

[TRANSLATION -- TRADUCTION]

AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF  
LITHUANIA AND THE GOVERNMENT OF THE REPUBLIC OF  
ARMENIA ON TRADE AND ECONOMIC COOPERATION

The Government of the Republic of Lithuania and the Government of the Republic of Armenia, hereinafter referred to as the Contracting Parties,

Acting out of the need to create favourable conditions for the development of trade and economic relations between the Contracting Parties,

Desiring to promote the development and strengthening of trade and economic relations between the Contracting Parties on the basis of equality, mutual benefit and the principles of international law,

Endeavouring to develop their relations in the sphere of trade in accordance with the principles of the World Trade Organization (WTO),

Have agreed as follows:

*Article 1*

The Contracting Parties, guided by the principles of equal rights, mutual benefit and interest, shall undertake measures to develop and expand trade and economic relations between the State authorities of the Contracting Parties and economic entities, regardless of their form of ownership, and shall comply with the legislative instruments that are in place in both States.

*Article 2*

For purposes of creating mutually beneficial conditions for the development of trade and economic cooperation, the Contracting Parties shall, beginning on the day this Agreement enters into force, grant each other most-favoured-nation treatment with respect to:

- customs duties, taxes and charges applied to imports and exports, including methods of levying such duties, taxes and charges;
- regulations pertaining to customs clearance, transit, warehousing, and handling of goods and other such services;
- taxes and other domestic charges of any kind that are levied directly or indirectly;
- methods of payment and of the transfer of such payments;
- rules for the sale, purchase, transport, distribution and utilization of goods on the domestic market;
- the issuance of import and export licenses.

*Article 3*

The status of article 2 shall not extend to:

- advantages granted by one Contracting Party to neighbouring States for the purpose of facilitating border trade and border shipping operations;
- advantages granted to third countries in connection with the participation at present or in the future of one of the Contracting Parties in customs unions, free-trade zones or other forms of trade and economic cooperation;
- advantages granted under generalized systems of preferences.

*Article 4*

Trade and economic cooperation between the Contracting Parties shall be effected through contracts concluded between economic entities, regardless of their form of ownership, in accordance with the laws prevailing in both States and the norms of private international law.

*Article 5*

All settlements and payments between economic entities of the Contracting Parties shall be made in freely convertible currency or in some other manner that does not contravene the laws of the Contracting Parties.

*Article 6*

The Contracting Parties shall arrange for the mutual exchange of information on the adopted legislative instruments that regulate interstate trade and economic relations and the exchange of statistical information, as well as other information that could affect the trade and economic relations between the Contracting Parties.

*Article 7*

For carrying out the tariff and non-tariff regulation of the bilateral trade and economic relations, the exchange of statistical information and the performance of the customs procedures, the Contracting Parties have agreed to use the European Economic Community's Harmonized Commodity Description and Coding System.

*Article 8*

1. Each Contracting Party, in accordance with its laws, shall ensure the conditions for the transit through the territory of its State of goods originating in the customs territory of the State of the other Contracting Party and/or third countries and goods destined for the customs territory of the State of the other Contracting Party or any third country.

2. This Agreement shall not affect the import or export, or transit, of objects, articles or commodities whose import or export, or transit, is prohibited or restricted under Republic of Lithuania or Republic of Armenia law.

*Article 9*

The Contracting Parties have agreed that the procedures and conditions for freight transport and vehicle traffic, including transit freight and passenger transport operations, as well as the interaction of transportation systems, shall be regulated in accordance with international shipping rules and/or shall be defined by separate agreements between the Contracting Parties.

*Article 10*

The Contracting Parties, recognizing the importance of investments and of the introduction of advanced technologies, as well as relying on the principles of economic expediency, shall promote the creation of conditions favourable to investment, joint ventures and enterprises with foreign capital participation, representative offices of such enterprises and banks.

*Article 11*

Each Contracting Party, in accordance with its laws and international obligations, shall provide equal legal, to include judicial, protection of the rights and lawful interests of the economic entities of the other Contracting Party.

*Article 12*

The Contracting Parties shall provide assistance in organizing and conducting, in the territory of their States, trade fairs, exhibitions and technical and economic seminars. The Contracting Parties, in accordance with the prevailing law of the State of each Contracting Party, shall exempt from customs import duties and other, equivalent taxes displays and samples of goods from the other Contracting Party that are intended for exhibitions, fairs or other such purposes of exposition. Such displays and samples may not be sold in the country in which they are exhibited without the consent of the competent authorities of that country to do so and without the payment of the customs import duties and taxes.

*Article 13*

The authorized representatives of the Contracting Parties shall, at the suggestion of one of the Contracting Parties, meet alternately in the Republic of Lithuania and the Republic of Armenia for reviewing the status of the implementation of this Agreement.

*Article 14*

This Agreement, if necessary, may be modified or supplemented in writing by mutual consent of the Contracting Parties. The changes and additions shall enter into force on the date on which the Contracting Parties notify each other that all the legal procedures required for entry into force have been completed.

*Article 15*

If disputes over the interpretation or application of the provisions of this Agreement arise, the Contracting Parties shall resolve them through negotiation that takes the rules of international law into account.

*Article 16*

1. This Agreement shall enter into force on the date on which both Contracting Parties receive from each other written notification of the completion, in accordance with the laws of each of the Contracting Parties, of the requirements for entry into force.

2. This Agreement shall be concluded for five years. It shall be automatically extended for year long periods, unless one of the Contracting Parties, six months before the expiration of the term of this Agreement, notifies the other Contracting Party in writing of its intention to terminate the Agreement.

3. After the termination of this Agreement, its provisions shall apply to all contracts whose obligations arose while it was in force and were not completed before the termination of the Agreement, but for no more than one year.

Done at Moscow on 23 April 1998, in two original copies, in the Lithuanian, Armenian and Russian languages, all texts being equally authentic.

For purposes of interpretation of the provisions of this Agreement, the Russian text shall prevail.

For the Government of the Republic of Lithuania:

For the Government of the Republic of Armenia: