

Agreement
between the Government of the Slovak Republic and the Government of the Republic of
Cuba for Consolidation of Economic Relations

The Government of the Slovak Republic and the Government of the Republic of Cuba (hereinafter referred to as the "Parties");

Noting the mutual desire to strengthen the traditional ties of friendship existing between the two countries;

Recognizing the advantages to be derived by their peoples and companies in promoting and developing investments and infrastructure in the territory of the Republic of Cuba, as well as scientific and technological cooperation within the limits of their capacities;

Have agreed as follows:

Article 1
Definitions

For the purposes of this Agreement:

- 1) The term "enterprise" means any for profit entity constituted or organized under applicable law of the Parties, whether privately or governmentally owned or controlled, including a corporation, partnership, sole proprietorship, association, company including joint venture, or similar organization; and a branch or representative office of any such entity.
- 2) The term "financial institution" means a Bank or Financial Institution owned 100% by the Slovak Republic designed by the Government of the Slovak Republic and a bank or a financial institution owned 100% by the Republic of Cuba designed by the Republic of Cuba.
- 3) The term "treatment of the debt" means the agreement of the Parties regarding a new way to organize the schedule of the due payments as a result of a mutual and simultaneous replacement of the original debtor and original creditor by the Parties and relating assignments of rights and obligations from existing credit contract or any other loan contract or insurance arrangement of the financial Institutions, in such a way not to severely burden the Parties. The Parties shall take into account the extraordinary circumstances which caused a late payment of previously agreed obligations arising out from ongoing projects of the Slovak investors supported by the financial institutions of the Slovak Republic.
- 4) The term "delayed payment" means payments not fulfilled previously within periods agreed in respective credit contract or any other loan contract or insurance arrangement of the financial Institutions. In no case a delayed payment shall be a cause for non-payment or default and in no case it shall exceed 180 days.

Article 2

Existing obligations

- 1) The Parties undertake to facilitate treatment of the debt, where appropriate in relation to delayed-payment of assigned debt of the Republic of Cuba arising out of credit export or insurance export arrangements of the financial institutions in accordance with this Agreement and their national laws and regulations; such treatment of the debt shall be made only under conditions stipulated in Article 3 paragraph e). In such an event, the claim of the Slovak Republic shall be considered to be a government credit in favor of the Republic of Cuba and both Parties shall apply the terms and conditions under Article 3 accordingly.
- 2) Financial institutions to credit export or insurance export arrangements may wish to assign rights and obligations arising out of these arrangements to the respective governments in accordance with their national laws and regulations. In such an event, both Parties may agree to enter into negotiations with the respective financial institutions relating to the delayed payment arising out of credit export or insurance export arrangements.
- 3) In case of the treatment of the debt, its terms and conditions will be no less favorable than the previously agreed in credit contract or any other loan contract or insurance arrangement of the financial Institutions and shall not impair in no way completion of the projects of the Slovak investors.

Article 3

Provision of government credits

The Parties may agree that the Slovak Republic will make available government credit for the purposes of the development of the economy of the Republic of Cuba. Provision of any government credit shall be fully governed by the provision of this Agreement with the following terms:

- a) A government credit shall be utilized by the Government the Republic of Cuba for the purposes of investment projects or eligible sectors for mutual trade cooperation and economic development of the Republic of Cuba as indicated in the Annex to this document. The proportion of the utilization of the supplement credits for the projects listed in the Annex and other sectors will be at the option of the Government of the Republic of Cuba.
- b) For goods and services of the enterprises to be delivered within the scope of this Agreement, further details of provision and repayment of government credits and the possibility of utilizing delivery terms shall be agreed in a form of Supplement Agreement to this Agreement which shall form an integral part of this Agreement.
- c) A government credit shall bear the interest of a per cent annually from the date of the drawing of the credit. The applicable rate will be mutually agreed between the Parties.

- d) The amount of the interest shall be computed on the amounts drawn under a Supplement Agreement and shall be passed to the debit of the respective credit account established under this Agreement always as of June 30th and December 31st each year.
- e) Recovery of a government credit provided by the Government of Slovak Republic may be effected on the basis of its repayment, barter deals, contracts for deliveries of goods and services or investment projects sectors listed in the Annex concluded between the Slovak enterprises and enterprises as beneficiaries of the credit or other legal entities entitled under laws and regulations of the Republic of Cuba to carry out foreign trade.
- f) The Republic of Cuba and the Slovak Republic shall facilitate granting of respective export and import licenses, if such licenses have been or may hereafter be required under the laws and regulations of the respective State.
- g) Government agencies and designated entities of both Parties may conclude, when necessary, under this Agreement implementing arrangements in specific areas of science, technology, equipment, material or industry. These implementing arrangements shall cover, as appropriate, topics of cooperation, procedures for transfer and use of equipment, protection of intellectual rights and other relevant issues in order to facilitate completion of a projects approved within treatment of the debt.
- h) Each Party shall observe any obligation it has assumed with regard to investments agreed in Supplement Agreement to this Agreement in accordance with the Agreement between the Government of the Slovak Republic and the Government of the Republic of Cuba for the Promotion and Reciprocal Protection of Investments signed on March 22nd, 1997 in Havana.

