

Kyrgyzstan Trade Relations Agreement

AGREEMENT ON TRADE RELATIONS BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF KYRGYZSTAN i

The United States of America and the Republic of Kyrgyzstan (hereinafter referred to collectively as "Parties" and individually as "Party"),

Recognizing that the development of bilateral trade may contribute to better mutual understanding and cooperation,

Taking into account the favorable implications for trade expansion of the economic restructuring and the development of a market-based economy in Kyrgyzstan,

Considering that expanded trade relations between the Parties will contribute to the general well-being of the peoples of each Party, and promote respect for internationally recognized rights of working people,

Acknowledging that the development of trade relations and direct contact between United States nationals and companies and Kyrgyz nationals and companies will promote openness and mutual understanding,

Considering that economic ties are an important and necessary element in the strengthening of the bilateral relations,

Reaffirming the desire to develop economic cooperation in accordance with the principles and provisions of the Final Act signed in Helsinki on the 1st of August, 1975, and other documents of the Conference on Security and Cooperation in Europe, and in accordance with the Document of the Conference on Economic Cooperation in Europe held in Bonn in March-April 1990,

Being convinced that an agreement on trade relations between the two Parties will best serve their mutual interests, and

Desiring to create a framework which will foster the development and expansion of commercial ties between Kyrgyz nationals and companies and United States nationals and companies,

Have agreed as follows:

ARTICLE I

MOST FAVORED NATION AND NONDISCRIMINATORY TREATMENT

1. Each Party shall accord unconditionally to products or goods originating in or exported to the territory of the other Party treatment no less favorable than that accorded to like products or goods originating in or exported to the territory of any third country in all matters relating to:

(a) customs duties and charges of any kind imposed on or in connection with importation or exportation, including the method of levying such duties and charges;

(b) methods of payment for imports and exports, and the international transfer of such payments;

(c) rules and formalities in connection with importation and exportation, including those relating to customs clearance, transit, warehouses and transshipment;

(d) taxes and other internal charges of any kind applied directly or indirectly to imported products; and

(e) rules concerning sale, purchase, transport, distribution, storage and use of products on the domestic market. i

2. Each Party has accorded or produces originating in or exported or held or the Party nondiscriminatory treatment with respect to the application of quantitative restrictions and the granting of licenses.

3. Each Party has accorded or produces and exports originating in the territory of the Party nondiscriminatory treatment with respect to the allocation of the currencies needed or payable for imports.

4. The provisions of paragraphs 1, 2 and 3 have no application:

(a) advance accorded between the Parties by virtue of such Parties' fulfillment in a customs union or free trade area;

(b), advance accorded to the countries for the facilitation of frontier traffic;

(c) advance accorded to the countries in accordance with the Geneva Agreement on Tariffs and Trade (the "GATT") and advance accorded to developing countries under the GATT and other international agreements; and

(d) actions taken under Article XI (Movement of Goods) of the Agreement.

ARTICLE II

GENERAL OBLIGATIONS WITH RESPECT TO MARKET ACCESS FOR PRODUCTS AND SERVICES

1. Recognizing the mutual benefit of trade liberalization on the basis of the Agreement and consistent with the most favored nation principle expounded in Article I, the Parties have on the basis of reciprocity and with due regard to the treatment with the countries import market access for products and exports of the Party and optimize mutual commitments upon including through the tariff reduction reciprocity of market opening measures including from mutual trade negotiations. Taking the above into account and including from the development of market mechanisms in the goods and services trade relationship with the GATT or other international agreements have been established or incorporated in the national treatment for products and exports of the United States.

2. Trade in products and exports has been effected by consultation between national and companies of the Kingdom and national and companies of the United States concluded in the exercise of their independent commercial judgment and on the basis of commercial considerations such as price, quality, delivery and terms of payment.

3. Neither Party has encouraged the Kingdom's national and companies or U.S. national and companies to engage in business or commercial transactions.

Neither Party has encouraged the companies to decide or to conduct trade operations with the Parties with encouragement from each other to each other to the necessary information to facilitate the transactions.

4. Each Party has accorded or produces imported from the territory of the Party treatment no less favorable than has accorded or produces originating in another country in the national technical regulation and standard including conformity marking and certification. Furthermore, the Parties have entered into technical regulation and standard and no separate adopted or applied in a discriminatory manner with a view to creating obstacles to bilateral trade or to protect domestic production.

