of troops or relating to the joint implementation by the signatory countries of a project; or

(iii) under a particular procedure or condition of an international organisation, or funded by international grants, loans or other assistance if that applicable procedure or condition would be inconsistent with this Chapter.

5. Each Party shall specify the following information in its respective Sub-sections to Annex 9:

(a) in Section 1, the central government entities whose procurement is covered by this Chapter;

(b) in Section 2, the sub-central government entities whose procurement is covered by this Chapter;

(c) in Section 3, all other entities whose procurement is covered by this Chapter;

(d) in Section 4, the goods covered by this Chapter;

(e) in Section 5, the services, other than construction services, covered by this Chapter;

(f) in Section 6, the construction services covered by this Chapter; and

(g) in Section 7, any general notes;

(h) in Section 8, the media in which each Party publishes its procurement notices, award notices, and other information related to its procurement system as set out in this Chapter.

6. If a procuring entity, in the context of covered procurement, requires a person not covered by Annex 9 to procure in accordance with particular requirements, Article 160 shall apply *mutatis mutandis* to such requirements.

Valuation

7. In estimating the value of a procurement for the purpose of ascertaining whether it is a covered procurement, a procuring entity shall:

(a) neither divide a procurement into separate procurements nor select or use a particular valuation method for estimating the value of a procurement with the intention of totally or partially excluding it from the application of this Chapter; and

(b) include the estimated maximum total value of the procurement over its entire duration, whether awarded to one or more suppliers, taking into account all forms of remuneration, including:

(i) premiums, fees, commissions and interest; and

(ii) if the procurement provides for the possibility of options, the total value of such options.

8. If an individual requirement for a procurement results in the award of more than one contract, or in the award of contracts in separate parts ("recurring contracts") the calculation of the estimated maximum total value shall be based on:

(a) the value of recurring contracts of the same type of good or service awarded during the preceding 12 months or the procuring entity's preceding fiscal year, adjusted, if possible, to take into account anticipated changes in the quantity or value of the good or service being procured over the following 12 months; or

(b) the estimated value of recurring contracts of the same type of good or service to be awarded during the 12 months following the initial contract award or the procuring entity's fiscal year.

9. In the case of procurement by rental or hire purchase of a good or a service, or procurement for which a total price is not specified, the basis for valuation shall be:

(a) in the case of a fixed-term contract:

(i) if the term of the contract is 12 months or less, the total estimated maximum value for its duration; or

(ii) if the term of the contract exceeds 12 months, the total estimated maximum value, including any estimated residual value;

(b) if the contract is for an indefinite period, the estimated monthly instalment multiplied by 48; and

(c) if it is not certain whether the contract is to be a fixed-term contract, point (b) applies.

ARTICLE 159

Security and general exceptions

1. Nothing in this Chapter shall be construed as preventing a Party from taking any action or to not disclose any information that it considers necessary for the protection of its essential security interests relating to:

(a) the procurement of arms, ammunition or war material;

(b) procurement that is indispensable for national security; or

(c) procurement for national defence purposes.

2. Subject to the requirement that such measures are not applied in a manner that would constitute a means of arbitrary or unjustifiable discrimination between the Parties where the same conditions prevail or a disguised restriction on international trade, nothing in this Chapter shall be construed as preventing a Party from imposing or enforcing measures:

(a) necessary to protect public morals, order or safety;

(b) necessary to protect human, animal or plant life or health;

(c) necessary to protect intellectual property; or

(d) relating to goods or services of persons with disabilities, philanthropic institutions or prison labour.

ARTICLE 160

General principles

Non-Discrimination

1. With respect to any measure regarding covered procurement, each Party, including its procuring entities, shall accord immediately and unconditionally to the goods and services of the other Party and to the suppliers of the other Party offering such goods or services, treatment no less favourable than the treatment the Party, including its procuring entities, accords to its own goods, services and suppliers.

2. With respect to any measure regarding covered procurement, a Party, including its procuring entities, shall not:

(a) treat a locally established supplier less favourably than another locally established supplier on the basis of the degree of foreign affiliation or ownership; or

(b) discriminate against a locally established supplier on the basis that the goods or services offered by that supplier for a particular procurement are goods or services of the other Party.

Use of Electronic Means

3. When conducting covered procurement by electronic means, a procuring entity shall:

(a) ensure that the procurement is conducted using information technology systems and software, including those related to authentication and encryption of information, that are generally available and interoperable with other generally available information technology systems and software;

(b) maintain mechanisms that ensure the integrity of requests for participation and tenders, including establishment of the time of receipt and the prevention of inappropriate access; and

(c) use electronic means of information and communication for the publication of notices and tender documentation in procurement procedures and, to the widest extent practicable, for the submission of tenders.

Conduct of Procurement

4. A procuring entity shall conduct covered procurement in a transparent and impartial manner that:

(a) is consistent with this Chapter, using methods such as open tendering, selective tendering and limited tendering;

(b) avoids conflicts of interest; and

(c) prevents corrupt practices.

Rules of Origin

5. For the purposes of covered procurement, a Party shall not apply rules of origin to goods or services imported from or supplied from the other Party that are different from the rules of origin the Party applies at the same time in the normal course of trade to imports or supplies of the same goods or services from the Party.

Offsets

6. With regard to covered procurement, a Party, including its procuring entities, shall not seek, take account of, impose or enforce any offset.

Measures Not Specific to Procurement

7. Paragraphs 1 and 2 shall not apply to:

(a) customs duties and charges of any kind imposed on, or in connection with, importation;

(b) the method of levying such duties and charges; and

(c) other import regulations or formalities and measures affecting trade in services other than measures governing covered procurement.

Anti-corruption measures

8. Each Party shall ensure that it has appropriate measures in place to address corruption in government procurement. Such measures may include procedures to render ineligible for participation in the Party's procurements, either indefinitely or for a stated period of time, suppliers that the judicial authorities of the Party have determined by final decision to have engaged in fraudulent or other illegal actions in relation to government procurement in the territory of that Party. Each Party shall also ensure that it has in place policies and procedures to eliminate to the extent possible or manage any potential conflict of interest on the part of those engaged in or having influence over procurement.

ARTICLE 161

Information on the procurement system

1. Each Party shall:

(a) promptly publish any law, regulation, judicial decision, administrative ruling of general application, standard contract clause mandated by law or regulation and incorporated by reference in notices or tender documentation and procedure regarding covered procurement, and any modifications thereof, in an officially designated electronic or paper medium that is widely disseminated and remains readily accessible to the public; and

(b) provide an explanation of the information referred to in point (a) to the other Party, on request.

2. Each Party shall list in Section 8 of Annex 9:

(a) the electronic or paper media in which the Party publishes the information referred to in paragraph 1;

(b) the electronic or paper media in which the Party publishes the notices required by Articles 162, 164 and 171; and

(c) the website address or addresses where the Party publishes its notices concerning awarded contracts pursuant to Article 171(2).

3. Each Party shall promptly notify the Cooperation Committee acting in trade configuration of any modification to its means of information listed in Section 8 of Annex 9.

ARTICLE 162

Notices

Notice of Intended Procurement

1. For each covered procurement a procuring entity shall publish a notice of intended procurement, except in the circumstances described in Article 168.

All notices (notices of intended procurement, summary notice and notice of planned procurement) shall be directly accessible by electronic means free of charge through a single point of access on the internet. In addition, the notices may also be published in an appropriate paper medium, which shall be widely disseminated and shall remain readily accessible to the public, at least until expiration of the time-period indicated in the notice.

Each Party shall list the appropriate paper and electronic medium in Section 8 of Annex 9.

2. Except as otherwise provided in this Chapter, each notice of intended procurement shall include:

(a) the name and address of the procuring entity and other information necessary to contact the procuring entity and obtain all relevant documents relating to the procurement, and their cost and terms of payment, if any;

(b) a description of the procurement, including the nature and quantity of the goods or services to be procured or, if the quantity is not known, the estimated quantity;

(c) for recurring contracts, an estimate, if possible, of the timing of subsequent notices of intended procurement;

(d) a description of any options;

(e) the time-frame for delivery of goods or services, or the duration of the contract;

(f) the procurement method that will be used and whether it will involve negotiation or electronic auction;

(g) if applicable, the address and any final date for the submission of requests for participation in the procurement;

(h) the address and the final date for the submission of tenders;

(i) the language or languages in which tenders or requests for participation may be submitted, if they may be submitted in a language other than an official language of the Party of the procuring entity;

(j) a list and brief description of any conditions for participation of suppliers, including any requirements for specific documents or certifications to be provided by suppliers in connection therewith, unless such requirements are included in tender documentation that is made available to all interested suppliers at the same time as the notice of intended procurement;

(k) if, pursuant to Article 164, a procuring entity intends to select a limited number of qualified suppliers to be invited to tender, the criteria that will be used to select them and, if applicable, any limitation on the number of suppliers that will be permitted to tender; and

(l) an indication that the procurement is covered by this Chapter.

Summary Notice

3. For each case of intended procurement, the procuring entity shall publish a summary notice that is readily accessible, at the same time as the publication of the notice of intended procurement, in English. The summary notice shall contain at least the following information:

(a) the subject-matter of the procurement;

(b) the final date for the submission of tenders or, if applicable, any final date for the submission of requests for participation in the procurement or for inclusion on a multi-use list; and

(c) the address from which documents relating to the procurement may be requested.

Notice of Planned Procurement

4. Procuring entities are encouraged to publish in the appropriate electronic and, if available, paper medium listed in Section 8 as early as possible in each fiscal year a notice regarding their future procurement plans ("notice of planned procurement"). The notice of planned procurement shall also be published in the single point of access site listed in Section 8. The notice of planned procurement should include the subject-matter of the procurement and the planned date or period of the publication of the notice of intended procurement.

5. A procuring entity covered under Sections 2 or 3 may use a notice of planned procurement as a notice of intended procurement provided that the notice of planned procurement includes as much of the information referred to in paragraph 3 as is available to the entity and a statement that interested suppliers should express their interest in the procurement to the procuring entity.

ARTICLE 163

Conditions for participation

1. A procuring entity shall limit any conditions for participation in a procurement to those that are essential to ensure that a supplier has the legal and financial capacities and the commercial and technical abilities to undertake the relevant procurement.

2. In establishing the conditions for participation, a procuring entity shall not:

(a) impose the condition that, in order for a supplier to participate in a procurement, the supplier has previously been awarded one or more contracts by a procuring entity of a Party but may require relevant prior experience if essential to meet the requirements of the procurement; and

(b) impose the condition that, the supplier has prior experience in the territory of the Party but may, where appropriate, require the bidder to demonstrate prior experience acquired in specific climatic or topographic conditions.

3. In assessing whether a supplier satisfies the conditions for participation, a procuring entity:

(a) shall evaluate the financial capacity and the commercial and technical abilities of a supplier on the basis of that supplier's business activities both inside and outside the territory of the Party of the procuring entity; and

(b) shall base its evaluation on the conditions that the procuring entity has specified in advance in notices or tender documentation.

4. If there is supporting evidence, a Party, including its procuring entities, may exclude a supplier on grounds such as:

(a) bankruptcy;

(b) false declarations;

(c) significant or persistent deficiencies in performance of any substantive requirement or obligation under a prior contract or contracts;

(d) final judgments in respect of serious crimes or other serious offences;

(e) professional misconduct or acts or omissions that adversely reflect on the commercial integrity of the supplier;

(f) failure to pay taxes; or

(g) the supplier having been rendered ineligible for participation pursuant to Article 160(9).

ARTICLE 164

Qualification of suppliers

Registration Systems and Qualification Procedures

1. A Party, including its procuring entities, may maintain a supplier registration system requiring interested suppliers to register and provide certain information. In such a case, the Party shall ensure that interested suppliers have access to information on the registration system and that they may request registration at any time. The procuring entity or other authority in charge of the supplier registration system shall inform the interested suppliers within a reasonable period of time of the decision to grant or reject their request. If the request is rejected, the decision shall be duly motivated.

2. Each Party shall ensure that:

(a) its procuring entities make efforts to minimise differences in their qualification procedures; and

(b) if its procuring entities maintain registration systems, the entities make efforts to minimise differences in their registration systems.

3. A Party, including its procuring entities, shall not adopt or apply a registration system or qualification procedure with the purpose or the effect of creating unnecessary obstacles to the participation of suppliers of the other Party in its procurement.

Selective Tendering

4. If a procuring entity intends to use selective tendering, it shall:

(a) include in the notice of intended procurement at least the information specified in points (a), (b), (f), (g), (j), (k) and (l) of Article 162(3) and invite suppliers to submit a request for participation; and

(b) provide, by the commencement of the time-period for tendering, at least the information referred to in points (c), (d), (e), (h) and (i) of Article 162(3), to the qualified suppliers that it notifies as specified in point (b) of Article 166(3).

5. A procuring entity shall allow all qualified suppliers to participate in a particular procurement, unless the procuring entity states, in the notice of intended procurement, any limitation on the number of suppliers that will be permitted to tender and the criteria for selecting the limited number of suppliers. An invitation to submit a tender shall be addressed to the number of suppliers necessary to ensure effective competition.

6. If the tender documentation is not made publicly available from the date of publication of the notice referred to in paragraph 4, a procuring entity shall ensure that it is made available at the same time to all the qualified suppliers selected in accordance with paragraph 5.

Multi-Use Lists

7. A procuring entity may maintain a multi-use list of suppliers, provided that notice inviting interested suppliers to apply for inclusion on the list is:

(a) published annually; and

(b) if published by electronic means, made available continuously, in the appropriate medium listed in Section 8.

8. The notice provided for in paragraph 7 shall include:

(a) a description of the goods or services, or categories thereof, for which the list may be used;

(b) the conditions for participation to be satisfied by suppliers for inclusion on the list and the methods that the procuring entity will use to verify that a supplier satisfies the conditions;

(c) the name and address of the procuring entity and other information necessary to contact the entity and obtain all relevant documents relating to the list;

(d) the period of validity of the list and the means for its renewal or termination, or if the period of validity is not provided, an indication of the method by which notice will be given of the termination of use of the list; and

(e) an indication that the list may be used for procurement covered by this Chapter.

9. Notwithstanding paragraph 7, if a multi-use list will be valid for three years or less, a procuring entity may publish the notice referred to in paragraph 7 only once, at the beginning of the period of validity of the list, provided that the notice:

(a) states the period of validity and that further notices will not be published; and

(b) is published by electronic means and is made available continuously during the period of validity.

10. A procuring entity shall allow suppliers to apply at any time for inclusion on a multi-use list and shall include on the list all qualified suppliers within a reasonably short time.

11. If a supplier that is not included on a multi-use list submits a request for participation in a procurement based on a multi-use list together with all required documents, within the time-period provided for in Article 166(2), a procuring entity shall examine the request. The procuring entity shall not exclude the supplier from consideration in respect of the procurement on the grounds that the entity has insufficient time to examine the request, unless, in exceptional cases, due to the complexity of the procurement, the entity is not able to complete the examination of the request within the time-period allowed for the submission of tenders.

Entities listed in Sections 2 and 3

12. A procuring entity covered under Sections 2 and 3 of Annex 9 may use a notice inviting suppliers to apply for inclusion on a multi-use list as a notice of intended procurement, provided that:

(a) the notice is published in accordance with paragraph 7 of this Article and includes the information required under paragraph 8 of this Article, as much of the information required under Article 162 (3) as is available, and a statement that it constitutes a notice of intended procurement or that only the suppliers on the multi-use list will receive further notices of procurement covered by the multi-use list; and

(b) the entity promptly provides to suppliers that have expressed an interest in a given procurement to the entity sufficient information to permit them to assess their interest in the procurement, including all remaining information required in Article 162 (3), to the extent such information is available.

13. A procuring entity covered under Sections 2 and 3 of Annex 9 may allow a supplier that has applied for inclusion on a multi-use list in accordance with paragraph 10 to tender in a given procurement, if there is sufficient time for the procuring entity to examine whether the supplier satisfies the conditions for participation.

14. A procuring entity shall promptly inform any supplier that submits a request for participation in a procurement or application for inclusion on a multi-use list of the procuring entity's decision with respect to the request or application.

15. If a procuring entity rejects a supplier's request for participation in a procurement or application for inclusion on a multi-use list, ceases to recognise a supplier as qualified or removes a supplier from a multi-use list, the entity shall promptly inform the supplier and, on request of the supplier, promptly provide the supplier with a written explanation of the reasons for its decision.

ARTICLE 165

Technical specifications and tender documentation

Technical Specifications

1. A procuring entity shall not prepare, adopt or apply any technical specification or prescribe any conformity assessment procedure with the purpose or the effect of creating unnecessary obstacles to trade between the Parties.

2. In prescribing the technical specifications for the goods or services being procured, a procuring entity shall, if appropriate:

(a) set out the technical specification in terms of performance and functional requirements, rather than design or descriptive characteristics; and

(b) base the technical specification on international standards that are recognised by the Party; otherwise, on national technical regulations, recognised national standards or building codes.

3. If design or descriptive characteristics are used in the technical specifications, a procuring entity should indicate, if appropriate, that it will consider tenders of equivalent goods or services that demonstrably fulfil the requirements of the procurement by including words such as "or equivalent" in the tender documentation.

4. A procuring entity shall not prescribe technical specifications that require or refer to a particular trademark or trade name, patent, copyright, design, type, specific origin, producer or supplier, unless there is no other sufficiently precise or intelligible way of describing the procurement requirements and provided that, in such cases, the entity includes words such as "or equivalent" in the tender documentation.

5. A procuring entity shall not seek or accept, in a manner that would have the effect of precluding competition, advice that could be used in the preparation or adoption of any technical specification for a specific procurement from a person that could have a commercial interest in the procurement.

6. For greater certainty, a Party, including its procuring entities, may prepare, adopt or apply technical specifications to promote the conservation of natural resources or protect the environment, provided that it does so in accordance with this Article.

A Party may:

(a) allow contracting authorities to take into account environmental and social considerations throughout the procurement procedure, provided they are non-discriminatory and they are linked to the subject-matter of the contract; and

(b) take appropriate measures to ensure compliance with its obligations in the fields of environmental, social and labour law, including the obligations under Chapter 10.

Tender Documentation

7. A procuring entity shall make available to suppliers tender documentation that includes all information necessary to permit suppliers to prepare and submit responsive tenders. Unless already provided in the notice of intended procurement, such documentation shall include a complete description of:

(a) the procurement, including the nature and the quantity of the goods or services to be procured or, if the quantity is not known, the estimated quantity and any requirements to be fulfilled, including any technical specifications, conformity assessment certification, plans, drawings or instructional materials;

(b) any conditions for participation of suppliers, including a list of information and documents that suppliers are required to submit in connection with those conditions for participation;

(c) all evaluation criteria that the entity will apply in awarding the contract, and, unless price is the sole criterion, the relative importance of such criteria;

(d) if the procuring entity will conduct the procurement by electronic means, any authentication and encryption requirements, or other requirements related to the submission of information by electronic means;

(e) if the procuring entity will hold an electronic auction, the rules, including identification of the elements of the tender related to the evaluation criteria, according to which the auction will be conducted;

(f) if there will be a public opening of tenders, the date, time and place for the opening and, if appropriate, the persons authorised to be present;

(g) any other terms or conditions, including terms of payment and any limitation on the means by which tenders may be submitted, such as whether on paper or by electronic means; and

(h) any dates for the delivery of goods or the supply of services.

8. In establishing any date for the delivery of goods or the supply of services being procured, a procuring entity shall take into account such factors as the complexity of the procurement, the extent of subcontracting anticipated and the realistic time required for production, de-stocking and transport of goods from the point of supply or for supply of services.

9. The evaluation criteria set out in the notice of intended procurement or tender documentation may include, among others, price and other cost factors, quality, technical merit, environmental characteristics and terms of delivery.

10. A procuring entity shall promptly:

(a) make available tender documentation to ensure that interested suppliers have sufficient time to submit responsive tenders;

(b) provide, on request, the tender documentation to any interested supplier; and

(c) reply to any reasonable request for relevant information by any interested or participating supplier, provided that such information does not give that supplier an advantage over other suppliers.

Modifications

11. If a procuring entity modifies the criteria or requirements set out in the notice of intended procurement or tender documentation provided to participating suppliers, or amends or reissues a notice or tender documentation, it shall transmit in writing all such modifications or amended or re-issued notice or tender documentation:

(a) to all suppliers that are participating at the time of the modification, amendment or re-issuance, if such suppliers are known to the entity, and in all other cases, in the same manner as the original information was made available; and

(b) in adequate time to allow such suppliers to modify and re-submit amended tenders, as appropriate.

ARTICLE 166

Time-periods

1. A procuring entity shall, consistent with its own reasonable needs, provide sufficient time for suppliers to prepare and submit requests for participation and responsive tenders, taking into account such factors as:

(a) the nature and complexity of the procurement;

(b) the extent of subcontracting anticipated; and

(c) the time necessary for transmitting tenders by non-electronic means from foreign as well as domestic points if electronic means are not used.

These time-periods, including any extension of the time-periods, shall be the same for all interested or participating suppliers.

2. A procuring entity that uses selective tendering shall establish that the final date for the submission of requests for participation, shall not, in principle, be less than 25 days from the date of publication of the notice of intended procurement. If a state of urgency duly substantiated by the procuring entity renders this time-period impracticable, the time-period may be reduced to not less than 10 days.

3. Except as provided for in paragraphs 4, 5, 7 and 8, a procuring entity shall establish that the final date for the submission of tenders shall not be less than 40 days from the date on which:

(a) in the case of open tendering, the notice of intended procurement is published; or

(b) in the case of selective tendering, the entity notifies suppliers that they will be invited to submit tenders, whether or not it uses a multi-use list.

4. A procuring entity may reduce the time-period for tendering to not less than 20 days if:

(a) the procuring entity has published a notice of planned procurement in accordance with Article 162 (4) at least 40 days and not more than 12 months in advance of the publication of the notice of intended procurement, and the notice of planned procurement contains:

(i) a description of the procurement;

(ii) the approximate final dates for the submission of tenders or requests for participation;

(iii) a statement that interested suppliers should express their interest in the procurement to the procuring entity;

(iv) the address from which documents relating to the procurement can be obtained; and

(v) as much of the information that is required for the notice of intended procurement under Article 162 (2), as is available;

(b) the procuring entity, for contracts of a recurring nature, indicates in an initial notice of intended procurement that subsequent notices will provide time-periods for tendering based on this paragraph; or

(c) a state of urgency duly substantiated by the procuring entity renders the time-period for tendering established in accordance with paragraph 3 impracticable.

5. A procuring entity may reduce the time-period for tendering established in accordance with paragraph 3 by five days for each one of the following circumstances:

(a) the notice of intended procurement is published by electronic means;

(b) all the tender documentation is made available by electronic means from the date of the publication of the notice of intended procurement; and

(c) the entity accepts tenders by electronic means.

