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Romania Agreement On Trade Relations

AGREEMENT ON TRADE RELATIONS BETWEEN

THE GOVERNMENT OF THE UNITED STATES OF AMERICA

AND THE GOVERNMENT OF ROMANIA

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

Affirming that the evolution of market-based economic institutions and the strengthening of the private sector will aid the development of mutually beneficial trade relations,

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

Considering that expanded trade relations between the Parties will contribute to the general well-being of the peoples of each Party,

Recognizing that development of bilateral trade may contribute to better mutual understanding and cooperation and promote respect for internationally recognized worker rights,

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

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 their respective nationals and companies,

Have agreed as follows:

ARTICLE I

APPLICATION OF GATT AND CERTAIN GATT AGREEMENTS

1. Both Parties reaffirm the importance of their rights and obligations under the General Agreement on Tariffs and Trade ("GATT") and reaffirm the importance of the provisions and principles of the GATT to their respective economic policies.
2. To this end, the Parties shall apply between themselves the provisions of the GATT as those provisions apply to each Party, and shall accord each other's products most-favored-nation treatment ("MFN") as provided in the GATT, provided that to the extent any provision of the GATT is inconsistent with this Agreement, the latter shall apply.
3. Both Parties reaffirm the importance of their participation in the GATT Code Agreements to which both are signatories, which presently include the Agreement on Technical Barriers to Trade ("Standards Code"), the Agreement on Implementation of Article VI ("Anti-Dumping Code"), the Agreement on Implementation of Article VII ("Customs Valuation Code"), the Agreement on Import Licensing Procedures ("Licensing Code"), the Agreement on Trade in Civil Aircraft ("Aircraft Code"), and the Arrangement Regarding Bovine Meat, and the importance of the provisions and principles contained therein to their respective economic policies.

4. Both Parties commit to participate constructively in multilateral negotiations aimed at improving existing agreements and any other multilateral negotiations under the auspices of the GATT.
5. Each Party shall accord to imports of products and services originating in the territory of the other Party most favored-nation treatment with respect to the allocation of and access to currency to pay for such imports.

ARTICLE II

GENERAL OBLIGATIONS WITH RESPECT TO TRADE

1. The Parties agree to maintain a satisfactory balance of market access opportunities through concessions in trade in products and services, including the satisfactory reciprocation of reductions in tariffs and nontariff barriers to trade resulting from multilateral negotiations.
2. With a view to assuring nondiscriminatory trade in products and services, such trade shall be effected by contracts between nationals and companies of either Party concluded in the exercise of their independent commercial judgment and on the basis of customary commercial considerations such as price, quality, availability, delivery, and terms of payment.
3. Neither Party shall require or encourage its nationals or companies to engage in barter or countertrade transactions with nationals or companies of the other Party. Nevertheless, where nationals or companies decide to resort to barter or countertrade operations, the Parties will encourage them to furnish to each other all necessary information to facilitate the transaction.

ARTICLE III

EXPANSION AND PROMOTION OF TRADE

1. The Parties affirm their desire to expand trade in products and services consistent with the terms of this Agreement. They shall take appropriate measures to encourage and facilitate the exchange of goods and services and to secure favorable conditions for long-term development of trade relations between their respective nationals and companies.
2. The Parties shall take appropriate measures to encourage the expansion of commercial contacts with a view to increasing trade. In this regard, the Government of Romania expects that, during the term of this Agreement, nationals and companies of Romania shall increase their orders in the United States for products and services, while the Government of the United States anticipates that the effect of this Agreement shall be to encourage increased purchases by nationals and companies of the United States of products and services from Romania. Toward this end, the Parties shall publicize this Agreement and ensure that it is made available to all interested parties.
3. Each Party shall encourage and facilitate the holding of trade promotional events such as fairs, exhibitions, missions and seminars in its territory and in the territory of the other Party. Similarly, each Party shall encourage and facilitate the participation of its respective nationals and companies in such events. Each Party shall permit participation in such events by commercial representations on nondiscriminatory terms and conditions. Subject to the laws in force within their respective territories, the Parties agree to allow the import and re-export on a duty free basis of all articles for use in such events, provided that such articles are not sold or otherwise transferred.

ARTICLE IV

GOVERNMENT COMMERCIAL OFFICES

1. In order to promote the development of trade and economic relations between the Parties, and to provide assistance to their nationals and companies engaged in commercial activities, each Party agrees to permit and facilitate the establishment and operation of Government commercial offices of the other Party on a reciprocal basis. The establishment and operation of such offices shall be in accordance with applicable laws and regulations, and subject to such terms, conditions, privileges, and immunities as may be agreed upon by the Parties.

2. Government commercial offices and their respective officers and staff members, to the extent that they enjoy diplomatic immunity, shall not participate directly in the negotiation, execution, or fulfillment of trade transactions, or otherwise carry on trade.
3. Subject to its laws governing foreign -missions, each Party shall allow government commercial offices to hire directly host-country nationals and, subject to immigration laws and procedures, third-country nationals.
4. Each Party shall ensure unhindered access of host-country nationals to government commercial offices of the other Party.
5. Each Party shall encourage the participation of its nationals and companies in the activities of their respective government commercial offices, especially with respect to events held on the premises of such commercial offices.
6. Each Party shall encourage and facilitate access of government commercial office personnel of the other Party to host-country officials, and to representatives of host-country nationals and companies.
7. This Agreement shall not derogate from obligations assumed by either Party concerning the establishment of existing government commercial offices.

