

FINAL ACT

The plenipotentiaries of

the EUROPEAN COMMUNITY,

hereinafter referred to as 'the Community',

of the one part, and

the plenipotentiaries of

the PALESTINE LIBERATION ORGANIZATION (PLO) FOR THE BENEFIT OF THE PALESTINIAN AUTHORITY OF THE WEST BANK AND THE GAZA STRIP,

hereinafter referred to as 'the Palestinian Authority',

of the other part,

meeting at Brussels on 24 February 1997 for the signature of the Euro-Mediterranean Interim Association Agreement on trade and cooperation between the European Community, of the one part and the Palestine Liberation Organization (PLO) for the benefit of the Palestinian Authority of the West Bank and the Gaza Strip, of the other part, hereinafter referred to as 'Euro-Mediterranean Interim Association Agreement' have adopted the following texts:

the Euro-Mediterranean Interim Association Agreement, the Annexes thereto and the following Protocols:

Protocol 1 on the arrangements applying to imports into the Community of agricultural products originating in the West Bank and the Gaza Strip,

Protocol 2 on the arrangements applying to imports into the West Bank and the Gaza Strip of agricultural products originating in the Community,

Protocol 3 concerning the definition of the concept of 'originating products' and methods of administrative cooperation.

The plenipotentiaries of the Community and the plenipotentiaries of the Palestinian Authority have adopted the texts of the Declarations listed below and annexed to this Final Act:

Joint Declaration on intellectual, industrial and commercial property (Article 33 of the Agreement),

Joint Declaration on Article 55 of the Agreement,

Joint Declaration on Article 58 of the Agreement,

Joint Declaration on decentralized cooperation,

Joint Declaration on Article 67 of the Agreement,

Joint Declaration on Article 70 of the Agreement,

Joint Declaration on data protection,

Joint Declaration on a programme of support for Palestinian industry,

and, as regards Protocol 3 concerning the definition of the concept of 'originating products' and methods of administrative cooperation, the following Joint Declarations:

1. Joint Declaration concerning the Principality of Andorra;
2. Joint Declaration concerning the Republic of San Marino.

The plenipotentiaries of the Community and the plenipotentiaries of the Palestinian Authority have also taken note of the Agreement in the form of an exchange of letters mentioned below and attached to this Final Act:

Agreement in the form of an exchange of letters between the Community and the Palestinian Authority relating to Article 1 of Protocol 1 and concerning imports into the Community of fresh cut flowers and flower buds falling within subheading 0603 10 of the Common Customs Tariff.

The plenipotentiaries of the Palestinian Authority have taken note of the Declaration by the European Community mentioned below and annexed to this Final Act:

Declaration on cumulation of origin.

Hecho en Bruselas, el veinticuatro de febrero de mil novecientos noventa y siete.

Udfærdiget i Bruxelles den fireogtyvende februar nitten hundrede og syv og halvfems.

Geschehen zu Brüssel am vierundzwanzigsten Februar neunzehnhundertsiebenundneunzig.

Έγινε στις Βρυξέλλες, στις είκοσι τέσσερις Φεβρουαρίου χίλια εννιακόσια ενενήντα επτά.

Done at Brussels on the twenty-fourth day of February in the year one thousand nine hundred and ninety-seven.

Fait à Bruxelles, le vingt-quatre février mil neuf cent quatre-vingt-dix-sept.

Fatto a Bruxelles, addì ventiquattro febbraio millenovecentonovantasette.

Gedaan te Brussel, de vierentwintigste februari negentienhonderd zevenennegentig.

Feito em Bruxelas, em vinte e quatro de Fevereiro de mil novecentos e noventa e sete.

Tehty Brysselissä kahdentenkymmenentenäneljäntenä päivänä helmikuuta vuonna tuhatyhdeksänsataayhdeksänkymmentäseitsemän.

Som skedde i Bryssel den tjugofjärde februari nittonhundra nittiosju.

