PROTOCOL III
ON TRADE IN SERVICES

SECTION I
GENERAL PROVISIONS

ARTICLE 1
Objective and Scope

1. The Parties, with a view to facilitating their economic integration, sustainable development and continuous integration into the global economy, hereby establish the necessary provisions for the progressive reciprocal liberalisation of trade in services.

2. This Protocol applies to all measures adopted or maintained by the Parties affecting trade in services.

3. Nothing in this Protocol shall be construed to require any Party to privatize public undertakings.

4. The provisions of this Protocol shall not apply to services supplied in the exercise of governmental authority within the respective territories of the Parties.

5. Consistent with the provisions of this Protocol each Party retains the right to exercise its powers and to regulate and introduce new regulations in order to meet legitimate public policy objectives.

6. This Protocol does not apply to:

   (a) laws, regulations or requirements governing the procurement by governmental agencies of services purchased for governmental purposes and not with a view for commercial resale and with a view to use in the supply of services for commercial sale;

   (b) subsidies or grants provided by a Party, including government-supported loans, guarantees and insurance, or any conditions attached to the receipt or continued receipt of such subsidies or grants, whether or not such subsidies or grants are offered exclusively to domestic services, service consumers or service suppliers;

   (c) domestic and international air transport services, whether scheduled or non-scheduled and services directly related to the exercise of traffic rights, other than;

      (i) aircraft repair and maintenance services;

(ii) selling and marketing of air transport services;

(iii) computer reservation system (CRS) services; and

(d) audio-visual services except co-production on films and TV series.

ARTICLE 2
Definitions

For the purpose of this Protocol:

“measure” means any measure by a Party, whether in the form of a law, regulation, rule, procedure, decision, administrative action or any other form;

“measures adopted or maintained by a Party” means measures taken by:

(a) central, regional or local governments and authorities; and

(b) non-governmental bodies in the exercise of powers delegated by central, or local governments or authorities;

“trade in services” is defined as the supply of a service:

(a) from the territory of a Party into the territory of the other Party;

(b) in the territory of a Party to a service consumer of the other Party;

(c) by a service supplier of a Party, through commercial presence in the territory of the other Party; and

(d) by a service supplier of a Party, through presence of natural persons of that Party in the territory of the other Party;

a juridical person is:

(a) "owned" by persons of a Party if more than 50 percent of the equity interest in it is beneficially owned by persons of that Party;

(b) "controlled" by persons of a Party if such persons have the power to name a majority of its directors or otherwise to legally direct its actions;

(c) "affiliated" with another person when it controls, or is controlled by, that other person; or when it and the other person are both controlled by the same person;

“juridical person” means any legal entity duly constituted or otherwise organized in accordance with the applicable laws of a Party, whether for profit or otherwise, whether privately or governmentally owned or controlled, including any corporation, trust, partnership, sole proprietorship, joint venture or business association;

“juridical person of the other Party” means a juridical person which is either:

(a) constituted or otherwise organized under the law of the other Party, and is engaged in substantive business operations in the territory of that Party; or

(b) in the case of the supply of a service through commercial presence, owned or controlled by;

(i) natural persons of that Party; or

(ii) juridical persons of that Party identified under subparagraph (i);

“natural person of a Party” means a natural person that has the nationality of Turkey or Serbia according to their respective domestic legislation;

“services supplied in the exercise of governmental authority” means any service which is supplied neither on a commercial basis, nor in competition with one or more service suppliers;

“service supplier of a Party” means any natural or juridical person of a Party that supplies, or seeks to supply a service;

“supply of a service” includes the production, distribution, marketing, sale and delivery of a service;

“commercial presence” means any type of business or professional establishment, including through

(a) the constitution, acquisition[1] or maintenance of a juridical person, or

(b) the creation or maintenance of a branch or a representative office,

within the territory of a Party for the purpose of supplying a service;

“subsidiary of a juridical person of a Party” means a juridical person which is controlled by another juridical person of that Party, in accordance with its domestic law;

“branch of a juridical person of a Party” means a place of business not having legal personality which has the appearance of permanency, such as the extension of a parent body, has a management and is materially equipped to negotiate business with third parties so that the latter, although knowing that there will if necessary be a legal link with the parent body, the head office of which is abroad, does not have to deal directly with such parent body but may transact business at the place of business constituting the extension;