ARTICLE V

BUSINESS FACILITATION

1. Each Party shall afford commercial representations of the other Party fair and equitable treatment with respect to the conduct of their operations.
2. Each Party shall endeavor to ensure that governmental decisions, rulings, and findings affecting the conduct of commercial activities are made expeditiously.
3. Subject to its laws and procedures governing immigration and foreign missions, each Party shall permit the establishment within its territory of commercial representations of nationals and companies of the other Party and shall accord such representations treatment at least as favorable as that accorded to commercial representations of nationals and companies of third countries.
4. Parties shall permit employees of commercial representations and members of their immediate families to enter the territory of the other Party and to travel therein freely, in accordance with the laws relating to the entry, stay and travel of aliens. Each Party agrees to make available multiple entry visas of duration of six months or longer to such persons and to members of their immediate families.
5. Subject to its laws and procedures governing immigration and foreign missions, each Party shall permit such commercial representations established in its territory to hire directly employees who are nationals of either Party or of third countries and to compensate such employees on terms and in a currency that is mutually agreed between the parties, consistent with such Party's minimum wage laws.
6. Each Party shall permit commercial representations of the other Party to import and use in accordance with normal commercial practices, office and other equipment, such as typewriters, photocopiers, computers and telefax machines, in connection with the conduct of their activities in the territory of such Party.
7. Each Party shall permit, on a nondiscriminatory basis and at nondiscriminatory prices (where such prices are set or controlled by the government), commercial representations of the other Party access to and use of office space and living accommodations, whether or not designated for use by foreigners. The terms and conditions of such access and use shall in no event be on a basis less favorable than that accorded to commercial representations of nationals and companies of third countries.
8. Subject to its laws and procedures governing immigration and foreign missions, each Party shall permit nationals and companies of the other Party to engage agents, consultants and distributors of either Party and of third countries on prices and terms mutually agreed between the parties.

9. Subject to its laws and procedures governing immigration and foreign missions, each Party shall permit nationals and companies of the other Party to serve as agents, consultants and distributors of nationals and companies of either Party and of third countries on prices and terms mutually agreed between the parties.
10. Each Party shall permit nationals and companies of the other Party to advertise their products and services (i) through direct agreement with the advertising media, including television, radio, print and billboard, and (ii) by direct mail, including the use of enclosed envelopes and cards preaddressed to that national or company.
11. Each Party shall encourage direct contact, and permit direct sales, between nationals and companies of the other Party and end-users and other customers of their goods and services, and with agencies whose decisions will affect potential sales.
12. Each Party shall permit nationals and companies of the other Party to conduct market studies, either directly or by contract, within its territory. To facilitate the conduct of market research, each Party shall upon request make available non-confidential, non-proprietary information within its possession to nationals and companies of the other Party.
13. Each Party shall provide nondiscriminatory access to government-provided products and services, including public utilities and telecommunications facilities, to nationals and companies of the other Party in connection with the operation of their commercial representations.
14. Each Party shall permit commercial representations to stock an adequate supply of samples and replacement parts for after-sale service on a non-commercial basis.
15. Neither Party shall impose measures which unreasonably impair contractual or property rights or other interests acquired within its territory by nationals and companies of the other Party.
16. Paragraphs 6 and 14 of this Article shall not be construed to affect the application of ordinary customs and tariff laws.

ARTICLE VI

TRANSPARENCY

1. Each Party shall make available publicly on a timely basis all laws, regulations, judicial decisions, and administrative rulings related to commercial activity, including trade, investment, taxation, banking, insurance and other financial services, transport and labor.
2. Each Party shall provide nationals and companies of the other Party with access to available non-confidential, nonproprietary data and information on the national economy and individual sectors, including information on foreign trade, production figures, and other such information related to each Party's internal market.
3. Each Party shall allow the other Party, and the other Party's nationals and companies, the opportunity to comment, to the extent practicable, on the formulation of laws, regulations, standards, and administrative rulings which affect the conduct of their business activities.

ARTICLE VII

FINANCIAL PROVISIONS RELATING TO TRADE IN PRODUCTS AND SERVICES

1. Unless otherwise agreed between the parties to individual transactions, all commercial transactions between nationals and companies of the Parties shall be made in United States dollars or any other currency that may be designated by the International Monetary Fund as being a freely usable currency.
2. Neither Party shall restrict the transfer from its territory of convertible currencies or deposits, or payment instruments representative thereof, obtained in connection with trade in products and services by nationals and companies of the other Party.
3. Nationals and companies of a Party holding currency of the other Party received in an authorized manner may deposit such currency in financial institutions located in the territory of the other Party and may maintain and use

such currency for local expenses.

4. Without derogation from paragraphs 2 or 3 of this Article, in connection with trade in products and services, each Party shall grant to nationals and companies of the other Party the better of most-favored-nation or national treatment with respect to:

(a) opening and maintaining accounts, in both local and foreign currency, and having access to their funds deposited, in financial institutions located in the territory of the Party;

(b) payments, remittances and transfers of convertible currencies, or financial instruments representative thereof, between the territories of the two Parties, as well as between the territory of that Party and that of any third country;

(c) rates of exchange and related matters, including access to freely usable currencies, such as through currency auctions; and

(d) the receipt and use of local currency.

