

PROTOCOL

on financial cooperation between the European Economic Community and the Republic of Slovenia

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

of the one part, and

THE REPUBLIC OF SLOVENIA,

of the other part,

REAFFIRMING their resolve to establish ties of cooperation which will contribute to the economic development of Slovenia and promote the strengthening of relations between the Community and Slovenia;

ANXIOUS to develop to this end the financial cooperation provided for in the cooperation agreement between the European Economic Community and the Republic of Slovenia;

HAVE DECIDED to conclude this Protocol and to this end have designated as their plenipotentiaries:

THE COUNCIL OF THE EUROPEAN COMMUNITIES:

Niels HELVEG PETERSEN,
Minister for Foreign Affairs of the Kingdom of Denmark,
President-in-Office of the Council of the European Communities,

Sir Leon BRITTAN,
Member of the Commission of the European Communities,

THE REPUBLIC OF SLOVENIA:

Janez DRNOVSEK,
Head of the Government,

Lojze PETERLE,
Minister for Foreign Affairs,

WHO, having exchanged their full powers, found in good and due form,

HAVE AGREED AS FOLLOWS:

Article 1

Within the framework of the financial cooperation provided for in the Cooperation Agreement between the European Economic Community and the Republic of Slovenia, the Community shall participate, in accordance with the conditions specified in this Protocol, in the financing of projects designed to contribute to the economic development of Slovenia and in particular projects of common interest to the Community and Slovenia.

Article 2

For the purposes specified in Article 1, the Community shall ask the European Investment Bank, hereinafter called 'the Bank', to make available to Slovenia a total of ECU 150 million. This amount may be committed, up to 31 December 1997, in the form of loans from the Bank's own resources according to the rules, conditions and procedures laid down in its statute.

These funds may be combined with resources from the Community budget on the conditions laid down in the Annex.

Article 3

1. The total amount provided for in Article 2 shall be used to part-finance specific capital projects submitted to the Bank with the agreement of Slovenia by public or private bodies or enterprises having their head office in Slovenia or by any other Slovenian institution.

2. As far as possible and as a first priority, the loans referred to in Article 2 shall be used to finance transport infrastructure projects.

3. (a) Projects shall be appraised for eligibility and loans made in accordance with the detailed rules, conditions and procedures laid down by the Bank's statute.

- (b) Loans shall be subject to terms as to their duration established on the basis of the economic and financial characteristics of the projects for which these loans are intended, also taking into account the conditions obtaining on the capital markets on which the Bank obtains its resources.
- (c) The interest rate for each loan contract shall be determined in accordance with the Bank's practice at the time of signing, subject to the provisions laid down in the Annex.

Article 4

1. The amounts to be committed each year shall be distributed as evenly as possible throughout the period of application of this Protocol. During the initial period, however, a proportionately higher amount may, within reasonable limits, be committed.
2. Any funds not committed by the end of the period referred to in Article 2 may be used until exhausted. In that event, the funds shall be used under the same conditions as provided for in this Protocol.

Article 5

Loans made by the Bank for the execution of projects may take the form of co-financing in which notably participants would be Slovenian banks, credit institutions of Slovenia, the Member States or third countries, or international financial institutions.

Article 6

Enterprises registered under Slovenia law, with or without foreign holdings, shall have access to the financing provided for under financial cooperation on equal terms.

Article 7

The execution, management and maintenance of projects financed under financial cooperation between the Community and Slovenia shall be the responsibility of the beneficiaries referred to in Article 3 (1).

The Bank shall ensure that its loans are used in accordance with the agreed allocations and under optimum economic conditions.

Article 8

All natural and legal persons coming within the scope of the Treaty establishing the European Economic Community and all natural and legal persons of the Republic of Slovenia may participate on equal terms in tendering procedures and other procedures for the award of contracts which may be financed. Such legal persons, formed in accordance with the law of a Member State of the Community or of Slovenia must have their registered offices, their administrative head offices or their principal establishments in the territories in which the Treaty establishing the European Economic Community is applied or in Slovenia; however, where only their registered offices are in those territories or in Slovenia, the activities of such legal persons must be effectively and continuously linked with the economies of those territories or of Slovenia.

Article 9

Slovenia shall apply to contracts awarded for the execution of projects financed under financial cooperation, fiscal and customs arrangements at least as favourable as those applied to most favoured nations and most favoured international organizations in the field of development.

Article 10

Slovenia shall take the necessary measures to ensure that interest and all other payments due to the Bank in respect of loans granted under financial cooperation are exempt from any taxes or levies imposed by the national or local authorities.

Article 11

The provision of a guarantee by Slovenia, or other sufficient guarantees, shall be required by the Bank as a condition for granting loans to beneficiaries other than Slovenia.

Article 12

Throughout the duration of the loans granted under this Protocol, Slovenia shall undertake to make available to debtors holding such loans and to guarantors of such loans the foreign exchange necessary for the payment of interest, commission and other charges and repayment of the principal.

Article 13

The results of financial cooperation may be examined by the Cooperation Council.

Article 14

One year before the expiry of this Protocol the Contracting Parties shall examine what arrangements could be made for financial cooperation during a possible further period.

Article 15

1. The Annex shall form an integral part of this Protocol.

2. This Protocol shall form an integral part of the Cooperation Agreement between the European Economic Community and the Republic of Slovenia signed in Luxembourg on 5 April 1993.

Article 16

1. This Protocol shall be subject to approval in accordance with the Contracting Parties' own procedures; the Contracting Parties shall notify each other that the procedures necessary to this end have been completed.

2. This Protocol shall enter into force on the first day of the second month following the date on which the notification referred to in paragraph 1 has been given.