حرر في بروكسل ، في الرابع والعشرين من شهر فبراير سنة
الف وتسعمائة وسبعة وتسعون

Por la Comunidad Europea

For Det Europæiske Fællesskab

Für die Europäische Gemeinschaft

Για την Ευρωπαϊκή Κοινότητα

For the European Community

Pour la Communauté européenne

Per la Comunità europea

Voor de Europese Gemeenschap

Pela Comunidade Europeia

Euroopan yhteisön puolesta

På Europeiska gemenskapens vägnar

عن منظمة التحرير الفلسطينية العاملة لصالح السلطة الفلسطينية في

الضفة الغربية وقطاع غزة

JOINT DECLARATIONS

Joint Declaration on intellectual, industrial and commercial property (Article 33 of the Agreement)

For the purpose of the Agreement, intellectual, industrial and commercial property includes in particular copyright, including the copyright in computer programmes, and neighbouring rights, patents, industrial designs, geographical indications, including appellations of origin, trademarks and service marks, topographies of integrated circuits, as well as protection against unfair competition as referred to in Article 10a of the Paris Convention for the Protection of Industrial Property (Stockholm Act, 1967) and protection of undisclosed information on 'know-how'.

Joint Declaration on Article 55 of the Agreement

The Parties reaffirm their commitment to the Middle East Peace Process and their belief that peace should be consolidated through regional cooperation. The Community is prepared to support joint development projects submitted by the Palestinian Authority and other regional parties, subject to relevant Community technical and budgetary procedures.

The Parties reaffirm that the Agreement forms part of the process launched at the Barcelona Conference of 27 November 1995 and that the bilateral cooperation between the European Community and the Palestinian Authority is complementary to the regional cooperation taking place in the context of the Euro-Mediterranean Partnership.

Joint Declaration on Article 58 of the Agreement

The Parties agree that access to employment will not be included in the framework of youth exchange programmes.

Joint Declaration on decentralized cooperation

The Parties reaffirm the importance they attach to decentralized cooperation programmes as a means of encouraging exchanges of experience and transfer of knowledge in the Mediterranean region and between the European Community and its Mediterranean partners.

Joint Declaration on Article 67 of the Agreement

When the arbitration procedure is applied, the Parties will endeavour to ensure that the Joint Committee appoints a third arbitrator within two months of the appointment of the second arbitrator.

Joint Declaration on Article 70 of the Agreement

1. The Parties agree, for the purposes of the interpretation and the application of the Agreement, that the cases of special urgency referred to in Article 70 of the Agreement mean cases of substantial violation of the Agreement by one of the two Parties. A substantial violation of the Agreement consists of:

- the rejection of the Agreement when such rejection is not authorized by the general rules of international law,
- the violation of the essential elements of the Agreement set out in Article 2 thereof.

2. The Parties agree that the appropriate measures referred to in Article 70 are measures taken in accordance with international law. If one Party takes a measure in a case of special urgency in application of Article 70 the other Party may invoke the dispute settlement procedure.

Joint Declaration on data protection

The Parties agree that the protection of data will be guaranteed in all areas where the exchange of personal data is envisaged.

Joint Declaration on a programme of support for Palestinian industry

The Parties agree that a programme of support will be put at the disposal of Palestinian industry, designed to nurture and develop the capacity of the Palestinian industrial sector.

The Community extends access to start-up funding and to capital to Palestinian businesses in the West Bank and the Gaza Strip. This includes the European Community Investment Partners programme (ECIP), which provides assistance for business start-up costs, such as feasibility studies and technical assistance, and in some cases, access to funding for joint ventures. Loan funding, particularly for small and medium-sized enterprises, through a revolving fund administered by the Palestinian Development Fund, is also available on the basis of grants provided by the Community. The European Investment Bank extends loan funding and risk capital to Palestinian business through local banks.

The Community has established the Centre for Private Development in the West Bank and the Gaza Strip, in order to provide support, training and advice to Palestinian industry, in business start-up and planning, business management, strategy and marketing.

The Community recognizes that Palestinian industry must seek markets abroad. The present Agreement therefore permits duty-free access of Palestinian industrial products to European Community markets. The Palestinian Enterprise Centre, and, within it, the Euro-Info Centre, are therefore available to promote and facilitate contacts and joint ventures between European and Palestinian industry, through partnership events (the Euro-Partenariat, Med-Partenariat and Med-Enterprise schemes) and a variety of other means (such as the BC Net and BRE networks), which from time to time become available.

The Community also recognizes that Palestinian industry has suffered from a lack of basic economic infrastructure. Noting that, in the context of the assistance provided by the Community for the development of the West Bank and the Gaza Strip, part of this assistance may be provided in support of Palestinian industry, the Community will consider requests from the Palestinian Authority that a proportion of these funds, as grants or loans, may be devoted to the rehabilitation of vital economic infrastructures.

In the framework of the economic cooperation provided for under the current Agreement, the two Parties will have regular exchanges of views in order to establish how the range of support mechanisms described in this Declaration, as well as any others which may become available, may most effectively be combined to provide the most appropriate support to Palestinian industry.