ARTICLE III

EXPANSION AND PROMOTION OF TRADE

1. The Parties affirm their desire to expand trade in products and exports consistent with the terms of the Agreement. The Parties have agreed upon the encouragement and facilitation of the exchange of goods and exports and to create favorable conditions for long-term development of trade liberalization between the United States, national and companies and the Kingdom's organization.

2. The Parties have agreed upon the encouragement of the expansion of commercial relations with a view to increasing trade. In this regard, the Kingdom's Parties expect that during the term of the Agreement, the Kingdom,

nationals and citizens shall in respect of their or hers in the Unit States for results and services, while the Unit States Party anticipates that the effect of this Agreement shall be to encourage in respect of our has by Unit States nationals and citizens of results and services from^m Kyrgyzstan. Toward this end, the Parties shall publish this Agreement and ensure that it is^{ma} available to all interested parties.

1. The Parties shall encourage international organizations and companies of both countries to look for opportunities to exchange information, particularly in technology, in the light of favorable financial conditions to carry on trade in such products.

4. Each Party shall encourage an facilitate the holding of transnational visits such as fairs, exhibitions, missions and seminars in its territory and in the territory of the other Party. Similarly, a Party shall encourage an facilitate the participation of its respective nationals and organizations in such visits. Subject to the laws in force within their respective territories, the Parties agree to allow their respective border-crossing on a duty-free basis of all articles for use in such visits, provided that such articles are not solely or otherwise transferred.

ARTICLE IV i

GOVERNMENT COMMERCIAL OFFICES

1. The Party shall allow government or official offices to hire directly host country nationals and, subject to its laws and regulations on entry and residence of aliens, their country nationals.

2. Each Party shall ensure unhindered access of host country nationals to government or official offices of the other Party. 3

1. Ea h Party shall n ourag th arti i ation of its nationals an o ani s in th a tiviti s of th ir r s tiv gov rn nt o r ial offi s, s i ally with r s t to v nts h l on th r^{mi}s s of su h o r ial offi s.

4. Each Party shall ratify favorable conditions for access by government and official personnel of the other Party to host country officials at both the federal and other levels, representatives of state enterprises, institutions, foreign trade organizations, cooperatives, joint ventures and other organizations.

ARTICLE V

BUSINESS FACILITATION

1. Each Party shall immediately establish within its territory of commercial representations of companies of the other Party and shall also authorize such representations to operate at least as favorable as that accorded to commercial representations of companies and organizations of their countries. If either Party authorizes commercial representations, that Party shall establish promptly an exact arbitration procedure. Through this procedure, a neutral arbitrating authority shall exercise its best efforts to consider an application for arbitration and, in the case of a positive decision, to issue a ruling at the earliest date possible for commercial representations of the other Party all within 60 days of the submission of such application. The arbitration procedure shall be administered with a goal of minimizing the participation in the market of the arbitrating Party of companies already operating in that market, new entrants and small companies. Commercial representations of a Party authorized through the above procedure shall be no less favorable than that accorded to other commercial representations of their countries, except that they shall not be entitled to the assistance of the arbitrating Party in locating official representatives.

2. Each Party shall afford to the other Party fair and equitable treatment with respect to the ownership of the corporations. 3

Each Party shall permit oral representations of the other Party to import and use in a manner with normal oral ratios, official and other quiet, substantial, written, photo, or other means and to fax machine in connection with the use of the activities in the territory of such Party. 3

4. Each Pa ha pe mi on a nondi c imina o ba i , a nondi c imina o p ice (whe e uch p ice a e e o con o ed b he gove nmen), comme cia ep e en a ion of he o he Pa acce o office pace and iving accommoda ion , whe he o no de igna ed fo u e b fo eigne , a we a e ecommunica ion , municipa and oia e vice .

5. Each Pa ha pe mi uch comme cia ep e en a ion e abi hed in i e i o o hi e di ec emp o ee who a e na iona of ei he Pa o of hi d coun ie and o compen a e uch emp o ee on e ms and in a cu enc ha i mu ua ag eed be ween he pa ie , con i en wi h uch Pa ' minimum wage aws.