6. The use of paragraph 5, in conjunction with paragraph 4, shall in no case result in the reduction of the time-period for tendering established in accordance with paragraph 3 to less than 10 days from the date on which the notice of intended procurement is published.

7. Notwithstanding any other provision in this Article, if a procuring entity purchases commercial goods or services, or any combination thereof, it may reduce the time-period for tendering established in accordance with paragraph 3 to not less than 13 days, provided that it publishes by electronic means, at the same time, both the notice of intended procurement and the tender documentation. In addition, where the entity accepts tenders for commercial goods or services by electronic means, it may reduce the time-period established in accordance with paragraph 3 to not less than 10 days.

8. If a procuring entity covered under Sections 2 or 3 of Annex 9 has selected all or a limited number of qualified suppliers, the time-period for tendering may be fixed by mutual agreement between the procuring entity and the selected suppliers. In the absence of agreement, the period shall not be less than 10 days.

ARTICLE 167

Negotiation

1. A Party may provide for its procuring entities to conduct negotiations with suppliers:

(a) if the procuring entity has indicated its intent to conduct negotiations in the notice of intended procurement required under paragraph 2 of Article 162; or

(b) if it appears from the evaluation that no tender is obviously the most advantageous in terms of the specific evaluation criteria set out in the notice of intended procurement or tender documentation.

2. A procuring entity shall:

(a) ensure that any elimination of suppliers participating in negotiations is carried out in accordance with the evaluation criteria set out in the notice of intended procurement or tender documentation; and

(b) if negotiations are concluded, provide a common deadline for the remaining participating suppliers to submit any new or revised tenders.

ARTICLE 168

Limited tendering

1. Provided that it does not use this provision for the purpose of avoiding competition among suppliers or in a manner that discriminates against suppliers of the other Party or protects domestic suppliers, a procuring entity may use limited tendering and may choose not to apply Articles 162 to 164, paragraphs 7 to 11 of Article 165, and Articles 166, 167, 169 and 170 under any of the following circumstances:

(a) provided that the requirements of the tender documentation are not substantially modified, where:

(i) no tenders were submitted or no suppliers requested participation;

(ii) no tenders that conform to the essential requirements of the tender documentation were submitted;

(iii) no suppliers satisfied the conditions for participation; or

(iv) the tenders submitted have been collusive;

(b) where the goods or services can be supplied only by a particular supplier and no reasonable alternative or substitute goods or services exist for any of the following reasons:

(i) the requirement is for a work of art;

(ii) the protection of patents, copyrights or other exclusive rights; or

(iii) due to an absence of competition for technical reasons;

(c) for additional deliveries by the original supplier of goods or services that were not included in the initial procurement, if a change of supplier for such additional goods or services:

(i) cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, software, services or installations procured under the initial procurement; and

(ii) would cause significant inconvenience or substantial duplication of costs for the procuring entity;

(d) only when strictly necessary where, for reasons of extreme urgency brought about by events unforeseeable by the procuring entity, the goods or services could not be obtained in time using open tendering or selective tendering;

(e) for goods purchased on a commodity market;

(f) where a procuring entity procures a prototype or a first good or service that is developed at its request in the course of, and for, a particular contract for research, experiment, study or original development. Original development of a first good or service may include limited production or supply in order to incorporate the results of field testing and to demonstrate that the good or service is suitable for production or supply in quantity to acceptable quality standards, but does not include quantity production or supply to establish commercial viability or to recover research and development costs;

(g) for purchases made under exceptionally advantageous conditions that only arise in the very short term in the case of unusual disposals such as those arising from liquidation, receivership or bankruptcy, but not for routine purchases from regular suppliers; or

(h) where a contract is awarded to a winner of a design contest, provided that:

(i) the contest has been organised in a manner that is consistent with the principles of this Chapter, in particular relating to the publication of a notice of intended procurement; and

(ii) the participants are judged by an independent jury with a view to a design contract being awarded to a winner.

2. A procuring entity shall prepare a report in writing on each contract awarded under paragraph 1. The report shall include the name of the procuring entity, the value and kind of goods or services procured and a statement indicating the circumstances and conditions described in paragraph 1 that justified the use of limited tendering.

ARTICLE 169

Electronic auctions

If a procuring entity intends to conduct a covered procurement using an electronic auction, the entity shall provide each participant, before commencing the electronic auction, with:

(a) the automatic evaluation method, including the mathematical formula, that is based on the evaluation criteria set out in the tender documentation and that will be used in the automatic ranking or re-ranking during the auction;

(b) the results of any initial evaluation of the elements of its tender if the contract is to be awarded on the basis of the most advantageous tender; and

(c) any other relevant information relating to the conduct of the auction.

ARTICLE 170

Treatment of tenders and awarding of contracts

Treatment of Tenders

1. A procuring entity shall receive, open and treat all tenders under procedures that guarantee the fairness and impartiality of the procurement process and the confidentiality of tenders.

2. A procuring entity shall not penalise any supplier whose tender is received after the time specified for receiving tenders if the delay is due solely to mishandling on the part of the procuring entity.

3. If a procuring entity provides a supplier with an opportunity to correct unintentional errors of form between the opening of tenders and the awarding of the contract, the procuring entity shall provide the same opportunity to all participating suppliers.

Awarding of Contracts

4. To be considered for an award, a tender shall be submitted in writing and shall, at the time of opening, comply with the essential requirements set out in the notices and tender documentation and be from a supplier that satisfies the conditions for participation.

5. Unless a procuring entity determines that it is not in the public interest to award a contract, the entity shall award the contract to the supplier that the entity has determined to be capable of fulfilling the terms of the contract and that, based solely on the evaluation criteria specified in the notices and tender documentation, has submitted:

(a) the most advantageous tender; or

(b) if price is the sole criterion, the lowest price.

6. If a procuring entity receives a tender with a price that is abnormally lower than the prices in other tenders submitted, it may verify with the supplier that it satisfies the conditions for participation and is capable of fulfilling the terms of the contract. The procuring entity may also verify whether the supplier has obtained subsidies. In that case, the tender may be rejected on that ground alone unless the supplier is able to prove, within a sufficient time limit set by the procuring entity, that the subsidy was granted in compliance with the disciplines relating to subsidies set out in this Agreement.

7. A procuring entity shall not use options, cancel a procurement or modify awarded contracts in a manner that circumvents the obligations under this Chapter.

8. Each Party shall provide, as a general rule, for a standstill period between the award and the conclusion of a contract in order to give sufficient time to unsuccessful bidders to review and challenge the award decision.

ARTICLE 171

Transparency of procurement information

Information Provided to Suppliers

1. A procuring entity shall promptly inform participating suppliers of the entity's contract award decisions and, at the request of a supplier, shall do so in writing. Subject to Article 172 (2) and (3), a procuring entity shall, on request, provide an unsuccessful supplier with an explanation of the reasons why the procuring entity did not select its tender and the relative advantages of the successful supplier's tender.

Publication of Award Information

2. Not later than 72 days after the award of each contract covered by this Chapter, a procuring entity shall publish a notice in the appropriate paper or electronic medium listed in Section 8 of Annex 9. If the entity publishes the notice only in an electronic medium, the information shall remain readily accessible for a reasonable period of time. The notice shall include at least the following information:

(a) a description of the goods or services procured;

(b) the name and address of the procuring entity;

(c) the name and address of the successful supplier;

(d) the value of the successful tender or the highest and lowest offers taken into account in the award of the contract;

(e) the date of award; and

(f) the type of procurement method used, and, in cases where limited tendering was used in accordance with Article 168, a description of the circumstances justifying the use of limited tendering.

Maintenance of Documentation, Reports and Electronic Traceability

3. Each procuring entity shall, for a period of at least three years from the date it awards a contract, maintain:

(a) the documentation and reports of tendering procedures and contract awards relating to covered procurement, including the reports required under Article 168 (2); and

(b) data that ensure the appropriate traceability of the conduct of covered procurement by electronic means.

ARTICLE 172

Disclosure of information

Provision of Information to Parties

1. At the request of the other Party, a Party shall provide promptly any information necessary to determine whether a procurement was conducted fairly, impartially and in accordance with this Chapter, including information on the characteristics and relative advantages of the successful tender. In cases where release of the information would prejudice competition in future tenders, the Party that receives the information shall not disclose it to any supplier, except after consulting with, and obtaining the consent of, the Party that provided the information.

Non-Disclosure of Information

2. Notwithstanding any other provision of this Chapter, a Party, including its procuring entities, shall not provide to any particular supplier information that might prejudice fair competition between suppliers.

3. Nothing in this Chapter shall be construed to require a Party, including its procuring entities, authorities and review bodies, to disclose confidential information where disclosure:

(a) would impede law enforcement;

(b) might prejudice fair competition between suppliers;

(c) would prejudice the legitimate commercial interests of particular persons, including the protection of intellectual property; or

(d) would otherwise be contrary to the public interest.

Exchange of Statistics

4. Each Party shall make available to the other Party statistics on bilateral government procurement, on an annual basis.

ARTICLE 173

Review procedures

1. Each Party shall provide a timely, effective, transparent and non-discriminatory administrative or judicial review procedure through which a supplier that has, or has had, an interest in a covered procurement may:

(a) challenge directly a breach of this Chapter arising in the context of a covered procurement; or

(b) if the supplier does not have a right to challenge directly a breach of this Chapter under the law of that Party, challenge a failure to comply with the Party's measures implementing this Chapter,

The procedural rules for all challenges made under this paragraph shall be in writing and shall be made generally available.

2. In the event of a complaint by a supplier arising in the context of covered procurement in which the supplier has, or has had, an interest, that there has been a breach or a failure as referred to in paragraph 1, the Party of the procuring entity conducting the procurement shall encourage the entity and the supplier to seek resolution of the complaint through consultations. The entity shall accord impartial and timely consideration to any such complaint in a manner that is not prejudicial to the supplier's participation in ongoing or future procurement or its right to seek corrective measures under the administrative or judicial review procedure.

3. Each supplier shall be allowed a sufficient period of time to prepare and submit a challenge, which in no case shall be less than 10 days from the time when the basis of the challenge became known or reasonably should have become known to the supplier.

4. Each Party shall establish or designate at least one impartial administrative or judicial authority that is independent of its procuring entities to receive and review challenges by suppliers arising in the context of a covered procurement.

5. If a body other than an authority referred to in paragraph 4 initially reviews a challenge, the Party shall ensure that the supplier may appeal the initial decision to an impartial administrative or judicial authority that is independent of the procuring entity whose procurement is the subject of the challenge.

6. Each Party shall ensure that where the authority established or designated pursuant to paragraph 4 is not a court, it shall have its decision subject to judicial review or have procedures that provide that:

(a) the procuring entity shall respond in writing to the challenge and disclose all relevant documents to the review body;

(b) the participants to the proceedings ("participants") shall have the right to be heard prior to the review body making a decision on the challenge;

(c) the participants shall have the right to be represented and accompanied;

(d) the participants shall have access to all proceedings;

(e) the participants shall have the right to request that the proceedings take place in public and that witnesses may be presented; and

(f) the review body shall make its decisions or recommendations in a timely fashion, in writing, and shall include an explanation of the basis for each decision or recommendation.

7. Each Party shall adopt or maintain procedures that provide for:

(a) rapid interim measures to preserve the supplier's opportunity to participate in the procurement. Such interim measures may result in suspension of the procurement process. The procedures may provide that overriding adverse consequences for the interests concerned, including the public interest, may be taken into account when deciding whether such measures should be applied. Just cause for not acting shall be provided in writing; and

(b) where a review body has determined that there has been a breach or a failure as referred to in paragraph 1, corrective action or compensation for the loss or damages suffered, which may be limited to either the costs for the preparation of the tender or the costs relating to the challenge, or both.

ARTICLE 174

Modifications and Rectifications to Coverage

1. A Party may propose to modify or rectify Annex 9 with regard to provisions determining its covered procurement.

Modifications

2. A Party that intends to propose a modification to Annex 9 shall:

(a) notify the other Party in writing; and

(b) include in the notification a proposal for appropriate compensatory adjustments to the other Party to maintain a level of coverage comparable to that existing prior to the modification.

3. Notwithstanding point (b) of paragraph 2, a Party does not need to provide compensatory adjustments if the modification covers a procuring entity over which the Party has effectively eliminated its control or influence.

4. The other Party may object in writing within 45 days of receipt of the notification referred to in point (a) of paragraph 2, if it disputes that:

(a) an adjustment proposed in accordance with point (b) of paragraph 2 is adequate to maintain a comparable level of mutually agreed coverage; or

(b) the modification covers an entity over which the Party has effectively eliminated its control or influence in accordance with paragraph 3,

If the other Party has not made an objection within the time limit, it is deemed to have accepted the adjustment or modification.

Rectifications

5. The following changes to Annex 9 shall be considered to be a rectification of a purely formal nature, provided that they do not affect the mutually agreed coverage provided for in this Chapter:

(a) a change in the name of a procuring entity;

(b) a merger of two or more procuring entities listed in Annex 9; and

(c) the separation of a procuring entity listed in Annex 9 into two or more procuring entities that are all added to the list of procuring entities listed in the Annex 9.

The party making such rectification of a purely formal nature shall not be obliged to provide for compensatory adjustments.

6. With regard to proposed rectifications to Annex 9, each Party shall notify the other Party once every two years following the entry into force of this Agreement.

7. A Party may submit to the other Party an objection to a proposed rectification within 45 days from receipt of the notification. A Party submitting an objection shall set out the reasons why it considers the proposed rectification as not in compliance with paragraph 5 and describe the effect of the proposed rectification on the mutually agreed coverage provided for in this Agreement. If no objection is submitted in writing within 45 days after reception of the notification referred to in paragraph 6, the other Party shall be deemed to have agreed to the proposed rectification. The other Party may request in writing additional time for analysing the proposed rectifications if the proposed changes require further verification of the information or additional clarifications from the proposing Party.

Consultations and Dispute Settlement

8. If the other Party objects to the proposed modification or rectification, the Parties shall seek to resolve the issue through consultations. If the Parties do not reach an agreement within 60 days of receipt of the objection, the Party seeking to modify or rectify Annex 9 may refer the matter to the dispute settlement procedure under this Title.

ARTICLE 175

Institutional Provisions

At the request of a Party, the Cooperation Committee, meeting in its trade configuration shall address matters relating to the implementation and operation of this Chapter, such as:

(a) the modification, rectification or amendment of Annex 9;

(b) matters related to the operation of this Chapter;

(c) any other matters regarding government procurement.

CHAPTER 10

TRADE AND SUSTAINABLE DEVELOPMENT

ARTICLE 176

Context and objectives

1. The Parties recall Agenda 21 of the UN Conference on Environment and Development of 1992, the ILO Declaration on Fundamental Principles and Rights at Work of 1998, the Ministerial Declaration of the UN Economic and Social Council on Full Employment and Decent Work of 2006, the ILO Declaration on Social Justice for a Fair Globalisation of 2008 and the UN 2030 Agenda for Sustainable Development of 2015 with its Sustainable Development Goals (hereinafter referred to as SDGs).

2. The Parties recognise that economic development, social development and environmental protection are interdependent and mutually reinforcing components of sustainable development. The Parties affirm their commitment to promote the development of international trade or investment in such a way as to contribute to the objective of sustainable development, notably as expressed in their multilateral commitments on labour and on environment.

ARTICLE 177

Right to regulate and levels of protection

1. The Parties recognise the right of each Party to determine its sustainable development policies and priorities, to establish the levels of domestic environmental and labour protection it deems appropriate, and to adopt or modify its relevant law and policies accordingly. Such law and policies shall be consistent with each Party's commitments to the internationally recognised agreements and standards referred to in Article 178.

2. Each Party shall strive to ensure that its relevant laws and policies provide for and encourage a high level of environmental and labour protection.

3. The Parties recognise that it is inappropriate to encourage trade or investment by weakening or reducing the levels of protection afforded in their respective environmental law or in their labour law and standards.

4. A Party shall not seek to encourage trade or investment by waiving or derogating from its environmental or labour law or, through a sustained or recurring course of action or inaction, failing to enforce its environmental or labour law effectively.

ARTICLE 178

Multilateral environmental agreements and labour conventions

1. The Parties recognise the value of international environmental governance and agreements as a response of the international community to sustainable development challenges concerning the environment, as well as of full and productive employment and decent work for all as key elements of sustainable development.

2. In this context, and taking into account Articles 290 to 295, each Party shall effectively implement the multilateral environmental agreements, that it has ratified, including the 2015 Paris Agreement on climate change and the UN Framework Convention on Climate Change done at New York on 9 May 1992.

3. Taking into account Article 314, each Party shall effectively implement the internationally recognised core labour standards as defined in the fundamental ILO conventions, as well as the other ILO conventions that the Republic of Uzbekistan and the Member States have ratified respectively. The Parties will work towards ratification of other conventions and protocols that are classified as up to date by the ILO. Each Party will adopt and implement measures and policies regarding occupational health and safety and will maintain an effective labour inspection system, consistent with the relevant ILO conventions to which it is or may become a Party.

ARTICLE 179

Trade and investment favouring sustainable development

1. The Parties reaffirm their commitment to enhance the contribution of trade to the objective of sustainable development. Accordingly, they shall promote corporate social responsibility/responsible business conduct practices, trade and investment in environmental goods and services, and the use of sustainability assurance schemes, such as fair and ethical trade and eco-labelling.

2. The Parties shall exchange information and share experience on their actions to promote coherence and mutual supportiveness between trade, social and environmental policies, and shall strengthen dialogue and cooperation on sustainable development issues that arise in the context of trade relations

3. Such dialogue and cooperation shall involve relevant stakeholders, in particular social partners, as well as other civil society organisations, through the civil society cooperation established pursuant to Article 341.

ARTICLE 180

Dispute Settlement

Articles 250 to 254 shall not apply to disputes under this Chapter. For any such dispute, after the panel has delivered its final report in accordance with Articles 248 and 249, the Parties, taking that report into account, shall discuss suitable measures to be implemented. The Cooperation Committee shall monitor the implementation of any such measures and shall keep the matter under review, including through the mechanism referred to in Article 179(3).

CHAPTER 11

TRANSPARENCY

ARTICLE 181

Objective

Recognising the impact which their respective regulatory environment could have on trade and investment between them, the Parties aim to provide a predictable regulatory environment and efficient procedures for economic operators, especially small and medium-sized enterprises.

ARTICLE 182

Definitions

For the purposes of this Chapter:

(a) "administrative decision" means a decision, act or action with legal effect that applies to a specific person, good or service in an individual case, and covers the failure to take such decision, act or action as provided for in the law of a Party;

(b) "interested person" means any person that may be affected by a measure of general application; and

(c) "measure of general application" means laws, regulations, procedures, administrative rulings and judicial decisions of general application pertaining to any matter covered by this Title, as provided for in the law of a Party.

ARTICLE 183

Publication

Each Party shall ensure that a measure of general application with respect to any matter covered by this Title:

(a) is promptly published via an officially designated medium and, where feasible, electronic means, or otherwise made available in such a manner as to enable any person to become acquainted with it;

(b) provides an explanation of the objective of, and rationale for, the measure; and

(c) allows for sufficient time between publication and entry into force of laws and regulations, at least if it increases the burden on economic operators, except where this is not possible on grounds of urgency. This point does not apply to judicial or administrative rulings.

ARTICLE 184

Enquiries

1. Each Party shall establish or maintain appropriate mechanisms for responding to enquiries from any person regarding any laws or regulations, with respect to any matter covered by this Title.

2. At the request of a Party, the other Party shall promptly provide information and respond to questions pertaining to any law or regulation whether in force or at the stage of development, with respect to any matter covered by this Title.

ARTICLE 185

Implementation of measures of general application

1. Each Party shall administer in an objective, impartial and reasonable manner all measures of general application with respect to any matter covered by this Title.

2. When applying the measures referred to in paragraph 1 to particular persons, goods or services of the other Party in specific cases each Party shall:

(a) endeavour to provide persons who are directly affected by administrative proceedings with reasonable notice, in accordance with its laws and regulations, when proceedings are initiated, including a description of the nature of the proceedings, a statement of the legal authority under which the proceedings are initiated and a general description of any issues in question; and

(b) afford persons a reasonable opportunity to present facts and arguments in support of their positions prior to any final administrative decision in so far as time, the nature of the proceedings and the public interest permit.

ARTICLE 186

Review and appeal

1. Each Party shall establish or maintain judicial, arbitral or administrative tribunals or procedures for the purposes of the prompt review and, where warranted, correction of administrative decisions with respect to any matter covered by this Title. Each Party shall ensure that its procedures for appeal and review are carried out in a non-discriminatory and impartial manner by its tribunals. Those tribunals shall be impartial and independent of the authority entrusted with administrative enforcement and shall not have any interest in the outcome of the matter.

2. Each Party shall ensure that the parties to the proceedings referred to in paragraph 1 are provided with the right to:

(a) a reasonable opportunity to support or defend their respective positions; and

(b) a decision based on the evidence and submissions of record or, where required by its law, the relevant record compiled by the administrative authority.

3. The decision referred to in point (b) of paragraph 2 shall, subject to appeal or further review as provided for in its law, be implemented by the authority entrusted with administrative enforcement.

ARTICLE 187

Relation to other chapters

This Chapter shall be without prejudice to any specific rules established in other Chapters of this Title.

CHAPTER 12

INVESTMENT AND TRADE IN SERVICES

SECTION 1

GENERAL PROVISIONS

ARTICLE 188

Scope

1. The Parties, affirming their commitment to create a better environment for the development of investment and trade between them, hereby lay down the necessary arrangements in view of improving reciprocal conditions of investment and trade in services.

2. The Parties affirm the right to regulate and to introduce new regulations within their territories to achieve legitimate policy objectives, including the protection of public health, social services, public education, safety, the environment, including climate change, public morals, social or consumer protection, privacy and data protection, and the promotion and protection of cultural diversity.

3. This Chapter does not apply to measures affecting natural persons of a Party seeking access to the employment market of the other Party, nor to measures regarding nationality or citizenship, residence or employment on a permanent basis.

4. This Chapter shall not prevent a Party from applying measures to regulate the entry of natural persons into, or their temporary stay in, its territory, including measures necessary to protect the integrity of its borders and to ensure the orderly movement of natural persons across them, provided that such measures are not applied in such a manner as to nullify or impair the benefits[1] accruing to the other Party under the terms of this Chapter.

5. This Chapter does not apply to any measure of a Party with respect to the procurement of a good or service by a government or agency purchased for governmental purposes, and not with a view to commercial resale or with a view to use in the supply of a good or service for commercial sale, whether or not such procurement is covered procurement within the meaning of Chapter 9.

6. This Chapter does not apply to subsidies or grants provided by the Parties, including government-supported loans and guarantees, and insurance.

7. This Chapter does not apply to:

(a) air services or related services in support of air services[2], other than the following:

(i) aircraft repair and maintenance services;

(ii) computer reservation system (CRS) services;

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1 The sole fact of requiring a visa for natural persons of certain countries and not for natural persons of other countries shall not be regarded as nullifying or impairing benefits under this Chapter.

