EC/Lao agreement: cooperation agreement

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OBJECTIVE: conclusion of a cooperation agreement between the Community and the Lao People's Democratic Republic. SUBSTANCE: the agreement, initialled by the Community and the Lao People's Democratic Republic on 8 November 1996, is based on respect for human rights and democratic principles. It is the first framework cooperation agreement concluded with this country, expressing the common interest of the parties in economic cooperation, the establishment of sustainable trading relations and development cooperation in the broadest sense. The aims of cooperation cover the following points: - strengthening and diversifying economic and trade relations by the reciprocal application of the most-favoured-nation clause for trade in goods (save as regards advantages accorded within the context of customs unions or free trade areas, trade arrangements with neighbouring countries or obligations under international agreements), - stepping up of development cooperation, - optimizing rural development and improving the urban environment, - strengthening methods for sustainable management of forests. The measures to be undertaken to achieve these objectives for the benefit of the poorest sections of the population will be based on respect for human rights and democratic principles and will assist in achieving sustainable development. The agreement provides for four main types of cooperation: - trade cooperation (development and diversification of trade, elimination of barriers to trade, in particular non-tariff barriers); - development cooperation (including: action to combat poverty, local development and job creation, measures to combat AIDS, development of education, action against drug addiction, protection of the poorest sectors of the population, mine clearance, etc.); - economic cooperation (including: development of the economic environment, contacts between the economic operators of both parties, reinforcement of investment and the transfer of technologies, encouragement of international standards with regard to trade, development of a favourable business climate); - other forms of cooperation: environment (development of legislation helpful to sustainable development, development of non-polluting energy sources, etc.) agricultural cooperation (in particular diversification of agricultural exports from this country), energy, regional cooperation (promotion of intra-regional trade) science and technology (implementation of regional research projects at Europe-South-East Asia level), chemical drug precursors (promotion of different crops), money laundering, development of transport and telecommunications infrastructures, information, communication and culture (including cooperation in the field of the media, exchanges to improve cultural understanding, conservation of the cultural heritage). - with regard to institutional aspects, the agreement establishes a joint committee composed of representatives of sufficient seniority of both parties, which is to meet every other year to establish priorities for the agreement and to monitor its implementation. - the agreement has a future developments clause. TERM OF THE AGREEMENT: an initial term of five years is provided for, renewed by tacit consent.