. Each Pa ha pe mi na iona and companie of he o he Pa o adve i e hei p oduc and e vice (a) h ough di ec ag eemen wi h he adve i ing media, including e evi ion, adio, p in and bi boa d, and (b) b di ec mai , including he u e of enc o ed enve ope and ca d p eadd e ed o ha na iona o compan .

7. Each Pa ha pe mi na iona and companie of he o he Pa o conduc ma ke udie , ei he di ec o b con ac , wi hin i e i o . To faci i a e he conduc of ma ke e ea ch, each Pa , upon eque of he o he Pa , ha make avai abe o in e e ed na iona and companie of ha Pa , non-confiden ia , non-p op ie a ma ke info ma ion wi hin i po e ion.

8. Each Pa ha pe mi comme cia ep e en a ion o ock and p ovide an adequa e upp of ampe and ep acemen pa fo befo e and af e a e e vice on a non-comme cia ba i .

9. Each Pa ha faci i a e di ec con ac be ween end-u e in i e i o and na iona and companie of he o he Pa . Each Pa ha c ea e favo abe condi ion fo di ec con ac be ween i o ganiza ion and gove nmen in i u ion who e deci ion affec po en ia a e and pu cha e of good and e vice and na iona and companie of he o he Pa . Each Pa ha a o encou age di ec comme cia an ac ion be ween K g z na iona and companie and U.S. na iona and companie , including ho e which ac f om ei he ide a p oduce , end-u e o bu e .

10. Each Pa ha pe mi na iona and companie of he o he Pa o engage and e ve a agen o con u an fo na iona o companie of ei he Pa 6 and of hi d coun ie on p ice and e ms mu ua ag eed be ween he pa ie . Each Pa ha pe mi na iona and companie of he o he Pa o engage i na iona and companie ha ac a di ibu o , p ovided ha uch na iona o companie a e en i ed o engage in uch ac ivi ie , on p ice and e ms mu ua ag eed be ween he pa ie .

11. Nei he Pa ha impo e mea u e which un ea onab impai con ac ua o p ope igh o o he in e e acqui ed wi hin i e i o b na iona and companie of he o he Pa .

12. No hing in pa ag aph 1, 5 o 10 of hi A ice ha be in e p e ed o confe an igh unde ei he Pa ' aw and p ocedu e on en and e idence of a ien .

ARTICLE VI

TRANSPARENCY

1. Each Pa ha make avai abe pub ic on a ime ba i a aws and egua ion e a ed o comme cia ac ivi , including ade, inve men , axa ion, banking, in u ance and o he financia e vice , an po and abo .

2. Each Pa ha p ovide na iona and companie of he o he Pa wi h acce o avai abe non-confiden ia , non-p op ie a da a on he na iona economy and individua ec o , including info ma ion on fo eign ade.

3. Each Pa ha a ow he o he Pa , when in e e ed, he oppo uni o con u on he fo mu a ion of u e and egua ion which affec he conduc of bu ine ac ivi ie .

ARTICLE VII

FINANCIAL PROVISIONS RELATING TO TRADE IN PRODUCTS AND SERVICES 6

1. Unless otherwise agreed between the parties, all commercial transactions between Kyrgyz nationals and companies and United States nationals and companies shall be made in United States dollars and any freely convertible currency shall may be mutually agreed upon by such nationals and companies.
2. Net interests shall be placed by either party upon the export of freely convertible currencies, including deposits, investments, savings, and success, obtained in an authorized manner in connection with trade in products and services by nationals and companies of either party.
3. Nationals and companies of a party holding currency of the other party received in an authorized manner may deposit such currency in authorized financial institutions located in either party and may maintain and use such currency for local expenses in accordance with applicable law and regulations of either party.
4. Within the framework of paragraph 2, in connection with trade in products and services, each party shall grant nationals and companies of the other party most-favored-nation treatment, specifically:
 - (a) opening and maintaining accounts, in both foreign and local currency, and providing access to funds deposited in financial institutions located in either party;
 - (b) payments, remittances and transfers of freely convertible currencies, financial investments, savings, and deposits, between the parties, as well as between either party and a foreign identity;
 - (c) a free exchange effected by financial institutions authorized to deal in foreign exchange, and authorized means of obtaining freely convertible currencies; and
 - (d) receipt and use of local currency.

