

**FREE TRADE AGREEMENT BETWEEN ALBANIA AND
THE UNITED NATIONS INTERIM ADMINISTRATION MISSION IN KOSOVO (UNMIK)**

FREE TRADE AGREEMENT BETWEEN THE COUNCIL OF MINISTERS OF THE REPUBLIC
OF ALBANIA AND THE UNITED NATIONS INTERIM ADMINISTRATION MISSION IN
KOSOVO (UNMIK) ON BEHALF OF THE PROVISIONAL INSTITUTIONS OF SELF-
GOVERNMENT IN KOSOVO

PREAMBLE

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

The Council of Ministers of the Republic of Albania and the United Nations Interim Administration Mission in Kosovo (UNMIK) on behalf of the Provisional Institutions of Self-Government in Kosovo (hereinafter called "the Contracting Parties"),

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

Considering their common desire to participate actively in the process of international economic integration,

Expressing their readiness to co-operate in finding the means and ways for strengthening of this process,

Considering the rights and obligations, arising out of the Stabilisation and Association process between the European Community and the Contracting Parties,

Taking into account United Nations Security Council resolution 1244 (1999) of 10 June 1999, authorizing the Secretary-General to establish an international civil presence in Kosovo, known as the United Nations Interim Administration Mission in Kosovo (UNMIK), and the authority of the Special Representative of the Secretary General (SRSG) derived from this Resolution,

Resolved to this and to eliminate progressively the obstacles to substantially all their mutual trade in accordance with the provisions of the General Agreement on Tariffs and Trade (GATT 1994) and the Marrakesh Agreement, establishing the World Trade Organization (WTO),

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

Firmly decided that this Agreement will promote the intensification of mutually beneficial trade between them and will bring to the process of integration in Europe,

Considering that no provision of this Agreement may be interpreted as exempting the Parties from their obligations under other international agreements, especially the General Agreement on Tariffs and Trade 1994 and the Marrakesh Agreement, establishing the World Trade Organization,

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

Article 1

Objectives

1. The Contracting Parties shall gradually establish a free trade area in a transitional period, ending on 1 January 2009 in accordance with the provisions of this Agreement and in conformity with the definition, set out in Article XXIV of the GATT 1994, and the Marrakesh Agreement, establishing the WTO.
2. The objectives of this Agreement are:
 - (a) to increase the economic co-operation of the Contracting Parties and to raise the standard of living of their population,
 - (b) to gradually eliminate restrictions on trade in goods,
 - (c) to provide fair conditions of competition for trade between the Contracting Parties,
 - (d) to contribute in this way, by removal of barriers to trade, to the harmonious development and expansion of world trade,
 - (e) to enhance co-operation between the Contracting Parties,
 - (f) to create conditions for further promotion of investments, particularly for the development of joint investment in both territories,
 - (g) to promote trade and co-operation of the Contracting Parties on other markets.

CHAPTER I : INDUSTRIAL PRODUCTS

Article 2

Scope

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

Article 3

Basic Duties

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

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

Article 4

Customs Duties On Imports And Charges Having Equivalent Effect

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

Article 5

Fiscal Duties

The provisions of Article 4 shall also apply to customs duties of a fiscal nature.

Article 6

Customs Duties On Exports And Charges Having Equivalent Effect

1. No new customs duties on exports or charges, having equivalent effect, shall be introduced in trade between the Contracting Parties as from the date of the entry into force of this Agreement.
2. All customs duties on export and charges having equivalent effect shall be abolished on the date of the entry into force of this Agreement.

Article 7

Quantitative Restrictions On Exports And Imports And Measures Having Equivalent Effect

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

Article 8

Technical Barriers To Trade

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

CHAPTER II : AGRICULTURAL PRODUCTS

Article 9

Scope

The provisions of this Chapter shall apply to agricultural products, falling within Chapters 1 to 24 of the Harmonized Commodity Description and Coding System, including the products, listed in Annex I to this Agreement, originating in one of the Contracting Parties.

Article 10

Exchange Of Concessions

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

- the consequences of the multilateral trade negotiations under the GATT and the WTO,