Joint Declaration concerning the Principality of Andorra

1. Products originating in the Principality of Andorra falling within Chapters 25 to 97 of the Harmonized System shall be accepted by the Palestinian Authority as originating in the Community within the meaning of this Agreement.
2. Protocol 3 shall apply *mutatis mutandis* for the purpose of defining the originating status of the abovementioned products.

Joint Declaration concerning the Republic of San Marino

1. Products originating in the Republic of San Marino shall be accepted by the Palestinian Authority as originating in the Community within the meaning of this Agreement.
 2. Protocol 3 shall apply *mutatis mutandis* for the purpose of defining the originating status of the abovementioned products.
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AGREEMENT IN THE FORM OF AN EXCHANGE OF LETTERS

between the Community and the Palestinian Authority relating to Article 1 of Protocol 1 and concerning imports into the Community of fresh cut flowers and flower buds falling within subheading 0603 10 of the Common Customs Tariff

A. *Letter from the Community*

Sir . . . ,

The following was agreed between the Community and the Palestinian Authority:

Article 1 of Protocol 1 provides for the elimination of customs duties on imports into the Community of cut flowers and flower buds, fresh, falling within subheading 0603 10 of the Common Customs Tariff and originating in the West Bank and the Gaza Strip, subject to a limit of 1 500 tonnes.

The Palestinian Authority undertakes to abide by the conditions laid down below for imports into the Community of roses and carnations which qualify for the elimination of this tariff:

- the price level of imports into the Community must be at least equal to 85 % of the Community price level for the same products over the same periods,
- the Palestinian price level shall be determined by recording the prices of the imported products, on representative Community import markets,
- the Community price level shall be based on the producer prices recorded on representative markets of the main producer Member States,
- price levels will be recorded on a fortnightly basis and weighted by the respective quantities. This provision is valid for Community prices and for Palestinian prices,
- for both Community producer prices and the import prices of Palestinian products, a distinction shall be made between large-flowered and small-flowered roses and between unifloral and multifloral carnations,
- if the Palestinian price level for any one type of product is below 85 % of the Community price level, the tariff preference shall be suspended. The Community shall reinstate the tariff preference when a Palestinian price level equal to 85 % or more of the Community price level is recorded.

I should be obliged if you would confirm that the Palestinian Authority is in agreement with the contents of this letter.

Please accept, Sir, the assurance of my highest consideration.

*On behalf of the
Council of the European Union*

B. *Letter from the Palestinian Authority*

Sir . . . ,

I have the honour to acknowledge receipt of your letter of today's date which reads as follows:

'The following was agreed between the Community and the Palestinian Authority:

Article 1 of Protocol 1 provides for the elimination of customs duties on imports into the Community of cut flowers and flower buds, fresh, falling within subheading 0603 10 of the Common Customs Tariff and originating in the West Bank and the Gaza Strip, subject to a limit of 1 500 tonnes.

The Palestinian Authority undertakes to abide by the conditions laid down below for imports into the Community of roses and carnations which qualify for the elimination of this tariff:

- the price level of imports into the Community must be at least equal to 85 % of the Community price level for the same products over the same periods,
- the Palestinian price level shall be determined by recording the prices of the imported products, on representative Community import markets,
- the Community price level shall be based on the producer prices recorded on representative markets of the main producer Member States,
- price levels will be recorded on a fortnightly basis and weighted by the respective quantities. This provision is valid for Community prices and for Palestinian prices,
- for both Community producer prices and the import prices of Palestinian products, a distinction shall be made between large-flowered and small-flowered roses and between unifloral and multifloral carnations,
- if the Palestinian price level for any one type of product is below 85 % of the Community price level, the tariff preference shall be suspended. The Community shall reinstate the tariff preference when a Palestinian price level equal to 85 % or more of the Community price level is recorded.

I should be obliged if you would confirm that the Palestinian Authority is in agreement with the contents of this letter.'

I have the honour to confirm that the Palestinian Authority is in agreement with the contents of your letter.

Please accept, Sir, the assurance of my highest consideration.

For the Palestinian Authority

DECLARATION BY THE EUROPEAN COMMUNITY**Declaration on cumulation of origin**

In line with political developments, if and when the Palestinian Authority and one or more Mediterranean countries conclude Agreements to establish free trade among themselves, the European Community is prepared to implement cumulation of origin in its trade arrangements with those countries.