2 For greater certainty, air services or related services in support of air services include, but are not limited to, the following services: air transportation; services provided by using an aircraft whose primary purpose is not the transportation of goods or passengers, such as aerial fire-fighting flight training, sightseeing, spraying, surveying, mapping, photography, parachute jumping, glider towing, helicopter-lift for logging and construction, and other airborne agricultural, industrial and inspection services; rental of aircraft with crew and airport operation services.

(iii) ground handling services; and

(iv) the selling and marketing of air transport services;

(b) audio-visual services;

(c) inland waterways; and

(d) national maritime cabotage[1].

ARTICLE 189

Definitions

For the purposes of this Chapter:

(a) "aircraft repair and maintenance services" means such activities when undertaken on an aircraft or a part thereof while it is withdrawn from service, and does not include so-called line maintenance;

(b) "activities performed or services supplied in the exercise of governmental authority" means activities which are performed or services which are supplied neither on a commercial basis nor in competition with one or more economic operators;

[1] Without prejudice to the scope of activities which may be considered as cabotage under the relevant national legislation, national maritime cabotage under this Chapter covers, for the European Union, transportation of passengers or goods between a port or point located in a Member State of the European Union and another port or point located in that same Member State of the European Union, including on its continental shelf, as provided for in the United Nations Convention on the Law of the Sea, and traffic originating and terminating in the same port or point located in a Member State of the European Union.

(c) "computer reservation system (CRS) services" means services provided by computerised systems that contain information about air carriers' schedules, availability, fares and fare rules, through which reservations can be made or tickets can be issued;

(d) "covered enterprise" means an enterprise in the territory of a Party established in accordance with point (h) by a juridical person of the other Party, in accordance with the applicable law, whether already established on the date of entry into force of this Agreement or established thereafter;

(e) "cross-border trade in services" means the supply of a service:

(i) from the territory of a Party into the territory of the other Party; or

(ii) in the territory of a Party to the service consumer of the other Party;

(f) "economic activity" means any activity of an industrial, commercial or professional character or activities of craftsmen, including the supply of services, except for activities performed in the exercise of governmental authority;

(g) "enterprise" means a juridical person or a branch or a representative office of a juridical person;

(h) "establishment" means the setting up or the acquisition of a juridical person, including through capital participation, or the creation of a branch or representative office of a juridical person, in the territory of a Party, with a view to creating or maintaining lasting economic links;

(i) "existing" means in effect on the date of signature of this Agreement;

(j) "ground handling services" means the supply at an airport, on a fee or contract basis, of the following services: airline representation, administration and supervision; passenger handling; baggage handling; ramp services; catering; air cargo and mail handling; fuelling of an aircraft; aircraft servicing and cleaning; surface transport; and flight operations, crew administration and flight planning; the term ground handling services does not include: self-handling; security; aircraft repair and maintenance; or management or operation of essential centralised airport infrastructure, such as de-icing facilities, fuel distribution systems, baggage handling systems and fixed intra airport transport systems;

(k) "juridical person" means any legal entity duly constituted or otherwise organised under the applicable law, whether for profit or otherwise, and whether privately-owned or governmentally-owned, including any corporation, trust, partnership, joint venture, sole proprietorship or association;

(l) "juridical person of a Party" means[1]:

(i) for the European Union:

(A) a juridical person constituted or organised under the law of the European Union or of at least one of its Member States and engaged in substantive business operations[2] in the territory of the European Union; and

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1 For greater certainty, the shipping companies mentioned in this subparagraph are only considered as juridical persons of a Party with respect to their activities relating to the supply of maritime transport services.

2 In line with its notification of the Treaty establishing the European Community to the WTO (WT/REG39/1), the European Union understands that the concept of "effective and continuous link" with the economy of a Member State of the European Union enshrined in Article 54 of the TFEU is equivalent to the concept of "substantive business operations".

(B) a shipping company established outside the European Union, and controlled by a natural person of a Member State, whose vessel is registered in, and flies the flag of, a Member State;

(ii) for the Republic of Uzbekistan:

(A) a juridical person constituted or organised under the law of the Republic of Uzbekistan and engaged in substantive business operations in the territory of the Republic of Uzbekistan; and

(B) a shipping company established outside the Republic of Uzbekistan, and controlled by a natural person of the Republic of Uzbekistan, whose vessel is registered in, and flies the flag of, the Republic of Uzbekistan;

(m) "measure of a Party" means any measure adopted or maintained by[1]:

(i) central, regional or local governments or authorities; and

(ii) non-governmental bodies in the exercise of powers delegated by central, regional or local governments or authorities;

[1] For greater certainty, the term measure of a Party covers measures by entities listed under points (l)(i) and (l)(ii), which are adopted or maintained by instructing, directing or controlling, either directly or indirectly, the conduct of other entities with regard to those measures.

(n) "natural person of a Party" means:

(i) for the European Union, a national of one of the Member States in accordance with its law[1];and

(ii) for the Republic of Uzbekistan, a national of the Republic of Uzbekistan in accordance with its law;

(o) "operation" means the conduct, management, maintenance, use, enjoyment, or sale or other form of disposal of an enterprise;

(p) "selling and marketing of air transport services" means opportunities for the air carrier concerned to sell and market freely its air transport services including all aspects of marketing such as market research, advertising and distribution, but not including the pricing of air transport services nor the applicable conditions;

(q) "service" means any service in any sector except services supplied in the exercise of governmental authority;

(r) "service supplier" means any person that seeks to supply or supplies a service.

[1] For the European Union, the term natural person of a Party also includes persons permanently residing in the Republic of Latvia who are not citizens of the Republic of Latvia or any other state but who are entitled, under the law of the Republic of Latvia, to receive a non-citizen's passport.

ARTICLE 190

Horizontal limitation for services

1. Notwithstanding any other provisions of this Chapter, a Party shall not be required to accord, in respect of sectors or measures covered by GATS, treatment which is more favourable than that which such Party is required to accord under GATS; and this in respect of each service sector, sub-sector and mode of supply. This paragraph shall apply as from the day one month prior to the date of entry into force of each of the relevant obligations of a Party under GATS.

2. For greater certainty, in regard to services, GATS schedules of specific commitments of the European Union, including the reservations and its Annex on Article II exemptions (list of most-favoured-nation exemptions), shall be incorporated into and made part of this Agreement.

3. For greater certainty, prior to the accession of the Republic of Uzbekistan to the WTO, the schedule of specific commitments of the Republic of Uzbekistan, including the reservations, is the one set out in Annexes 12-B, 12-C and 12-D.

ARTICLE 191

Economic integration agreements

The treatment granted in accordance with this Chapter does not apply in respect of the treatment accorded by a Party pursuant to an agreement which substantially liberalises trade in services (including establishment in the area of services) meeting the criteria of Articles V and V bis of GATS or to an agreement which substantially liberalises establishment in other economic activities, meeting the same criteria, in respect of such activities.

ARTICLE 192

Transparency and disclosure of confidential information

1. A Party shall respond promptly to all requests by the other Party for specific information on any of its measures of general application, including standards and criteria for licensing and certification of investors and services suppliers and information concerning the appropriate regulatory or other body or international agreements which pertain to or affect matters within the scope of this Chapter. Each Party shall establish one or more enquiry points and notify the other Party with the contact details. Those enquiry points shall provide, upon request, specific information to investors and service suppliers of the other Party on all such matters.

2. Each Party shall publish promptly all measures of general application, which pertain to or affect the operation of this Chapter. Where such publication is not practical, the information on such measures shall otherwise be made publicly available.

3. Nothing in this Agreement shall require a Party to provide confidential information, the disclosure of which would impede law enforcement or otherwise be contrary to the public interest, or which would prejudice legitimate commercial interests of particular enterprises, whether public or private.

SECTION 2

INVESTMENT

ARTICLE 193

Scope

This Section applies to measures of a Party affecting establishment or operation in its territory to perform economic activities by:

(a) juridical persons of the other Party; and

(b) covered enterprises.

ARTICLE 194

Most favoured nation treatment and national treatment

1. Without prejudice to the reservations listed in Annex 12-A to this Agreement and the GATS schedules of specific commitments of the European Union and in Annex 12-B to this Agreement, each Party shall accord to juridical persons of the other Party and to covered enterprises treatment no less favourable than that it accords, in like situations, to juridical persons of a third country and to their enterprises, with respect to establishment and operation in its territory.

2. Without prejudice to the reservations listed in Annex 12-A and the GATS schedules of specific commitments of the European Union and in Annex 12-B, each Party shall accord to juridical persons of the other Party and to covered enterprises treatment no less favourable than that it accords, in like situations, to its own juridical persons and to their enterprises, with respect to establishment and operation in its territory.

3. The treatment accorded under paragraph 2 means:

(a) with respect to a regional or local level of government of the Republic of Uzbekistan, treatment no less favourable than the most favourable treatment accorded, in like situations, by that level of government to juridical persons of the Republic of Uzbekistan and to their enterprises in its territory; and

(b) with respect to a government of, or in, a Member State, treatment no less favourable than the most favourable treatment accorded, in like situations, by that government to juridical persons of that Member State and to their enterprises in its territory.

4. This Article shall not be construed as obliging a Party to extend to juridical persons of the other Party or to covered enterprises the benefit of any treatment resulting from:

(a) an international agreement for the avoidance of double taxation or any other international agreement or arrangement relating wholly or mainly to taxation; or

(b) measures providing for recognition, including of the standards or criteria for the authorisation, licencing, or certification of a natural person or enterprise to carry out an economic activity, or of prudential measures as referred to in paragraph 3 of the GATS Annex on Financial Services.

5. For greater certainty, the treatment referred to in paragraph 1 does not include dispute settlement procedures provided for in other international agreements.

6. For greater certainty, substantive provisions in other international agreements concluded by a Party with a third country do not in themselves constitute the treatment referred to in paragraph 1. Measures of a Party pursuant to those provisions[1] may constitute such treatment and thus give rise to a breach of this Article.

ARTICLE 195

Senior management and boards of directors

Without prejudice to the reservations listed in Annex 12-A and the GATS schedules of specific commitments of the European Union and in Annex 12-B, a Party shall not require a covered enterprise to appoint individuals of any particular nationality as executives or managers, or as members of boards of directors.

[1] For greater certainty, the mere transposition of substantive provisions in other international agreements concluded by a Party with a third country into domestic law, to the extent that it is necessary in order to incorporate them into the domestic legal order, does not in itself qualify as a measure.

ARTICLE 196

Denial of benefits

A Party may deny the benefits of this Section to a juridical person of the other Party or to a covered enterprise, if the denying Party adopts or maintains measures related to the maintenance of international peace and security, including the protection of human rights, which:

(a) prohibit transactions with that juridical person or covered enterprise; or

(b) would be violated or circumvented if the benefits of this Section were accorded to that juridical person or covered enterprise, including where the measures prohibit transactions with a person who owns or controls that juridical person or enterprise.

SECTION 3

CROSS-BORDER TRADE IN SERVICES

ARTICLE 197

Scope

This Section applies to measures of a Party affecting the cross-border trade in services by service suppliers of the other Party.

ARTICLE 198

National treatment

1. Without prejudice to Article 190, in the sectors for which commitments are inscribed in the GATS schedules of specific commitments of the European Union and in Annex 12-C of this Agreement, each Party shall accord to services and service suppliers of the other Party treatment no less favourable than that it accords, in like situations, to its own services and services suppliers.

2. A Party may fulfil the requirement of paragraph 1 by according to services and service suppliers of the other Party either formally identical treatment or formally different treatment to that it accords to its own services and service suppliers.

3. Formally identical or formally different treatment shall be considered to be less favourable if it modifies the conditions of competition in favour of services or service suppliers of the Party compared to services or service suppliers of the other Party.

4. Nothing in this Article shall be construed as requiring either Party to compensate for inherent competitive disadvantages which result from the foreign character of the relevant services or services suppliers.

ARTICLE 199

Progressive further liberalisation

1. The Parties shall endeavour, in accordance with this Section, to take the necessary steps to progressively allow further cross-border trade in services taking into account the development of the service sectors in the Parties.

2. The Cooperation Committee in trade configuration shall make recommendations for the implementation of paragraph 1.

3. The Parties shall endeavour to avoid the adoption of any measure which renders the conditions for cross-border trade in services more restrictive than the situation existing on the day preceding the date of signature of this Agreement.

ARTICLE 200

Denial of benefits

A Party may deny the benefits of this Section to a service supplier of the other Party if the denying Party adopts or maintains measures related to the maintenance of international peace and security, including the protection of human rights, which:

(a) prohibit transactions with that service supplier; or

(b) would be violated or circumvented if the benefits of this Section were accorded to that service supplier, including where the measures prohibit transactions with a person who owns or controls it.

SECTION 4

ENTRY AND TEMPORARY STAY OF NATURAL PERSONS FOR BUSINESS PURPOSES

ARTICLE 201

Scope and definitions

1. This Section applies to measures of a Party affecting the supply of services through the entry and temporary stay in its territory of natural persons of the other Party, who fall within the scope of the following categories:

(a) business visitors for establishment purposes;

(b) contractual service suppliers; and

(c) intra-corporate transferees.

2. To the extent that commitments are not undertaken in this Section, all requirements provided for in the law of a Party regarding the entry and temporary stay of natural persons shall continue to apply, including regulations concerning the period of stay.

3. Notwithstanding the provisions of this Section, all requirements provided for in the law of a Party regarding work and social security measures shall continue to apply, including regulations concerning minimum wages and collective wage agreements.

4. Commitments on the entry and temporary stay of natural persons for business purposes do not apply in cases where the intent or effect of the entry and temporary stay is to interfere with or otherwise affect the outcome of any labour or management dispute or negotiation, or the employment of any natural person who is involved in that dispute.

5. For the purposes of this Section:

(a) "business visitors for establishment purposes" means natural persons, working in a senior position within a juridical person of a Party, who:

(i) are responsible for setting up an enterprise of such juridical person in the territory of the other Party;

(ii) do not offer or provide services or engage in any economic activity other than that which is required for the purposes of the establishment of that enterprise; and

(iii) do not receive remuneration from a source located within the other Party;

(b) "contractual services suppliers" means natural persons employed by a juridical person of a Party other than through an agency for placement and supply services of personnel, which is not established in the territory of the other Party and has concluded a bona fide contract[1], to supply services to a final consumer in the other Party requiring the temporary presence of its employees[2] who:

(i) have offered such services as employees of the juridical person for a period of not less than one year immediately preceding the date of their application for entry and temporary stay;

(ii) possess, on that date:

(A) professional experience of at least three years, for natural persons of the European Union, and of at least five years, for natural persons of the Republic of Uzbekistan in the relevant activity[3];

(B) a university degree or a qualification demonstrating knowledge of an equivalent level[4]; and

(C) the professional qualifications legally required to exercise that activity in the other Party; and

(iii) do not receive remuneration from a source located within the other Party;

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1 For the European Union the bona fide contract shall not exceed 12 months.

2 The service contract referred to under point (b) shall comply with the requirements of the law of the Party where the contract is executed.

3 Obtained after having reached the age of majority.

4 Where the degree or qualification has not been obtained in the Party where the service is supplied, that Party may evaluate whether this is equivalent to a university degree required in its territory.

(c) "intra-corporate transferees" means natural persons, who:

(i) have been employed by a juridical person of a Party or its branch, or have been partners in it, for a period of not less than one year immediately preceding the date of their application for the entry and temporary stay in the other Party;

(ii) at the time of application reside outside the territory of the other Party;

(iii) are temporarily transferred to an enterprise of the juridical person in the territory of the other Party[1] which is a member of the group of the originating juridical person or branch, including its representative office, subsidiary, branch or head company; and

(iv) who, for the European Union, belong to the categories of:

(A) managers working in a senior position, who primarily direct the management of the enterprise[2] in the other Party, receiving general supervision or direction principally from the board of directors or from stockholders of the business or their equivalent and whose responsibilities include:

(1) directing the enterprise or a department or subdivision thereof;

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1 For greater certainty, managers and specialists may be required to demonstrate they possess the professional qualifications and experience needed in the juridical person to which they are transferred.

2 For greater certainty, while managers or executives do not directly perform tasks concerning the actual supply of the services, this does not prevent them, in the course of executing their duties as described above, from performing such tasks as may be necessary for the provision of the services.

(2) supervising and controlling the work of other supervisory, professional or managerial employees; and

(3) having the authority to recommend hiring, dismissing or other personnel-related actions; or

(B) specialists possessing specialised knowledge, essential to the enterprise's areas of activity, techniques or management, which shall be assessed taking into account not only knowledge specific to the enterprise, but also whether the person has a high level of qualification, including adequate professional experience, referring to a type of work or activity requiring specific technical knowledge, including possible membership of an accredited profession; or

(v) who, for the Republic of Uzbekistan, carry out their work on the territory of that Party, are no citizen of the Republic of Uzbekistan and fulfil the following minimal criteria:

(A) have completed a higher education relevant for the exercised profession;

(B) possess at least 5 years of experience in the envisaged field of activity; and

(C) receive an annual salary (remuneration) in the Republic of Uzbekistan of an amount not less than the equivalent of SDR 22 000.

ARTICLE 202

Intra-corporate transferees and business visitors for establishment purposes

1. In the sectors, subsectors and activities listed in the GATS schedules of specific commitments of the European Union or in Annex 12-B to this Agreement and subject to any reservations listed therein[1]:

(a) a Party shall allow:

(i) the entry and temporary stay of intra-corporate transferees and business visitors for establishment purposes; and

(ii) the employment in its territory of intra-corporate transferees of the other Party; and

(b) a Party shall not maintain or adopt, either on the basis of a territorial subdivision or on the basis of its entire territory, limitations on the total number of natural persons that an enterprise may employ as intra-corporate transferees and business visitors for establishment purposes in a specific sector in the form of numerical quotas or economic needs tests, or discriminatory limitations.

2. The permissible length of stay shall be for a period of up to three years for intra-corporate transferees, and up to 90 days[2] for business visitors for establishment purposes.

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[1] For greater certainty, if a Party set out a reservation in Annex 12-D or Annex 12 – A, the reservation also constitutes a reservation to this article to the extent that the measure set out in or permitted by the reservation affects the treatment of a natural person for business purposes entering and temporary staying in the territory of the other Party.

[2] For the European Union, the ninety days are computed within any six months period.

ARTICLE 203

Contractual service suppliers

1. In the sectors, subsectors and activities listed in the GATS schedules of specific commitments of the European Union or in Annex 12-D to this Agreement and subject to any reservations listed therein[1], a Party shall not adopt or maintain limitations on the total number of contractual service suppliers of the other Party allowed temporary entry, in the form of numerical quotas or an economic needs test, or discriminatory limitations.

2. Access accorded under this Article relates only to the service which is the subject of the contract and does not confer entitlement to exercise the professional title of the Party where the service is provided.

3. The number of persons covered by the service contract shall not be greater than necessary to fulfil the contract, as it may be requested by the law of the Party where the service is supplied.

4. The permissible length of stay shall be for a cumulative period of not more than three months in any twelve month period, or for the duration of the contract, whichever is less.

[1] For greater certainty, if a Party has made a reservation in Annex 12-A or Annex 12-B, the reservation also constitutes a reservation to this Article to the extent that the measure set out or permitted by the reservation affects the treatment of a natural person for business purposes entering and temporary staying in the territory of the other Party.

ARTICLE 204

Transparency

1. Each Party shall make publicly available information on relevant measures that pertain to the entry and temporary stay of natural persons of the other Party, referred to in Article 201 (1).

2. The information referred to in paragraph 1 shall, to the extent possible, include inter alia the following information relevant to the entry and temporary stay of natural persons:

(a) entry conditions;

(b) an indicative list of documentation that may be required in order to verify the fulfilment of the conditions;

(c) indicative processing time;

(d) applicable fees;

(e) appeal procedures, where relevant; and

(f) relevant laws of general application pertaining to the entry and temporary stay of natural persons.

SECTION 5

REGULATORY FRAMEWORK

SUB-SECTION A

DOMESTIC REGULATION

ARTICLE 205

Scope and definitions

1. This Section shall apply only to sectors for which commitments are listed in Annex 12-A to this Agreement and the GATS schedules of specific commitments of the European Union and Annexes 12-B, 12-C and 12-D to this Agreement, relating to licencing requirements and procedures, qualification requirements and procedures that affect:

(a) cross-border trade in services;

(b) establishment or operation; or

(c) the supply of a service through the presence of a natural person of a Party in the territory of the other Party of categories of natural persons referred to in Article 201.

2. For the purposes of this Section,

(a) "competent authority" means a central, regional or local government or authority or non-governmental body in the exercise of powers delegated by central, regional or local governments or authorities, which is entitled to take a decision concerning the authorisation to supply a service, including through establishment, or concerning the authorisation to establish an enterprise in order to engage in an economic activity other than a service;

(b) "licencing procedures" means administrative or procedural rules that a person seeking authorisation to carry out the activities referred to in points (a) to (c) of paragraph 1, including the amendment or renewal of a licence, with which a person is required to comply in order to demonstrate compliance with licencing requirements;

(c) "licencing requirements" means substantive requirements, other than qualification requirements, with which a person is required to comply in order to obtain, amend or renew authorisation to carry out the activities referred to in points (a) to (c) of paragraph 1;

(d) "qualification procedures" means administrative or procedural rules to which a natural person is required to adhere to in order to demonstrate compliance with qualification requirements, for the purpose of obtaining authorisation to supply a service; and

(e) "qualification requirements" means substantive requirements relating to the competence of a natural person to supply a service, and which are required to be demonstrated for the purpose of obtaining authorisation to supply a service.

ARTICLE 206

Conditions for licencing and qualification

1. Each Party shall ensure that measures relating to licencing requirements and procedures, and qualification requirements and procedures are based on criteria which preclude the competent authorities from exercising their power of assessment in an arbitrary manner. Such criteria shall be established in advance, be clear, unambiguous, objective and transparent and be accessible to the public and interested persons.

2. The competent authority shall grant an authorisation or a licence as soon as it is established, in the light of an appropriate examination, that the applicant meets the conditions for obtaining it.

3. Each Party shall maintain judicial, arbitral or administrative tribunals or procedures which provide, at the request of an affected service supplier or juridical person of the other Party, for a prompt review of, and where justified, appropriate remedies for, administrative decisions affecting establishment, cross-border trade in services or temporary stay of natural persons for business purposes. Where such procedures are not independent of the agency entrusted with the administrative decision concerned, each Party shall ensure that the procedures provide effectively for an objective and impartial review.

4. Where the number of licences available for a given activity is limited because of the scarcity of available natural resources or technical capacity, each Party shall apply a selection procedure to potential candidates which provides full guarantees of impartiality and transparency, including, in particular, adequate publicity about the launch, conduct and completion of the procedure. In establishing the rules for the selection procedure, each Party may take into account legitimate policy objectives, including considerations of health, safety, the protection of the environment and the preservation of cultural heritage.