ARTICLE VIII

PROTECTION OF INTELLECTUAL PROPERTY RIGHTS

1. Each Party shall provide adequate and effective protection and enforcement for patents, trademarks, copyrights, trade secrets, and integrated circuit layout designs as set forth in the text of the attached side letter on intellectual property.

ARTICLE IX

AREAS FOR FURTHER COOPERATION

1. For the purpose of further developing bilateral trade and promoting a steady increase in the exchange of products and services, both Parties shall strive to achieve a mutually acceptable agreement on investment issues, including the repatriation of profits and transfer of capital.

2. The Parties shall take appropriate steps to foster economic and technical cooperation on as broad a base as possible in all fields deemed to be in their mutual interest, including cooperation with respect to statistics and standards, as well as production figures.

3. The Parties, taking into account the increasing economic significance of service industries, agree to consult on matters affecting service businesses in the two countries and particular matters of mutual interest relating to individual service sectors with the objective, among others, of attaining maximum possible market access and liberalization.

ARTICLE X

IMPORT RELIEF SAFEGUARDS

1. The Parties agree to consult promptly at the request of either Party whenever actual or prospective imports of products originating in the territory of the other Party cause, threaten to cause, or significantly contribute to market disruption. Market disruption exists within a domestic industry whenever imports of an article, like or directly competitive with an article produced by a domestic industry, are increasing rapidly, either absolutely or relatively, so as to be a significant cause of material injury, or threat thereof, to the domestic industry.

2. The consultations provided for in paragraph 1 of this Article shall have the objectives of (i) presenting and examining the factors relating to such imports that may be causing or threatening to cause or significantly contributing to market disruption, and (ii) finding means of preventing or remedying such market disruptions. Such consultations shall be concluded within sixty days from the date of the request for such consultation, unless the Parties otherwise agree.

3. Unless a different solution is mutually agreed upon during the consultations, the importing Party may (i) impose quantitative import limitations, tariff measures or any other restrictions or measures to such extent and for such time as it deems appropriate to prevent or remedy threatened or actual market disruption, and (ii) take appropriate measures to ensure that imports from the territory of the other Party comply with such quantitative limitations or other restrictions. In this event, the other Party shall be free to deviate from its obligations under this Agreement with respect to substantially equivalent trade.
4. Where in the judgment of the importing Party, emergency action is necessary to prevent or remedy such market disruption, the importing Party may take such action at any time and without prior consultations provided that consultations shall be requested immediately thereafter.
5. Each Party shall ensure that its domestic procedures for determining market disruption are transparent and afford affected parties an opportunity to submit their views.
6. In the selection of measures under this Article, the Parties shall give priority to those measures which cause the least disturbance to the goals and provisions of this Agreement.
7. The Parties acknowledge that the elaboration of the market disruption safeguard provisions in this Article is without prejudice to the right of either Party to apply its own unfair trade laws and regulations, including antidumping and countervailing duty laws and those laws applicable to trade in textiles and textile products.

ARTICLE XI

DISPUTE SETTLEMENT

1. Nationals and companies of either Party shall be accorded national treatment with respect to access to all courts and administrative bodies in the territory of the other Party, as plaintiffs, defendants or otherwise. They shall not claim or enjoy immunity from suit or execution of judgment, proceedings for the recognition and enforcement of arbitral awards, or other liability in the territory of the other Party with respect to commercial transactions; they also shall not claim or enjoy immunities from taxation with respect to commercial transactions, except as may be provided in other bilateral agreements.
2. The Parties encourage the adoption of arbitration for the settlement of disputes arising out of commercial transactions concluded between nationals or companies of the United States and nationals or companies of Romania. Such arbitration may be provided for by agreements in contracts between such nationals and companies, or in separate written agreements between them.
3. The parties may provide for arbitration under any internationally recognized arbitration rules, such as the arbitration rules of the International Chamber of Commerce or the UNCITRAL Rules. If the parties elect the UNCITRAL Rules, the parties should designate an Appointing Authority under said rules in a country other than the United States or Romania.
4. Unless otherwise agreed between the parties, the parties should specify as the place of arbitration a country other than the United States or Romania that is a party to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards, done at New York, 1958.
5. Nothing in this Article shall be construed to prevent, and the Parties shall not prohibit, the parties from agreeing upon any other form of arbitration or dispute settlement which suits their particular needs.
6. Each Party shall ensure that an effective means exists within its territory for the recognition and enforcement of arbitral awards.

ARTICLE XII

NATIONAL SECURITY

1. 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 XIII

CONSULTATIONS

1. The Joint American-Romanian Economic Commission, established on December 5, 1973, shall periodically review the operation of this Agreement and make recommendations for achieving its objectives. The Commission shall operate pursuant to its existing Terms of Reference and Rules of Procedure, as the same may be modified from time to time by the Parties.
2. At the request of either Party, the Parties agree to consult promptly through appropriate channels to discuss any matter concerning the interpretation or implementation of this Agreement or other relevant aspects of relations between the Parties.