Article 17

This Protocol is drawn up in two original copies in the Danish, Dutch, English, French, German, Greek, Italian, Portuguese, Spanish and Slovenian languages, each of these texts being equally authentic.

V dokaz tega so pooblaščenci podpisali ta protokol.

En fe de lo cual, los plenipotenciarios abajo firmantes suscriben el presente Protocolo.

Til bekræftelse heraf har undertegnede befuldmægtigede underskrevet denne protokol.

Zu Urkund dessen haben die unterzeichneten Bevollmächtigten ihre Unterschriften unter dieses Protokoll gesetzt.

Εἰς πίστωση τῶν ἀνωτέρω, οἱ υπογεγραμμένοι πληρεξούσιοι ἔθεσαν τῆς υπογραφῆς τοὺς στο παρὸν πρωτόκολλο.

In witness whereof the undersigned Plenipotentiaries have signed this Protocol.

En foi de quoi, les plénipotentiaires soussignés ont apposé leurs signatures au bas du présent protocole.

In fede di che, i plenipotenziari sottoscritti hanno apposto le loro firme in calce al presente protocollo.

Ten blijke waarvan de ondergetekende gevolmachtigden hun handtekening onder dit Protocol hebben gesteld.

Em fé do que, os plenipotenciários abaixo assinados apuseram as suas assinaturas no final da presente Protocolo.

V Luksemburgu, petega aprila tisočdevetstotriindevetdeset.

Hecho en Luxemburgo, el cinco de abril de mil novecientos noventa y tres.

Udfærdiget i Luxembourg, den femte april nitten hundrede og treoghalvfems.

Geschehen zu Luxemburg am fünften April neunzehnhundertdreißundneunzig.

Έγινε Λουξεμβούργο, στις πέντε Απριλίου χίλια εννιακόσια εννενήντα τρία.

Done at Luxembourg on the fifth day of April in the year one thousand nine hundred and ninety-three.

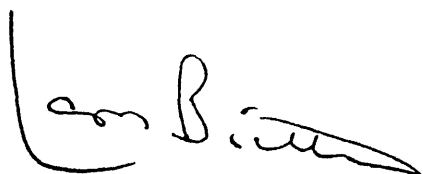
Fait à Luxembourg, le cinq avril mil neuf cent quatre-vingt-treize.

Fatto a Lussemburgo, addì cinque aprile millenovecentonovantatré.

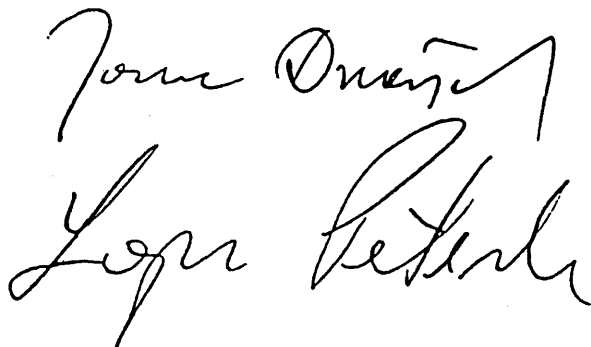

Gedaan te Luxemburg, de vijfde april negentienhonderd drieënnegentig.

Feito em Luxemburgo, em cinco de Abril de mil novecentos e noventa e três.

Por el Consejo de las Comunidades Europeas
For Rådet for De Europæiske Fællesskaber
Für den Rat der Europäischen Gemeinschaften
Για το Συμβούλιο των Ευρωπαϊκών Κοινοτήτων
For the Council of the European Communities
Pour le Conseil des Communautés européennes
Per il Consiglio delle Comunità europee
Voor de Raad van de Europese Gemeenschappen
Pelo Conselho das Comunidades Europeias
Za Svet Evropskih skupnosti



Por la República de Eslovenia
For Republikken Slovenien
Für die Republik Slowenien
Για τη Δημοκρατία της Σλοβενίας
For the Republic of Slovenia
Pour la République de Slovénie
Per la Repubblica di Slovenia
Voor de Republiek Slovenië
Pela República da Eslovénia
Za Republiko Slovenijo

ANNEX

concerning Article 2

1. The Community may, subject to the conditions set out below, commit ECU 20 million from its budgetary resources in the form of grants for the purpose of providing a two-point interest-rate subsidy on the Bank loans for the following transport infrastructure projects:

— roads:

- Karawanken tunnel (Austrian border) to Bregana via Ljubljana and Novo Mesto,
- South-West/North-East route from the Italian border to Sentilj (Austrian border) via Postojna, Ljubljana, Celje and Maribor, and to Lendava (Hungarian border) via Slovenska Bistrica, Ptuj, Ormoz and Ljutmer,
- Maribor to Ptuj and Macelj;

— rail:

- Jesenice (Austrian border) to Dobova, with a branch line to Sezana (Italian border),
- Ljubljana to Maribor via Zidani Most and Celje.

Slovenia notes that Bank loans used to finance transport infrastructure projects other than those listed above will not be subsidized.

2. These grants, and hence interest-rate subsidies, shall be subject to the conclusion of a mutually satisfactory agreement between the Community and Slovenia on the transport sector; such grants are of an exceptional nature and shall not set a precedent for financial cooperation between the Community and Slovenia.
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JOINT DECLARATION CONCERNING ARTICLE 4 OF THE FINANCIAL PROTOCOL

It is understood that the application of Article 4 is dependent upon the submission to the Bank by Slovenia of mutually acceptable projects.

DECLARATION BY THE COMMUNITY CONCERNING ARTICLE 8 OF THE FINANCIAL PROTOCOL

The provisions of the Financial Protocol are without prejudice to the general question of the origin of goods and services eligible for financing by the Bank from its own resources and do not, in this connection, affect the exercise by the Bank's bodies of their powers under the statute of the Bank.