ARTICLE 207

Licencing and qualification procedures

1. Licencing and qualification procedures and formalities shall be clear, made public in advance, and shall not in themselves constitute a restriction on the supply of a service or the pursuit of any other economic activity. Each Party shall endeavour to make such procedures and formalities as simple as possible, and shall not unduly complicate or delay the provision of the service or the pursuit of any other economic activity. Any licencing or authorisation fees[1] should be reasonable, transparent and shall not, in themselves, restrict the supply of the relevant service or the pursuit of the relevant economic activity.

2. Each Party shall ensure that the procedures used by, and the decisions of, the competent authority are impartial with respect to all applicants. The competent authority should reach its decision in an independent manner and not be accountable to any person supplying the services or carrying out the economic activities for which the licence or authorisation is required.

3. If a specific time period for applications exists, an applicant shall be allowed a reasonable period for the submission of an application. The competent authority shall initiate the processing of an application without undue delay. If possible, applications should be accepted in electronic format under the same conditions of authenticity as paper submissions.

4. Each Party shall ensure that the processing of an application, including reaching a final decision, is completed within a reasonable period of time from the submission of a complete application. Each Party shall endeavour to establish and make publicly available an indicative timeframe for processing applications.

[1] Licencing or authorisation fees do not include payments for auction, tendering or other non-discriminatory means of awarding concessions, or mandated contributions to universal service provision.

5. At the request of the applicant, the competent authority shall provide, without undue delay, information concerning the status of the application.

6. The competent authority shall, within a reasonable period of time after the receipt of an application which it considers incomplete, inform the applicant, identify to the extent feasible the additional information required to complete the application and provide an opportunity to correct deficiencies.

7. The competent authority should, where possible, accept authenticated copies in place of original documents.

8. If the competent authority rejects an application, it shall inform the applicant in writing without undue delay. It shall also inform the applicant, upon request, of the reasons for rejection of the application and of the timeframe for appealing against that decision. An applicant should be permitted, within reasonable time limits, to resubmit an application.

9. Each Party shall ensure that a licence or an authorisation, once granted, enters into effect without undue delay in accordance with the terms and conditions specified therein.

SUB-SECTION B

DELIVERY SERVICES

ARTICLE 208

Scope and definitions

1. This Section sets out the principles of the regulatory framework for the supply of delivery services for which commitments are listed in Annex 12-A to this Agreement, the GATS schedules of specific commitments of the European Union and Annexes 12-B, 12-C and 12-D to this Agreement.

2. For the purposes of this Section:

(a) "delivery services" means postal services, express delivery services or express mail services, which include the following activities: the collection, sorting, transport and delivery of postal items;

(b) "express delivery services" means the collection, sorting, transport and delivery of postal items at accelerated speed and with increased reliability and may include value added elements such as collection from point of origin, personal delivery to the addressee, tracing, possibility of changing the destination and addressee in transit or confirmation of receipt;

(c) "express mail services" means international express delivery services supplied through the EMS Cooperative, the voluntary association of designated postal operators under the Universal Postal Union;

(d) "licence" means an authorisation that a regulatory authority of a Party may grant to a supplier of delivery services for the right to provide postal, express delivery services or express mail services;

(e) "postal item" means an item of up to 31,5 kg addressed in the final form in which it is to be carried by a supplier of delivery services, and includes items such as a letter or parcel;

(f) "monopoly" means the exclusive right to supply specified delivery services within a Party's territory or a subdivision thereof pursuant to a legislative measure; and

(g) "universal service" means the permanent supply of a delivery service of specified quality at all points in the territory of a Party or a subdivision thereof for all customers at affordable prices.

ARTICLE 209

Universal service

1. Each Party has the right to define the kind of universal service obligations it wishes to maintain and to decide on their scope and implementation. Any universal service obligation shall be administered in a transparent, non-discriminatory and neutral manner with regard to all suppliers subject to the obligation.

2. If a Party requires inbound express mail services to be supplied on a universal service basis, it shall not accord preferential treatment to this service over other international express delivery services.

ARTICLE 210

Universal service funding

A Party shall not impose fees or other charges on the supply of a non-universal delivery service for the purpose of funding the supply of a universal service[1].

ARTICLE 211

Prevention of market distortive practices

Each Party shall ensure that suppliers of delivery services subject to a universal service obligation or postal monopolies do not engage in market distortive practices.

ARTICLE 212

Licences

1. If a Party requires a licence for the provision of delivery services, it shall make publicly available:

(a) all licensing requirements and the period of time normally required for a decision concerning an application for a licence to be reached; and

[1] For greater certainty, this paragraph does not apply to generally applicable taxation measures or administrative fees.

(b) the terms and conditions of the licences.

2. The procedures, obligations and requirements of a license shall be transparent, non-discriminatory and based on objective criteria.

3. If a competent authority rejects a licence application, it shall inform the applicant of the reasons for the rejection in writing. Each party shall establish an appeal procedure through an independent body available to applicants whose licence application has been rejected. That independent body may be a court.

ARTICLE 213

Independence of the regulatory body

1. Each Party shall establish or maintain a regulatory body which shall be legally distinct and functionally independent from any supplier of delivery services. If a Party owns or controls a supplier of delivery services, it shall ensure effective structural separation of the regulatory function from activities associated with ownership or control.

2. The regulatory bodies shall perform their tasks in a transparent and timely manner and have adequate financial and human resources to carry out the tasks assigned to them. Their decisions shall be impartial with respect to all market participants.

SUB-SECTION C

TELECOMMUNICATIONS SERVICES

ARTICLE 214

Scope

This Section sets out principles of the regulatory framework affecting telecommunications networks and services for which commitments are listed in Annex 12-A to this Agreement, the GATS schedules of specific commitments of the European Union and Annexes 12-B, 12-C and 12-D to this Agreement.

ARTICLE 215

Definitions

For the purposes of this Section:

(a) "associated facilities" means services, physical infrastructures and other facilities associated with a telecommunications network or service which enable or support the supply of services via that network or service or have the potential to do so;

(b) "essential facilities" means facilities of a public telecommunications network or service that:

(i) are exclusively or predominantly provided by a single or limited number of suppliers; and

(ii) cannot feasibly be economically or technically substituted in order to provide a service;

(c) "interconnection" means the linking of public telecommunications networks used by the same or different suppliers of telecommunications networks or services in order to allow the users of one supplier to communicate with users of the same or another supplier or to access services provided by another supplier. Services may be provided by the suppliers involved or any other supplier who has access to the network;

(d) "leased circuit" means telecommunications services or facilities, including those of a virtual nature, that set aside capacity for the dedicated use of, or availability to, a user between two or more designated points;

(e) "major supplier" means a supplier of telecommunications networks or services which has the ability to materially affect the terms of participation (having regard to price and supply) in a relevant market for telecommunications networks or services as a result of control over essential facilities or the use of its position in that market;

(f) "network element" means a facility or equipment used in supplying a telecommunications service, including features, functions and capabilities provided by means of that facility or equipment;

(g) "public telecommunications network" means any telecommunications network used wholly or mainly for the provision of public telecommunications services between network termination points;

(h) "public telecommunications service" means any telecommunications service that is offered to the public generally;

(i) "telecommunications" means the transmission and reception of signals by any electromagnetic means;

(j) "telecommunications network" means transmission systems and, where applicable, switching or routing equipment and other resources, including network elements which are not active, which permit the transmission and reception of signals by wire, radio, optical or other electromagnetic means;

(k) "telecommunications regulatory authority" means the body or bodies charged by a Party with the regulation of telecommunications networks and services covered by this Section;

(l) "telecommunications service" means a service which consists wholly or mainly in the transmission and reception of signals, including broadcasting signals, over telecommunications networks, including those used for broadcasting, but not a service providing, or exercising editorial control over, content transmitted using telecommunications networks and services;

(m) "universal service" means the minimum set of services of specified quality that must be made available to all users, or to a set of users, in the territory of a Party, or in a subdivision thereof, regardless of their geographical location and at an affordable price; and

(n) "user" means any person using a public telecommunications service.

ARTICLE 216

Telecommunications regulatory authority

1. Each Party shall establish or maintain a telecommunications regulatory authority that:

(a) is legally distinct and functionally independent from any supplier of telecommunications networks, telecommunications services or telecommunications equipment;

(b) uses procedures and issues decisions that are impartial with respect to all market participants;

(c) acts independently and does not seek or take instructions from any other body in relation to the exercise of the tasks assigned to it by law to enforce the obligations set out in Articles 218 to 220, 222 and 223;

(d) has the regulatory power, as well as adequate financial and human resources, to carry out those tasks;

(e) has the power to ensure that suppliers of telecommunications networks or services provide it, promptly, upon request, with all the information, including financial information, necessary to carry out those tasks;

(f) treats all information requested received pursuant to a request under point (e) in accordance with the requirements of confidentiality”; and

(g) exercises its powers transparently and in a timely manner.

2. Each Party shall ensure that the tasks of the telecommunications regulatory authority are made public in an easily accessible and clear form, in particular where those tasks are assigned to more than one body.

3. A Party that retains ownership or control of suppliers of telecommunications networks or services strives to ensure effective structural separation of the regulatory function from activities associated with ownership or control.

4. Each Party shall ensure that a user or supplier of telecommunications networks or services affected by a decision of the telecommunications regulatory authority has a right of appeal before an appeal body which is independent of both the regulatory authority and other affected parties. Pending the outcome of the appeal, the decision shall stand, unless interim measures are granted in accordance with the Party's law.

ARTICLE 217

Authorisation to provide telecommunication networks or services

1. If a Party requires an authorisation for the provision of telecommunications networks or services, it shall make publicly available the types of services requiring authorisation, together with all authorisation criteria, applicable procedures, and terms and conditions generally associated with the relevant authorisation.

2. If a Party requires a formal authorisation decision, it shall state a reasonable period of time normally required to obtain such a decision and communicate this in a transparent manner. It shall endeavour to ensure that the decision is taken within the stated period of time.

3. Any authorisation criteria and applicable procedures shall be objective, transparent, non-discriminatory and proportionate. Any obligations and conditions imposed on or associated with an authorisation shall be transparent, non-discriminatory, proportionate and related to the services provided.

4. Each Party shall ensure that an applicant receives in writing the reasons for the denial or the revocation of an authorisation, or the imposition of supplier-specific conditions. In such cases, an applicant shall have a right of appeal before an appeal body.

5. Administrative fees imposed on suppliers shall be reasonable, transparent and non-discriminatory.

ARTICLE 218

Interconnection

Each Party shall ensure that a supplier of public telecommunications networks or services has the right and, when requested by another supplier of public telecommunications networks or services, the obligation to negotiate interconnection for the purpose of providing public telecommunications networks or services.

ARTICLE 219

Access and use

1. Each Party shall ensure that any enterprise established by a juridical person of the other Party or service supplier of the other Party is accorded access to and use of public telecommunications networks or services on reasonable and non-discriminatory[1] terms and conditions. This obligation shall be applied, inter alia, through paragraphs 2 to 5.

2. Each Party shall ensure that enterprises established by juridical persons of the other Party or service suppliers of the other Party have access to and use of any public telecommunications network or service offered within or across its border, including private leased circuits, and to this end shall ensure, subject to paragraph 5, that such enterprises and suppliers are permitted:

(a) to purchase or lease and attach terminal or other equipment which interfaces with the network and which is necessary to conduct their operations;

(b) to interconnect private leased or owned circuits with public telecommunications networks or with circuits leased or owned by another enterprise or service supplier; and

(c) to use operating protocols of their choice in their operations, other than as necessary to ensure the availability of telecommunications services to the public generally.

[1] For the purposes of this Article, "non-discriminatory" means most-favoured-nation and national treatment as defined in the Article 194, as well as under terms and conditions no less favourable than those accorded to any other user of like public telecommunications networks or services in like situations.

3. Each Party shall ensure that enterprises established by juridical persons of the other Party or service suppliers of the other Party may use public telecommunications networks and services for the movement of information within and across borders, including for their intra-corporate communications, and for access to information contained in data bases or otherwise stored in machine-readable form in the territory of either Party.

4. Notwithstanding the provisions in paragraph 3, a Party may take such measures as are necessary to ensure the security and confidentiality of communications, subject to the requirement that such measures are not applied in a manner which would constitute either a disguised restriction on trade in services or a means of arbitrary or unjustifiable discrimination or of nullification or impairment of benefits under this Chapter.

5. Each Party shall ensure that no condition is imposed on access to, or use of, public telecommunications networks or services, other than as necessary:

(a) to safeguard the public service responsibilities of suppliers of public telecommunications networks or services, in particular their ability to make their services available to the public generally; or

(b) to protect the technical integrity of public telecommunications networks or services.

6. This Article shall become applicable five years after the date of entry into force of this Agreement or as from the date of accession of the Republic of Uzbekistan to the WTO, whichever comes first.

ARTICLE 220

Resolution of telecommunications disputes

1. Each Party shall ensure that, in the event of a dispute arising between suppliers of telecommunications networks or services in connection with rights and obligations that arise from this Section, and at the request of a party involved in the dispute, the telecommunications regulatory authority issues a binding decision within a reasonable timeframe to resolve the dispute.

2. The decision by the telecommunications regulatory authority shall be made available to the public, having regard to the requirements of business confidentiality. The parties concerned shall be given a full statement of the reasons on which it is based and shall have the right of appeal referred to in Article 217 (4).

3. The procedure referred to in paragraphs 1 and 2 shall not preclude a party concerned from bringing an action before a judicial authority.

ARTICLE 221

Competitive safeguards on major suppliers

Each Party shall introduce or maintain appropriate measures for the purpose of preventing suppliers of telecommunications networks or services who, alone or together, are a major supplier from engaging in or continuing anti-competitive practices. These anti-competitive practices shall include in particular:

(a) engaging in anti-competitive cross-subsidisation;

(b) using information obtained from competitors with anti-competitive results; and

(c) not making available to other services suppliers on a timely basis technical information about essential facilities and commercially relevant information which is necessary for them to provide services.

ARTICLE 222

Interconnection with major suppliers

1. Each Party shall ensure that major suppliers of public telecommunications networks or services provide interconnection at any technically feasible point in the network. Such interconnection shall be provided:

(a) under non-discriminatory terms and conditions, including as regards rates, technical standards, specifications, quality and maintenance, and of a quality no less favourable than that provided for the own like services of such major supplier, or for like services of its subsidiaries or affiliates;

(b) in a timely fashion, on terms and conditions, including as regards rates, technical standards, specifications, quality and maintenance, that are transparent, reasonable, having regard to economic feasibility, and sufficiently unbundled so that the supplier need not pay for network elements or facilities that it does not require for the service to be provided; and

(c) upon request, at points in addition to the network termination points offered to the majority of users, subject to charges that reflect the cost of construction of necessary additional facilities.

2. The procedures applicable for interconnection to a major supplier shall be made publicly available.

3. Major suppliers shall make publicly available either their interconnection agreements or their reference interconnection offers, as appropriate.

ARTICLE 223

Access to major suppliers' essential facilities

1. Each Party shall ensure that a major supplier in its territory makes its essential facilities available to suppliers of public telecommunications networks or services on reasonable, transparent and non-discriminatory terms and conditions for the purpose of providing public telecommunications services, when this is necessary to achieve effective competition.

2. Where a decision by the telecommunications regulatory authority is required to ensure compliance with paragraph 1:

(a) such decision shall be justified on the basis of the determined facts and the assessment of the market conducted by the telecommunications regulatory authority;

(b) the telecommunications regulatory authority shall be empowered to:

(i) determine those essential facilities required to be made available by a major supplier; and

(ii) require a major supplier to offer access on an unbundled basis to its network elements that are essential facilities.

ARTICLE 224

Scarce resources

1. Each Party shall ensure that the allocation and granting of rights of use of scarce resources, including radio spectrum, numbers and rights of way, is carried out in an open, objective, timely, transparent, non-discriminatory and proportionate manner and in pursuit of objectives of general interest. Procedures, and conditions and obligations attached to rights of use, shall be based on objective, transparent, non-discriminatory and proportionate criteria.

2. The current use of allocated frequency bands shall be made publicly available, but detailed identification of radio spectrum allocated for specific government uses is not required.

ARTICLE 225

Universal service

1. Each Party has the right to define the kind of universal service obligations it wishes to maintain and to decide on their scope and implementation.

2. Each Party shall administer the universal service obligations in a transparent, objective and non-discriminatory way, which is neutral with respect to competition and not more burdensome than necessary for the kind of universal service defined by the Party.

3. Where a Party decides to designate a universal service supplier, it shall ensure that procedures for the designation of universal service suppliers are open to all suppliers of public telecommunication networks or services. The designation shall be made through an efficient, transparent and non-discriminatory mechanism.

4. Where a Party decides to compensate the universal service suppliers, it shall ensure that such compensation does not exceed the net cost caused by the universal service obligation.

ARTICLE 226

Confidentiality of information

1. Each Party shall ensure that suppliers that acquire information from another supplier in the process of negotiating arrangements pursuant to Articles 219, 220, 223 and 224 use that information solely for the purpose for which it was supplied and respect at all times the confidentiality of information transmitted or stored.

2. Each Party shall ensure the confidentiality of communications and related traffic data transmitted in the use of public telecommunications networks or services, subject to the requirement that measures applied to that end do not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on trade in services.

SUB-SECTION D

FINANCIAL SERVICES

ARTICLE 227

Scope

1. This Section applies to measures affecting the supply of financial services for which commitments are listed in Annex 12-A to this Agreement, the GATS schedules of specific commitments of the European Union and Annexes 12-B, 12-C and 12-D to this Agreement.

2. For the purposes of this Section, "activities performed or services supplied in the exercise of governmental authority" referred to in point (b) of Article 189 means the following:

(a) activities conducted by a central bank or a monetary authority or by any other public entity in pursuit of monetary or exchange rate policies;

(b) activities forming part of a statutory system of social security or public retirement plans; and

(c) other activities conducted by a public entity for the account or with the guarantee or using the financial resources of the Party or its public entities.

3. For the purposes of the application of point (q) of Article 189: if a Party allows any of the activities referred to in paragraph 2, point (b) or (c) of this Article to be conducted by its financial service suppliers in competition with a public entity or a financial service supplier, "service" shall include those activities.

4. Point (b) of Article 189 shall not apply to services covered by this Section.

ARTICLE 228

Definitions

For the purposes of this Title:

(a) "financial service" means any service of a financial nature offered by a financial service supplier of a Party and comprises the following activities:

(i) insurance and insurance-related services:

(A) direct insurance (including co-insurance):

(1) life;

(2) non-life;

(B) reinsurance and retrocession;

(C) insurance intermediation, such as brokerage and agency; and

(D) services auxiliary to insurance, such as consultancy, actuarial, risk assessment and claim settlement services;

(ii) banking and other financial services (excluding insurance):

(A) acceptance of deposits and other repayable funds from the public;

(B) lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transaction;

(C) financial leasing;

(D) all payment and money transmission services, including credit, charge and debit cards, travellers cheques and bankers drafts;

(E) guarantees and commitments;

(F) trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise, the following:

(1) money market instruments (including cheques, bills, certificates of deposits);

(2) foreign exchange;

(3) derivative products including, but not limited to, futures and options;

(4) exchange rate and interest rate instruments, including products such as swaps, forward rate agreements;

(5) transferable securities;

(6) other negotiable instruments and financial assets, including bullion;

(G) participation in issues of all kinds of securities, including underwriting and placement as agent (whether publicly or privately) and provision of services related to such issues;

(H) money broking;

(I) asset management, such as cash or portfolio management, all forms of collective investment management, pension fund management, custodial, depository and trust services;

(J) settlement and clearing services for financial assets, including securities, derivative products and other negotiable instruments;

(K) provision and transfer of financial information, and financial data processing and related software; and

(L) advisory, intermediation and other auxiliary financial services on all the activities set out in subparagraphs (A) to (K), including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy;

(b) "financial service supplier" means any person of a Party that seeks to supply or supplies financial services and does not include a public entity;

(c) "public entity" means:

(i) a government, a central bank or a monetary authority, of a Party, or an entity owned or controlled by a Party, that is principally engaged in carrying out governmental functions or activities for governmental purposes, not including an entity principally engaged in supplying financial services on commercial terms; or

(ii) a private entity, performing functions normally performed by a central bank or monetary authority, when exercising those functions;

(d) "self-regulatory organisation" means any non-governmental body, including a securities or futures exchange or market, clearing agency, other organisation or association, that exercises regulatory or supervisory authority over financial service suppliers by statute or delegation from central, regional or local governments or authorities, as applicable.

ARTICLE 229

Prudential carve-out

1. Nothing in this Agreement shall prevent a Party from adopting or maintaining measures for prudential reasons, such as:

(a) the protection of investors, depositors, policy-holders or persons to whom a fiduciary duty is owed by a financial service supplier;

(b) ensuring the integrity and stability of a Party's financial system.

2. Where such measures do not conform with this Agreement, they shall not be used as a means of avoiding the Party's commitments or obligations under this Agreement.

3. Nothing in this Agreement shall be construed as requiring a Party to disclose information relating to the affairs and accounts of individual consumers or any confidential or proprietary information in the possession of public entities.

ARTICLE 230

International standards

The Parties endeavour to ensure that internationally agreed standards for regulation and supervision, for the fight against money laundering and terrorist financing, and for the fight against tax evasion and avoidance in the financial services sector are implemented and applied in their territory. Such internationally agreed standards are, inter alia, those adopted by the Basel Committee on Banking Supervision (BCBS), in particular its "Core Principle for Effective Banking Supervision", the International Association of Insurance Supervisors (IAIS), in particular its "Insurance Core Principles", the International Organisation of Securities Commissions (IOSCO), in particular its "Objectives and Principles of Securities Regulation", the FATF, and the Global Forum on Transparency and Exchange of Information for Tax Purposes of the OECD.

ARTICLE 231

Self-regulatory organisations

Where a Party requires membership of, participation in, or access to, any self-regulatory organisation in order for financial service suppliers of the other Party to supply financial services in the territory of the first Party, that Party shall ensure observance by that self-regulatory organisation of the obligations set out in Article 194.

ARTICLE 232

Clearing and payment systems

Each Party shall grant to financial service suppliers of the other Party established in its territory access to payment and clearing systems operated by public entities, and to official funding and refinancing facilities available in the normal course of ordinary business under terms and conditions that accord national treatment. This Article shall not confer access to the Party's lender of last resort facilities.

SUB-SECTION E

INTERNATIONAL MARITIME TRANSPORT SERVICES

ARTICLE 233

Scope and obligations

1. This Article sets out the principles for the liberalisation of international maritime transport services.

2. For the purposes of this Section, "international maritime transport" includes door to door and multi-modal transport operations, which is the carriage of goods using more than one mode of transport, involving a sea-leg, under a single transport document, and, to this effect, including the right for international maritime transport suppliers to directly contract with providers of other modes of transport.