ARTICLE XIV

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 a political subdivision thereof, whether or not organized for pecuniary gain, and whether or not privately or government owned.
 - (b) "commercial representation" means a representation of a company of a Party.
 - (c) "national" means a natural person who is a national of a Party under the Party's applicable laws.

ARTICLE XV

GENERAL EXCEPTIONS

1. Nothing in this Agreement shall be construed to prohibit any action by either Party which is required or permitted by the GATT.
2. So long as the measure does not constitute either an 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:
 - (a) measures for the protection of intellectual property rights and for the prevention of deceptive practices, as set out in Article VIII and the side letters to this Agreement, provided that such measures shall be related to the extent of an injury suffered or to prevent such an injury's occurrence;
 - (b) measures for reasons contemplated by Article Xx of the GATT, provided that the term "Agreement" in GATT Article XX, paragraph (d) shall be construed to refer to this Agreement.
3. Trade in products or services between the Parties which is subject to existing or subsequent bilateral or multilateral agreements on specific sectoral trade, such as existing agreements on textiles and civil aircraft, shall be subject to the terms of any such agreement.
4. Each Party reserves the right to deny the advantages of this Agreement to any company if either (i) nationals of a third country control the company and the company has no substantial business activities in the territory of the other Party, or (ii) the company is controlled by nationals of a third country with which the Party does not maintain normal economic relations.

ARTICLE XVI

ENTRY INTO FORCE, TERM, SUSPENSION AND TERMINATION

1. This Agreement (including its side letters, which are 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 paragraphs 3 and 4 of this Article.

2. This Agreement shall, upon entry into force, supersede in all respects the Agreement on Trade Relations Between the United States of America and the Socialist Republic of Romania, done on April 2, 1975, and the Agreement Suspending Mutual Application of Most Favored Nation Tariff Treatment Under the Trade Agreement of April 2, 1975, done on June 22, 1988, which agreements shall have no further force or effect.

3. (a) The initial term of this Agreement shall be three years, subject to subparagraph (b) and (c) of this paragraph.

(b) If either Party encounters or foresees a problem concerning its domestic legal authority to carry out any of its obligations under this Agreement, such Party shall request immediate consultations with the other Party. Once consultations have been requested, the other Party shall enter into such consultations as soon as possible concerning the circumstances that have arisen with a view to finding a solution to avoid action under subparagraph (c).

(c) If either Party does not have domestic legal authority to carry out its obligations under this Agreement, either Party may suspend the application of this Agreement or, with the agreement of the other Party, any part of this Agreement. In that event, the Parties will, to the fullest extent practicable and consistent with domestic law, seek to minimize disruption to existing trade relations between the two countries.

4. This Agreement shall be extended for successive terms of three years each unless either Party has given written notice to the other Party of its intent to terminate this Agreement at least 30 days prior to the expiration of the then current term.

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

DONE at BUCHAREST on this 3rd day of April 1992 in duplicate, in the English and the Romanian languages, both texts being equally authentic.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

FOR THE GOVERNMENT OF ROMANIA:

Bucharest, April 3, 1992

Dear Mr. Minister,

I have the honor to confirm receipt of your letter that reads as follows:

Dear Mr. Ambassador:

In connection with the signing on this date of the Agreement on Trade Relations Between the Government of the United States of America and the Government of Romania (the "Agreement"), I have the honor to confirm the understanding reached by our Governments as follows:

In order to foster increased commercial activities and economic cooperation, the Government of Romania and the Government of the United States of America (the "Parties") agree to undertake the following activities:

1. To encourage their respective nationals and companies to develop, publish, and provide directly, directories of nationals and companies involved in foreign trade and their officers, as well as other information useful in contacting and evaluating potential business partners, and lists of government agencies and officers involved in foreign trade policy and regulation; and

2. To create favorable conditions for access to nonproprietary and nonconfidential commercial information useful in evaluating potential business partners, such as their financial reports, profit and loss statements, and experiences in foreign trade.

I have the further honor to propose that this understanding be treated as an integral part of the Agreement. I would be grateful if you would, confirm that this understanding is shared by your government.

I have the further honor to confirm that the foregoing understanding is shared by my Government and constitutes an integral part of the Agreement.

The Honorable Constantin Fota

Minister of Commerce and Tourism

Romania

Bucharest, April 3, 1992

Dear Mr. Minister,

I have the honor to confirm receipt of your letter that reads as follows:

Dear Mr. Ambassador:

In connection with the signing on this date of the Agreement on Trade Relations Between the United States of America and Romania (the "Agreement"), I have the honor to confirm the understanding reached by our Governments (the "Parties") regarding cooperation in the field of tourism services as follows:

GOAL

1. Both Parties shall facilitate the expansion of tourism between the United States and Romania and encourage the adoption of measures by tourist companies of both countries to satisfy the desire of tourists to learn about the lifestyles, achievements, history and culture of each country.

OFFICIAL TOURISM PROMOTION

1. Each Party shall seek permission of the other Party prior to the establishment of official, governmental tourism promotion offices in the other's territory.

2. Permission to open tourism promotion offices or field offices and the status of personnel at those offices shall be subject to the agreement of the Parties and subject to the laws and regulations of the host country.

