

PROTOCOL

between Bosnia and Herzegovina and the Czech Republic on the amendments to the Agreement between Bosnia and Herzegovina and the Czech Republic on the Promotion and Protection of Investments signed on April 17, 2002 in Sarajevo

Bosnia and Herzegovina and the Czech Republic (hereinafter referred to as “Contracting Parties”);

Being aware of the Czech Republic's obligations as a Member State of the European Union;

Recognizing that certain amendments to the Agreement between Bosnia and Herzegovina and the Czech Republic on the Promotion and Protection of Investments (hereinafter referred to as “the Agreement”) are necessary to comply with these obligations;

Have agreed to amend the Agreement as follows:

ARTICLE 1

In Article 2 of the Agreement, new paragraph 3 is added, which reads as follows:

“A Contracting Party may suspend, interrupt or reduce, in part or completely the regime provided for in this Agreement on the basis of a common position or a joint action adopted within the common foreign and security policy of a customs, economic or monetary union, a common market or a free trade area of which it is a member. “

ARTICLE 2

In Article 3 of the Agreement, paragraphs 3 and 4 are deleted and replaced by new paragraphs 3 to 5, which read as follows:

“3. The National Treatment and Most-Favoured-Nation Treatment provisions of this Article shall not apply to advantages accorded by a Contracting Party pursuant to its obligations as a member of a customs, economic or monetary union, a common market or a free trade area.

4. The Contracting Party understands the obligations of the other Contracting Party as a member of a customs, economic or monetary union, a common market or a free trade area to include obligations arising out of an international agreement or reciprocity agreement of that customs, economic or monetary union, common market or free trade area.

5. The provisions of this Agreement shall not be construed so as to oblige one Contracting Party to extend to the investors of the other Contracting Party, or to the investments or returns of such investors, the benefit of any treatment, preference or privilege which may be extended by the Contracting Party by virtue of any international agreement or arrangement relating wholly or mainly to taxation.”

ARTICLE 3

In Article 6 of the Agreement, at the beginning of the first sentence of paragraph 1, the following words are added:

“Without prejudice to measures adopted by the European Community”

At the end of the Article 6 is new paragraph 4 added, which reads as follows:

“4. The Contracting Parties undertake to accord to such transfers a treatment no less favourable than that accorded to transfers originating from investments made by investors of any third State. “

ARTICLE 4

The Protocol shall enter into force on the ninetieth day after the later notification by which the Contracting Parties shall communicate each other that their internal legal procedures for its entry into force have been completed. The Protocol shall remain in force as long as the Agreement.

Done in on 200.. in two originals, each in Bosnian/Croatian/Serbian, Czech and English languages, all texts being equally authentic. In case of any divergence of interpretation the English text shall prevail.

FOR BOSNIA AND HERZEGOVINA

FOR THE CZECH REPUBLIC
