PROTOCOL OF THE ROMANIAN - LATVIAN JOINT COMMITTEE ON ROAD TRANSPORT

Bucharest, 3rd - 4th of November, 2004

In accordance with the Agreement between the Government of Romania and the Government of the Republic of Latvia on international road transports, concluded in Riga, on 19 March, 1993, the meeting of the Romanian - Latvian Joint Committee on road transport took place in Bucharest, November, 3rd – 4th, 2004.

The members of the two delegations are presented in the Annexes to the present Protocol.

Both delegations agreed on the following agenda:

- 1. Exchange of statistical data; the development of the road transports tween the two countries;
- 2. Goods transports; establishment of the final quota of permits for 2004 and the preliminary quota for 2005;
- 3. Passenger transport;
- 4. Other matters.
- 1. Exchange of statistical data; the development of the road transports between the two countries

The Romanian side presented statistical data regarding the evolution of the bilateral trade, underlining that the volume of trade knew an encouraging increase, in 2003, reaching the level of the year 1997 (the total volume of the trade amounted to 6.75 LSD).

Starting with 2002, the trade balance became favourable to Romania, so that in 2003 we assisted to a spectacular increase of the economic exchanges between the two countries in comparison with the year 2002.

Under these circumstances, the road transport activity will become more dynamic, leading to the premises that the road transport shall effectively support the economic bilateral exchanges between Romania and Latvia.

According to the Romanian side statistics, concerning the goods transport, in 2003, there were registered entering the Romanian territory 99 vehicles, out of which 29 for bilateral traffic, 12 vehicles for transit traffic and 58 vehicles for third country traffic.

For the first eight months of 2004, the same statistics showed 79 goods transport vehicles entered the Romanian territory.

Speaking about the traffic statistics, the Latvian side stated that a positive trend can be noted in this respect, which is very encouraging.

As far as the passenger transport is concerned, the Latvian side is confident that this kind of transport shall grow in the nearest future, having in mind the interest that Latvia manifests for the tourism.

Both sides agreed to conclude that the bilateral trade shall know an important development, stating the mutual determination to support accordingly this development.

2. Goods transport; establishing of the quota of permits for 2004 and the preliminary quota for 2005

Asking for an explanation from the Latvian side regarding the increase of the third country permits, the Romanian side noted that after the Latvia's integration into EU structures, the Latvian transport operators are forced to perform third country transport because of the lack of goods available for the return trip from Romania. In this context, the Latvian side proposed to change the structure of the present quota of permits into permits valid for bilateral, transit and third country traffic inviversal permits).

the quota but improving the quota of the permits, in order to avoid some possible problems to occur in 2005.

The Romanian side finally agreed to keep the same number of permits valid for bilateral and transit traffic and to increase to 50 the number of permits valid for bilateral, transit and third country traffic.

In the same context, the Romanian side stated that the Romanian ministry of transports has to protect the interests of its own transport operators. Anyway the Romanian side expressed it availability to treat in a positive manner any additional request of permits coming from the Latvian side.

Both sides agreed to establish the final quota for 2004 and the preliminary quota for 2005, as follows:

For the year 2004:

- 200 non-taxable permits valid for bilateral and transit traffic;
- 20 non-taxable permits valid for bilateral, transit and third country traffic;

For the year 2005:

- 200 non-taxable permits valid for bilateral and transit traffic;
- 50 non-taxable permits valid for bilateral, transit and third country traffic (universal permits).

Any additional request of permits applied by one side shall be positively treated by the other side.

The sides agreed to exchange the quota of permits on mutual basis and also on the validity of these permits, i.e. till 31st of January of the next year.

3. Passenger transport

Both sides exchanged views on the prospects of the passenger transport activity between the two countries and stated that both sides will consider in a positive way the future any request on opening regular bus lines with the strict observance of the regulations in force both at national and international level.

They also agreed to solve all the future applications for opening new regular bus

lines by correspondence.

Concerning the occasional passenger services, the Latvian side stated that Latvia is a signatory party of INTERBUS Agreement since 2003 and that it strictly observes the regulations and the documents according to the provisions of the said Agreement.

The Romanian side, at its turn, stated that Romania is also a signatory party and

applies the provisions of INTERBUS Agreement.

The Romanian side informed the Latvian side that in Romania the authority in charge with the application of the INTERBUS Agreement provisions if Romanian Ford Transport Authority. In this respect, the Romanian side handed over the relevant documents with character of specimen (carnet no. 2951, routesheet no. 01 in 2 samples).

4. Other matters

The Romanian side informed the Latvian side on the legislative measures promoted with the view to harmonize the national law to the community one, the harmonization of permissible weights and dimensions, the improvement of weighting procedures in the border crossing points and the compliance of the requests concerning the access to profession and to market, including also the gradual introduction of the financial ceiling of the generalization of the application of the special conditions provided in A.E.T.R. to the national traffic as well, of licensing and control of the road traffic of goods and passengers.

The Romanian side presented, to the Latvian side, the rehabilitation of some sectors of roads, including the taxation system by rovignette, started to be applied in

Romania two years ago.

The Romanian side committed itself to send to the Latvian side the improved

version of the regulations concerning the rovignette taxation system.

The Latvian side made a short presentation of the current situation of the international road transport in Latvia, stating that upon the integration into E.U. the efficiency of this activity increased and the transport itself was more rapid. Although, the situation became tensed as soon as other foreign transport operators got the access to the Latvian market.

In the field of the road passenger transport, inside the EU limits, the procedures are very simple when a new regular bus line is requested to be opened. In this context, if before the Latvia's integration there were 5-6 applications for new regular buss lines, now we are talking about 20 up to 50 such applications for new lines.

The Latvian side proposed to the Romanian side to exchange the permits for the

goods transport by the embassies or by mail.

On this subject, the Romanian side replied that on 15th of November the permits will be prepared to be sent to the foreign partners and agreed to send by DHL the permits for the Latvian side.

The Latvian side brought into attention the issue of the insurance, meaning the "Green Card" for the vehicles, bought in the Republic of Moldavia and found to be

invalid in Romania.

The Romanian side answered that, concerning this specific situation this problem is to be solved in Moldavia and not in Romania, due to the fact that several countries do not use to accept as valid the Green Cards issued in Republic of Moldavia.

The Latvian side informed the Romanian side that regarding the weights and dimensions, in Latvia are the same as in the rest of the EU countries. The Latvian side also informed that there are no taxes to be paid in Latvia for the infrastructure.

The meeting of the Joint Committee took place in an atmosphere of cooperation and mutual understanding.

The Latvian side invited the Romanian side in Latvia for the next reunion of the Joint Committee on road Transport.

Done in Bucharest, on November 4th, 2004, in two original copies, both in the English language.

Head of the Romanian delegation

Lucian SOVA

Head of the Latvian delegation

Jūlijs VAITUŽS