3. Tourism promotion offices opened by either Party shall be operated on a non-commercial basis. official tourism promotion offices and the personnel assigned to them shall not function as agents or principals in commercial transactions, enter into contractual agreements on behalf of commercial organizations, or engage in any other commercial activities. Such offices shall not sell services to the public or otherwise compete with travel agents or tour operators of either country.

4. Official governmental tourism offices shall conduct activities related to the promotion and facilitation of tourism between the United States and Romania, including:

(a) providing information about the tourist facilities and attractions in their respective countries to the public, the travel industry, and the media;

(b) holding meetings and workshops for representatives of the travel industry, as appropriate;

(c) participating in trade shows;

(d) distributing advertising and promotional materials such as posters, brochures, and photographs to the public, the travel industry, and the media;

(e) performing tourism market research.

5. Nothing in this letter shall obligate either Party to open an official governmental tourism office in the territory of the other.

COMMERCIAL TOURISM COMPANIES

1. Commercial tourism companies, whether privately or governmentally owned, or branches thereof, shall be treated as private commercial companies, fully subject to all applicable laws and regulations of the host country.

2. Each Party shall ensure within the scope of its legal authority and in accordance with its laws and regulations that any company owned, controlled, or administered by that Party or any joint venture therewith, or any private company or joint venture between private companies, which effectively controls a significant proportion of the tourism and travel-related services in the territory of that Party shall provide those services to nationals and companies of the other Party on a fair and equitable basis.

Nothing in this letter or in the Agreement shall be construed to mean that tourism and travel-related services shall not receive the benefits from the Agreement as fully as all other industries and sectors.

I have the further honor to propose that this understanding be treated as an integral part of the Agreement. I would be grateful if you would confirm that this understanding is shared by your government.

I have the further honor to confirm that the foregoing understanding is shared by my Government and constitutes an integral part of the Agreement.

Sincerely,

Bucharest, April 3, 1992

Dear Mr. Minister,

I have the honor to confirm receipt of your letter that reads as follows:

Dear Mr. Ambassador:

In connection with the signing on this date of the Agreement on Trade Relations between the Government of the United States and the Government of Romania (the "Agreement"), I have the honor to confirm the understanding reached by our Governments as follows:

The Parties agree to provide adequate and effective protection and enforcement of intellectual property rights in patents, trademarks, copyrights, trade secrets, and layout designs for integrated circuits. Each Party reaffirms its commitments to those international agreements relating to intellectual property to which both Parties are signatories. Specifically, each Party reaffirms the commitments made with respect to the Paris Convention for the Protection of Industrial Property (Stockholm Act, 1967) and the Berne Convention for the Protection of Literary and Artistic Works.

1. Each Party shall provide no less favorable treatment to the right holders of the other Party than it provides to its own right holders with respect to laws, regulations and practices implementing the provisions of this letter.

2. To provide adequate and effective protection and enforcement of intellectual property rights, each Party shall continue to adhere to the Paris Convention for the Protection of Industrial Property (Stockholm Act, 1967) (Paris Convention), and shall adhere to the Berne Convention for the protection of Literary and Artistic Works (Paris 1971)(Berne Convention), and the Geneva Convention for the Protection of Producers of Phonograms (Geneva Convention) and shall also observe, inter alia , the following:

(a) COPYRIGHT AND RELATED RIGHTS

(i) Each Party shall protect the works listed in Article 2 of the Berne Convention and any other works now known or later developed, that embody original expression within the meaning of the Berne Convention, including:

(1) all types of computer programs (including application programs and operating systems) expressed in any language, whether in source or object form which shall be protected as literary works; and,

(2) collections or compilations of protected I or unprotected material or data whether in print, machine readable or any other medium, including data bases, which shall be protected in so far as they constitute an intellectual creation by reason of the selection, coordination, or arrangement of their contents.

(ii) Each Party shall ensure that the rights provided to authors in works protected pursuant to paragraph 2(a)(i) of this letter shall include, the following:

(1) the exclusive right to import or authorize the importation into the territory of the Party of lawfully made copies of the work;

(2) the exclusive right to prevent the importation into the territory of the Party of copies of the work made without, the authorization of the right-holder;

(3) the exclusive right to make the first public distribution of the original or each authorized copy of a work by sale, rental, or otherwise;

(4) in respect of at least computer programs, the exclusive right to authorize or prohibit the rental of the original or copies of their copyrighted works. Each Party may exclude from the rental right programs that are fixed as part of a machine or are fixed in a medium that is not susceptible to copying. Putting the originals or copies of computer programs on the market with the consent of the right-holder shall not exhaust the rental right; and

(5) the exclusive right to publicly communicate a work except for a sound recording (e.g., to perform, display, project, exhibit, broadcast, transmit, or retransmit a work); the term "public" shall include:

(A) communicating a work-in a place open to the public or at any place where a substantial number of persons outside of a normal circle of a family and its social acquaintances is gathered; or

(B) communicating or transmitting a work, a performance, or a display of a work, in any form, or by means of any device or process to a place specified in clause 2(ii)(5)(A) or to the public, regardless of whether the members of the public capable of receiving such communications can receive them in the same place or separate places and at the same time or at different times.