ARTICLE VIII

PROTECTION OF INTELLECTUAL PROPERTY

1. Respecting the importance of intellectual property and the necessary legal protection in promoting trade and economic development and acknowledging the necessary favorable conditions for adequate and effective legal protection of intellectual property and investment, the parties have agreed that they shall:
 - (a) ensure in accordance with provisions of national legislation, protection and implementation of intellectual property rights, including copyright, literary, scientific and artistic works including computer programs and databases, patents and designs, inventions and industrial designs, know-how, trade secrets, trademarks and service marks, trade names, and protection against unfair competition;
 - (b) ensure a fair and equitable environment in the field of intellectual property rights as set forth. Accordingly, each party reaffirms its commitment to the specific industrial property in the area of Copyright in the field of Industrial Property of March 30, 1883, as revised at Stockholm on July 14, 1967 ("Paris Convention"), and its commitment to the specific copyright in the Universal Copyright Convention of September 6, 1952; and
 - (c) encourage appropriate arrangements between investors in Kyrgyzstan and the United States to provide protection of intellectual property rights.
2. To provide adequate and effective protection and enforcement of intellectual property rights, each party agrees to submit, to the respective legislative bodies, to the draft laws necessary to carry out the obligations of this Article and execute the best efforts to enact and implement these laws. In this connection, the parties shall:
 - (a) enhance copyright legislation to upgrade the Berne Convention for the Protection of Literary and Artistic Works (Paris 1971) ("Berne Convention"); P

(b) provide copyright protection for computer programs and databases as if they were works under their respective laws;

() (1) provide protection for sound recordings first fix by their respective nationals or first published in their national territory;

() (2) such protection shall include, among the minimum rights guaranteed to producers of these works, a right of reproduction and a right of public distribution and importation, notwithstanding the rights of an owner of a particular copy of a sound recording in such copy, the producer of a sound recording shall continue to enjoy the exclusive commercial rental and lending rights in such copy; and

() () the Parties agree, that immediately after both Parties have enacted protection for sound recordings originating in their respective territories, to take such steps as are necessary under domestic law to extend such protection to sound recordings originating in the other Parties' territories;

() provide protection and process patent protection for all areas of technology (except the Parties may exclude materials useful solely in atomic weapons) for a term of at least 20 years from the filing of an application or at least 17 years from the grant of the patent; and

() provide broad protection for trademarks.

. Upon the date when both Parties are members of the Bern Union, the protection of works in existence prior to that date shall be determined in accordance with Article 18 of the 1971 Paris Act of the Bern Convention.

4. The Parties shall introduce in their legislative proposals the principles enumerated in this Article to the Agreement. These principles shall form an integral part of the Agreement.

5. The Parties agree to constitute a working group on intellectual property matters in accordance with the terms and for the purposes set forth in this Article attached hereto.

ARTICLE IX

TRANSIT

Each Party shall facilitate the transit of products originating in the territory of the other Party and transport via the territory of the Party in accordance with the laws and regulations in force in the Party.

ARTICLE X

SUBJECTS FOR FURTHER ECONOMIC COOPERATION

1. The Parties shall take appropriate steps to foster economic cooperation on as broad a basis as possible in all fields in order to benefit their mutual interests, including with respect to statistics and standards.

2. The Parties, taking into account the growing economic significance of services industries, agree to consult on matters affecting the union of services business between the two countries and particular matters of mutual interest relating to national services sectors with the objective, among others, of attaining maximum possible market access and liberalization.

ARTICLE XI

MARKET DISRUPTION SAFEGUARDS

1. The Parties agree to consult promptly at the request of the Party when a serious actual or prospective import of products originating in the territory of the other Party causes or threatens to cause significant anti-competitive market disruption. Market disruption exists when a domestic industry when a serious import of an article, like or similar competitive with an article produced by such domestic industry, or increasing rapidly, or to a substantial or relative level, so as to be a significant cause of material injury, or threaten the of, to such domestic industry.

3. U e a differe o io i mu a y agreed po d ri g he co a io , he impor i g Par y may (a) impo e q a i a ive impor imi a io , ariff mea re or a y o her re ric io or mea re i deems appropria e, a d for ch period of ime i deems ece ary, o preve or remedy hrea e ed or ac a marke di r p io , a d (b) ake appropria e mea re o e re ha impor from he erri ory of he o her Par y comp y wi h ch q a i a ive imi a io or o her re ric io i rod ced i co ec io wi h marke di r p io . I hi eve , he o her Par y ha be free o devia e from i ob iga io der hi Agreeeme wi h re pec o b a i a y eq iva e trade.