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

Article 11

Concessions And Agricultural Policies

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

Article 12

Specific Safeguards

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

Article 13

Sanitary And Phytosanitary Measures

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

CHAPTER III : GENERAL PROVISIONS

Article 14

Internal Taxation

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

Article 15

Structural Adjustment

1. Exceptional measures of limited duration, derogating from the provisions of Article 4 to this Agreement, may be taken by any of the Contracting Parties in the form of increased customs duties.
2. These measures may only concern infant industries, or certain sectors undergoing restructuring or facing serious difficulties, particularly where these difficulties produce important social problems.
3. Customs duties on imports, applicable in the Contracting Party concerned to products, originating in the other Party, introduced by these measures may not exceed 25% *ad valorem* and shall maintain an element of preference for products, originating in the other Party. The total value of imports of the product, subject to these measures, may not exceed 15% of total imports of industrial products from the other Contracting Party, as defined in Article 2, during the last year for which statistical data is available.
4. The Contracting Party concerned shall inform the Joint Committee of any exceptional measures it intends to take and, upon request of the other Party, consultations shall be held within the Joint Committee on such measures and the sectors to which they apply, before they are applied. When taking such measures, the Party concerned shall provide the Joint Committee with a schedule for the elimination of the customs duties, introduced under this Article. This schedule shall provide for a phasing out of these duties, starting at the latest two years after their introduction, at equal annual rates. The Joint Committee may decide upon a different schedule.

Article 16

Anti-Dumping And Countervailing Measures

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

Article 17

General Safeguards

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

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

the Contracting Party concerned, may take appropriate measures under the conditions and in accordance with the procedure, laid down in Article 20 to this Agreement.

Article 18

Re-Export And Serious Shortage

1. Where compliance with the provisions of Articles 6 and 7 leads to:
 - (a) re-export towards a country or territory against which the exporting Contracting Party maintains for the product concerned quantitative export restrictions, export duties or measures or charges having equivalent effect; or
 - (b) a serious shortage, or threat thereof, of a product essential to the exporting Contracting Party;

and where the situations referred to above give rise or are likely to give rise, to major difficulties for the exporting Party, that Contracting Party may take appropriate measures under the conditions and in accordance with the procedures, laid down in Article 20 to this Agreement.

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

Article 19

Public Monopolies

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

Article 20

Procedure For The Application Of Safeguard Measures

1. Before initiating the procedure for the application of safeguard measures, set out in the following paragraphs of the present Article, the Contracting Parties shall endeavor to solve any differences between them through direct consultations.
2. If a Contracting Party subjects imports of products, liable to give rise to the situation, referred to in Article 17 to this Agreement, to an administrative procedure, the purpose of which is the rapid provision of information on the trend of trade flows, it shall inform the other Party.
3. Without prejudice to paragraph 7 of the present Article, a Contracting Party, which considers resorting to safeguard measures, shall promptly notify the other Party thereof and supply all relevant

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

4. (a) As regards Articles 16, 17 and 18 to this Agreement, the Joint Committee shall examine the case of the situation and may take any decision needed to put an end to the difficulties notified by the Party concerned. In the case of the absence of such decision within thirty days of the matter being referred to the Joint Committee, the Contracting Party concerned may adopt the measures necessary in order to remedy the situation,
 - (b) As regards Article 30 to this Agreement, the Contracting Party concerned may take appropriate measures after the consultations have been concluded or after a period of three months has elapsed from the date of the first notification to the other Party,
 - (c) As regards Article 25 to this Agreement, the Contracting Party concerned shall give the Joint Committee all the assistance required in order to examine the case and, where appropriate, eliminate the practice objected to. If the other Contracting Party fails to put an end to the practice objected to within the period fixed by the Joint Committee, or if the Joint Committee fails to reach an agreement within thirty working days on the matter, being referred to it, the Party concerned may adopt appropriate measures to deal with the difficulties, resulting from the practice in question.
5. The safeguard measures taken shall be notified immediately to the Joint Committee. They shall be limited, with regard to their extent and to their duration, to what is strictly necessary to remedy the situation, giving rise to their application and shall not be in excess of the injury, caused by the practice or the difficulty in question. Priority shall be given to measures that will least disturb the functioning of this Agreement.
6. The safeguard measures taken shall be an object of periodic consultations within the Joint Committee with a view to their relaxation or abolition when conditions no longer justify their maintenance.
7. Where exceptional circumstances, requiring immediate action, make prior examination impossible, the Contracting Party concerned may, in the cases of Articles 16, 17 and 18 to this Agreement, apply forthwith the provisional measures, strictly necessary to remedy the situation. The measures shall be notified without delay and consultations between the Contracting Parties shall take place as soon as possible in the Joint Committee.

Article 21

General Exceptions

This Agreement shall not preclude prohibitions or restrictions on imports, exports or goods in transit, justified on grounds of public morality, public policy or public security, the protection of health and life of humans, animals or plants and environment; the protection of domestic treasures possessing artistic, historic or archeological value; the protection of intellectual property or rules, relating to gold or silver or the conservation of exhaustible natural resources, if such measures are made effective in conjunction with restrictions on domestic production or consumption. Such prohibitions or restrictions shall not, however, constitute a means of arbitrary discrimination or a disguised restriction on trade between the Contracting Parties.

