

PREFERENTIAL TRADE AGREEMENT
between the Government of the Republic of Uzbekistan
and the Government of the Islamic Republic of Pakistan

Preamble

The Government of the Republic of Uzbekistan and the Government of the Islamic Republic of Pakistan (hereinafter referred to individually as "the Contracting Party" and collectively as "the Contracting Parties"),

RECOGNIZING that the conclusion of the Preferential Trade Agreement between the Contracting Parties being Developing Countries will create a new climate for economic and trade relations,

DESIRING to achieve the liberalization of trade in goods, in conformity with the "Decision of GATT Contracting Parties, on Differential and More Favorable Treatment, Reciprocity and Fuller Participation of Developing Countries of 1979",

BELIEVING that the content of this Agreement would expand gradually and extend to new areas of mutual interests,

CONSIDERING that rights and obligations of the Contracting Parties arising from other bilateral, regional or multilateral agreements shall not be affected by the provisions of this Agreement,

STRESSING the need for the diversification of the tradable goods with a view to fostering further development of their respective economies,

Have agreed as follows:

ARTICLE 1
Objectives

The objective of this Agreement is to strengthen trade relations between Uzbekistan and Pakistan in particular through:

- a) the elimination of tariffs and non-tariff barriers on goods specified in the Annex I-A and Annex I-B of this Agreement;
- b) the enhancement and promotion of trade through harmonious development of economic relations between the Contracting Parties;
- c) the creation of enabling conditions for fair competition between the Contracting Parties;

d) the creation of more predictable and secure environment for sustainable growth of trade between the Contracting Parties.

ARTICLE 2

Definitions

For the purpose of this Agreement:

“Tariffs” means customs tariffs or customs duties defined in the tariff schedules established under the national legislation in force on the territories of the Contracting Parties. Tariffs do not include anti-dumping and countervailing duties referred to in Article 7 or safeguard measures referred to in Article 8 of this Agreement;

“Non-tariff barriers” means any measure, regulation or practice, other than tariffs, the effect of which is to significantly distort foreign trade between the Contracting Parties or to restrict imports;

“Preferential treatment” means any concession or privilege granted under this Agreement by a Contracting Party through the elimination or reduction of tariffs on the movement of goods, establishment of quotas for preferential import into the customs territory or preferential export of goods from the customs territory of a Contracting Party;

“Serious damage to the economy” - an increase in imports of goods into the customs territory of the Contracting Party, imports of goods at dumped prices or imports of goods secured by subsidies”;

“Threat of serious damage to the economy” - evidence that serious damage to the economy is inevitable;

“Goods” means all products within the National Customs tariff framework, including finished, raw and semi-finished products.

ARTICLE 3

General Principles

This Agreement shall be practiced within the principle of reciprocity of advantages for the equal benefit of the Contracting Parties, considering the economic development level, the course of foreign trade and tariff policies of the Contracting Parties.

ARTICLE 4

Trade Relations Governed by Other Agreements

Nothing in this Agreement shall preclude the maintenance or establishment of customs unions, free trade areas, preferential trade agreements, multinational trade agreements or trans-border trade regulations by the Contracting Parties with third parties.

ARTICLE 5
Scope and Coverage

The provisions of this Agreement shall apply to the trade in goods originating in the territories of the Contracting Parties that are specified in Annex I- A and Annex I-B of this Agreement.

ARTICLE 6
Preferential Trade Arrangement

1. The Contracting Parties hereby establish a Preferential Trade Arrangement through this Agreement, in accordance with the provisions of Annex I-A, Annex I-B and Annex II.

2. In the implementation of this Agreement, the Contracting Parties shall pay due regard to the principle of reciprocity.

3. The Contracting Parties shall work together to minimize non-tariff barriers and measures by mutual recognition of standards and easing procedural requirements for goods specified in Annex I-A and Annex I-B of this Agreement, to provide greater market access to each other.

4. From the date of entry into force of this Agreement no new non-tariff barriers or measures having equivalent effect shall be introduced in trade of goods specified in Annex I-A and Annex I-B of this Agreement between the Contracting Parties.