“representative office” means a separate organizational unit of a company of the other Party conducting preliminary and preparatory operations aimed at concluding legal transaction of the company. Representative office shall not have legal personality and it

[1] The term “acquisition” shall be understood as including capital participation in a juridical person with a view to establishing or maintaining lasting economic links.

cannot generate its own income. A foreign company shall be liable for the obligations towards third parties that may arise in the operations of its representative office;

“aircraft repair and maintenance services” means such activities when undertaken on an aircraft or a part thereof while it is withdrawn from service and do not include so-called line maintenance;

“selling and marketing of air transport services” means opportunities for the air carrier concerned to sell and market freely its air transport services including all aspects of marketing such as market research, advertising and distribution. These activities do not include the pricing of air transport services nor the applicable conditions;

“computer reservation system (CRS) services” means services provided by computerised systems that contain information about air carriers' schedules, availability, fares and fare rules, through which reservations can be made or tickets may be issued.

ARTICLE 3
Most Favoured Nation Treatment

1. Subject to exceptions that may derive from harmonisation of regulations based on agreements concluded by a Party with a third party providing for mutual recognition in accordance with Article VII of the GATS and with respect to any measure covered by this Protocol, each Party shall accord immediately and unconditionally to services and service suppliers of the other Party treatment no less favourable than the treatment that it accords to like services and service suppliers of any third party.

2. This treatment shall not apply to advantages accorded by either Party under the terms of existing or future agreements of the type defined in Article V and Article V bis of the GATS, to measures taken on the basis of such an agreement or to other advantages granted in accordance with the list of most-favoured-nation exemptions annexed by Turkey and Serbia to this Protocol.

3. If, after this Protocol enters into force, a Party enters into an agreement on trade in services with a third party referred to in paragraph 2, or any other agreement on trade in services with a third party, it shall give positive consideration to a request by the other Party to negotiate the incorporation into this Protocol treatment no less favourable than that provided under the agreement with the third party. Any such incorporation should maintain the overall balance of commitments undertaken by each Party under this Protocol. For the purpose of this paragraph, upon a request of a Party, the Parties shall hold consultations in the Joint Committee.

4. The provisions of this Protocol shall not be so construed as to prevent any Party from conferring or according advantages to adjacent countries in order to facilitate exchanges limited to contiguous frontier zones of services that are both locally produced and consumed.

ARTICLE 4
Market Access

1. With respect to market access through the modes of supply identified in Article 2 (Definitions), each Party shall accord to services and service suppliers of the other Party treatment no less favourable than that provided for under the terms, limitations and conditions agreed and specified in its Schedule of Specific Commitments .

2. In sectors where market-access commitments are undertaken, the measures which a Party shall not maintain or adopt either on the basis of a regional subdivision or on the basis of its entire territory, unless otherwise specified in Annex I (Schedules of Specific Commitments), are defined as:

   (a) limitations on the number of service suppliers whether in the form of numerical quotas, monopolies, exclusive service suppliers or the requirements of an economic needs test;

   (b) limitations on the total value of service transactions or assets in the form of numerical quotas or the requirement of an economic needs test;

   (c) limitations on the total number of service operations or on the total quantity of service output expressed in terms of designated numerical units in the form of quotas or the requirement of an economic needs test;[2]

   (d) limitations on the total number of natural persons that may be employed in a particular service sector or that a service supplier may employ and who are necessary for, and directly related to, the supply of a specific service in the form of numerical quotas or the requirement of an economic needs test;

   (e) measures which restrict or require specific types of legal entity[3] or joint venture through which a service supplier may supply a service; and

   (f) limitations on the participation of foreign capital in terms of maximum percentage limit on foreign shareholding or the total value of individual or aggregate foreign investment.

ARTICLE 5
National Treatment

1. In the sectors inscribed in Annex I (Schedules of Specific Commitments), and subject to any conditions and qualifications set out therein, each Party shall accord to services and service suppliers of the other Party, in respect of all measures affecting the supply

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[2] Subparagraph 2(c) does not cover measures of a Party which limit inputs for the supply of services.