Article 22

Security Exceptions

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

- (a) to prevent the disclosure of information contrary to its essential security interests;
- (b) for the protection of its essential security interests or for the implementation of international obligations or domestic policies:
 - (i) relating to the traffic in arms, ammunition and implements of war, provided that such measures do not impair the conditions of competition in respect of products not intended for specifically military purposes, and to such traffic in other goods, materials and services as is carried on directly or indirectly for the purpose of supplying a military establishment; or
 - (ii) relating to the non-proliferation of biological and chemical weapons, nuclear weapons or other nuclear explosive devices; or
 - (iii) taken in time of war or other serious international tension, constituting threat of war.

Article 23

Rules Of Origin And Co-Operation Between Customs Administrations

1. Protocol B of this Agreement lays down the rules of origin and related methods of administrative co-operation.
2. The Contracting Parties shall take appropriate measures, including regular reviews in the Joint Committee and arrangements for administrative co-operation, to ensure that the provisions of Protocol B and Articles 3 to 7, 11, 14 and 15 to this Agreement are effectively and harmoniously applied, and to reduce, as far as possible, the formalities, imposed on trade, and to achieve mutually satisfactory solutions to any difficulties, arising from the operation of those provisions.

Article 24

Payments

1. Payments in freely convertible currencies relating to trade in goods between the Contracting Parties and the transfer of such payments to the territory of the Contracting Party, where the creditor resides, shall be free from any restrictions.
2. The Contracting Parties shall refrain from exchange or administrative restrictions on the grant, repayment and acceptance of short and medium term credits related to trade in goods in which a resident of a Contracting Party participates.
3. Notwithstanding the provisions of paragraph 2, any measures concerning current payments connected with the movement of goods shall be in conformity with the conditions laid down under Article VIII to the Agreement of the International Monetary Fund.

Article 25

Rules Of Competition Concerning Undertakings

1. The following are incompatible with the proper functioning of this Agreement in so far as they may affect trade between the Contracting Parties:

- (a) all agreements between undertakings, decisions by associations of undertakings and concerted practices between undertakings which have as their object or effect the prevention, restriction or distortion of competition;
- (b) abuse by one or more undertakings of a dominant position in the territories of the Contracting Parties as a whole or in a substantial part thereof.

2. The provisions of paragraph 1 (a) and (b) shall apply to the activities of all undertakings including public undertakings and undertakings to which the Contracting Parties grant special or exclusive rights. Undertakings entrusted with the operation of services of general economic interest or having the character of a revenue-producing monopoly, shall be subject to provisions of paragraph 1 (a) and (b) insofar as the application of these provisions does not obstruct the performance, in law or in fact, of the particular public tasks assigned to them.

3. With regard to products referred to in Chapter II the provisions stipulated in paragraph 1 (a) shall not apply to such agreements, decisions and practices which form an integral part of a domestic market organization.

4. If a Contracting Party considers that a given practice is incompatible with paragraphs 1 (a) and (b) and paragraph 2 of this Article and if such practice causes or threatens to cause serious prejudice to the interest of that Contracting Party or material injury to its domestic industry, the Contracting Party concerned may take appropriate measures under the conditions and in accordance with the procedure laid down in Article 30 of this Agreement.

Article 26

Public Aid

1. Any aid granted by a Contracting Party or through public resources in any form whatsoever which distorts or threatens to distort competition by favoring certain undertakings or the production of certain goods shall, in so far as it may affect trade between the Contracting Parties, be incompatible with the proper functioning of this Agreement.

2. The provisions of paragraph 1 shall not apply to products covered by Chapter II of this Agreement.

3. The Contracting Parties shall ensure transparency in the area of public aid, *inter alia*, by reporting annually to the Joint Committee on the total amount and the distribution of the aid given and by providing to the other Contracting Party, upon request, information on aid schemes and on particular individual cases of public aid.

4. The Joint Committee shall, within three years from the entry into force of this Agreement, adopt the criteria on the basis of which the practices derogating from paragraph 1 shall be assessed, as well as the rules for their implementation.

5. If a Contracting Party considers that a particular practice, including that in agriculture:

- is incompatible with the terms of paragraph 1, and

- causes or threatens to cause serious prejudice to the interest of that Contracting Party or material injury to its domestic industry or agriculture,

it may take appropriate measures under the conditions of and in accordance with the provisions laid down in Article 30 of this Agreement.

Such appropriate measures may only be taken in conformity with the procedures and under the conditions laid down by the Agreement on Subsidies and Countervailing Measures, the GATT 1994 and WTO and any other relevant instrument negotiated under their auspices, which are applicable between the Contracting Parties.

