

**TRADE AGREEMENT
BETWEEN THE GOVERNMENT OF THE LAO PEOPLE'S DEMOCRATIC
REPUBLIC
AND
THE GOVERNMENT OF THE STATE OF KUWAIT**

The Government of the Lao People's Democratic Republic and the Government of the State of Kuwait hereafter referred to as the "Contracting Parties".

Desirous to develop trade relations between the two countries, on basis of equality and mutual benefits.

Convinced of the need to develop and expand the exchange of goods and services,

Have agreed on the following:

Article 1

The Contracting Parties take all necessary measures to enlarge and diversify exchange of goods and services between the two countries.

Article 2

The Contracting Parties shall grant each other the most-favoured-nation treatment with respect to customs duties and other charges in connection with the imports and exports of goods between the Contracting Parties, in accordance with the laws and regulations in practice in the Contracting Parties.

The provisions of this Article shall not apply to any existing or future privileges and advantages granted to third countries within the framework of free trade areas, customs union, other regional agreements and special arrangements on border trade with other countries.

Article 3

The Contracting Parties promote conclusion of commercial contracts between legal and natural persons the Lao People's Democratic Republic and in the State of Kuwait, in accordance with the laws and regulations in practice in the Contracting Parties.

Article 4

The Contracting Parties afford each other necessary facilities to participate in/ or organize trade fairs and international markets in accordance with the laws and regulations in practice in the Contracting Parties.

Article 5

The Contracting Parties shall encourage the exchange of commercial missions between the two countries, in accordance with the laws and regulations in practice in the Contracting Parties.

Article 6

The payment to all goods and services done between the two countries in the framework of this agreement should be settled by freely convertible currencies upon agreement of both parties.

Article 7

The Contracting Parties provide the following conveniences according to the laws and regulations in practice in the two countries and by mutual consent:

1. Facilitate movement of goods from the territory of the other contracting.
2. Facilitate movement of goods from the territory of a third country to the territory of a third country territory of the other Contracting Party.

Article 8

The Contracting Parties exempt from custom's duties and taxes according to the laws and regulations in practice in the contracting parties the following goods:

1. Sample or advertisements items having no value as goods and mainly for Materials and equipment with value of goods which are re-exported following goods promotion and commercial order.
2. Material and equipment with value of goods which are re-exported after it were imported for trade fairs and exhibitions.

Article 9

The Contracting Parties establish a Focal Point to:

1. Follow up the implementation of articles of this agreement.
2. Estimate the bilateral trade activities.
3. Discuss propositions forwarded by one of the Contracting Parties for enlargement or diversification of trade between the two countries

The Focal Point shall meet at the request of either Party alternately in Vientiane and Kuwait, or as may be agreed by the Parties.

Article 10

1. This Agreement shall enter into force from the date of the last notification whereby one of the parties informs the other in writing through diplomatic channels that it has satisfied the constitutional procedures required for its entry into force.
2. This Agreement can be amended with the consent of both the parties Amendment will be effective according to the procedures mentioned in the previous paragraph.
3. This Agreement shall remain in force for a period of five years and automatically renewed for same periods, unless either parties notice the other in writing about his intention to terminate this Agreement within six months before the termination of the initial period or any extended period.

Article 11

The rules of this agreement shall continue to be applied to all contracts concluded during its validity but not duly fulfilled at the date of expiry.

Any dispute between the Contracting Parties that may result from the implementation or interpretation of this agreement shall be resolved through consultation and negotiation by diplomatic channels.

Done in Vientiane, on 5th August 2008, in two original copies, in Lao, Arabic and English languages, all texts being equally authentic. In case of any divergence, the English text shall prevail,

FOR THE GOVERNMENT OF
THE LAO PEOPLE'S DEMOCRATIC THE

FOR THE GOVERNMENT OF
THE STATE OF KUWAUT

Pongsavath BOUPHA
Vice-Minister of Foreign Affairs

KHALED SULAIMAN AJARALLAH
Undersecretary of the Ministry of foreign Affairs