(iii) Parties shall extend the protection afforded under paragraph 2(a)(i) and 2(a)(ii) of this letter to authors of the other Party, whether they are natural persons or, where the domestic law of the Party seeking protection so provides, juridical entities, and to their successors in title.

(iv) Each Party shall provide that the exclusive rights protected under paragraph 2(a)(ii) of this letter are freely and separately exploitable and transferable. Each Party also shall provide that assignees and exclusive licensees may enjoy all rights of their assignors and licensors acquired through voluntary agreements, and ensure that they are entitled to enjoy and exercise their acquired exclusive rights in their own names.

(v) In cases where a Party calculates the term of protection of a work on a basis other than the life of a natural person, the term of protection shall be no less than 50 years from the first authorized publication or, failing such authorized publication within 50 years from the making of the work, 50 years after the making.

(vi) Each Party shall confine any limitations upon and exceptions to the exclusive rights provided under paragraph 2(a)(ii) of this letter (including any , limitations or exceptions that restrict such rights to "public" activity) to certain special cases which do not conflict with a normal exploitation of the work and do not unreasonably prejudice the legitimate interests of the right holder.

(vii) Each Party shall limit resort to compulsory licensing to those works, rights and utilizations permitted under the Berne Convention; and further shall ensure that any legitimate compulsory or non-voluntary license or restriction of exclusive rights to a right of remuneration shall provide means to ensure payment and remittance of royalties at a level consistent with what would be negotiated on a voluntary basis.

(viii) Each Party shall, at a minimum, extend to producers of sound recordings the exclusive rights to do or to authorize the following:

(1) to reproduce the recording by any means or process, in whole or in part; and

(2) to exercise the importation and exclusive distribution and rental provided in paragraphs 2(a)(ii)(1)(2) (3) and (4) of this letter.

(ix) Paragraphs 2(a)(iii), (iv) and (vi) of this letter shall apply mutatis mutandis to sound recordings.

(x) Each Party shall:

(1) protect sound recordings first fixed or published in the territory of the other Party;

(2) protect sound recordings for a term of at least 50 years from publication; and grant the right to make the first public distribution of the original of each authorized sound recording by sale, rental, or otherwise except that the first sale of the original of such sound recording shall not exhaust the rental or importation right therein (the "rental right" shall mean the right to authorize or prohibit the disposal of the possession of the original or ' copies for direct or indirect commercial advantage).

(xi) Parties shall not subject the acquisition and validity of intellectual property rights in sound recordings to any formalities, and protection shall arise automatically upon creation of the sound recording.

(b) TRADEMARKS

(i) Protectable Subject Matter

(1) Trademarks shall consist of at least any sign, words, including personal names, designs, letters, numerals, colors, or the shape of goods or of their packaging, provided that the mark is capable of distinguishing the goods or services of one undertaking from those of other undertakings.

(2) The term "trademark" shall include service marks, collective and may include certification marks.

(ii) Acquisition of Rights

(1) Each Party shall provide a system for the registration of trademarks. Parties shall provide protection for trademarks based on registration and may provide protection on the basis of use.

(2) Each Party shall publish each trademark either before it is registered or promptly after it is registered and shall afford other parties a reasonable opportunity to petition to cancel the registration. In addition, each Party may afford an opportunity for the other Party to oppose the registration of a trademark.

(3) The nature of the goods or services to which a trademark is to be applied shall in no case form an obstacle to registration of the trademark.

(iii) Rights Conferred

(1) The owner of a registered trademark shall have exclusive rights therein. He shall be entitled to prevent all third parties not having his consent from using in commerce identical or similar signs for goods or services which are identical or similar to those in respect of which the trademark is protected, where such use would result in a likelihood of confusion.

(2) Each Party shall refuse to register or shall cancel the registration and prohibit use of a trademark likely to cause confusion with a trademark of another which is considered to be well-known. A Party may not require that the reputation of the trademark extend beyond the sector of the public which normally deals with the relevant goods or services.

(3) The owner of a trademark shall be entitled to take action against any unauthorized use which constitutes an act of unfair competition.

(4) The rights described in the foregoing paragraphs shall not prejudice any existing prior rights, nor shall this affect the possibility of Parties making rights available on the basis of use.

(iv) Term of Protection

Initial registration of a trademark shall be for a term of at least 10 years. The registration of a trademark shall be indefinitely renewable for terms of no less than 10 years when conditions for renewal have been met.

(v) Other Requirements

The use of a trademark in commerce shall not be encumbered by special requirements, such as use which reduces the function of a trademark as an indication of source or use with another trademark.

(vi) Compulsory Licensing

Compulsory licensing of trademarks shall not be permitted.

(vii) Transfer

Trademark registrations may be transferred.

(c) PATENTS

(i) Patentable Subject Matter

Patents shall be available for all inventions, whether products or processes, in all fields of technology, except that a Party may exclude from patentability any invention or discovery which is useful solely in the utilization of special nuclear material or atomic energy in an atomic weapon.

(ii) Rights Conferred

(1) A patent shall confer the right to prevent others not having the patent owner's consent from making, using, or selling the subject matter of the patent. In the case of a patented process, the patent confers the right to prevent others not having consent from using that process and from using, selling, or importing at least the product obtained directly by that process.