Article 27

Balance Of Payments Difficulties

1. The Contracting Parties shall endeavor to avoid the imposition of restrictive measures including measures relating to imports for balance of payments purposes.
2. Where one of the Contracting Parties is in serious balance of payments difficulties, or under imminent threat thereof, the Party concerned may, in accordance with the conditions, established under the GATT 1994 and Article VIII of the Articles of Agreement of the International Monetary Fund, adopt restrictive measures, including measures related to imports, which shall be of limited duration and may not go beyond what is necessary to remedy the balance of payments situation. The measures shall be progressively relaxed as balance of payments conditions improve and they shall be eliminated when conditions no longer justify their maintenance. The Contracting Party concerned shall inform the other Party forthwith of their introduction and, whenever practicable, of a time schedule for their removal.

Article 28

Intellectual Property Rights

1. The Contracting Parties shall grant and ensure adequate and effective protection of intellectual property rights on a non-discriminatory basis, including effective measures for enforcing such rights against infringements and particularly against counterfeiting and piracy. The Contracting Parties agree to comply with the substantive standards of the multilateral agreements listed in Annex IV.
2. For the purpose of this Agreement the term "intellectual property" includes in particular copyright including the copyright on computer programs and neighboring rights, patents, trademarks, industrial designs, geographical indications, topographies of integrated circuits, undisclosed information including know how.
3. In fulfillment of their commitments under international agreements and legislation in the field of intellectual property rights, the Contracting Parties to this Agreement shall not grant to subjects of the other Party treatment less favorable than that accorded to other subjects under similar international agreements.
4. The Contracting Parties shall co-operate in matters of intellectual property. Upon request of a Contracting Party, they shall hold expert consultations on these matters, in particular on activities relating to the existing or to future international conventions concerning the harmonization, administration and enforcement of intellectual property and on activities in international organizations, such as the WTO, World Intellectual Property Organization, as well as on the relations of the Contracting Parties with any country or territory on intellectual property matters.

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

Article 29

Public Procurement

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

2. The Contracting Parties will progressively develop their respective rules, conditions and practices on public procurement with a view to granting suppliers of the other Contracting Party access to contract award procedures on their respective public procurement markets not less favorable than that accorded to companies of any country or territory.

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

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

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

CHAPTER IV : INSTITUTIONAL AND FINAL PROVISIONS

Article 30

The Joint Committee

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

2. The Joint Committee shall be responsible for the administration of this Agreement and shall ensure its proper implementation.

3. For the purpose of the proper implementation of this Agreement, the Contracting Parties shall exchange information and, upon request of any Party, shall hold consultations within the Joint Committee. The Committee shall keep under review the possibility of further removal of the obstacles to trade between the Contracting Parties.

4. The Joint Committee may, in accordance with the provisions of paragraph 3 of Article 30, take decisions in the cases provided for in this Agreement. On other matters the Committee may make recommendations.

Article 31

Procedures Of The Joint Committee

1. For the proper implementation of this Agreement, the Joint Committee shall meet whenever necessary, but at least once a year. Either Party may request a meeting to be held.
2. The Joint Committee shall act by common agreement.
3. If a representative of a Contracting Party in the Joint Committee has accepted under reservation, a decision subject to the fulfillment of internal legal requirements, the decision shall enter into force, if no later date is contained therein, on the date of the receipt of the written notification about the fulfillment of such requirements.
4. The Joint Committee shall adopt its rules of procedure, which shall, *inter alia*, contain provisions for convening meetings and for the designation of the Chairperson and his/her term of office.
5. The Joint Committee may decide to set up such sub-committees and working parties, as it deems necessary to assist it in accomplishing its tasks.

Article 32

Customs Unions, Free Trade Areas And Frontier Trade

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

Article 33

Services And Investment

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

Article 34

Fulfillment Of Obligations

1. The Contracting Parties shall take all necessary measures to ensure the achievement of the objectives and the fulfillment of the obligations under this Agreement.

2. If any Contracting Party considers that the other Party has failed to fulfill an obligation under this Agreement, the Party concerned may take the appropriate measures under the conditions and in accordance with the procedures laid down in Article 20 to this Agreement.

Article 35

Evolutionary Clause

Where a Contracting Party considers that it would be useful in the interest of the economies of the Contracting Parties to develop and deepen the relations established by this Agreement by extending them to fields not covered thereby, it shall submit a reasoned request to the other Party. The Contracting Parties may instruct the Joint Committee to examine this request and, where appropriate, to make recommendations to them, particularly with a view to opening negotiations.

Article 36

Amendments

Amendments to this Agreement other than those decided upon in accordance with paragraph 3 of Article 30 to this Agreement, and which are approved by the Joint Committee, shall enter into force on the date of a receipt of the formal note, confirming that all procedures required by the domestic legislation of each Contracting Party for entry into force of the amendments have been completed.

Article 37

Protocols And Annexes

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

Article 38

Validity And Withdrawal

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

Article 39

Entry Into Force

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

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

DONE in duplicate at Pristina this 7 day of July 2003 in Albanian, English and Serbian language, each of these being equally authentic. In case of divergence the English text shall prevail.