5. I he e ec io of mea re der hi Ar ice, he Par ie ha e deavor o give priori y o ho e mea re
which ca e ea di rba ce o he achieveme of he goa of hi Agreeeme .

7. Each Party has exercised its domestic regulatory and procedural reforming market priorities and has the capacity to afford affected parties an opportunity to submit their views.

DI PUTE ETTLEMENT

2. The Parties encourage the adoption of arbitration for the settlement of disputes arising out of commercial transactions concluded between a company and companies of the United States and a company of Kyrgyzstan. Such arbitration may be provided for by agreement in contracts between such a company and a company or in separate written agreements between them.

4. U e o herwi e agreed be wee he par ie , he par ie ho d pecify a he p ace of arbi ra io a co ry, o her ha he U i ed a e or Kyrgyz a , ha i a par y o he U.N. Co ve io o he Recog i io a d E forceme of Foreign Arbi ra Award , ig ed i New York, J e 10, 1958.

6. Each Party shall have an effective mechanism in place to ensure the recognition and enforcement of arbitral awards. Such mechanism shall be based on the following principles:

ARTICLE III

ATTACHMENT

The provisions of this Agreement shall not limit the right of either Party to take any action for the protection of its security interests.

ARTICLE IV

COOPERATION

1. The Parties agree to consult periodically within the framework of the Joint Kyrgyzstan-Commercial Commission to review the operation of this Agreement, if and when established.
2. The Parties agree to consult promptly through appropriate channels at the request of either Party to discuss any matter concerning the interpretation or implementation of this Agreement and other relevant aspects of the relations between the Parties

ARTICLE V

DEFINITIONS

1. As used in this Agreement, the terms set forth below shall have the following meaning:
 - (a) "company," means any kind of corporation, company, association, sole proprietorship or other organization legally constituted under the laws and regulations of a Party or an internal subdivision thereof, whether or not organized for pecuniary gain or privately or governmentally owned; provided that, either Party reserves the right to deny any company the advantages of this Agreement if nationals of any third country control such a company and, in the case of a company of the other Party, that company has no substantial business activities in the territory of the other Party or is controlled by nationals of a third country with which the denying country does not maintain normal economic relations.
 - (b) "commercial representation," means a representation of a company or organization of a Party.
 - (c) "national," means a natural person who is a national of a Party under its applicable law.

ARTICLE VI

GENERAL EXCEPTIONS

1. Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between countries where the same conditions prevail, or a disguised restriction on international trade, nothing in this Agreement shall be construed to prohibit the adoption or enforcement by a Party of:
 - (a) measures necessary to secure compliance with laws or regulations which are not contrary to the purposes of this Agreement;
 - (b) measures for the protection of intellectual property rights and the prevention of deceptive practices as set out in Article VIII of this Agreement (and related side letters); or
 - (c) any other measure referred to in Article XXIV of the GATT.

ARTICLE VII

ENTRY INTO FORCE, TERMINATION

1. This Agreement (including its side letters which form an integral part of the Agreement) shall enter into force upon an exchange of diplomatic notes in which the Parties notify each other that all necessary legal requirements for entry into force have been fulfilled and shall remain in force as provided in this Article.
2. The initial term of this Agreement shall be three years, subject to paragraph 4 below.

3. This Agreement shall be extended for successive terms of the year as each of the Parties has in writing notified the other Party of its intention to terminate at this Agreement at least 30 days prior to the expiration of the current term.

4. Either Party may terminate this Agreement upon sixty days written notice to the other Party and in such case the Parties will to the fullest extent practicable seek to minimize any possible disruption to the institution.

IN WITNESS WHEREOF the undersigned duly authorized have signed this Agreement.

DONE at Washington this 8th day of May 1992 in duplicate in the English and Russian languages both texts being equally authentic. A Kyrgyz language text shall be prepared which shall be considered equally authentic upon exchange of diplomatic notes confirming its conformity with the English language text.

FOR THE UNITED STATES OF AMERICA:

FOR THE REPUBLIC OF KYRGYZSTAN:

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TANC offers these agreements electronically as a public service for general reference. Every effort has been made to ensure that the text presented is complete and accurate. However, copies needed for legal purposes should be obtained from official archives maintained by the appropriate agency.