AGREEMENT

on Organizational Bases of Socio-Economic Cooperation between the Republic of Moldova and Pridnestrovie

The leadership of the Republic of Moldova and the leadership of Pridnestrovie, hereinafter referred to as the Parties,

Considering the Memorandum on the Bases for Normalization of Relations between the Republic of Moldova and Pridnestrovie, signed between the Republic of Moldova and Pridnestrovie on May 8, 1997, in Moscow, which fixes that the Parties shall build their relations in the framework of a common state within the borders of the Moldovan SSR as of January of the 1990,

Recognizing that the all-round development of cultural and socio-economic cooperation of the Parties is the most important prerequisite for the settlement of relations between them;

Proceeding from the necessity of mutual solution of problems in the process of implementation of economic reforms,

Taking into account that effective use of the existing economic potential of the Parties is only possible on the basis of close production cooperation and mutually beneficial trade and economic interaction between enterprises of the Republic of Moldova and Pridnestrovie,

Have agreed as follows:

Part I - Commission

Article 1

- 1. The Parties form Commissions on socio-economic cooperation between the Republic of Moldova and Pridnestrovie, hereinafter referred to as Commissions.
- 2. Commission of the Republic of Moldova and commission of Pridnestrovie make up Joint Commission of the Parties on Socio-Economic Cooperation between the Republic of Moldova and Pridnestrovie.
- 3. Chairmen of Commissions are appointed in accordance with effective procedures in Moldova and Pridnestrovie. The number of members of Commissions is approved by the Parties.
- 4. Chairmen of the Commissions inform each other about personal composition of their Commissions and modifications that they undergo.

Article 2

Basic tasks of the Joint Commission are the following:

- 1. Working out and discussion of the basic lines of socio-economic cooperation, hereinafter referred to as Cooperation.
- 2. Working out and discussion of mechanisms, forms and methods of implementation in practice of the basic lines of socio-economic cooperation.
- 3. Consideration by the Parties of the problems of fuel-energetic sector, transport, communication and information, financial and credit and other question.
- 4. Preparation and carrying out of joint activities, seminars and meetings connected with evolvement of trade-economic and socio-cultural cooperation.

Article 3

1. Joint Commission conducts its sessions as consistent with the plan of activities and with approval of the Chairmen of Commissions no less than once in three months.

If necessary, the Chairmen of Commissions can agree upon convocation of a special meeting.

- 2. Sessions of the Joint Commission is carried out in Chisinau and Tiraspol by turns. In addition, a session is chaired by a Chairperson of the Commission on which territory the session is carried out.
- 3. Chairpersons of the Commissions agree upon the convocation of the session, agenda, and involvement of advisers and experts in order to prepare necessary materials and draft documents.
- 4. Decisions of the Joint Commission are of recommendation character and are recorded in the Protocol signed by Chairmen of Commissions.

By decision of the leadership of the Republic of Moldova and Pridnestrovie, decisions of the Joint Commission can be mandatory. In this case, leadership of the Republic of Moldova and Pridnestrovie give corresponding instructions.

5. Protocols of the sessions of the Joint Commissions are made in two copies, each in Moldovan and Russian; are kept by the Chairman of Commissions and are liable to be subsequently placed in the archives of the Republic of Moldova and Pridnestrovie.

Article 4

Either Commission appoints responsible official body who shall ensure organization of the work of his/her Commission, prepare materials for a session, coordinate activity of the working organs of Commissions, and maintain contacts with a corresponding official body of another Commission.

Part II - Permanent working groups

Article 5

- 1. With the aim to fulfill its functions, the Joint Commission creates joint permanent working groups, assigns appropriate tasks to them and invests with necessary authorities.
- 2. Working groups are structural organs of the Joint Commission and work under its supervision.
 - 3. Commissions create permanent working groups according to cooperation lines.
- 4. The heads of working groups are assigned in accordance with effective procedures in the Republic Moldova and Pridnestrovie.

Article 6

Basic tasks of the joint working groups are:

- 1. To ensure implementation of decisions of the Joint Commission on Socio-Economic Cooperation between the Republic Moldova and Pridnestrovie.
- 2. To carry out analysis of the situation in various fields of life support of the Republic Moldova and Pridnestrovie.
- 3. To settle within the scope of one's competences pressing issues of economic and socio-cultural cooperation.
 - 4. To prepare proposals and draft documents for sessions of the Joint Commission.

Article 7

1. Working groups conduct their sessions in compliance with the plans of activity approved by the Chairpersons of Commissions no less than once in two months.

If necessary, heads of working groups can settle with each other question of holding an ad hoc meeting.

- 2. Meetings of working groups are held in Chisinau and Tiraspol by turns. In addition, a meeting is chaired by a head of the working group on which territory the meeting is carried out.
- 3. Decisions of working groups are recorded in protocols which are to be signed by the heads of working groups and to be submitted to the Joint Commission for examination.

Article 8

The Parties find it expedient to recommend that the Joint Commission form the following permanent working groups:

1. On forecasting socio-economic development of the Republic of Moldova and

Pridnestrovie.

- 2. On trade-economic and research-technical cooperation in industry and agro-industrial sector.
- 3. On cooperation in the fuel-energy sector and maintenance of reciprocal payments for energy resources.
 - 4. On cooperation in transport sphere.
 - 5. On cooperation in building sector and housing and utilities infrastructure.
- 6. On cooperation in carrying out economic reforms, privatization and administration of state-owned property.
 - 7. On cooperation in the fields of informatics, postal service and communication.
 - 8. On refinement of economic legislation and control over adherence to it.
 - 9. On standards, metrology and technical supervision.
 - 10. On geological prospecting work and mineral resources study.
 - 11. On cooperation in the fiscal-monetary and budget-tax and bank spheres.
 - 12. On cooperation in the field of customs activities.
 - 13. On the use of natural resources and environmental protection.
 - 14. On the use of labour forces and social protection of the population.
 - 15. On statistics and information support.
 - 16. On ensuring the healthcare development.
- 17. On ensuring the development of education, training of scientists and academic and teaching staff.
 - 18. On ensuring culture development.
 - 19. On providing agreed actions in maintaining public order.
 - 20. On coordination of actions in the field of external economic activity.

Article 9

- 1. Expenses connected with sessions of the Joint Commission and working groups are incurred by the Party on which territory sessions are held.
- 2. Costs for travel and services are covered by the Party which delegates its representatives to sessions of the Joint Commission and working groups.

Article 10

The Parties recommend that the Joint Commission and permanent working groups in the process of their activity at their sessions and meetings consider and discuss proposals and wishes received from different state organs, enterprises, institutions, organizations, and citizens.

Article 11

To recommend increasing role of mass media (radio, television and press) in activities on normalization of economic and other relations between the Republic of Moldova and Pridnestrovie. To try and make their programs and publications more benevolent and constructive, pay more attention to general economic problems and integration ties between various branches, enterprises, and organizations.

Article 12

1. This Agreement enters into effect upon signing.

For the Republic of Moldova (signed)

For Pridnestrovie (signed)