[3] Each Party may require that in the case of incorporation under its own law, a service supplier must adopt a specific legal form. To the extent that such requirement is applied in a non-discriminatory manner, it does not need to be specified in Annex I (Schedules of Specific Commitments) in order to be maintained or adopted by the Parties. Non-discriminatory legal forms are specified in the financial services parts of the Annex I (Schedules of Specific Commitments).

of services, treatment no less favourable than that it accords to its own like services and service suppliers.[4]

2. A Party may meet the requirement of paragraph 1 by according to services and service suppliers of the other Party, either formally identical treatment or formally different treatment to that it accords to its own like services and service suppliers.

3. Formally identical or formally different treatment shall be considered to be less favourable if it modifies the conditions of competition in favour of services or service suppliers of the Party compared to like services or service suppliers of the other Party.

ARTICLE 6
Additional Commitments

The Parties may negotiate commitments with respect to measures affecting trade in services not subject to scheduling under Articles 4 (Market Access) or 5 (National Treatment), including those regarding qualifications, standards or licensing matters. Such commitments shall be inscribed in a Party's Schedule of Specific Commitments.

ARTICLE 7
Schedules of Specific Commitments

1. Each Party shall set out in a Schedule the Specific Commitments it undertakes under Articles 4 (Market Access), 5 (National Treatment) and 6 (Additional Commitments). With respect to sectors where such commitments are undertaken, each Schedule of Specific Commitments shall specify:

   (a) terms, limitations and conditions on market access;

   (b) conditions and qualifications on national treatment;

   (c) undertakings relating to additional commitments;

   (d) where appropriate, the time-frame for implementation of such commitments; and

   (e) the date of entry into force of such commitments.

2. Measures inconsistent with both Articles 4 (Market Access) and 5 (National Treatment) shall be inscribed in the column relating to Article 4 (Market Access). In this case the inscription will be considered to provide a condition or qualification to Article 5 (National Treatment) as well.

3. The Parties' Schedules of Specific Commitments are set out in the Annex I (Schedules of Specific Commitments) and shall form an integral part of this Protocol.

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[4] Specific commitments assumed under this Article shall not be construed to require any Party to compensate for any inherent competitive disadvantages which result from the foreign character of the relevant services or service suppliers.

ARTICLE 8
Modification of Commitments

1. Either Party may, by mutual agreement, modify or withdraw any commitments in its Schedule of Specific Commitments in accordance with the provisions of this Article.

2. The Parties shall, upon written request by the modifying Party hold consultations to consider any request to modify a specific commitment in the requesting Party's Schedule of Specific Commitments. The consultations shall be held within three months after the requesting Party notified its request.

3. Such mutual agreement shall include provisions for compensatory adjustment with respect to other services. The Party modifying or withdrawing any commitment in its Schedule of Specific Commitments shall maintain a general level of reciprocal and mutually advantageous commitments not less favourable to trade than provided for in its Schedule of Specific Commitments in this Protocol prior to such consultations/agreement.

4. The modifying Party may only modify or withdraw its commitment after it has made compensatory adjustments with the other Party or in accordance with the decision taken following the procedure of Article 33 (Fulfillment of Obligations) of the Agreement.

5. If the modifying Party implements its proposed modification or withdrawal and does not comply with the decision taken following the procedure of Article 33 (Fulfillment of Obligations) of the Agreement, other Party may modify or withdraw substantially equivalent benefits in conformity with this decision.

6. The modification or withdrawal of commitments shall be treated as an amendment to the related Schedule of Specific Commitments and shall enter into force in accordance with the procedures set out in Article 35 (Amendments) of the Agreement.

ARTICLE 9
Mutual Recognition

1. For the purpose of the fulfillment of its relevant standards or criteria for the authorisation, licensing or certification of service suppliers, each Party shall give due consideration to any requests by the other Party to recognise the education or experience obtained, requirements met, or licences or certifications granted in that other Party. Such recognition may be based upon an agreement or arrangement with that other Party, or otherwise be accorded autonomously.

