

- to support measures with the aim to introduce and maintain the convertibility of the Slovak Republic currency,
- to support medium_term stabilization and structural adjustment efforts, including balance of payments assistance.

2. This financial assistance is subject to the Slovak Republic's presentation of IMF support programmes in the context of G_24, as appropriate, for convertibility and/or for restructuring its economy, to the Community's acceptance thereof, to the Slovak Republic's continued adherence to these programmes and, as an ultimate objective, to rapid transition to reliance on finance from private sources.

3. The Association Council will be informed of the conditions under which this assistance will be provided and of the respect of the obligations undertaken by the Slovak Republic concerning such assistance.

Article 102

The Community financial assistance shall be evaluated in the light of the needs which arise and of the Slovak Republic's development level, and taking into account established priorities and the absorption capacity of the Slovak Republic economy, the ability to repay loans and accomplishment of a market economy system and restructuring in the Slovak Republic.

Article 103

In order to permit optimum use of the resources available the Contracting Parties shall ensure that Community contributions are made in close coordination with those from other sources such as the Member States, other countries, including the G_24, and international financial institutions, such as the International Monetary Fund, the International Bank for Reconstruction and Development and the European Bank for Reconstruction and Development.

TITLE IX

INSTITUTIONAL, GENERAL AND FINAL PROVISIONS

Article 104

An Association Council is hereby established which shall supervise the implementation of this Agreement. It shall meet at ministerial level once a year and when circumstances require. It shall examine any major issues arising within the framework of this Agreement and any other bilateral or international issues of mutual interest.

Article 105

1. The Association Council shall consist of the members of the Council of the European Communities and members of the Commission of the European Communities, on the one hand, and of members appointed by the Government of the Slovak Republic, on the other.
2. Members of the Association Council may arrange to be represented, in accordance with the conditions to be laid down in its rules of procedure.
3. The Association Council shall establish its rules of procedure.
4. The Association Council shall be presided in turn by a member of the Council of the European Communities and a member of the Government of the Slovak Republic, in accordance with the provisions to be laid down in its rules of procedure.
5. Where appropriate, the European Investment Bank will take part, as an observer, in the work of the Association Council.

Article 106

The Association Council shall, for the purpose of attaining the objectives of this Agreement, have the power to take decisions in the cases provided for therein. The decisions taken shall be binding on the Parties which shall take the measures necessary to implement the decisions taken. The Association Council may also make appropriate recommendations.

It shall draw up its decisions and recommendations by agreement between the two Parties.

Article 107

1. Each of the two Parties may refer to the Association Council any dispute relating to the application or interpretation of the Agreement.
2. The Association Council may settle the dispute by means of a decision.
3. Each Party shall be bound to taken the measures involved in carrying out the decision referred to in paragraph 2.
4. In the event of it not being possible to settle the dispute in accordance with paragraph 2, either Party may notify the other of the appointment of an arbitrator, the other Party must then appoint a second arbitrator within two months. For the application of this procedure, the Community and the Member States shall be deemed to be one Party to the dispute.

The Association Council shall appoint a third arbitrator.

The arbitrator's decisions shall be taken by majority vote.

Each Party to the dispute must take the steps required to implement the decision of the arbitrators.

Article 108

1. The Association Council shall be assisted in the performance of its duties by an Association Committee composed of representatives of the members of the Council of the European Communities and of members of the Commission of the European Communities on the one hand and of representatives of the Government of the Slovak Republic on the other, normally at senior civil servant level.

In its rules of procedure the Association Council shall determine the duties of the Association Committee, which shall include the preparation of meetings of the Association Council and how the Committee shall function.

2. The Association Council may delegate to the Association Committee any of its powers. In this event the Association Committee shall taken its decisions in accordance with the conditions laid down in Article 106.

Article 109

The Association Council may decide to set up any other special committee or body that can assist it in carrying out its duties.

In its rules of procedure, the Association Council shall determine the composition and duties of such committees or bodies and how they shall function.

Article 110

An Association Parliamentary Committee is hereby established. It shall be a forum for members of the Slovak Republic Parliament and the European Parliament to meet and exchange views. It shall meet at intervals which it shall itself determine.

Article 111

1. The Association Parliamentary Committee shall consist of members of the European Parliament, on the one hand, and of members of the Slovak Republic Parliament, on the other.

2. The Association Parliamentary Committee shall establish its rules of procedure.

3. The Association Parliamentary Committee shall be presided each in turn by the European Parliament and the Slovak Republic Parliament, in accordance with the provisions to be laid down in its rules of procedure.

Article 112

The Association Parliamentary Committee may request relevant information regarding the implementation of this Agreement from the Association Council, which shall then supply the Committee with the requested information.

The Association Parliamentary Committee shall be informed of the decisions of the Association Council.

The Association Parliamentary Committee may make recommendations to the Association Council.

