

TRADE AGREEMENT
BETWEEN
THE REPUBLIC OF INDIA
AND
BOSNIA AND HERZEGOVINA

The Republic of India and Bosnia and Herzegovina moved by a desire of expanding and strengthening the trade and economic relations between the two countries on the basis of equality and mutual interest, (hereinafter referred to as the "Contracting Parties"):

have agreed upon as follows:

Article 1

- a. The Contracting Parties shall accord to each other most favoured nation treatment in respect of import and export licenses, customs duties and all other charges and taxes applicable to importation, exportation or transit of Goods/Products,
- b. The Contracting Parties will grant each other in respect of import and export licenses or permissions where such licenses permissions are prescribed under their regulations, treatment not less favourable than that granted to any other country,
- c. Any advantages, favour, privilege or immunity granted by either of the Contracting Parties to any product originating in the territory of a third country or destined for its territory shall be granted immediately and unconditionally to the like product, originating in the territory of either of the Contracting Parties or destined to be imported into its territory.

Article 2

The provisions of Article 1 above shall not, however, apply to the grant or continuance if any:

- a. advantages accorded by either Contracting Party to contiguous countries for the purpose of facilitating frontier traffic,
- b. preference, or advantages, accorded by either Contracting Party to any country, as existing on the date of the conclusion of the present Agreement or in replacement of such preferences or advantages that existed prior to the 10th April 1947.
- c. Any advantages or preferences accorded under any scheme for expansion of trade and economic cooperation among developing countries which is open



for participation by developing countries and to which either of the Governments is or may become a party,

- d. Advantages and preferences resulting from a customs union and/or free trade area of which either country is or may become a party.

Article 3

Exemptions, if any from Customs Duties and other charges levied on imports and exports shall be applied in conformity with the laws and regulations in force in the countries of the Contracting Parties to:

- a. Articles intended as samples,
- b. Articles imported for exhibitions and fairs,
- c. Goods imported for the specific purpose of re-export

Article 4

The Contracting Parties shall endeavour to the maximum extent possible, within the framework of their respective laws and regulations in force from time to time, to the expansion of trade, economic, industrial and technical cooperation in order to derive maximum advantage from possibilities resulting from economic development in either country and to increase the volume of trade in particular with regard to non-traditional items like software and information technology, precious and semi precious metals, telecommunications etc.

Article 5

All payments shall be made in freely convertible currency in accordance with the existing laws and regulations in force in the two countries.

Article 6

Natural and juridical persons of the Contracting Parties shall be free to import and export goods and services with each other on the basis of counter-trade, compensation arrangements, or any other internationally recognized forms of business cooperation in accordance with the governing regulations of the two countries.

Article 7

Nationals and Companies of either Contracting Party shall be accorded treatment no less favourable than that accorded to nationals and companies of any third country with respect to payments, remittances and transfers of funds or financial instruments directly or indirectly between the territories of the two Contracting Parties in accordance with the laws and regulations of the other Contracting Party in force from time to time.

Article 8

Nationals and Companies of either Contracting Party shall be accorded treatment no less favourable than that accorded to nationals and companies of any third country in respect of protection of their persons and properties and for carrying on commercial activities in accordance with the laws and regulations of the other Contracting Party in force from time to time.

Article 9

Both Contracting Parties agree to actively explore the possibilities of cooperation in different sectors of economy including exchange of know-how on a mutually beneficial basis. The two Contracting Parties further agree to take steps jointly to locate specific fields of industry where the two countries could usefully cooperate on the basis of international division of labour.

Article 10

Each Contracting Party shall allow the holding of fairs and exhibitions by the other and shall extend to the other Contracting Party – subject to its laws and regulations applicable – generally all facilities for holding such fairs and exhibitions.

Article 11

The physical and juridical persons of the Contracting Parties may agree that legal disputes arising from contracts concluded in commercial or economic matter shall be referred to arbitration.

Article 12

For expanding and diversifying mutual trade, to establish closer economic and industrial cooperation and to facilitate the implementation of present agreement, a Joint Committee consisting of the representatives of the two Contracting Parties will be established. To this end, the Joint Committee will meet alternatively in Sarajevo and New Delhi every twelve months or as often at the request of the either Contracting Party. All decisions of the Joint Committee shall be subject to the formal approval of the two Governments.

Article 13

If as a result of unforeseen developments and of the effect of the obligations incurred by a Contracting Party under this Agreement, including tariff obligations, any product is being imported into the territory of that Contracting Party in such increased quantities and under such conditions as to cause or threaten to cause serious injury to domestic producers in that territory of like or directly competitive products, the



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Contracting Party shall be free, in respect of such product, and to the extent and for such time as may be necessary to prevent or remedy such injury, to suspend the obligation in whole or in part or to withdraw or modify the concession.

Before any Contracting Party takes such action, it shall give notice in writing to the other Contracting Party as far in advance as may be practicable and shall afford the other Contracting Party an opportunity to consult with it in respect of the proposed action. In critical circumstances, where delay would cause damage which it would be difficult to repair, action under paragraph 1 of this Article may be taken provisionally without prior consultation, on the condition that consultation shall be effected immediately after taking such action.

Article 14

This Agreement shall remain in force for a period of five years and shall be deemed to be automatically extended from year to year unless notice of termination in writing is given by either Contracting Party four months prior to the expiry date of the Agreement.


Article 15

This Agreement becomes effective from the date on which the letters of ratification are exchanged in accordance with the constitutional procedures of the Contracting Parties. Both Contracting Parties, however, agree to its provisional enforcement from 23rd April, 2002.

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

Done at Sarajevo on 23rd April, 2002 in two originals, each in the Hindi, Bosnian/Croatian/Serbian and in the English languages. In the event of any difference arising regarding interpretation, the English text shall prevail.

For
The Republic of India


Ambassador of India
Budapest (Hungary)

For
Bosnia and Herzegovina

