

FINAL ACT

The plenipotentiaries of:

THE KINGDOM OF BELGIUM,

THE KINGDOM OF DENMARK,

THE FEDERAL REPUBLIC OF GERMANY,

THE HELLENIC REPUBLIC,

THE KINGDOM OF SPAIN,

THE FRENCH REPUBLIC,

IRELAND,

THE ITALIAN REPUBLIC,

THE GRAND DUCHY OF LUXEMBOURG,

THE KINGDOM OF THE NETHERLANDS,

THE REPUBLIC OF AUSTRIA,

THE PORTUGUESE REPUBLIC,

THE REPUBLIC OF FINLAND,

THE KINGDOM OF SWEDEN,

THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND,

Contracting Parties to the Treaty establishing the European Community, the Treaty establishing the European Coal and Steel Community, the Treaty establishing the European Atomic Energy Community, and the Treaty on European Union,

hereinafter referred to as „the Member States”, and of

the EUROPEAN COMMUNITY, the EUROPEAN COAL AND STEEL COMMUNITY and the EUROPEAN ATOMIC ENERGY COMMUNITY,

hereinafter referred to as „the Community”,

of the one part, and

the plenipotentiary of the REPUBLIC OF CROATIA,

of the other part,

meeting in Luxembourg on the 29 October in the year two thousand and one for the signature of the Stabilisation and Association Agreement between the European Communities and their Member States, of the one part, and the Republic of Croatia of the other part, hereinafter referred to as „the Agreement”;

have adopted the following texts:

the Agreement, its Annexes I - VIII, namely:

Annex I: Croatian Tariff concession for Community industrial products referred to in Article 18(2)

Annex II: Croatian Tariff concession for Community industrial products referred to in Article 18(3)

Annex III: Definition of „Baby beef” products referred to in Article 27(2)

- Annex IV (a): Croatian Tariff concession for agricultural products (duty-free for unlimited quantities at the date of entering into force of the Agreement) referred to in Article 27(3)(a)(i)
- Annex IV (b): Croatian Tariff concession for agricultural products (duty-free within quota at the entering into force of the Agreement) referred to in Article 27(3)(a)(ii)
- Annex IV (c): Croatian Tariff concession for agricultural products (duty-free for unlimited quantities one year after entering into force of the Agreement) referred to in Article 27(3)(b)(i)
- Annex IV (d): Croatian Tariff concession for agricultural products (progressive elimination of MFN duties within tariff quotas) referred to in Article 27(3)(c)(i)
- Annex IV (e): Croatian Tariff concession for agricultural products (progressive reduction of MFN duties for unlimited quantities) referred to in Article 27(3)(c)(ii)
- Annex IV (f): Croatian Tariff concession for agricultural products (progressive reduction of MFN duties within quotas) referred to in Article 27(3)(c)(iii)
- Annex V (a): Products referred to in Article 28(1)
- Annex V (b): Products referred to in Article 28(2)
- Annex VI: Establishment: „Financial services” referred to in Article 50
- Annex VII: Acquisition of real property by EU nationals — List of exceptions referred to in Article 60(2)
- Annex VIII: Intellectual, Industrial and Commercial property rights referred to in Article 71

and the following Protocols:

Protocol 1 on textile and clothing products

Protocol 2 on steel products

Protocol 3 on trade between the Community and Croatia in processed agricultural products

Protocol 4 concerning the definition of the concept of „originating products” and methods of administrative cooperation

Protocol 5 on mutual administrative assistance in customs matters

Protocol 6 on land transport

The plenipotentiaries of the Member States and of the Community and the plenipotentiary of the Republic of Croatia have also adopted the following declarations listed below and annexed to this Final Act:

Joint Declaration concerning Articles 21 and 29 of the Agreement

Joint Declaration concerning Article 41 of the Agreement

Joint Declaration concerning Article 45 of the Agreement

Joint Declaration concerning Article 46 of the Agreement

Joint Declaration concerning Article 58 of the Agreement

Joint Declaration concerning Article 60 of the Agreement

Joint Declaration concerning Article 71 of the Agreement

Joint Declaration concerning Article 120 of the Agreement

Joint Declaration concerning the Principality of Andorra

Joint Declaration concerning the Republic of San Marino

The plenipotentiary of the Republic of Croatia has taken note of the Unilateral declaration by the Community and its Member States, annexed to this Final Act:

Done at Luxembourg, 29 October 2001.