(2) Where the subject matter of a patent is a process for obtaining a product, each Party shall provide that the burden of establishing that an alleged infringing product was not made by the process shall be on the alleged infringer if the patent owner presents evidence that a substantial likelihood exists that the product was made by the process and the patent owner has been unable through reasonable efforts to determine the process actually used. In the gathering and evaluation of evidence to the contrary, the legitimate interests of the defendant in protecting his trade secrets shall be taken into account.

(3) A patent may be revoked only on grounds that would have justified a refusal to grant the patent.

(iii) Exceptions

Each Party may provide limited exceptions to the exclusive rights conferred by a patent, such as for acts done for experimental purposes, provided that the exceptions do not significantly prejudice the economic interests of the right-holder, taking account of the legitimate interests of third parties.

(iv) Term of Protection

Each Party shall provide a term of protection of at least 20 years from the date of filing of the patent application or 17 years from the date of grant of the patent. Each Party is encouraged to extend the term of patent protection, in appropriate cases, to compensate for delays caused by regulatory approval processes.

(v) Transitional Protection

A Party shall provide transitional protection for products embodying subject matter deemed to be unpatentable under its patent law prior to its implementation of the provisions of this letter, where the following conditions are satisfied:

(1) the subject matter to which the product relates will become patentable after implementation of the provisions of this letter; and

(2) a patent has been issued for the product by the other Party prior to the entry into force of the Agreement; and

(3) the product has not been marketed in the territory of the Party providing such transitional protection.

The owner of a patent for a product satisfying the conditions set forth above shall have the right to submit a copy of the patent to the competent authority of the Party providing transitional protection. Such Party shall limit the right to make, use, or sell the product in its territory to such owner for a term to expire with that of the patent submitted.

(vi) Compulsory Licenses

Each Party may limit the patent owner's exclusive rights through compulsory licenses but only (1) to remedy an adjudicated violation of competition laws, (2) to address, only during its existence, a declared national emergency, and (3) to enable compliance with national air pollutant standards, where compulsory licenses are essential to such compliance.

Where the law of a Party allows for the grant of compulsory licenses, the following provisions shall be respected:

(1) Compulsory licenses shall be nonexclusive and non-assignable except with that part of the enterprise which exploits such license.

(2) The payment of remuneration to the patent owner adequate to compensate the patent owner fully for the license shall be required, except for compulsory licenses to remedy adjudicated violations of competition law.

(3) Each case involving the possible grant of a compulsory license shall be considered on its individual merits except that such consideration may be waived in cases of a declared national emergency.

(4) Any compulsory license shall be revoked when the circumstances which led to its granting cease to exist, taking into account the legitimate interests of the patent owner and of the licensee. The continued existence of these circumstances shall be reviewed upon request of the patent owner.

(5) Judicial review shall be available for:

(a) Decisions to grant compulsory licenses, except in the instance of a declared national emergency,

(b) decisions to continue compulsory licenses, and

(c) decisions concerning the amount of compensation provided for compulsory licenses.

(d) LAYOUT-DESIGNS OF SEMICONDUCTOR INTEGRATED CIRCUITS

(i) Subject Matter for Protection

(1) Each Party shall provide protection for original layout-designs incorporated in a semiconductor integrated circuit, however the layout-design might be fixed or encoded.

(2) Each Party may condition protection on fixation or registration of the layout-designs. If registration is required, applicants shall be given at least two years from first commercial exploitation of the layout-design in which to apply. A Party which requires deposits of identifying material or other material related to the layout-design shall not require applicants to disclose confidential or proprietary information unless it is essential to allow identification of the layout-design.

(ii) Rights Acquired

(1) Each Party shall provide to right-holders of lay-out designs of the other Party the exclusive right to do or to authorize the following:

(A) to reproduce the layout-design;

(B) to incorporate the layout-design in a semiconductor chip; and

(C) to import or distribute a semiconductor integrated circuit incorporating the layout-design and products including such integrated circuits.

(2) The conditions set out in paragraph (c)(vi) of this paragraph shall apply, mutatis mutandis , to the grant of any compulsory licenses for layout-designs.

(3) Neither Party is required to extend protection to layout-designs that are commonplace in the industry at the time of their creation or to layout-designs that are exclusively dictated by the functions of the circuit to which they apply.

(4) Each Party may exempt the following from liability under its law:

(A) reproduction of a layout-design for purposes of teaching, analysis, or evaluation in the course of preparation of a layout-design that is itself original;

(B) importation and distribution of semiconductor chips, incorporating a protected layout-design, which were sold by or with the consent of the owner of the layout-design; and

(C) importation or distribution up to the point of notice of a semiconductor chip incorporating a protected layout-design and products incorporating such chips by a person who establishes that he did not know, and had no reasonable grounds to believe, that the layout-design was protected, provided that, with respect to stock on hand or purchased at the time notice is received, such person may import or distribute only such stock but is liable for a reasonable royalty on the sale of each item after notice is received.

(iii) Term of Protection

The term of protection for the lay-out design shall extend for at least ten years from the date of first commercial exploitation or the date of registration of the design, if required, whichever is earlier.