3. With respect to activities referred to in paragraph 4 undertaken by shipping agencies for the provision of services to international maritime transport, each Party shall permit the juridical persons of the other Party to have an establishment in its territory in the form of subsidiaries or branches, under conditions of establishment and operation no less favourable than those accorded to its own juridical persons or to subsidiaries or branches of juridical persons of any third country, whichever are the better.

4. The activities covered by paragraph 3 include:

(a) marketing and sales of maritime transport and related services through direct contact with customers, from quotation to invoicing;

(b) purchase and resale of any transport and related services, including transport services by any inland mode, necessary for the supply of an intermodal service;

(c) preparation of documentation concerning transport documents, customs documents or other documents related to the origin and character of the goods transported;

(d) provision of business information by any means, including computerised information systems and electronic data interchange, subject to any non-discriminatory restrictions concerning telecommunications;

(e) setting up of any business arrangement with other shipping agencies; and

(f) acting on behalf of the juridical persons, inter alia in organising the call of the vessel or taking over cargoes when required.

5. In view of the existing level of liberalisation between the Parties in international maritime transport each Party:

(a) shall apply effectively the principle of unrestricted access to the international markets and trades on a commercial and non-discriminatory basis; and

(b) shall grant to ships flying the flag of the other Party or operated by service suppliers of the other Party treatment no less favourable than that accorded to its own ships or those of any third country, whichever are the better with regard to, inter alia, access to ports, the use of infrastructure and services of the ports, and the use of maritime auxiliary services, as well as related fees and charges, customs facilities and the assignment of berths and facilities for loading and unloading.

6. In applying the principles referred to in this Article the Parties shall:

(a) not introduce cargo sharing arrangements in future agreements with third countries concerning maritime transport services, including dry and liquid bulk and liner trade, and terminate, within a reasonable period of time, such cargo- sharing arrangements where they exist in previous agreements; and

(b) abolish and abstain from introducing any unilateral measures and administrative, technical and other obstacles which could constitute a disguised restriction or have discriminatory effects on the free supply of services in international maritime transport.

7. Each Party shall make available to international maritime transport suppliers of the other Party on reasonable and non-discriminatory terms and conditions the following services at port: pilotage, towing and tug assistance, provisioning, fuelling and watering, garbage collecting and ballast water disposal, port captain's services, navigation aids, emergency repair facilities, anchorage, berth and berthing services as well as shore based operational services essential to ship operations, including communications, water and electricity supplies.

CHAPTER 13

CAPITAL MOVEMENTS, PAYMENTS AND TRANSFERS AND SAFEGUARD MEASURES

ARTICLE 234

Current account and capital movements

1. Without prejudice to other provisions of this Agreement, each Party shall allow, in freely convertible currency[1] and in accordance with the Articles of Agreement of the International Monetary Fund adopted at the United Nations Monetary and Financial Conference on 22 July 1944, as applicable, any payments and transfers with respect to transactions on the current account of the balance of payments that fall within the scope of this Agreement.

[1] For the purposes of this Chapter, "freely convertible currency" means a currency that can be freely exchanged against currencies that are widely traded in international foreign exchange markets and widely used in international transactions. For greater certainty, currencies that are widely traded in international foreign exchange markets and widely used in international transactions include freely usable currencies as designated by the International Monetary Fund in accordance with the Articles of Agreement of the International Monetary Fund.

2. Without prejudice to other provisions of this Agreement, each Party shall allow, with regard to transactions on the capital and financial account of the balance of payments, the free movement of capital related to direct investments made in accordance with the laws applicable in its territory and with Chapter 12, including the liquidation or repatriation of these investments and any profit stemming therefrom.

3. Without prejudice to other provisions of this Agreement, a Party shall not introduce any new foreign exchange restrictions on the movement of capital and current payments connected therewith between residents of the European Union and of the Republic of Uzbekistan and shall not make the existing arrangements more restrictive.

4. The Parties shall consult each other to facilitate the movement of capital between them in order to promote trade and investment.

ARTICLE 235

Application of laws and regulations relating to capital movements, payments or transfers

1. Article 234(1), (2) and (3) shall not be construed as preventing a Party from applying its laws and regulations relating to:

(a) bankruptcy, insolvency or the protection of the rights of creditors;

(b) issuing, dealing or trading in securities, futures, options and other financial instruments;

(c) financial reporting or record keeping of capital movements, payments or transfers where necessary to assist law enforcement or financial regulatory authorities;

(d) criminal or penal offenses, deceptive or fraudulent practices;

(e) ensuring compliance with orders or judgments in judicial or administrative proceedings; or

(f) social security, public retirement or compulsory savings schemes.

2. The laws and regulations referred to in paragraph 1 shall not be applied in an arbitrary or discriminatory manner, or otherwise constitute a disguised restriction on capital movements, payments or transfers.

ARTICLE 236

Temporary safeguard measures

1. In exceptional circumstances of serious difficulties for the operation of the economic and monetary union of the European Union, or threat thereof, or of serious difficulties for the operation of monetary or exchange rate policies, or threat thereof, in the case of the Member States not participating in the Euro and the Republic of Uzbekistan, the European Union, its Member States or the Republic of Uzbekistan, respectively, may adopt or maintain safeguard measures with regard to capital movements, payments or transfers for a period not exceeding six months.

2. The measures referred to in paragraph 1 shall be limited to the extent that is strictly necessary.

ARTICLE 237

Restrictions in case of balance of payments and external financing difficulties

1. A Party which experiences serious balance-of-payments or external financial difficulties, or threat thereof, may adopt or maintain restrictive measures with regard to capital movements, payments or transfers[1].

2. The measures referred to in paragraph 1 shall:

(a) be consistent with the Articles of Agreement of the International Monetary Fund, as applicable;

(b) not exceed what is necessary to deal with the circumstances described in paragraph 1;

(c) be temporary and phased out progressively as the situation specified in paragraph 1 improves;

(d) avoid unnecessary damage to the commercial, economic and financial interests of the other Party;

(e) be non-discriminatory compared to third countries in like situations.

[1] In the case of the European Union, such measures may be taken by one of the Member States in situations other than those referred to in Article 236, which affect the economy of that Member State. For greater certainty, serious balance of payments or external financial difficulties, or threat thereof, may be caused among other factors by serious difficulties related to monetary or exchange rate policies, or threat thereof.

3. In the case of trade in goods, each Party may adopt restrictive measures in order to safeguard its external financial position or balance-of-payments. Such measures shall be in accordance with the GATT 1994 and the Understanding on the Balance-of-Payments Provisions of the General Agreement on Tariffs and Trade 1994.

4. In the case of trade in services, each Party may adopt restrictive measures in order to safeguard its external financial position or balance of payments. Such measures shall be in accordance with Article XII of the GATS.

5. A Party maintaining or having adopted measures referred to in paragraphs 1 and 2 shall promptly notify them to the other Party.

6. If restrictions are adopted or maintained under this Article, the Parties shall promptly hold consultations in the Cooperation Committee unless consultations are held in other fora. The consultations shall assess the balance-of-payments or external financial difficulties that led to the respective measures, taking into account, inter alia, such factors as:

(a) the nature and extent of the balance-of-payments or external financial difficulties;

(b) the external economic and trading environment; and

(c) alternative corrective measures which may be available.

7. The consultations referred to in paragraph 6 shall address the compliance of any restrictive measures with paragraphs 1 and 2. All relevant findings of a statistical or factual nature presented by the International Monetary Fund, where available, shall be accepted and conclusions shall take into account the assessment by the International Monetary Fund of the balance-of-payments and the external financial situation of the Party concerned.

CHAPTER 14

DISPUTE SETTLEMENT

SECTION 1

OBJECTIVE AND SCOPE

ARTICLE 238

Objective

The objective of this Chapter is to establish an effective and efficient mechanism for avoiding and settling any dispute between the Parties concerning the interpretation and application of this Title with a view to reaching, where possible, a mutually agreed solution.

ARTICLE 239

Scope

Unless otherwise provided for in this Agreement, this Chapter applies to any dispute between the Parties concerning the interpretation and application of this Title (hereinafter referred to as "covered provisions").

SECTION 2

CONSULTATIONS

ARTICLE 240

Consultations

1. The Parties shall endeavour to resolve any dispute referred to in Article 239 by entering into consultations in good faith, with the aim of reaching a mutually agreed solution.

2. A Party shall seek consultations by means of a written request delivered to the other Party identifying the measure at issue and the covered provisions that it considers applicable.

3. The Party to which the request for consultations is made shall reply to the request promptly, but no later than 10 days after the date of its delivery. Consultations shall be held within 30 days after the date of delivery of the request for consultations and take place, unless the Parties agree otherwise, in the territory of the Party to which the request for consultations is made. The consultations shall be deemed concluded within 30 days after the date of delivery of the request, unless the Parties agree to continue consultations.

4. Consultations on matters of urgency, including those regarding perishable goods or seasonal goods or services, shall be held within 15 days after the date of delivery of the request for consultations. The consultations shall be deemed concluded within those 15 days, unless the Parties agree to continue consultations.

5. During consultations, each Party shall provide sufficient factual information so as to allow a complete examination of the manner in which the measure at issue could affect the application of this Title. Each Party shall endeavour to ensure the participation of personnel of their competent governmental authorities who have expertise in the matter subject to the consultations.

6. Consultations, and in particular all information designated as confidential and positions taken by the Parties during consultations, shall be confidential, and without prejudice to the rights of either Party in any further proceedings.

SECTION 3

Panel Procedures

ARTICLE 241

Initiation of panel procedures

1. A Party that sought consultations in accordance with Article 240 may request the establishment of a panel if:

(a) the Party complained against does not respond to the request within 10 days after the date of its delivery;

(b) consultations are not held within the time periods set out in Article 240(3) or (4);

(c) the Parties agree not to have consultations; or

(d) consultations have been concluded and no mutually agreed solution has been reached.

2. A Party that requests the establishment of a panel (hereinafter referred to as the "complaining Party") shall do so by means of a written request delivered to the Party that is alleged to be in violation of the covered provisions (hereinafter referred as "the Party complained against") and to any external body entrusted pursuant to paragraph 3, if applicable (hereinafter referred to as "panel request"). The complaining Party shall identify the measure at issue in its panel request and explain how that measure constitutes a breach of the covered provisions in a manner sufficient to present the legal basis for the complaint clearly.

3. The Cooperation Committee may decide to entrust an external body with managing dispute settlement procedures under this Chapter or with providing support. Such decision shall also address the costs arising from the entrustment.

ARTICLE 242

Establishment of a panel

1. A panel shall be composed of three panellists.

2. Within 15 days after the date of delivery of the panel request, the Parties shall consult with a view to agreeing on the composition of the panel.

3. If the Parties do not agree on the composition of the panel within the time period provided for in paragraph 2 of this Article, each Party shall appoint a panellist from its sub-list established under Article 243 within five days after the expiry of the time period established in paragraph 2 of this Article. If a Party does not appoint a panellist from its sub-list within the time period provided for in paragraph 3 of this Article, the co-chair of the Cooperation Committee from the complaining Party shall select by lot, within five days after the expiry of the time period provided for in paragraph 3 of this Article, the panellist from the sub-list of that Party. The co-chair of the Cooperation Committee from the complaining Party may delegate such selection by lot of the panellist.

4. If the Parties do not agree on the chairperson of the panel within the time period established in paragraph 2 of this Article, the co-chair of the Cooperation Committee from the complaining Party shall select by lot, within five days after the expiry of that time period, the chairperson of the panel from the sub-list of chairpersons established under Article 243. The co-chair of the Cooperation Committee from the complaining Party may delegate such selection by lot.

5. The panel shall be deemed to be established 15 days after the three selected panellists have accepted their appointment in accordance with Annex 14-A, unless the Parties agree otherwise. Each Party shall without delay make public the date of establishment of the panel.

6. If any of the lists provided for in Article 243 has not been established or does not contain sufficient names at the time a request is made in accordance with paragraph 3 or 4 of this Article, the panellists shall be drawn by lot from the individuals who have been formally proposed by one Party or both Parties in accordance with Annex 14-A.

ARTICLE 243

Lists of panellists

1. The Cooperation Committee shall, no later than six months after the date of entry into force of this Agreement, establish a list of at least 15 individuals who are willing and able to serve as panellists. The list shall be composed of three sub-lists:

(a) one sub-list of individuals established on the basis of proposals by the European Union;

(b) one sub-list of individuals established on the basis of proposals by the Republic of Uzbekistan; and

(c) one sub-list of individuals who are not nationals of either Party and who shall serve as chairperson of the panel.

2. Each sub-list shall include at least five individuals. The Cooperation Committee shall ensure that each list is always maintained at that minimum number of individuals.

3. The Cooperation Committee may establish additional lists of individuals with expertise in specific sectors covered by this Title. Subject to the agreement of the Parties, such additional lists shall be used to compose the panel in accordance with the procedure set out in Article 242.

ARTICLE 244

Requirements for panellists

1. Each panellist shall:

(a) have demonstrated expertise in law, international trade and other matters covered by this Title;

(b) be independent of, and not be affiliated with or take instructions from, either Party;

(c) serve in an individual capacity and not take instructions from any organisation or government with regard to matters related to the dispute; and

(d) comply with Annex 14-B.

2. The chairperson shall have experience in dispute settlement procedures.

3. In view of the subject-matter of a particular dispute, the Parties may agree to derogate from the requirements listed in point (a) of paragraph 1.

ARTICLE 245

Functions of the panel

The panel:

(a) shall make an objective assessment of the matter before it, including an objective assessment of the facts of the case and the applicability of and conformity with the covered provisions;

(b) shall set out, in its decisions and reports, the findings of facts, the applicability of the covered provisions and the basic rationale behind any findings and conclusions that it makes; and

(c) should consult regularly with the Parties and provide adequate opportunities for the development of a mutually agreed solution.

ARTICLE 246

Terms of reference

1. Unless the Parties agree otherwise within five days after the date of establishment of the panel, the terms of reference of the panel shall be to examine, in the light of the relevant provisions of this Title referred to by the Parties, the matter referred to in the panel request, to make findings on the conformity of the measure at issue with the provisions of this Title referred to in Article 239 and to deliver a report in accordance with Articles 248 and 249.

2. If the Parties agree on terms of reference other than those set out in paragraph 1, they shall notify the agreed terms of reference to the panel within the time period referred to in paragraph 1.

ARTICLE 247

Decision on urgency

1. If a Party so requests, the panel shall decide, within 10 days after its establishment, whether the case concerns matters of urgency.

2. If the panel decides that the dispute concerns matters of urgency, the applicable time periods set out in Section 3 of this Chapter shall be half the time set out therein, except for the time periods referred to in Article 242 and Article 246.

ARTICLE 248

Interim report

1. The panel shall deliver an interim report to the Parties within 90 days after the date of establishment of the panel. If the panel considers that this deadline cannot be met, the chairperson of the panel shall notify the Parties in writing, stating the reasons for the delay and the date on which the panel plans to deliver its interim report. The panel shall, under no circumstances, deliver its interim report later than 120 days after the date of establishment of the panel.

2. Each Party may deliver to the panel a written request to review precise aspects of the interim report within 10 days after its delivery. A Party may comment on the other Party's request within six days after the delivery of the request.

3. If no written request to review precise aspects of the interim report are received from either Party within the time period referred to in paragraph 2, the interim report shall become the final report.

ARTICLE 249

Final report

1. The panel shall deliver its final report to the Parties within 120 days after the date of establishment of the panel. If the panel considers that this deadline cannot be met, the chairperson of the panel shall notify the Parties in writing, stating the reasons for the delay and the date on which the panel plans to deliver its final report. The panel shall, under no circumstances, deliver its final report later than 150 days after the date of establishment of the panel.

2. The final report shall include a discussion of any written request by the Parties on the interim report as referred to in Article 248(1) and clearly address the comments of the Parties.

ARTICLE 250

Compliance measures

1. If the panel concludes that the measure at issue is not in conformity with the covered provisions, the Party complained against shall take any measure necessary to comply promptly with the findings and conclusions in the final report in order to bring itself into compliance with the covered provisions.

2. The Party complained against shall, no later than 30 days after delivery of the final report, deliver a notification to the complaining Party of the measures which it has taken or which it envisages to take to comply.

ARTICLE 251

Reasonable period of time

1. If immediate compliance is not possible, the Party complained against shall, no later than 30 days after the date of delivery of the final report, deliver a notification to the complaining Party of the length of the reasonable period of time it will require for such compliance. The Parties shall endeavour to agree on the length of the reasonable period of time to comply with the final report.

2. If the Parties have not agreed on the length of the reasonable period of time, the complaining Party may, at the earliest 20 days after date of the delivery of the notification referred to in paragraph 1, request in writing the original panel to determine the length of the reasonable period of time. The panel shall deliver its decision to the Parties within 20 days after the date of delivery of such request.

3. The Party complained against shall deliver a written notification of its progress in complying with the final report to the complaining Party at the latest one month before the expiry of the reasonable period of time established in accordance with paragraph 2.

4. The Parties may agree to extend the reasonable period of time established in accordance with paragraph 2.

ARTICLE 252

Compliance review

1. The Party complained against shall, no later than at the date of expiry of the reasonable period of time referred to in Article 251, deliver a notification to the complaining Party of any measure that it has taken to comply with the final report.

2. If the Parties disagree on the existence of measures taken to comply with the final report or the consistency of such measures with the covered provisions, the complaining Party may deliver a written request to the original panel to decide on the matter. Such request shall identify any measure at issue and explain how that measure constitutes a breach of the covered provisions in a manner sufficient to present the legal basis for the complaint clearly. The panel shall deliver its decision to the Parties within 46 days after the date of delivery of such request.

ARTICLE 253

Temporary remedies

1. The Party complained against shall, at the request of and after consultations with the complaining Party, present an offer for temporary compensation if:

(a) the Party complained against delivers a notification to the complaining Party that it is not possible to comply with the final report; or

(b) the Party complained against fails to deliver a notification of any measure taken to comply within the deadline referred to in Article 250 or before the date of expiry of the reasonable period of time; or

(c) the panel finds that no measure has been taken to comply or that the measure taken to comply is inconsistent with the covered provisions.

2. Under any of the circumstances referred to in points (a), (b) and (c) of paragraph 1, the complaining Party may deliver a written notification to the Party complained against that it intends to suspend the application of obligations under the covered provisions if:

(a) the complaining Party decides not to make a request under paragraph 1; or

(b) where the complaining Party has made a request under paragraph 1 of this Article, the Parties do not agree on the temporary compensation within 20 days after the expiry of the reasonable period of time referred to in Article 251 or the delivery of the panel decision under Article 252(2).

3. The notification shall specify the level of intended suspension of obligations.

4. The complaining Party may suspend the obligations 10 days after the date of delivery of the notification referred to in paragraph 2, unless the Party complained against delivers a written request under paragraph 6.

5. The level of suspension of obligations shall not exceed the level equivalent to the nullification or impairment caused by the violation.

6. If the Party complained against considers that the notified level of suspension of obligations exceeds the level equivalent to the nullification or impairment caused by the violation, it may request to the original panel before the expiry of the 10 day period provided for in paragraph 4 to decide on the matter. The panel shall deliver its decision on the level of the suspension of obligations to the Parties within 30 days after the date of that request. Obligations shall not be suspended until the panel has delivered its decision. The suspension of obligations shall be consistent with that decision.

7. The suspension of obligations or the compensation referred to in this Article shall be temporary and shall not be applied after:

(a) the Parties have reached a mutually agreed solution pursuant to Article 269;

(b) the Parties have agreed that the measure taken to comply brings the Party complained against into conformity with the covered provisions; or

(c) any measure taken to comply which the panel has found to be inconsistent with the covered provisions has been withdrawn or amended so as to bring the Party complained against into compliance with those provisions.

ARTICLE 254

Review of any measure taken to comply after the adoption of temporary remedies

1. The Party complained against shall deliver a notification to the complaining Party of any measure it has taken to comply following the suspension of obligations or following the application of temporary compensation, as the case may be. With the exception of cases under paragraph 2, the complaining Party shall terminate the suspension of obligations within 30 days after the date of delivery of the notification. In cases where compensation has been applied, and with the exception of cases under paragraph 2, the Party complained against may terminate the application of such compensation within 30 days after delivery of its notification that it has complied.

2. If the Parties do not reach an agreement on whether the notified measure brings the Party complained against into compliance with the covered provisions within 30 days after the date of delivery of the notification, the complaining Party shall deliver a written request to the original panel to decide on the matter. The panel shall deliver its decision to the Parties within 46 days after the date of the delivery of the request. If the panel finds that the measure taken to comply is in conformity with the covered provisions, the suspension of obligations or the compensation, as the case may be, shall be terminated. Where relevant, the complaining Party shall adjust the level of suspension of obligations or of compensation in light of the panel decision.

3. If the Party complained against considers that the level of suspension implemented by the complaining Party exceeds the level equivalent to the nullification or impairment caused by the violation, it may deliver a written request to the original panel to decide on the matter. The panel shall deliver its decision within 46 days after the date of delivery of the request.

ARTICLE 255

Replacement of panellists

If, during any dispute settlement procedure under this Section, a panellist is unable to participate, withdraws or needs to be replaced because he or she does not comply with Annex 14-B, the procedure provided for in Article 242 shall apply. The time period for the delivery of the report or decision of the panel shall be extended for the time necessary for the appointment of the new panellist.

ARTICLE 256

Rules of procedure

1. Panel procedures shall be governed by this Section and Annex 14-A.

2. Any hearing of the panel shall be open to the public unless otherwise provided for in Annex 14-C.

ARTICLE 257

Suspension and termination

1. At the request of both Parties, the panel shall suspend its work at any time for a period agreed by the Parties not exceeding 12 consecutive months.

2. The panel shall resume its work before the expiry of the suspension period at the written request of both Parties or at the expiry of the suspension period at the written request of either Party. The requesting Party shall deliver a notification to the other Party accordingly. If the panel does not resume its work at the expiry of the suspension period in accordance with this paragraph, the authority of the panel shall lapse and the dispute settlement procedure shall be terminated.

3. If the work of the panel is suspended, the relevant time periods set out in this Section shall be extended by the same period of time for which the work of the panel was suspended.

ARTICLE 258

Right to seek information

1. At the request of a Party, or upon its own initiative, the panel may seek from the Parties, relevant information it considers necessary and appropriate. The Parties shall respond promptly and fully to any request by the panel for such information.

2. Upon the request of a Party or on its own initiative, the panel may seek any information it deems appropriate from any source. The panel may also seek the opinion of experts, as it deems appropriate, and subject to any terms and conditions agreed by the Parties, where applicable.

3. The panel shall consider amicus curiae submissions from natural persons of a Party or legal persons established in a Party in accordance with Annex 14-A.

4. Any information obtained by the panel pursuant to this Article shall be disclosed to the Parties and the Parties may provide comments on that information.

ARTICLE 259

Rules of interpretation

1. The panel shall interpret the covered provisions in accordance with customary rules of interpretation of public international law, including those codified in the Vienna Convention on the Law of Treaties.