JOINT DECLARATIONS

Joint Declaration on Articles 21 and 29

The Parties declare that in the implementation of Articles 21 and 29 they will examine, in the Stabilisation and Association Council, the impact of any preferential agreements negotiated by Croatia with third countries (excluding the countries covered by the EU Stabilisation and Association Process and other adjacent countries which are not EU members). This examination will allow for an adjustment of Croatian concessions to the European Community if Croatia were to offer significantly better concessions to these countries.

Joint Declaration concerning Article 41

1. The Community declares its readiness to examine, within the Stabilisation and Association Council, the issue of Croatia's participation in diagonal cumulation of rules of origin once economic and commercial as well as other relevant conditions for granting diagonal cumulation have been established.
2. With this in mind, Croatia declares its readiness to enter into negotiations as soon as possible in order to start economic and trade cooperation with a view to establishing free trade areas with, in particular, the other countries covered by the European Union's Stabilisation and Association Process.

Joint Declaration concerning Article 45

It is understood that the notion „children” is defined in accordance with national legislation of the host country concerned.

Joint Declaration concerning Article 46

It is understood that the notion „members of their family” is defined in accordance with national legislation of the host country concerned.

Joint Declaration concerning Article 58

The Parties express their interest in opening, as soon as possible, discussions on future cooperation in the field of air transport.

Joint Declaration concerning Article 60

The Parties agree that the provisions laid down in Article 60 shall not be construed to prevent proportionate, non-discriminatory restrictions to the acquisition of real estate based on general interest, nor otherwise affect the Parties' rules governing the system of property ownership, except as specifically laid down therein.

It is understood that the acquisition of real estate by Croatian nationals is allowed in the Member States of the European Union in accordance with the applicable Community law, subject to specific exceptions permitted thereby and applied in conformity with the applicable national legislations of the Member States of the European Union.

Joint Declaration concerning Article 71

The Parties agree that for the purpose of this Agreement, intellectual, industrial and commercial property includes in particular copyright, including the copyright in computer programmes, and neighbouring rights, the rights relating to databases, patents, industrial designs, trademarks and service marks, topographies of integrated circuits geographical indications, including appellation of origins, as well as protection against unfair competition as referred to in Article 10a of the Paris Convention for the Protection of Industrial Property and protection of undisclosed information on know-how.

Joint Declaration concerning Article 120

- (a) For the purposes of the interpretation and practical application of the Agreement, the Parties agree that the cases of special urgency referred to in Article 120 of the Agreement mean cases of material breach of the Agreement by one of the two Parties. A material breach of the Agreement consists in
- repudiation of the Agreement not sanctioned by the general rules of international law
 - violation of the essential elements of the Agreement set out in Article 2
- (b) The parties agree that the „appropriate measures” referred to in Article 120 are measures taken in accordance with international law. If a Party takes a measure in a case of special urgency pursuant to Article 120, the other Party may avail itself of the dispute settlement procedure.

DECLARATIONS CONCERNING PROTOCOL 4

Joint Declaration concerning the Principality of Andorra

1. Products originating in the Principality of Andorra falling within Chapters 25 to 97 of the Harmonised System shall be accepted by Croatia as originating in the Community within the meaning of this Agreement.
2. Protocol 4 shall apply mutatis mutandis for the purpose of defining the originating status of the above-mentioned products.

Joint Declaration concerning the Republic of San Marino

1. Products originating in the Republic of San Marino shall be accepted by Croatia as originating in the Community within the meaning of this Agreement.
2. Protocol 4 shall apply mutatis mutandis for the purpose of defining the originating status of the above-mentioned products.

UNILATERAL DECLARATION**DECLARATION BY THE COMMUNITY AND ITS MEMBER STATES**

Considering that exceptional trade measures are granted by the European Community to countries participating or linked to the EU Stabilisation and Association Process including Croatia on the basis of Council Regulation (EC) No 2007/2000, the European Community and its Member States declare:

- that, pursuant to Article 30 of this Agreement, those of the unilateral autonomous trade measures which are more favourable shall apply in addition to the contractual trade concessions offered by the Community in this Agreement as long as Regulation (EC) No 2007/2000 applies;
 - that, in particular, for the products covered by Chapters 7 and 8 of the Combined Nomenclature, for which the Common Customs Tariff provides for the application of ad valorem customs duties and a specific customs duty, the reduction shall apply also to the specific customs duty in derogation from the relevant provision of Article 27(1).
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