Article 4

Payments

- 1) A financial institution empowered by the Parties shall establish without undue delay by mutual agreement the necessary technical arrangements and procedures for effecting payments and accounting under this Agreement.
- 2) All current payments between designed financial institutions of both Parties shall be effected in conformity with the provisions of this Agreement and government credit facilities and shall be subject to the respective laws and regulations of the respective Party.
- 3) A financial institution managing government credits as empowered agent of the Government of the Slovak Republic and a financial institution acting for the purposes of this Agreement as the agent of the Republic of Cuba shall mutually open on their books an account in EUR.
- 4) This account shall be a non-interest bearing account and both agents shall abstain from charging each other any expenses and/or fees incurred in connection with handling of these accounts.

Article 5

Coordination

To ensure the implementation of this Agreement and consequent respective Supplement Agreements and to deliberate on principal issues concerning the mutual economic relations, including exchange of information on new projects or on the progress of projects and activities of common interest, representatives of both Parties shall meet in Havana or Bratislava on an alternate basis at the request of either Party. Such meetings shall be held not later than sixty (60) days after a request has been made by either Party.

Article 6

Settlement of disputes

- 1) In the event that a dispute arises between the Parties with regard to the interpretation or application of the provisions of this Agreement, the Parties shall resolve them by means of negotiations and consultations through diplomatic channels.
- 2) If any such dispute cannot be settled in a diplomatic way within six (6) months from the date on which the dispute has been notified by either Party, it shall, upon the request of either Party, be submitted to arbitration. The Arbitration Tribunal (hereinafter called "the Tribunal") shall consist of three arbitrators, one appointed by each Party and the third, who shall be the Chairman of the Tribunal, appointed by agreement of the Parties.
- 3) Within two (2) months of receipt of the request for arbitration, each Party shall appoint one arbitrator, and within two (2) months of such appointment of the two arbitrators, the Parties shall appoint the third arbitrator.
- 4) If the Tribunal shall not have been constituted within four (4) months of receipt of the request for arbitration, either Party may, in the absence of any other agreement, invite the President of the International Court of Justice to appoint the arbitrator or arbitrators not yet appointed. If the President is a national of either Party or if he is unable to do so, the Vice-President may be invited to do so, the Member of the International Court of Justice next in seniority who is not a national of either Party may be invited to make the necessary appointments, and so on.
- 5) The Tribunal shall reach its decision by the majority of its votes.
- 6) The Tribunal's decision shall be final and the Parties shall abide by and comply with the terms of its award costs.
- 7) Apart from the above the Tribunal shall establish its own rules of procedure.

Article 7

Final provisions

- 1) This Agreement shall be provisionally exercised from the date of its signature. This Agreement shall enter into force on the first day of the second month following the date

of receipt of the last written notification by which the Parties notify by diplomatic means that the national legal conditions necessary for its entry into force have been met. It shall remain in force for three (3) years and may be extended for further three (3) year periods by written amendment to this Agreement.

- 2) This Agreement may be terminated at any time by either Party upon six (6) months' written notice to the other Party.
- 3) Unless otherwise agreed by the Parties, termination of this Agreement shall not affect the implementation of any cooperative activity carried out under this Agreement and not completed upon termination of this Agreement.
- 4) This Agreement may be amended at any time by mutual agreement of the Parties. Such amendments shall enter into force in accordance with the procedure described in paragraph 1 of this Article.

IN WITNESS WHEREOF the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

Signed on in in two copies and in English, Slovak and Spanish language. In case of divergence the English text shall prevail over the other texts.

**On behalf of
the Government
of the Slovak Republic**

**On behalf of
the Government
of Republic of Cuba**

Indicative List of Sectors, Industrial Plants, Infrastructure and Investment Equipment and Facilities

The principal objective of this list are to provide opportunities to collaborate on investment and technological endeavors of mutual interest, on improvement of public sector and to exchange ideas, information, skills, and techniques in areas, including but not limited to:

- 1) Energy;
- 2) Biofuel;
- 3) Communication and Transport (automotive sectors, public infrastructure);
- 4) Information and communication technologies;
- 5) Pharmaceutical industry and biotechnology;
- 6) Environmental and biodiversity protection;
- 7) Science, technology and engineering for suitable development;
- 8) Agriculture, food, and nutrition;
- 9) Meteorology and severe weather forecasting.