2. The panel shall also take into account relevant interpretations in reports of WTO panels and the Appellate Body adopted by the Dispute Settlement Body of the WTO.

3. Reports and decisions of the panel shall not add to or diminish the rights and obligations of the Parties under this Agreement.

ARTICLE 260

Reports and decisions of the panel

1. The deliberations of the panel shall be kept confidential. The panel shall make every effort to draft reports and take decisions by consensus. If this is not possible, the panel shall decide by majority vote. In no case shall separate opinions of panellists be disclosed.

2. The decisions and reports of the panel shall be accepted unconditionally by the Parties. They shall not create any rights or obligations with respect to natural or legal persons.

3. Each Party shall make the reports and decisions of the panel and its submissions publicly available, subject to the protection of confidential information.

4. The panel and the Parties shall treat as confidential any information submitted by a Party to the panel in accordance with Annex 14-A.

ARTICLE 261

Choice of forum

1. If a dispute arises regarding a particular measure in alleged breach of the covered provisions and a substantially equivalent obligation under any other international agreement to which both Parties are party, including the WTO Agreement, the Party seeking redress shall select the forum in which to settle the dispute.

2. Once a Party has selected the forum and initiated dispute settlement procedures under this Section or under any other international agreement, that Party shall not initiate dispute settlement procedures under any other agreement with respect to the particular measure referred to in paragraph 1, unless the forum selected first fails to make findings for procedural or jurisdictional reasons.

3. For the purposes of this Article:

(a) dispute settlement procedures under this Section are deemed to be initiated by a Party's panel request in accordance with Article 241;

(b) dispute settlement procedures under the WTO Agreement are deemed to be initiated by a Party's panel request in accordance with Article 6 of the Understanding on Rules and Procedures Governing the Settlement of Disputes of the WTO; and

(c) dispute settlement procedures under any other agreement are deemed to be initiated in accordance with the relevant provisions of that international trade agreement.

4. Without prejudice to paragraph 2, nothing in this Agreement shall preclude a Party from suspending obligations authorised by the Dispute Settlement Body of the WTO or authorised under the dispute settlement procedures of any other international trade agreement to which the disputing Parties are party. A party shall not invoke the WTO Agreement or any other international trade agreement between the Parties to preclude a Party from suspending obligations under this Section.

SECTION 4

MEDIATION

ARTICLE 262

Objective

The objective of the mediation mechanism is to facilitate the finding of a mutually agreed solution through a comprehensive and expeditious procedure with the assistance of a mediator.

ARTICLE 263

Request for information

1. At any time before the initiation of the mediation procedure, a Party may deliver to the other Party a written request for information regarding a measure that adversely affects trade or investment between the Parties. The Party to which such request is delivered shall, within 20 days after the date of delivery of the request, deliver a written response containing its comments on the requested information.

2. If the responding Party considers that it will not be able to deliver a response within 20 days after the date of delivery of the request, it shall promptly notify the requesting Party, stating the reasons for the delay and providing an estimate of the shortest period within which it will be able to deliver its response.

3. A Party is normally expected to make a request for information in accordance with paragraph 1 before the initiation of the mediation procedure.

ARTICLE 264

Initiation of the mediation procedure

1. A Party may at any time request to enter into a mediation procedure with respect to any measure by a Party that adversely affects trade or investment between the Parties.

2. The request referred to in paragraph 1 shall be delivered to the other Party in writing. The request shall present the concerns of the requesting Party clearly and in sufficient detail and shall:

(a) identify the specific measure at issue;

(b) provide a statement on the adverse effects that the requesting Party considers the measure has, or will have, on trade or investment between the Parties; and

(c) explain how the requesting Party considers that those effects are linked to the measure.

3. The mediation procedure may only be initiated by mutual agreement of the Parties in order to explore mutually agreed solutions and consider any advice and proposed solutions by the mediator. The Party to which the request to enter into a mediation procedure is made shall give sympathetic consideration to the request and deliver its written acceptance or rejection to the requesting Party within 10 days after the date of its delivery. If the Party to which the request is made fails to deliver its written acceptance or rejection within that period, the request shall be regarded as rejected.

ARTICLE 265

Selection of the mediator

1. The Parties shall endeavour to agree on a mediator within 10 days after the initiation of the mediation procedure.

2. In the event that the Parties are unable to agree on the mediator within the time period set out in paragraph 1 of this Article, either Party may request the co-chair of the Cooperation Committee from the Party requesting to enter into a mediation procedure to select the mediator by lot, within five days after the request, from the sub-list of chairpersons established in accordance with Article 243. The co-chair of the Cooperation Committee from the Party requesting to enter into a mediation procedure may delegate such selection by lot of the mediator.

3. If the sub-list of chairpersons referred to in Article 243 has not been established at the time a request is made pursuant to Article 264, the mediator shall be drawn by lot from the individuals formally proposed by one Party or both Parties for that sub-list.

4. A mediator shall not be a national of either Party or employed by either Party, unless the Parties agree otherwise.

5. A mediator shall comply with the Code of Conduct for Panellists and Mediators set out in Annex 14-B.

ARTICLE 266

Rules of the mediation procedure

1. Within 10 days after the appointment of the mediator, the Party which initiated the mediation procedure shall deliver to the mediator and to the other Party a detailed written description of its concerns, in particular as regards the operation of the measure at issue and its possible adverse effects on trade or investment between the Parties. Within 20 days after the date of the delivery of this description, the other Party may deliver written comments on this description. Either Party may include any information that it deems relevant in its description or comments.

2. The mediator shall assist the Parties in a transparent manner in bringing clarity to the measure concerned and its possible adverse effects on trade or investment between the Parties. In particular, the mediator may organise meetings between the Parties, consult the Parties jointly or individually, seek the assistance of, or consult with, relevant experts and stakeholders and provide any additional support requested by the Parties. The mediator shall consult with the Parties before seeking the assistance of, or consulting with, relevant experts and stakeholders.

3. The mediator may offer advice and propose a solution for the consideration of the Parties. The Parties may accept or reject the proposed solution, or agree on a different solution. The mediator shall not advise or comment on the consistency of the measure at issue with this Title.

4. The mediation procedure shall take place in the territory of the Party to which the request was made, or by mutual agreement in any other location or by any other means.

5. The Parties shall endeavour to reach a mutually agreed solution within 60 days after the appointment of the mediator. Pending a final agreement, the Parties may consider possible interim solutions, particularly if the measure relates to perishable goods or seasonal goods or services.

6. The mutually agreed solution may be adopted by means of a decision of the Cooperation Committee. Either Party may make the mutually agreed solution subject to the completion of any necessary internal procedures. Mutually agreed solutions shall be made publicly available. The version disclosed to the public shall not contain any information a Party has designated as confidential.

7. At the request of either Party, the mediator shall deliver a draft factual report to the Parties, providing:

(a) a brief summary of the measure at issue;

(b) the procedures followed; and

(c) if applicable, any mutually agreed solution reached, including possible interim solutions.

8. The mediator shall allow the Parties 15 days to comment on the draft factual report. After considering the comments of the Parties, the mediator shall, within 15 days, deliver a final factual report to the Parties. The final factual report shall not include any interpretation of this Title.

9. The procedure shall be terminated:

(a) by the adoption of a mutually agreed solution by the Parties, on the date of the adoption thereof;

(b) by mutual agreement of the Parties at any stage of the procedure, on the date of that agreement;

(c) by a written declaration of the mediator, after consultation with the Parties, that further efforts at mediation would be to no avail, on the date of that declaration; or

(d) by a written declaration of a Party after exploring mutually agreed solutions under the mediation procedure and after having considered any advice and proposed solutions by the mediator, on the date of that declaration.

ARTICLE 267

Confidentiality

Unless the Parties agree otherwise, all steps of the mediation procedure, including any advice or proposed solution, shall be confidential. Each Party may disclose to the public the fact that mediation is taking place.

ARTICLE 268

Relationship to dispute settlement procedures

1. The mediation procedure is without prejudice to the Parties' rights and obligations under Sections 2 and 3 or under dispute settlement procedures under any other international agreement.

2. A Party shall not rely on, or introduce as evidence, in other dispute settlement procedures under this Title or any other international agreement, nor shall a panel take into consideration:

(a) positions taken by the other Party in the course of the mediation procedure or information exclusively gathered in accordance with Article 266 (2);

(b) the fact that the other Party has indicated its willingness to accept a solution to the measure subject to mediation; or

(c) advice given or proposals made by the mediator.

3. Unless the Parties agree otherwise, a mediator shall not serve as a member of a panel in dispute settlement procedures under this Title or under any other international agreement involving the same matter for which he or she has been a mediator.

SECTION 5

COMMON PROVISIONS

ARTICLE 269

Mutually agreed solution

1. The Parties may reach a mutually agreed solution at any time with respect to any dispute referred to in Article 239.

2. If a mutually agreed solution is reached during the panel or mediation procedure, the Parties shall jointly notify that solution to the chairperson of the panel or the mediator, as applicable. Upon such notification, the panel procedure or the mediation procedure shall be terminated.

3. Each Party shall take any measure necessary to implement the mutually agreed solution within the agreed time period.

4. No later than at the expiry of the agreed time period the implementing Party shall inform the other Party, in writing, of any measure it has taken to implement the mutually agreed solution.

ARTICLE 270

Time periods

1. All time periods set out in this Chapter shall be counted in calendar days from the day following the act to which they refer.

2. Any time period set out in this Chapter may be modified by mutual agreement of the Parties.

3. As regards Section 3, the panel may at any time propose to the Parties to modify any time period set out in this Chapter, stating the reasons for the proposal.

ARTICLE 271

Costs

1. Each Party shall bear its own expenses derived from the participation in the panel procedure or the mediation procedure.

2. The Parties shall share jointly and equally the expenses derived from organisational matters, including the remuneration and expenses of the panellists and mediators.

3. The Cooperation Committee may adopt a decision setting out the parameters or other details of the remuneration and the reimbursement of expenses of panellists and mediators, including any related costs that could be incurred in the proceedings. Pending such decision, the remuneration and the reimbursement of expenses of panellists and mediators and of any related costs shall be determined in accordance with Rule 10 of Annex 14-A.

ARTICLE 272

Amendments to the annexes

The Cooperation Committee may amend Annexes 14-A and 14-B.

CHAPTER 15

EXCEPTIONS

ARTICLE 273

General exceptions

1. For the purposes of Chapters 2, 4, 8 and 12, Article XX of GATT 1994, including its Notes and Supplementary Provisions, is incorporated into and made part of this Agreement, *mutatis mutandis*.

2. Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between the Parties, where like conditions prevail, or a disguised restriction on investment or trade in services, nothing in Chapters 8 and 12 shall be construed as preventing the adoption or enforcement by a Party of measures necessary to:

(a) protect public security or public morals or to maintain public order[1];

[1] The public security and public order exceptions may be invoked only where a genuine and sufficiently serious threat is posed to one of the fundamental interests of society.

(b) protect human, animal or plant life or health;

(c) secure compliance with laws or regulations which are not inconsistent with this Agreement including the provisions relating to:

(i) the prevention of deceptive and fraudulent practices;

(ii) the effects of a default on contracts;

(iii) the protection of the privacy of individuals in relation to the processing and dissemination of personal data and the protection of confidentiality of individual records and accounts; and

(iv) safety.

3. For greater certainty, the Parties share the understanding for the application of paragraphs 1 and 2 that:

(a) the measures referred to in point (b) of Article XX of GATT 1994 and in point (b) of paragraph 2 of this Article include environmental measures which are necessary to protect human, animal or plant life or health;

(b) point (g) of Article XX of GATT 1994 applies to measures relating to the conservation of living and non-living exhaustible natural resources; and

(c) measures taken to implement multilateral environmental agreements may be justified by point (b) or (g) of Article XX of GATT 1994 or by point (b) of paragraph 2 of this Article.

4. Before a Party takes any measures provided for in points (i) and (j) of Article XX of GATT 1994, that Party shall provide the other Party with all relevant information, with a view to seeking a solution acceptable to both Parties. If no agreement is reached within 30 days of the provision of such information, the Party intending to take the measures may take the intended measures. If exceptional and critical circumstances requiring immediate action make prior information or examination impossible, the Party intending to take the measures may apply without delay the precautionary measures necessary to deal with the situation. That Party shall inform without delay the other Party thereof.

ARTICLE 274

Taxation

1. Nothing in this Title shall affect the rights and obligations of the European Union or the Member States, or of the Republic of Uzbekistan under any international tax treaty. In the case of an inconsistency between this Agreement and any international tax treaty, that international tax treaty shall prevail to the extent of the inconsistency.

2. Articles 33 and 194 of this Agreement shall not apply to an advantage accorded by a Party pursuant to an international tax treaty.

3. Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between the Parties where like conditions prevail, or a disguised restriction on trade and investment, nothing in this Title shall be construed as preventing the adoption, maintenance or enforcement by a Party of any measure aimed at ensuring the equitable or effective imposition or collection of direct taxes that:

(a) distinguishes between taxpayers who are not in the same situation, in particular with regard to their place of residence or with regard to the place where their capital is invested; or

(b) aims to prevent the avoidance or evasion of taxes pursuant to any international tax treaty or domestic fiscal legislation.

4. For the purposes of this Article:

(a) "residence" means residence for tax purposes; and

(b) "international tax treaty" means a treaty for the avoidance of double taxation or any other international agreement or arrangement relating wholly or mainly to taxation to which the European Union or the Member States or the Republic of Uzbekistan are party.

ARTICLE 275

Disclosure of information

1. Nothing in this Title shall be construed as requiring a Party to make available confidential information the disclosure of which would impede law enforcement, or otherwise be contrary to the public interest, or which would prejudice the legitimate commercial interests of particular enterprises, public or private, except where a panel requires such confidential information in dispute settlement proceedings under Chapter 14. In such cases, the treatment of confidential information shall be governed by the relevant provisions of Chapter 14.

2. Where a Party submits to the other Party, including through the bodies established under this Agreement, information which is considered as confidential under its law, the other Party shall treat that information as confidential, unless the submitting Party agrees otherwise.

ARTICLE 276

WTO waivers

If an obligation in this Title is substantially equivalent to an obligation contained in the WTO Agreement, any measure taken in conformity with a waiver adopted pursuant to Article IX of the WTO Agreement is deemed to be in conformity with the substantively equivalent provision of this Agreement.

TITLE V

COOPERATION IN THE AREA OF ECONOMIC AND SUSTAINABLE DEVELOPMENT

ARTICLE 277

General cooperation objectives in economic dialogue

1. The Parties shall cooperate on economic reform by improving the shared understanding of the economic situation in the Republic of Uzbekistan and the European Union and the formulation and implementation of economic policies.

2. The Republic of Uzbekistan shall take further steps to develop a well-functioning and sustainable market economy, including the improvement of the investment climate and an increased inclusion of the private sector. The Parties shall work together in ensuring sound macroeconomic policies and public finance management that are compatible with the fundamental principles of effectiveness, transparency and accountability.

ARTICLE 278

General cooperation principles in Economic Dialogue

The Parties shall:

(a) exchange experience and best practices related to strategies for sustainable development, including the promotion of economic, social and cultural rights;

(b) exchange information on macroeconomic trends and policies, as well as on structural reforms;

(c) exchange expertise and best practices in areas such as public-finance, monetary and exchange-rate policy frameworks, financial-sector policy and economic statistics;

(d) exchange information and experiences on regional economic integration, including the functioning of the European economic and monetary union; and

(e) review the status of bilateral cooperation in the economic, financial and statistical fields.

ARTICLE 279

Management of public finances, public external audit and internal financial control

The Parties shall cooperate in the areas of robust public financial management systems, as well as public external audit and internal financial control with the following objectives:

(a) further strengthening of the Chamber of Accounts as a supreme public external audit and internal financial control institution of the Republic of Uzbekistan in terms of its financial, organisational and operational independence and capacity building in accordance with internationally accepted external audit (INTOSAI) standards;

(b) supporting the central harmonisation unit (Department of the budget methodology, treasury execution, financial control and internal audit) for further development of public internal financial control of the Republic of Uzbekistan and strengthening its competences and status;

(c) the further development and implementation of the public internal financial control system based on the principle of managerial accountability, and including a functionally independent internal audit function for the entire public sector, by means of harmonisation with generally accepted international standards and methodologies and with European Union good practice;

(d) the development of an adequate financial inspection system to complement (but not duplicate) the internal audit function;

(e) effective cooperation and coordination between the actors involved in financial management and control, audit and inspection with the actors for budget, treasury and accounting to foster the development of governance; and

(f) exchange of information, experiences and good practice in the field of management of public finances, public external audit and internal financial control.

ARTICLE 280

Good governance in the area of taxation

The Parties commit to implement the principles of good governance in the area of taxation, including the global standards on transparency and exchange of information, fair taxation, and the minimum standards against Base Erosion and Profit Shifting. The Parties shall promote good governance in tax matters, improve international cooperation in the area of taxation and facilitate the collection of legitimate tax revenues.

ARTICLE 281

Statistics

1. The Parties shall promote European and international standards and harmonisation of statistical methods and practice, including the gathering and dissemination of statistics by a professionally independent sustainable and efficient national statistical system.

2. The statistical cooperation shall focus on exchange of knowledge, fostering good practices and respect for the UN Fundamental Principles of Official Statistics and the revised European Statistics Code of Practice adopted by the European Statistical System Committee on 16 November 2017.

ARTICLE 282

Connectivity

The Parties shall promote sustainable connectivity in the region and beyond. To that end, the Parties shall cooperate on issues of common interest, to advance connectivity initiatives that are economically, fiscally, environmentally and socially sustainable in the long term and aligned with internationally agreed rules and regulations.

ARTICLE 283

General energy cooperation objectives

1. The Parties shall cooperate on energy matters and the development of the required legal framework with the objective to promote the introduction and use of renewable energy sources, energy efficiency and energy security.

2. The cooperation shall be based on a comprehensive partnership and shall be guided by mutual interest, reciprocity, transparency and predictability in accordance with the principles of market economy and the Energy Charter Treaty. The cooperation shall also aim to promote regional energy cooperation, with special regard to the integration of the Central Asian countries with each other and into international markets and corridors.

ARTICLE 284

Cooperation in the energy sector

The cooperation in the energy sector shall cover, inter alia, the following areas:

(a) enhancing renewable energy sources, energy efficiency and energy security, especially reliability, safety and sustainability of energy supply, including ensuring the safety of energy facilities and increasing the energy efficiency of generating capacities by promoting regional energy cooperation, including the establishment of the regional energy markets and facilitating inter and intra-regional energy trade and exchanges;

(b) implementation of energy strategies and policies, discussion of outlooks and scenarios, including global market conditions for energy products, as well as improvement of the statistical system in the energy sector;

(c) creation of an attractive and stable investment climate and the encouragement of mutual investments in the energy field on a non-discriminatory and transparent basis;

(d) effective exchanges with the European Investment Bank, the European Bank for Reconstruction and Development and other relevant international financial institutions and instruments in the field of energy;

(e) scientific and technical exchanges for the development of energy technologies with particular attention to energy efficient and environmentally friendly technologies;

(f) collaboration in multilateral energy fora, initiatives and institutions; and

(g) exchange of knowledge and experience as well as technology transfer in innovation, including in the areas of management and energy technologies and digitalisation in the energy industry, including automation of consumption monitoring and minimising losses.

ARTICLE 285

Renewable energy sources

The cooperation shall be pursued, inter alia, through:

(a) the introduction and development of renewable energy sources in an economic and environmentally sound manner, including cooperation on regulatory issues, certification and standardisation as well as on technological development;

(b) facilitating exchanges between the institutions, laboratories and private sector entities of the Parties, with the aim of implementing best practices towards creating the energy of the future and green economy; and

(c) conducting joint seminars, conferences and training programmes, and exchanging scientific and practical information and open statistical data, as well as information on the development of renewable energy sources.

ARTICLE 286

Energy efficiency and energy savings

Cooperation in the promotion of energy efficiency and energy savings, including in the coal sector, gas flaring (and the use of associated gas), buildings, appliances and transport, shall be pursued, inter alia, through:

(a) exchanging information about energy efficiency policies and legal and regulatory frameworks and action plans;

(b) facilitating the exchange of experiences and know-how in the field of energy efficiency and energy savings;

(c) initiating and implementing projects, including demonstration projects, for the introduction of innovative technologies and solutions in the field of energy efficiency and energy savings; and

(d) training programmes and training courses in the field of energy efficiency in order to achieve the objectives of this Article.

ARTICLE 287

Hydrocarbon energy and electricity

Cooperation in the field of hydrocarbon energy shall cover the following areas:

(a) modernisation and enhancement of existing, and development of future, energy infrastructures of common interest in accordance with market principles, including those aimed at diversification of energy sources, suppliers and transportation routes and transport methods, as well the establishment of new generation capacity and the integrity, efficiency, safety and security of energy infrastructures, including electric power infrastructures;

(b) development of competitive, transparent and non-discriminatory energy markets in line with best practices through regulatory reforms;

(c) enhancement and strengthening of long-term stability and security of energy trade, including ensuring the predictability and stability of energy demand, on a non-discriminatory basis, while minimising environmental impacts and risks;

(d) promotion of a high level of environmental protection and sustainable development in the energy sector, including extraction, refining, transportation, distribution and consumption; and

(e) strengthening the safety of hydrocarbon exploration and production activities, by means of exchange of experience in accident prevention, post-accident analysis, response and remediation policies, as well as best practices on liability and legal practice in case of a disaster.

ARTICLE 288

General transport cooperation objectives

The Parties shall cooperate in the area of transport with the following objectives:

(a) promoting complementarity between their transport sectors;

(b) enhancing connectivity of their transport networks and links between their territories;

(c) promoting the improvement of transport infrastructure and interoperability;

(d) promoting efficient, safe and secure transport operations and systems;

(e) improving transport safety level;

(f) developing sustainable transport systems, including their economic, fiscal, environmental and social aspects; and

(g) improving the movement of passengers and goods, increasing fluidity of transport flows by removing administrative, technical and other obstacles, aiming at closer market integration.

ARTICLE 289

Cooperation in the area of transport

Cooperation in the area of transport shall cover, inter alia:

(a) exchange of best practices on transport policies;

(b) information exchange and joint activities at regional and international level including implementation of international agreements and conventions to which the Parties are parties;

(c) exchange of experience in green technologies of transport systems, including introduction of ecological transport;

(d) the exchange of experience in the digitisation of the transport and logistics system, as well as the introduction of interoperable standards and technologies in the design, construction and reconstruction of transport infrastructure;

(e) assistance in view of the accession of the Republic of Uzbekistan to international multilateral agreements and conventions under the United Nations Economic Commission for Europe (UNECE) governing the international transport; and

(f) facilitation of mobility of drivers of motor vehicles of both Parties engaged in international road transport in accordance with the applicable rules.

ARTICLE 290

General environment cooperation objectives

The Parties shall develop and strengthen cooperation on environmental issues, thereby contributing to sustainable development and good governance in environmental protection.