Article 113

Within the scope of this Agreement, each Party undertakes to ensure that natural and legal persons of the other Party have access free of discrimination in relation to its own nationals to the competent courts and administrative organs of the Parties to defend their individual rights and their property rights, including those concerning intellectual, industrial and commercial property.

Article 114

Nothing in this Agreement shall prevent a Contracting Party from taking any measures:

- (a) which it considers necessary to prevent the disclosure of information contrary to its essential security interests;
- (b) which relate to the production of, or trade in, arms, munitions or war materials or to research, development or production indispensable for defence purposes, provided that such measures do not impair the conditions of competition in respect of products not intended for specifically military purposes;
- (c) which it considers essential to its own security in the event of serious internal disturbances affecting the maintenance of law and order, in time of war or serious international tension constituting threat of war or in order to carry out obligations it has accepted for the purpose of maintaining peace and international security.

Article 115

1. In the fields covered by this Agreement and without prejudice to any special provisions contained therein:

- the arrangements applied by the Slovak Republic in respect of the Community shall not give rise to any discrimination between the Member States, their nationals, or their companies or firms,
- the arrangements applied by the Community in respect of the Slovak Republic shall not give rise to any discrimination between Slovak Republic nationals or its companies or firms.

2. The provisions of paragraph 1 are without prejudice to the right of the Contracting Parties to apply the relevant provisions of their fiscal legislation to taxpayers who are not in identical situations as regards their place of residence.

Article 116

Products originating in the Slovak Republic shall not enjoy more favourable treatment when imported into the Community than that applied by Member States among themselves.

The treatment granted to the Slovak Republic under Title IV and Chapter I of Title V shall not be more favourable than that accorded by Member States among themselves.

Article 117

1. The Parties shall take any general or specific measures required to fulfil their obligations under this Agreement. They shall see to it that the objectives set out in this Agreement are attained.

2. If either Party considers that the other Party has failed to fulfil an obligation under this Agreement, it may take appropriate measures. Before so doing, except in cases of special urgency, it shall supply the Association Council with all relevant information required for a thorough examination of the situation with a view to seeking a solution acceptable to the Parties.

In the selection of measures, priority must be given to those which least disturb the functioning of this Agreement. These measures shall be notified immediately to the Association Council and shall be the subject of consultations within the Association Council if the other Party so requests.

Article 118

This Agreement shall not, until equivalent rights for individuals and economic operators have been achieved under this Agreement, affect rights assured to them through existing agreements binding one or more Member States, on the one hand, and the Slovak Republic, on the other.

Article 119

Protocols 1, 2, 3, 4, 5, 6, 7 and 8 and Annexes I to XVII shall form an integral part of this Agreement.

Article 120

This Agreement is concluded for an unlimited period.

Either Party may denounce this Agreement by notifying the other Party. This Agreement shall cease to apply six months after the date of such notification.

Article 121

This Agreement shall apply, on the one hand, to the territories in which the Treaties establishing the European Economic Community, the European Atomic Energy Community, and the European Coal and Steel Community are applied and under the conditions laid down in those Treaties and, on the other hand, to the territory of the Slovak Republic.

Article 122

This Agreement is drawn up in duplicate in the Danish, Dutch, English, French, German, Italian, Spanish, Greek, Portuguese and Slovak languages, each of these texts being equally authentic.

Article 123

This Agreement will be approved by the Contracting Parties in accordance with their own procedures.

This Agreement shall enter into force on the first day of the second month following the date on which the Contracting Parties notify each other that the procedures referred to in the first paragraph have been completed.

Upon its entry into force, this Agreement shall replace the Agreement between the European Economic Community, the European Atomic Energy Community and the Czech and Slovak Federal Republic on trade, economic and commercial cooperation signed in Brussels on 7 May 1990, and the Protocol between the European Coal and Steel Community and the Czech and Slovak Federal Republic initialled in Brussels on 28 June 1991, before the entry into force hereof.

Article 124

1. In view of the fact that provisions equivalent to those of certain parts of the Agreement and thus of the European Agreement signed between the Community and its Member States on 16 December 1991 and the Czech and Slovak Federal Republic, in particular those relating to the movements of goods, were put into effect since 1 March 1992 by means of an Interim Agreement on trade and trade related measures between the Community and the Czech and Slovak Federal Republic signed on 16 December 1991, as amended by the Supplementary Protocols between the Community and each of the Slovak Republic and the Czech Republic, the Parties agree that in such circumstances for the purposes of Title III, Articles 64, 66 and 67 of the Agreement and Protocols 1 (with the exception of its Article 3), 2, 3, 4 and 5 and 6, 'date of entry into force of the Agreement' shall mean:

- 1 March 1992 in relation to obligations taking effect on the date of entry into force of the Agreement, and
- 1 January 1992 in relation to obligations taking effect after the date of entry into force by reference to the date of entry into force.

2. In the case of entry into force of the Agreement after 1 January in any year, the provisions of Protocol 7 shall apply.