5. From the date of entry into force of this Agreement, no new tariffs or charges having equivalent effect shall be introduced in trade of goods specified in Annex I-A and Annex I-B of this Agreement between the Contracting Parties.

6. The Contracting Parties shall consider further liberalization of their bilateral trade through consultations within meetings of the Joint Committee.

ARTICLE 7
Rules of Origin

The Contracting Parties agreed to apply the Rules of Origin in bilateral trade of goods specified in Annex I-A and Annex I-B of this Agreement.

Goods covered by the provisions of this Agreement shall be eligible for preferential treatment provided that they satisfy the Rules of Origin as set out in Annex II to this Agreement.

In case there is a need to amend the Rules of Origin laid down in Annex II, the Joint Committee shall decide on the amendments according to procedures in Article 15 of this Agreement.

ARTICLE 8
Antidumping and Countervailing Measures

1. In order to counter injury caused by dumping or subsidy, the Contracting Parties shall have the right to take anti-dumping and countervailing measures in accordance with their national legislations.

2. After receipt of a properly documented application made by the domestic industry and before the initiation of an anti-dumping investigation the authorities of the importing Contracting Party shall notify the authorities of exporting Contracting Party in a reasonable time.

3. As soon as an investigation has been initiated the authorities of the importing Contracting Party shall provide the non-confidential text of the written application received to the known exporters and to the authorities of the exporting Contracting Party.

4. Interested parties receiving questionnaires used in investigation shall be given at least 30 days for reply. Due consideration should be given to any request for an extension of the 30 days period and, upon cause shown, such an extension should be granted whenever practicable.

ARTICLE 9
Safeguard Measures

1. Without prejudice to the rights and obligations of the Contracting Parties with regard to safeguard measures imposed in compliance with their national legislations, if, as a result of the elimination of a tariff under this Agreement, originating goods of the Contracting Party are being imported into the territory of the other Contracting Party in such increased quantities, in absolute terms or relative to domestic production, and under such conditions as to cause or threaten to cause serious injury to a domestic industry producing like or directly competitive goods, the importing Contracting Party, in prior consultations with the other Contracting Party in accordance with Article 13 of this Agreement, may adopt safeguard measures.

2. Before applying safeguard measures, the Contracting Party intending to apply such measure shall supply the other Contracting Party with all the relevant information required for a thorough examination of the situation with a view to seeking an acceptable solution to both of the Contracting Parties. In order to find such a solution, the Contracting Parties shall immediately hold consultations. If, as a result of the consultations, the Contracting Parties do not reach an agreement within 30 days, the complaining Contracting Party may apply safeguard measures.

ARTICLE 10
Global Safeguard Measures

None of the provisions in this Agreement prevent both Contracting Parties from taking safeguard measures in accordance with Article XIX of GATT 1994 and the WTO Agreement on Safeguard Measures.

ARTICLE 11
Balance of Payments measures

Where either Contracting Party is in a serious balance of payments difficulties, or under threat thereof, the Contracting Party concerned may, in accordance with the conditions laid down within the Articles VIII and XIV of the Articles of Agreement of International Monetary Fund, adopt restrictive measures, which shall be of limited duration and may not go beyond what is necessary to remedy the balance of payments situation. The Contracting Party concerned shall inform the other Contracting Party forthwith of their introduction and present to the other Contracting Party, as soon as possible a time schedule of their removal.

ARTICLE 12
General Exceptions

Subject to the condition that such measures are not applied in a manner so as to constitute arbitrary or unjustifiable discrimination or a disguised restriction on a trade between the Contracting Parties, nothing in this Agreement shall preclude prohibitions or restrictions on imports, exports or goods in transit justified on grounds of public morality, religious values, national security, the protection of human, animal and plant life and health, the protection of national treasures possessing artistic, historic or archeological value, the protection of exhaustible natural resources and genetic reserves, the regulations concerning gold or silver and the regulations concerning the exports of these products, the price of which are held below the world price as part of a government stabilization plan.