ARTICLE 291

Cooperation in the area of the environment

1. The cooperation shall aim at preserving, protecting, improving, and rehabilitating the quality of the environment, protecting human health, rational and sustainable use of natural resources and promoting measures at international level to deal with regional or global environmental problems, including in the areas of:

(a) environmental governance and horizontal issues, including strategic planning, environmental impact assessment and strategic environmental assessment, education and training, monitoring and environmental information systems, inspection and enforcement, environmental liability, combating environmental crime, environmental remediation, transboundary cooperation, public participation and access to environmental information, decision-making processes and effective administrative and judicial review procedures;

(b) addressing the environmental consequences of the desiccation of the Aral Sea including by fostering regional action;

(c) development of the environmental monitoring system;

(d) the greening of cities;

(e) air quality;

(f) water quality and water resource management, including flood risk management, water scarcity and droughts;

(g) resource and waste management;

(h) resource-efficiency, green and circular economy;

(i) nature protection, including forestry, designation of a network of protected areas and conservation of biological diversity;

(j) industrial pollution and industrial hazards; and

(k) chemicals management.

2. Cooperation shall also be aimed at integrating environment into policy areas other than environment policy in order to contribute to the implementation of the UN 2030 Agenda for Sustainable Development.

ARTICLE 292

Integration of the environment into other sectors

1. The Parties shall intensify their cooperation at regional level and in the implementation of relevant multilateral environmental agreements.

2. The Parties shall exchange experience in promoting integration of the environment into other sectors, including exchanging best practices, increasing knowledge and competence, environmental education and awareness raising in the areas referred to in this Chapter.

3. The Parties shall support the establishment and development of cooperation between scientific institutions that carry out activities on environment and, in particular, promote the principles of circular economy as well as the rational and sustainable use of natural resources.

ARTICLE 293

General climate change cooperation objectives

The Parties shall develop and strengthen their cooperation to combat and to adapt to climate change with a view to contributing to the achievement of the goals of the Paris Agreement on Climate Change. The cooperation shall take into account the interests of each Party on the basis of equality and mutual benefit, as well as the interdependence existing between bilateral and multilateral commitments in that field.

ARTICLE 294

Cooperation on climate change at domestic, regional and international level

The cooperation shall promote measures at domestic, regional and international level, including with regard to:

(a) the mitigation of climate change;

(b) adaptation to climate change;

(c) averting, minimising and addressing the adverse effects of climate change;

(d) market and non-market mechanisms for addressing climate change;

(e) the promotion of new, innovative, safe and sustainable low-carbon and adaptation technologies;

(f) the implementation of the Paris Agreement on Climate Change;

(g) the mainstreaming of climate considerations into general and sector-specific policies; and

(h) awareness raising, education and training.

ARTICLE 295

Cooperation in the area of climate change

1. The Parties shall, inter alia:

(a) exchange information and expertise;

(b) implement joint research activities and exchanges of information on cleaner and environmentally sound technologies; and

(c) implement joint activities at regional and international level, including with regard to multilateral environmental agreements ratified by the Parties, such as the United Nations Framework Convention on Climate Change of 1992 and the Paris Agreement on Climate Change.

2. The cooperation shall cover, inter alia:

(a) measures to enhance the capacity to take effective climate action;

(b) the development of long-term low greenhouse gas emission development strategies and action plans;

(c) the development of climate change risk and vulnerability assessments;

(d) the development of knowledge and administrative capacity for adaptation and mitigation;

(e) the identification and development of adaptation priorities and measures, including measures to integrate climate change into development efforts, plans, policies and programming;

(f) implementation of long-term measures to mitigate climate change by reducing emissions of greenhouse gases;

(g) climate-related disaster risk reduction, management and emergency preparedness measures;

(h) measures to prepare for carbon trading in the framework of the Paris Agreement on Climate Change;

(i) measures to promote technology transfer;

(j) measures to mainstream climate considerations into sector-specific policies; and

(k) measures related to ozone-depleting substances and fluorinated gases.

3. The Parties shall promote inter- and intra-regional cooperation.

ARTICLE 296

General industrial and enterprise policy cooperation objectives

The Parties shall endeavour to develop and strengthen their cooperation on industrial and enterprise policy, thereby improving the business environment for all economic operators, with particular emphasis on SMEs.

ARTICLE 297

Cooperation in the area of industrial and enterprise policy

Cooperation in the area of industrial and enterprise policy shall include:

(a) the exchange of information and best practices to support entrepreneurship and SME development policies;

(b) the exchange of information and good practice on productivity and efficiency of resource use, including reduction of energy consumption and cleaner production;

(c) the exchange of information and best practices to enhance the social responsibility of business and industry in sustainable development and respect for human rights;

(d) public support measures for industry sectors, based on WTO requirements and other international rules applicable to the Parties;

(e) the exchange of information and good practice to encourage the development of innovation policy by the commercialisation of results of research and development (including support instruments for technology-based business start-ups), cluster development and access to finance;

(f) the promotion of business initiatives and industrial cooperation between enterprises of the European Union and the Republic of Uzbekistan;

(g) the promotion of a more business-friendly environment, with a view to enhancing growth potential, trade and investment opportunities; and

(h) the establishment of close contacts between entrepreneurs of the Parties, and organising business missions, holding business forums, presentations, round tables, participation in exhibitions and fairs in the European Union and the Republic of Uzbekistan.

ARTICLE 298

Company Law

1. The Parties recognise the importance of an effective set of rules and practices in the areas of company law and corporate governance, as well as in accounting and auditing, in a functioning market economy with a predictable and transparent business environment, and underline the importance of promoting regulatory convergence in this field.

2. The Parties shall cooperate on:

(a) the exchange of best practices on ensuring availability of and access to information regarding the organisation and representation of registered companies in a transparent and easily accessible way;

(b) further development of corporate governance policy in line with international and particularly OECD standards;

(c) continuing the implementation and consistent application of International Financial Reporting Standards for the consolidated accounts of listed companies;

(d) accounting rules and financial reporting, including as regards SMEs;

(e) the regulation and oversight of the professional activity of auditors; and

(f) international auditing standards and codes of ethics such as that of the International Federation of Accountants, with the aim of improving the professional level of auditors by means of observance of standards and ethical norms by professional organisations, audit organisations and auditors.

ARTICLE 299

Banking, insurance and other financial services

1. The Parties recognise the importance of effective legislation and practices in the area of financial services and may cooperate with the objectives of:

(a) improving the regulation of financial services;

(b) ensuring effective and adequate protection of rights of investors and consumers of financial services, especially in the context of developing securities markets;

(c) promoting cooperation between different actors of the financial system, including regulators and supervisors; and

(d) promoting independent and effective supervision.

2. The Parties shall promote regulatory convergence with recognised international standards for sound financial systems.

ARTICLE 300

General cooperation objectives in the area of the digital economy and society

The Parties shall promote cooperation on the development of the digital economy and society to benefit citizens and businesses through the widespread availability of information and communication technologies (ICT) and through better quality of electronic services at affordable prices, notably in the areas of trade and e-commerce, health and education as well as government and administration in general. This cooperation shall be aimed at promoting the development of competition in, and openness of, ICT markets and at encouraging investments in this sector.

ARTICLE 301

General cooperation in the area of the digital economy and society

The cooperation shall cover, inter alia, the following topics:

(a) the exchange of information and best practice on the implementation of national digital strategies in the areas of information technologies, telecommunications, e-government and digital economy including, inter alia, initiatives aimed at promoting broadband access, improving rules for cross-border data transfer and network security, and developing public online services; and

(b) the exchange of information, best practices and experience to promote the development of a comprehensive regulatory framework for electronic communications including national independent regulators, to foster a better use of spectrum resources and to promote the interoperability of electronic communications infrastructure between the Parties.

ARTICLE 302

Cooperation between regulators in the area of the digital economy and society

The Parties shall promote cooperation between regulators in the European Union and in the Republic of Uzbekistan in the fields of telecommunications, information technology, e-government and digital economy.

ARTICLE 303

General cooperation objectives in the area of tourism

The Parties shall endeavour to cooperate in the field of tourism with the aim of strengthening the development of a competitive and sustainable tourism industry as a generator of economic growth, empowerment, employment, education and exchanges in the tourism sector.

ARTICLE 304

Principles of cooperation in the area of tourism

Cooperation in the field of tourism shall be based on the following principles of sustainable tourism:

(a) the respect for the integrity and interests of local communities, particularly in rural areas;

(b) the importance of preserving cultural, historical and natural heritage;

(c) positive interaction between tourism and environmental preservation; and

(d) the social responsibility of tourism, including with respect to local communities.

ARTICLE 305

Cooperation in the area of tourism

Cooperation in the area of tourism may include, inter alia:

(a) the exchange of information and business practices on statistics, standards and investments in tourism, innovative technologies, new market demands and on using cultural heritage sites for touristic purposes;

(b) the promotion of sustainable and responsible tourism development models and the exchange of best practice, experience and know-how;

(c) the exchange of information and best practices in training and skills development in tourism; and

(d) improved contacts between private and public stakeholders responsible for the tourism sector as well as with community stakeholders in the European Union and the Republic of Uzbekistan.

ARTICLE 306

General cooperation objectives in the area of agriculture and rural development

The Parties shall cooperate to promote agricultural and rural development, in particular through exchange of knowledge and best practices and progressive convergence of policies and legislation, in the areas of interest to both Parties.

ARTICLE 307

Cooperation in the area of agriculture and rural development

Cooperation between the Parties in the field of agriculture and rural development shall cover, inter alia:

(a) the facilitation of the mutual understanding of agricultural and rural development policies;

(b) the exchange of best practice in enhancing the administrative capacities at central and local level in the planning, evaluation and implementation of policies;

(c) the promotion of the modernisation and the sustainability of agricultural production including the upgrading of post-harvest methods;

(d) the sharing of knowledge and best practice with regard to rural development policies with a view to the promotion of economic well-being for rural communities and the diversification of their economic activities;

(e) the improvement of the competitiveness of the agricultural sector and the efficiency and transparency of markets;

(f) the promotion of quality assurance policies and their control mechanisms, in particular geographical indications, and organic farming;

(g) the dissemination of knowledge and the extension of services to agricultural producers;

(h) the exchange of experience in policies related to the sustainable development of agribusiness and the processing and distribution of agricultural products;

(i) the promotion of cooperation between entrepreneurs in sectors of interest to both Parties; and

(j) the promotion of agricultural trade.

ARTICLE 308

General cooperation objectives in the area of mining and raw materials

The Parties shall develop and strengthen their cooperation in the areas of mining and the production of raw materials, with the objectives of promoting mutual understanding, improving the business environment, exchanging information and cooperating on non-energy issues relating in particular to safe and sustainable exploration and mining of metallic ores and non-metallic industrial minerals.

ARTICLE 309

Cooperation in the area of mining and raw materials

Cooperation in the field of mining and raw materials shall include, inter alia:

(a) the exchange of information on developments in their respective mining and raw materials sectors;

(b) the exchange of information on matters related to trade in raw materials with the aim of promoting mutual exchanges;

(c) the exchange of information and best practice in relation to the sustainable development of mining industries, including in the application of clean technologies in mining processes;

(d) the exchange of information and best practice in relation to maintaining the health and safety of workers in mining industries; and

(e) cooperation on research and innovation through existing funding instruments to develop joint scientific and technological initiatives.

ARTICLE 310

General cooperation objectives in the area of research and innovation

The Parties shall promote cooperation in scientific research, technological development and innovation on the basis of common interest, mutual benefit and, where possible, reciprocity, in compliance with their internal rules and provisions. The cooperation shall aim at promoting social and economic development, tackling global and regional societal challenges, achieving scientific excellence, promoting research integrity and strengthening of relations between the Parties.

ARTICLE 311

Cooperation in the area of research and innovation

Cooperation in the field of research and innovation shall include, inter alia:

(a) policy dialogues and the exchange of information and best practice on research and innovation support instruments;

(b) the facilitation of access to the respective research and innovation programmes, research infrastructures and facilities, scientific publications and scientific data of each Party;

(c) the enhancement of the research capacity in research entities and universities of the Republic of Uzbekistan and, where appropriate, the facilitation of the participation of research entities of the Republic of Uzbekistan in the Framework Programme for Research and Innovation of the European Union and the national initiatives of the Member States;

(d) the promotion of cooperation in pre-normative research and standardisation;

(e) the fostering of networks and links between higher education, research and innovation institutions of both Parties;

(f) the arrangement of training activities and mobility programmes for scientists, researchers and other staff engaged in research and innovation activities in both Parties in coordination with their respective programmes in the higher and vocational education sector;

(g) the promotion of common principles for the fair and equitable treatment of intellectual property rights in research and innovation projects;

(h) the promotion of the commercialisation of the results of joint research and innovation projects;

(i) the exchange of information and best practice regarding support instruments for technology-based business start-ups, cluster development and access to finance;

(j) the facilitation of access for new technology to the domestic markets of the Parties;

(k) the support of social and public innovation programmes aimed at the improvement of the social development of the regions and in particular the quality of life of citizens; and

(l) the facilitation, within the framework of applicable legislation, of the free movement of researchers, scientists, experts, students and entrepreneurs participating in activities covered by this Agreement and the cross-border movement of goods intended for use in such activities.

ARTICLE 312

Promotion of activities in the area of research and innovation

The Parties shall promote the following activities that shall involve government organisations, public and private research centres, higher-education institutions, innovation agencies and networks, as well as other stakeholders, including small and medium enterprises on a voluntary basis:

(a) joint research and innovation actions, including thematic networks, in areas of common interest;

(b) joint initiatives to raise awareness of science, technology, innovation and capacity building programmes and opportunities for participating in each other's programmes;

(c) joint meetings and workshops aiming at exchanging information, best practice and identifying areas for joint research;

(d) mutually recognised assessment and evaluation of scientific and innovation cooperation, and the dissemination of the corresponding results;

(e) joint efforts to enhance student, researcher and staff mobility in areas of common interest; and

(f) other forms of cooperation in research and innovation, including through European Union regional approaches and initiatives, on the basis of mutual agreement.

TITLE VI

OTHER AREAS OF COOPERATION

ARTICLE 313

Consumer protection

The Parties recognise the importance of ensuring a high level of consumer protection and, to that end, shall endeavour to cooperate in the field of consumer policy. Such cooperation shall, to the extent possible, include:

(a) the exchange of information and best practice on their respective consumer protection frameworks, including on consumer laws, consumer product safety, consumer redress, and the enforcement of consumer legislation;

(b) the encouragement of the development of independent consumer associations and contacts between consumer representatives; and

(c) the exchange of information and the promotion of joint activities between both Parties' consumer bodies, subject to their mutual agreement.

ARTICLE 314

General cooperation in the area of employment, social policy and equal opportunities

1. The Parties, taking into account the UN 2030 Agenda for Sustainable Development and SDG N°8 on Full and Productive Employment and Decent Work, recognise that full and productive employment and decent work for all are key elements of sustainable development.

2. The Parties shall strengthen their dialogue and cooperation on the promotion of the ILO Decent Work Agenda, employment policy, living and working conditions, health and safety at work, social dialogue, social protection, social inclusion, gender equality and anti-discrimination, and thereby contribute to the promotion of more and better jobs, enhanced social cohesion, sustainable development, and improved quality and standards of life.

3. The Parties shall aim to enhance cooperation on decent work, employment and social policy matters in all relevant fora and organisations.

4. Each Party shall prevent and eradicate any forms of forced or child labour.

ARTICLE 315

ILO conventions and involvement of stakeholders

1. The Parties reaffirm their commitment to implement the ILO conventions to which they are party and to promote further accession. They reaffirm their commitment to an effective system of labour inspections, in line with ILO standards as well as effective enforcement mechanisms and access to legal remedies.

2. The Parties shall encourage, in line with the ILO Declaration on Fundamental Principles and Rights at Work of 1998 and the ILO Declaration on Social Justice for a fair Globalisation of 2008, the involvement of all relevant stakeholders, in particular social partners, in their respective social policy development and in the cooperation between the European Union and the Republic of Uzbekistan under this Agreement.

ARTICLE 316

Additional cooperation in the area of employment, social policy, and equal opportunities

Cooperation in the area of employment, social policy, and equal opportunities, based on the exchange of information and best practice, may include matters within the following areas:

(a) the improvement of living standards and the enhancement of social cohesion and of inclusive labour markets and the integration of vulnerable people;

(b) the promotion of more and better jobs with decent working conditions, notably with a view to reducing the informal economy and informal employment and to improving living conditions;

(c) the improvement of working conditions, notably the protection and enforcement of labour rights, such as the prevention and elimination of any forms of forced or child labour and modern forms of slavery, as well as the improvement of the level of protection of health and safety at work;

(d) the enhancement of gender equality by the promotion of the participation of women in social and economic life and by ensuring equal opportunities between men and women in employment, education, training, economy, society and decision-making;

(e) the fight against discrimination in employment and social affairs in accordance with each Party's obligations under international standards and conventions;

(f) the enhancement of the level of social protection for all and the modernisation of social protection systems in terms of quality, adequacy, accessibility and financial sustainability; and

(g) the enhancement of the participation of social partners and the promotion of social dialogue, including through the strengthening of the capacity of social partners.

ARTICLE 317

Cooperation on the responsible management of supply chains

1. The Parties recognise the importance of responsible management of supply chains through responsible business conduct and corporate social responsibility practices and through the provision of an enabling environment. Each Party shall support the dissemination and use of relevant international instruments, such as the OECD Guidelines for Multinational Enterprises adopted on 21 June 1976 as part of the Declaration on International Investment and Multinational Enterprises, the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy adopted in Geneva on 16 November 1977, the UN Global Compact launched in New York on 26 July 2000 and the Guiding Principles on Business and Human Rights endorsed by the UN Human Rights Council by Resolution 17/4 of 16 June 2011.

2. The Parties shall exchange information and best practice and, where appropriate, cooperate with the other Party, regionally and in international fora, on the issues covered by this Article.

ARTICLE 318

General cooperation objectives in the area of health

The Parties shall develop their cooperation in the field of public health with a view to raising the level of protection of human health and enhancing equal opportunities in health, in line with common health values and principles, and as a precondition for sustainable development and economic growth.

ARTICLE 319

Cooperation in the area of health

Cooperation in the area of health shall address the prevention and control of communicable and non-communicable diseases, including through the exchange of health information, the promotion of a health-in-all-policies approach, cooperation with international organisations, in particular the World Health Organisation (hereinafter referred to as the "WHO"), and the promotion of the implementation of international health agreements such as the WHO Framework Convention on Tobacco Control, done at Geneva on 21 May 2003 and the WHO International Health Regulations adopted by the World Health Assembly of the WHO on 23 May 2005.

ARTICLE 320

Cooperation to counter drugs, psychotropic substances and their precursors

1. The Parties intend to exchange their experiences in the preparation and implementation of drug policy in Central Asia within an agreed timeframe.

2. The European Union intends to provide assistance to the Republic of Uzbekistan within an agreed timeframe to develop appropriate systems for early warning and risk assessment on new psychoactive substances in order to protect public health.

3. The European Union, within an agreed timeframe, will enhance its coordination with the Republic of Uzbekistan on a balanced and integrated approach to drug issues for the provision of training programmes which might be relevant for the fight against drug trafficking in cyberspace.

ARTICLE 321

Cooperation in the area of education, training, and youth

1. The Parties shall cooperate in the field of education and training in order to promote lifelong learning, collaboration and transparency at all levels of education and training, with a special focus on vocational and higher education.

2. Cooperation in the area of education and training shall focus, inter alia, on:

(a) the promotion of lifelong learning, which is key to growth and jobs and which can allow citizens to participate fully in society;

(b) the modernisation of education and training systems, including capacity building, training and retraining systems for public/civil servants, and the enhancement of quality, relevance and access throughout the education ladder, from early childhood education and care to tertiary education;

(c) the promotion of convergence and coordinated reforms in higher and vocational education;

(d) the reinforcement of international academic cooperation, with a view to increasing the participation in the cooperation programmes of the European Union and the improvement of the mobility of students, staff, and researchers;

(e) the strengthening of links between the education sector and the labour market;

(f) the further development of the national qualifications framework to improve the transparency and recognition of qualifications and competences in higher education and in vocational education and training;

(g) the enhancement of cooperation with a view to the further development of vocational education and training, while taking into consideration good practice in the European Union;

(h) support for the internationalisation of universities in the Republic of Uzbekistan while ensuring good quality education and relevant conditions;

(i) the promotion of investment in the education sector of the Republic of Uzbekistan; and

(j) the promotion of cooperation in the creation of training and adaptation and vocational training centres in various fields on the territory of the Republic of Uzbekistan.

3. The Parties shall also cooperate in the field of youth to:

(a) reinforce cooperation and exchanges in the fields of youth policy and non-formal education for young people and youth workers;

(b) facilitate the active participation of all young people in society;

(c) support mobility for young people and youth workers as a means to promote intercultural dialogue and the acquisition of knowledge, skills and competences outside the formal educational systems, including through volunteering; and

(d) promote cooperation between youth organisations to support civil society.

ARTICLE 322

Cooperation in the area of culture

1. The Parties shall take appropriate measures to promote cultural exchanges, to encourage joint initiatives in various cultural and creative spheres, and to exchange best practice in the field of training- and capacity-building for artists, cultural and creative professionals, and organisations.

2. The Parties shall cooperate in the framework of multilateral international treaties and international organisations, including the United Nations Educational, Scientific and Cultural Organization (hereinafter referred to as "UNESCO"), in order to support cultural diversity and to preserve and valorise cultural and historical heritage.

ARTICLE 323

Cooperation in the area of audio-visual and media policy

1. The Parties shall promote cooperation in the area of media and audiovisual policy, in particular through the exchange of information and best practice regarding audiovisual and media policies and training for journalists and other media, cinema and audiovisual professionals.

2. The Parties shall cooperate to reinforce the independence and professionalism of the media, based on the standards set in the applicable international conventions, including those of UNESCO and the Council of Europe, where appropriate.

3. The Parties shall cooperate in international fora, such as UNESCO.

ARTICLE 324

Cooperation in the area of sport and physical activity

The Parties shall promote cooperation in the area of sport and physical activity in order to promote a healthy lifestyle, good governance, as well as the social and educational values of sport, and in order to fight against threats to sport such as doping, match-fixing, racism and violence. The cooperation shall include, in particular, the exchange of information and good practice.

ARTICLE 325

Cooperation on emergency situations and civil protection

1. The Parties shall cooperate to improve prevention, mitigation, preparedness, response and recovery activities in order to reduce the impact of natural and man-made disasters and to increase the resilience of their societies and infrastructure. The Parties shall cooperate at appropriate levels to improve disaster risk management.

2. The Parties shall endeavour to exchange information and expertise and to implement joint activities, where appropriate and subject to the availability of sufficient resources.