(e) ACTS CONTRARY TO HONEST COMMERCIAL PRACTICES AND THE PROTECTION OF TRADE SECRETS

(i) In the course of ensuring effective protection against unfair competition as provided for in Article 10 bis of the Paris Convention for the Protection of Industrial Property, each Party shall provide in its domestic law and practice the legal means for nationals and companies to prevent trade secrets from being disclosed to, acquired by, or used by others without the consent of the trade secret owner in a manner contrary to honest commercial practices insofar as such information:

(1) is not, as a body or in the precise configuration and assembly of its components, generally known or readily ascertainable;

(2) has actual or potential commercial value because it is not generally known or readily ascertainable; and

(3) has been subject to reasonable steps under the circumstances to keep it secret.

(ii) Neither Party shall limit the duration of protection for trade secrets so long as the conditions in paragraph 2(e) (i) of this letter exist.

(iii) Licensing

Neither Party shall discourage or impede voluntary licensing of trade secrets by imposing excessive or discriminatory conditions on such licenses or conditions which dilute the value of trade secrets.

(iv) Government Use

(1) If a Party requires, as a condition of approving the marketing of pharmaceutical or agricultural chemical products which utilize new chemical entities, the submission of undisclosed test or other data, the origination of which involves a considerable effort, that Party shall protect such data against unfair commercial use. Further, each Party shall protect such data against disclosure except where necessary to protect the public or unless steps are taken to ensure that the data is protected against unfair commercial use.

(2) Unless the person submitting the information agrees, the data may not be relied upon for the approval of competing products for a reasonable period of time, taking into account the efforts involved in the origination of

the data, their nature, and the expenditure involved in their preparation, and such period of time shall generally be not less than five years from the date of marketing approval.

(3) Where a Party relies upon a marketing approval granted by another Party, the reasonable period of exclusive use of the data submitted in connection with obtaining the approval relied upon shall commence with the date of the first marketing approval relied upon.

(f) ENFORCEMENT OF INTELLECTUAL PROPERTY RIGHTS

(i) Each Party shall protect intellectual property rights covered by this letter by means of civil law, criminal law, or administrative law or a combination thereof in conformity with the provisions below. Each Party shall provide effective procedures, and remedies to prevent or stop, within its territory and at the border, against any act of infringement, and effective remedies to stop and prevent infringements and to effectively deter further infringements. These procedures shall be applied in such a manner as to avoid the creation of obstacles to legitimate trade and provide safeguards against abuse.

(ii) Procedures for enforcing intellectual property rights shall be fair and equitable.

(iii) Decisions On the merits of a case shall, as a general rule, be in writing and reasoned. They shall be made known at least to the parties to the dispute without undue delay.

(iv) Each Party shall provide an opportunity for judicial review of final administrative decisions on the merits of an action concerning the protection of an intellectual property right. Subject to jurisdictional provisions in each Party's laws concerning the importance of a case, an opportunity for judicial review of the legal aspects of initial judicial decisions on the merits of a case concerning the protection of an intellectual property right shall also be provided.

(v) Notwithstanding the other provisions of paragraph 2(f), when a Party to this Agreement is sued with respect to infringement of an intellectual property right as a result of the use of that right by or for the government, the Party may limit remedies against the government to payment of full compensation to the right-holder.

3. For purposes of this Agreement:

(a) "right-holder," includes the right-holder himself, any other natural or legal person authorized by him who are exclusive licensees of the right, or other authorized persons, including federations and associations, having legal standing under domestic law to assert such rights;

(b) "A manner contrary to honest commercial practice,, is understood to encompass, inter alia , practices such as theft, bribery, breach of contract, inducement to breach, electronic and other forms of commercial espionage, and includes the acquisition, use or disclosure of trade secrets by third parties who knew, or had reasonable grounds to know, that such practices were involved in their acquisition of such information.

(c) "Integrated circuit" means a product, in its final form or an intermediate form, in which the elements, at least one of which is an active element, and some or all of the interconnections are integrally formed in and/or on a piece of material and which is intended to perform an electronic function.

4. 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 letter shall be construed to prohibit the adoption or enforcement by a Party of measures necessary to secure compliance with laws or regulations relating to the protection and enforcement of intellectual property rights and the prevention of deceptive practices as set out in this letter.

5. Each Party agrees to submit for enactment no later than December 31, 1993 the legislation necessary to carry out the obligations of this letter and to exert its best efforts to enact and implement this legislation by that date.

6. The Parties acknowledge that, under the existing Romanian law, it is not possible to fully implement the provisions of this letter. Accordingly, the Government of Romania has undertaken the obligation set forth in paragraph 5 of the side letter to submit and exert best efforts to enact and implement amendments to existing

laws or enact new laws. Pending the enactment of such amendments or new laws which fully implement the provisions of the exchange of letters, if it is brought to the attention of the Romanian Government by the Government of the United States that existing laws are being applied in a manner inconsistent with this side letter, the Government of Romania shall promptly take appropriate steps to rectify the inconsistency, including accelerating the introduction and implementation of such amendments and new laws.

I have the further honor to propose this understanding be treated as an integral part of the Agreement. I would be grateful if you would confirm that this understanding is shared by your Government.

I have the further honor to confirm that the foregoing understanding is shared by my Government and constitutes an integral part of the Agreement.

Sincerely,

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.