ARTICLE 13
Security Exceptions

Nothing in this Agreement shall prevent a Contracting Party from taking any measures, which it considers necessary for security requirements:

- a. to prevent the disclosure of confidential information contrary to its essential security interests;
- b. for the protection of its essential security interests or for the implementation of international obligations or national policies such as:

- (i) relating to the traffic in arms and ammunition; or
- (ii) relating to the non-proliferation of biological and chemical and nuclear weapons, or other nuclear explosive devices.

ARTICLE 14

Exchange of Information

On the request of the other Contracting Party, each Contracting Party shall provide information and reply to any question from the other Contracting Party within a period of 30 days, relating to an actual or proposed measure that might affect the operation of this Agreement.

Each Contracting Party shall ensure that its laws and regulations relating to any trade matter covered by this Agreement are published or made publicly available.

ARTICLE 15

Joint Committee

1. A Joint Committee, composed of the representatives of each Contracting Party is hereby established. The Joint Committee shall meet once a year to review the progress achieved in the implementation of this Agreement. Any Contracting Party may also request holding an extraordinary meeting by notifying the other Contracting Party.

2. The Joint Committee shall undertake any function assigned to it under the provisions of this Agreement. Upon request of a Contracting Party and subject to approval of the other Contracting Party, the Joint Committee shall also examine any other matter affecting the implementation of this Agreement.

3. The Joint Committee may take decisions in the matters related to this Agreement, including decisions on any amendment to this Agreement. The Joint Committee may also make recommendations to matters related to this Agreement.

4. The decisions taken by the Joint Committee on any amendment to this Agreement shall be subject to the completion of the respective internal procedures of the Contracting Parties in accordance with Article 17 and Article 18 of this Agreement.

5. Decisions of the Joint Committee shall be taken by consensus.

The Joint Committee shall set out its rules of procedures during its first meeting.

6. The Joint Committee may also establish any other sub-committees or working groups, as it deems necessary.

ARTICLE 16
Consultations and Dispute Settlement

1. Each Contracting Party shall accord sympathetic consideration and shall afford adequate opportunity for consultations with respect to any matter affecting the operation of this Agreement.

2. Any disputes arising from the interpretation and or application of the Agreement shall first be settled amicably through bilateral consultations by the Joint Committee.

ARTICLE 17
Amendments and Review

1. The Contracting Parties may amend, develop and add the provisions to this Agreement through mutual consent, taking into account the experience gained in its application. Therefore, either Contracting Party may put forward suggestions for the purpose of promoting further liberalization of bilateral trade.

2. By mutual consent of Contracting Parties, this Agreement may be amended and supplemented by separate protocols, which shall be its integral part and come into force in the manner provided for in Article 15 of this Agreement.

ARTICLE 18
Duration, Termination and Entry into force

1. The Contracting Parties shall notify each other in writing of completion of their internal legal procedures necessary for the entry into force of this Agreement. This Agreement shall enter into force thirty (30) days after the date of receipt of the later notification.

2. This Agreement shall remain in force for the period of five (5) years, either Contracting Party may give notice of termination of this Agreement not less than one year before it is due to expire.

3. Failing such notice this Agreement shall be automatically extended for further periods of five (5) years unless either Contracting Party notifies the other Contracting Party in writing six (6) months in advance of its intention to terminate this Agreement.

Done at Islamabad on 3 March 2022 in two originals, each in Uzbek and English languages, all texts being equally authentic.

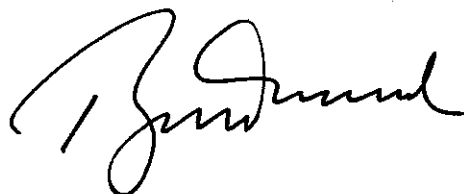
In case of differences of interpretation of the provisions of this Agreement, the English texts shall prevail.

**For the Government
of the Republic of Uzbekistan**



**Sardor Umurzakov
Deputy Prime-Minister,
Minister of Investments
and Foreign Trade**

**For the Government of the
Islamic Republic of Pakistan**



**Abdul Razak Dawood
Adviser to the Prime Minister
on Commerce and Investment**