ARTICLE 326

Cooperation in the area of regional development

The Parties shall promote mutual understanding and bilateral cooperation in the field of regional development policy, including methods of formulation and implementation of regional policies, multi-level governance and partnership, with special emphasis on the development of disadvantaged areas and territorial cooperation, with the objective of improving living conditions, promoting economic, social and territorial cohesion, and enhancing the exchange of information and experience between national, regional and local authorities, as well as participation of socio-economic actors and civil society.

ARTICLE 327

Regional policy and cross-border cooperation

The Parties shall support and strengthen the involvement of local and regional level authorities in regional policy cooperation and cross-border cooperation, in order to promote mutual understanding and information exchange, develop capacity building measures, promote establishment of relevant structures and legislative framework and strengthening of cross-border economic and business networks.

ARTICLE 328

Cross-border cooperation in other areas

The Parties shall further strengthen and encourage the development of cross-border cooperation in other areas covered by this Agreement such as trade, transport, energy, water, environment, climate, digital economy, culture, education, research and tourism.

ARTICLE 329

Cooperation between the regions

The Parties shall encourage cooperation between the regions of the Member States and the regions of the Republic of Uzbekistan.

ARTICLE 330

Implementation and capacity building

1. The Parties consider that an important aspect of strengthening the links between the European Union and the Republic of Uzbekistan is a gradual convergence of the legislation of the Republic of Uzbekistan to that of the European Union in specified areas covered by this Agreement.

2. This cooperation shall aim, inter alia, at developing the administrative and institutional capacity of the Republic of Uzbekistan, to the extent necessary to implement this Agreement and to carry out the necessary structural reforms and legislative approximation.

3. The European Union shall endeavour to provide the Republic of Uzbekistan with technical assistance for the implementation of these measures, inter alia through:

(a) the exchange of experts;

(b) the provision of early information in particular as regards relevant legislation;

(c) the organisation of seminars; and

(d) training activities.

TITLE VII

FINANCIAL AND TECHNICAL COOPERATION

ARTICLE 331

Financial and technical assistance

1. To achieve the objectives of this Agreement, the Republic of Uzbekistan may receive financial assistance from the European Union in the form of grants and loans, possibly in partnership with the European Investment Bank and other international financial institutions. The Republic of Uzbekistan may also receive technical assistance.

2. Financial assistance may be provided in accordance with the relevant funding instruments of the European Union concerning external action. Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council[1] and the Commission Delegated Regulation (EU) No 1268/2012[2] shall apply to financing by the European Union.

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[1] Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (OJ EU L 193, 30.7.2018, p. 1, ELI: http://data.europa.eu/eli/reg/2018/1046/oj).

[2] Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the European Union (OJ EU L 362, 31.12.2012, p. 1, ELI: http://data.europa.eu/eli/reg_del/2012/1268/oj).

3. Financial assistance shall be based on annual action programmes established by the European Union, following consultations with the Republic of Uzbekistan.

4. The European Union and the Republic of Uzbekistan may co-finance programmes and projects. The Parties shall coordinate programmes and projects on financial and technical cooperation and shall exchange information on all sources of assistance.

5. In order to ensure the principle of transparency of the European Union's financial and technical assistance process for the Republic of Uzbekistan, the European Union shall provide the competent authorities of the Republic of Uzbekistan on a regular basis with information on the expenditures under each programme and project allocated to the Republic of Uzbekistan within European Union bilateral programmes.

6. Aid effectiveness, as laid down in the OECD Paris Declaration on Aid Effectiveness adopted on 2 March 2005, the Backbone Strategy on Reforming Technical Cooperation of the European Union, the reports of the European Court of Auditors, and the lessons learnt from implemented and ongoing cooperation programmes of the European Union in the Republic of Uzbekistan, shall be the basis for the delivery of financial assistance of the European Union to the Republic of Uzbekistan.

ARTICLE 332

General principles

1. The Parties shall implement financial assistance in accordance with the principles of sound financial management and transparency, and cooperate in ensuring the protection of the financial interests of the European Union and of the Republic of Uzbekistan. The Parties shall take effective measures to prevent and fight fraud, corruption and any other illegal activities to the detriment of the financial interests of the European Union and the Republic of Uzbekistan.

2. Without prejudice to the direct application of paragraph 3, any further agreement or financing instrument to be concluded between the Parties during the implementation of the Agreement shall provide for specific financial cooperation clauses covering on-the-spot checks, inspections, controls and anti-fraud measures, including those conducted by the European Court of Auditors and the European Anti-Fraud Office (hereinafter referred to as "OLAF").

3. Grants and other European Union-funded development projects implemented in the Republic of Uzbekistan and related services and supplies shall not be subject to taxation, customs duties, or any similar charges in the Republic of Uzbekistan under the procedure provided for by the legislation of the Republic of Uzbekistan.

ARTICLE 333

Donor Coordination

To make optimal use of available resources, each Party shall ensure that the contributions of the European Union are made in close coordination with contributions from other sources, third countries and international financial institutions. To this effect, information on all sources of assistance shall be exchanged regularly between the Parties. European Union financial assistance may be co-financed by the Republic of Uzbekistan.

ARTICLE 334

Prevention and Communication

When entrusted with the implementation of European Union funds or as a beneficiary of European Union funds under direct management, the competent authorities of the Republic of Uzbekistan shall take all appropriate measures to prevent irregularities, fraud, corruption, and any other illegal activities to the detriment of the funds of the European Union and, where applicable, the co-financing funds of the Republic of Uzbekistan. The competent authorities of the Republic of Uzbekistan shall transmit to the European Commission and to OLAF without delay any information which has come to their notice on suspected or actual cases of fraud, corruption or any other irregularity, including conflict of interest, in connection with European Union funds.

ARTICLE 335

Cooperation with OLAF

1. Within the framework of this Agreement, OLAF shall be authorised to carry out on-the-spot checks and inspections in order to establish whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the European Union in accordance with Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council[1] and Council Regulations (Euratom, EC) No 2185/96[2] and (EC, Euratom) No 2988/95[3].

2. On-the-spot checks and inspections shall be prepared by OLAF in close cooperation with the competent authorities of the Republic of Uzbekistan, taking into account the requirements of the legislation of the Republic of Uzbekistan.

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1 Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (OJ EU L 248, 18.9.2013, p. 1, ELI: http://data.europa.eu/eli/reg/2013/883/oj), last amended by Regulation (EU, Euratom) 2016/2030 of 26 October 2016 (OJ EU L 317, 23.11.2016, p. 1, ELI: http://data.europa.eu/eli/reg/2016/2030/oj).

2 Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities, (OJ EU L 292, 15.11.1996, p. 2, ELI: http://data.europa.eu/eli/reg/1996/2185/oj).

3 Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities financial interests, (OJ EU L 312, 23.12.1995, p. 1, ELI: http://data.europa.eu/eli/reg/1995/2988/oj).

3. Where an economic operator resists an on-the-spot check or inspection, the competent authorities of the Republic of Uzbekistan shall give OLAF the assistance required to allow it to discharge its duty in carrying out on-the-spot checks or inspections.

4. The competent authorities of the Republic of Uzbekistan shall, upon request, exchange information with OLAF which might be relevant for the protection of the financial interests of the European Union.

5. For the transfer of personal data, the rules of the transferring party on the protection of personal data shall apply.

6. OLAF may agree with the competent authorities of the Republic of Uzbekistan on further cooperation in the field of action to combat fraud, including the conclusion of administrative arrangements.

ARTICLE 336

Investigation and prosecution

The competent authorities of the Republic of Uzbekistan shall ensure investigation and prosecution of suspected and actual cases of fraud, corruption and any other illegal activities to the detriment of the funds of the European Union in accordance with the legislation of the Republic of Uzbekistan. Where appropriate and upon the written request of the competent authorities of the Republic of Uzbekistan, OLAF shall assist the competent authorities of the Republic of Uzbekistan in this task.

TITLE VIII

INSTITUTIONAL PROVISIONS

ARTICLE 337

Cooperation Council

1. A Cooperation Council is hereby established, which shall oversee the attainment of the objectives of this Agreement and supervise its implementation. It shall examine any major issues arising within the framework of this Agreement and any other bilateral or international issues of mutual interest.

2. The Cooperation Council shall meet at regular intervals, normally on an annual basis, or as mutually agreed.

3. The Cooperation Council shall be composed of representatives of the Parties at ministerial level or their designees. The Cooperation Council shall meet in all necessary configurations, by mutual agreement. When the Cooperation Council addresses issues related to Title IV of this Agreement, it shall be composed of representatives of the European Union and of the Republic of Uzbekistan with responsibility for trade related matters.

4. The Cooperation Council shall adopt its own rules of procedure and the rules of procedure of the Cooperation Committee.

5. The Cooperation Council shall be chaired alternately by a representative of the European Union and a representative of the Republic of Uzbekistan.

6. The Cooperation Council shall have the power to take decisions and make appropriate recommendations, as provided for in this Agreement and in accordance with its rules of procedure. Within the scope of Titles I, II, III, V, VI, VII, VIII and IX of this Agreement, the Cooperation Council shall have the power to take decisions and make recommendations as mutually agreed by the Parties. The decisions shall be binding on the Parties, which shall take all necessary measures to implement them.

7. The Cooperation Council may delegate to the Cooperation Committee any of its functions, including the power to take binding decisions.

ARTICLE 338

Cooperation Committee

1. A Cooperation Committee is hereby established, which shall assist the Cooperation Council in the performance of its duties.

2. The Cooperation Committee shall be responsible for the general implementation of this Agreement.

3. The Cooperation Committee shall be chaired alternately by a representative of the European Union and a representative of the Republic of Uzbekistan.

4. The Cooperation Committee shall be composed of representatives of the Parties at senior official level or as otherwise designated by each Party.

5. The Cooperation Committee may meet in a specific configuration to address all issues related to Title IV of this Agreement. When the Cooperation Committee addresses issues related to Title IV of this Agreement, it shall be composed of representatives of each of the Parties with responsibility for trade-related matters.

6. The Cooperation Committee shall meet once a year, or as mutually agreed, on a date and with an agenda agreed in advance by the Parties, in Brussels and Tashkent alternately or by mutual consent remotely by any technological means available to the Parties. Special meetings may be convened, by mutual agreement, at the request of either Party.

7. The Cooperation Committee shall have the power to adopt decisions in the cases provided for in this Agreement or where such power has been delegated to it by the Cooperation Council. The decisions shall be binding on the Parties, which shall take all necessary measures to implement them. When exercising delegated powers, the Cooperation Committee shall take its decisions in accordance with the Rules of Procedure of the Cooperation Council.

ARTICLE 339

Sub-Committees and other bodies

1. The Cooperation Committee may establish Sub-Committees or other bodies to assist in the performance of its duties and to address specific tasks or subject matters. It may change the tasks assigned to or dissolve any Sub-Committee or other bodies set up pursuant to the first sentence of this paragraph.

2. The Cooperation Committee shall adopt the rules of procedure of the Sub-Committees or other bodies set up under paragraph 1.

3. Sub-Committees and other bodies shall meet when requested by either Party or by the Cooperation Committee, except as otherwise provided for in this Agreement or agreed between the Parties. Meetings shall take place in person or by mutual consent remotely by any technological means available to the Parties. When held in person, the meetings shall be held alternately in Brussels or Tashkent.

4. Except as otherwise provided for in this Agreement or agreed between the Parties, Sub-Committees and other bodies established under this Agreement or by the Cooperation Committee shall report on their activities to the Cooperation Committee regularly or when requested.

5. The establishment or existence of a Sub-Committee or other bodies shall not prevent a Party from bringing any matter directly to the Cooperation Committee.

ARTICLE 340

Parliamentary Cooperation Committee

1. A Parliamentary Cooperation Committee is hereby established. It shall be composed of Members of the European Parliament and of Members of the Oliy Majlis of the Republic of Uzbekistan.

2. The Parliamentary Cooperation Committee shall be a forum for meetings and the exchange of views with the purpose of deepening and strengthening the relations between the Parties. It shall meet at intervals which it shall itself determine.

3. The Parliamentary Cooperation Committee shall establish its own rules of procedure.

4. The Parliamentary Cooperation Committee shall be informed of the decisions and recommendations of the Cooperation Council.

5. The Parliamentary Cooperation Committee may make recommendations to the Cooperation Council.

ARTICLE 341

Participation of civil society

With a view to inform and consult civil society on the implementation of this Agreement as stipulated in Article 6, the Parties may establish a specific body for this purpose, in accordance with the procedure laid down in Article 339.

TITLE IX

GENERAL AND FINAL PROVISIONS

ARTICLE 342

Territorial Application

1. This Agreement shall apply:

(a) to the territories in which the Treaty on European Union and the Treaty on the Functioning of the European Union are applicable, and under the conditions laid down in those Treaties; and

(b) to the territory under the sovereignty of the Republic of Uzbekistan, in respect of which it exercises sovereign rights and jurisdiction as determined by its national legislation, consistent with international law.

2. References to "territory" in this Agreement shall be understood as set out in paragraph 1, except as otherwise expressly provided.

3. References to "territory" in this Agreement shall include air space and territorial sea as provided in the United Nations Convention on the Law of the Sea, done at Montego Bay on 10 December 1982.

4. As regards the provisions of this Agreement concerning customs cooperation, this Agreement shall also apply with respect to the European Union to those areas of the customs territory of the European Union, as defined by Article 4 of Regulation (EU) No 952/2013 of the European Parliament and of the Council[1] laying down the Union Customs Code, not covered by point (a) of paragraph 1 of this Article.

ARTICLE 343

Fulfilment of obligations and suspension

1. The Parties shall take any measures required to fulfil their obligations under this Agreement.

2. If either Party considers that the other Party has failed to fulfil any of the obligations under Title IV of this Agreement, the specific mechanisms provided for in that Title shall apply.

3. If either Party considers that the other Party has failed to fulfil any of the obligations that are identified as essential elements in Article 2 and Article 11, it shall immediately notify the other party of its intention to take appropriate measures. At the request of either Party, consultations shall be held for a maximum period of 15 days from the date of notification by either Party of its intention to take appropriate measures. After that period, appropriate measures may be taken. For the purposes of this paragraph, "appropriate measures" may include the suspension, in part or in full, of this Agreement.

[1] Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code (OJ EU L 269, 10.10.2013, p. 1, ELI: http://data.europa.eu/eli/reg/2013/952/oj).

4. If either Party considers that the other Party has failed to fulfil any obligation in this Agreement, save those falling within the scope of paragraphs 2 and 3 of this Article, it shall notify the other Party. The Parties shall hold consultations under the auspices of the Cooperation Council with a view to reaching a mutually acceptable solution. Where the Cooperation Council is unable to reach a mutually acceptable solution, the notifying Party may take appropriate measures. For the purposes of this paragraph, "appropriate measures" may include the suspension only of Titles I, II, III, V, VI, VII, VIII, and IX of this Agreement.

5. The appropriate measures referred to in paragraphs 3 and 4 of this Article shall be taken in full respect of international law and shall be proportionate to the failure to implement obligations under this Agreement. Priority must be given to those measures which least disturb the functioning of this Agreement.

ARTICLE 344

Security exceptions

Nothing in this Agreement shall be construed:

(a) as requiring a Party to furnish or allow access to any information the disclosure of which it considers contrary to its essential security interests; or

(b) as requiring a Party to take an action which it considers necessary for the protection of its essential security interests:

(i) connected to the production of or traffic in arms, ammunition and implements of war and to such traffic and transactions in other goods and materials, services and technology, and to economic activities, carried out directly or indirectly for the purpose of supplying a military establishment;

(ii) relating to fissionable and fusionable materials or the materials from which they are derived; or

(iii) taken in time of war or other emergency in international relations; or

(c) as preventing a Party from taking any action in order to carry out its international obligations under the UN Charter for the purpose of maintaining international peace and security.

ARTICLE 345

Entry into force and provisional application

1. This Agreement shall be subject to ratification, acceptance or approval in accordance with the Parties' own procedures and the Parties shall notify one another of the completion of the procedures necessary for that purpose.

2. This Agreement shall enter into force on the first day of the second month following the date on which the last notification provided for in paragraph 1 has been carried out.

For the purposes of those notifications, the Republic of Uzbekistan shall deliver to the Secretary-General of the Council of the European Union its notification to the European Union and to the Member States, and the Secretary-General of the Council of the European Union shall deliver to the Republic of Uzbekistan the notification from the European Union and the Member States. The notification from the European Union and the Member States shall contain notifications from each Member State confirming that the necessary procedures in that Member State for the entry into force of this Agreement have been completed.

3. Notwithstanding paragraph 2, the European Union and the Republic of Uzbekistan may apply this Agreement, wholly or in part, on a provisional basis, in accordance with their respective internal procedures. Provisional application shall begin on the first day of the second month following the date by which the European Union and the Republic of Uzbekistan have notified each other of the following:

(a) for the European Union, the completion of the internal procedures necessary for this purpose, together with an indication of those parts of the Agreement which the European Union proposes should be provisionally applied; and

(b) for the Republic of Uzbekistan, the completion of the internal procedures necessary for this purpose, together with an indication of those parts of the Agreement which the European Union proposes should be provisionally applied, confirming its agreement that they be provisionally applied.

4. Either Party may notify the other Party in writing of its intention to terminate the provisional application of this Agreement. The termination of the provisional application of this Agreement shall take effect on the first day of the second month following that notification.

5. For the purpose of the provisional application of this Agreement, the term "entry into force of this Agreement" shall be understood as meaning the date of provisional application. The Cooperation Council, the Cooperation Committee and its Sub-committees, and other bodies established under this Agreement may exercise their functions during the provisional application of this Agreement. Any decisions adopted in the exercise of their functions shall cease to be effective if the provisional application of this Agreement is terminated in accordance with paragraph 4.

6. Where, in accordance with paragraph 3, a provision of this Agreement is applied by the Parties on a provisional basis, any reference in such provision to the date of entry into force shall be understood to refer to the date from which the Parties agree to apply that provision on a provisional basis.

ARTICLE 346

Amendments

1. The Parties may agree, in writing, to amend this Agreement. For the entry into force of such amendments, Article 345 shall apply.

2. The Cooperation Council may adopt decisions amending this Agreement in the cases referred to in Articles 27 and 28.

ARTICLE 347

Other agreements

1. Upon the entry into force of this Agreement, the Partnership and Cooperation Agreement establishing a partnership between the European Communities and their Member States, of the one part, and the Republic of Uzbekistan, of the other part, signed in Florence on 21 June 1996 shall be repealed and replaced by this Agreement.

2. References to the Agreement referred to in paragraph 1 of this Article in all other agreements between the Parties shall be construed as referring to this Agreement.

3. The Parties may complement this Agreement by concluding specific agreements in any area of cooperation falling within the scope of this Agreement. Such specific agreements shall form an integral part of the overall bilateral relations as governed by this Agreement and shall be subject to the institutional framework established by this Agreement.

ARTICLE 348

Annexes, appendices, protocols and notes, and footnotes

The Annexes, Appendices, Protocols and Notes, and Footnotes of and to this Agreement shall form an integral part thereof.

ARTICLE 349

Accession of new Member States

1. The European Union will inform the Republic of Uzbekistan of any request for accession of a third country to the European Union.

2. The European Union shall notify the Republic of Uzbekistan of the entry into force of any Treaty concerning the accession of a third country to the European Union (hereinafter referred to as the "Accession Treaty").

3. A new Member State shall accede to this Agreement in accordance with the terms decided by the Cooperation Council. Save as otherwise provided in paragraph 4, the accession shall take effect from the date of accession of the new Member State to the European Union and this Agreement shall be thereby amended by a decision of the Cooperation Council establishing the terms of accession.

4. Title IV shall apply between the new Member State and the Republic of Uzbekistan from the date of accession of that new Member State to the European Union.

5. In order to facilitate the implementation of paragraph 4 of this Article, as from the date of signature of the Accession Treaty, the Cooperation Committee acting in its trade configuration shall examine any effects of the accession of the new Member State on this Agreement. The Cooperation Committee shall decide on necessary technical amendments to Annexes 7-A, 7-C and 9 to this Agreement, and on other necessary adjustments or transitional measures. Any decision of the Cooperation Committee shall take effect on the date of accession of the new Member State to the European Union.

ARTICLE 350

Private rights

Nothing in this Agreement shall be construed as conferring rights or imposing obligations on persons other than those created between the Parties under public international law, nor as permitting this Agreement to be directly invoked in the domestic legal systems of the Parties.

ARTICLE 351

References to laws and regulations and other Agreements

1. Unless otherwise specified, where reference is made in Title IV to laws and regulations of a Party, those laws and regulations shall be understood to include amendments thereto.

2. Unless otherwise specified in Title IV, where international agreements are referred to or incorporated into this Agreement, in whole or in part, they shall be understood to include amendments thereto or their successor agreements entering into force for both Parties on or after the date of signature of this Agreement. If any matter arises regarding the implementation or application of this Agreement as a result of such amendments or successor agreements, the Parties may, at the request of either Party, consult with each other with a view to finding a mutually satisfactory solution to that matter as necessary.

ARTICLE 352

Duration

This Agreement is concluded for an unlimited period.

ARTICLE 353

Definition of the Parties

For the purposes of this Agreement, the term "Parties" means the European Union, or its Member States, or the European Union and its Member States, in accordance with their respective areas of competence, of the one part, and the Republic of Uzbekistan, of the other part.

ARTICLE 354

Termination

Either Party may terminate this Agreement by notifying the other Party in writing. This Agreement shall cease to be in force on the first day of the sixth month following that during which the notification of termination has been made.

ARTICLE 355

Notifications

Notifications made in accordance with Articles 345, 346 and 353 of this Agreement shall be sent, in the case of the European Union and its Member States, to the Secretary-General of the Council of the European Union and, in the case of the Republic of Uzbekistan, to the Minister of Foreign Affairs of the Republic of Uzbekistan.

ARTICLE 356

Authentic texts

This Agreement is drawn up in duplicate in the Bulgarian, Croatian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Irish, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish, Swedish and Uzbek languages, each text being equally authentic.

IN WITNESS WHEREOF, the undersigned Plenipotentiaries, duly authorised to this effect, have signed this Agreement.

Done at …, this … day of … in the year …

For the Kingdom of Belgium,

For the Republic of Bulgaria,

For the Czech Republic,

For the Kingdom of Denmark,

For the Federal Republic of Germany,

For the Republic of Estonia,

For Ireland,

For the Hellenic Republic,

For the Kingdom of Spain,

For the French Republic,

For the Republic of Croatia,

For the Italian Republic,

For the Republic of Cyprus,

For the Republic of Latvia,

For the Republic of Lithuania,

For the Grand Duchy of Luxembourg,

For Hungary,

For the Republic of Malta,

For the Kingdom of The Netherlands,

For the Republic of Austria,

For the Republic of Poland,

For the Portuguese Republic,

For Romania,

For the Republic of Slovenia,

For the Slovak Republic,

For the Republic of Finland,

For the Kingdom of Sweden,

For the European Union

For the Republic of Uzbekistan