2. Where a Party recognises, by agreement or arrangement, the education or experience obtained, requirements met, or licences or certifications granted, in the territory of a third party, that Party shall afford the other Party adequate opportunity to negotiate its accession to such an agreement or arrangement, whether existing or future, or to negotiate a comparable agreement or arrangement with it. Where a Party accords recognition autonomously, it shall afford adequate opportunity for the other Party to

demonstrate that the education or experience obtained, requirements met, or licences or certifications granted, in the territory of that other Party should also be recognised.

3. The Parties shall encourage their relevant competent bodies to enter into negotiations on recognition of professional qualifications and/or registration procedures with a view to the achievement of early outcomes.

4. Any such agreement or arrangement or autonomous recognition shall be in conformity with the relevant provisions of the WTO Agreement, in particular paragraph 3 of Article VII of the GATS.

ARTICLE 10
Transparency and Confidential Information

1. Each Party shall publish promptly and, except in emergency situations, at the latest by the time of their entry into force, all relevant measures of general application which pertain to or affect the operation of this Protocol. International agreements pertaining to or affecting trade in services to which a Party is a signatory shall also be published.

2. Where publication as referred to in paragraph 1 is not practicable, such information shall be made otherwise publicly available.

3. Each Party shall provide information in the Joint Committee to the other Party of the introduction of any new, or any changes to existing, laws, regulations or administrative guidelines which significantly affect trade in services covered by its specific commitments under this Protocol, on the request of the other Party.

4. Each Party shall respond promptly to all requests by the other Party for specific information on any of its measures of general application or international agreements which pertain to or affect this Protocol. Each Party shall maintain or establish appropriate mechanisms and the contact points referred to in Article 21 (Contact Points) for providing specific information on all such matters to the other Party upon request.

5. Nothing in this Protocol shall require any Party to furnish or allow access to information which, if disclosed, would impede law enforcement or the disclosure of which is prohibited or restricted under its law, or otherwise be contrary to the public interest, or which would prejudice legitimate commercial interests of particular enterprises, public or private.

ARTICLE 11
Domestic Regulation

1. In sectors where specific commitments are undertaken, each Party shall ensure that all measures of general application covered by this Protocol affecting trade in services are administered in a reasonable, objective and impartial manner.

2. With a view to ensuring that measures relating to qualification requirements and procedures, technical standards and licensing requirements do not constitute unnecessary barriers to trade in services, each Party shall ensure, as appropriate for individual sectors where specific commitments are undertaken, that such measures are:

   (a) based on objective and transparent criteria, such as competence and the ability to supply the service;

   (b) not more burdensome than necessary to ensure the quality of the service and;

   (c) in the case of licensing procedures, not in themselves a restriction on the supply of the service.

3. Where a Party requires authorization for the supply of a service on which specific commitment has been made, it shall ensure that its competent authorities:

   (a) within a reasonable period of time after the submission of an application considered complete under its domestic laws and regulations, inform the applicant of the decision concerning the application;

   (b) to the extent practicable, establish an indicative timeframe for processing of an application;

   (c) if an application is rejected, to the extent practicable inform the applicant of the reasons for the rejection, either directly or on request as appropriate;

   (d) at the request of the applicant, provide, without undue delay, information concerning the status of the application;

   (e) as far as practicable, provide applicants with the opportunity to correct minor errors and omissions in their applications and endeavour to provide guidance on the additional information required; and

   (f) where they deem appropriate, accept copies of documents that are authenticated in accordance with its domestic law in place of original documents.

4. Each Party shall ensure that any authorization fee charged by the competent authority is reasonable, and does not, in itself, restrict the supply of the relevant service.

5. Each Party's regulatory authorities shall make publicly available the requirements, including any documentation required, for completing applications relating to the supply of services.

ARTICLE 12
Monopolies and Exclusive Service Suppliers

1. Each Party shall ensure that any monopoly supplier of a service in its territory does not, in the supply of the monopoly service in the relevant market, act in a manner

inconsistent with that Party's obligations under Article 3 (Most Favoured Nation Treatment) and its specific commitments under this Protocol.

2. Where a Party's monopoly supplier competes, either directly or through an affiliated company, in the supply of a service outside the scope of its monopoly rights and which is subject to that Party's specific commitments, the Party shall ensure that such a supplier does not abuse its monopoly position to act in its territory in a manner inconsistent with such commitments.

3. If a Party has a reason to believe that a monopoly supplier of a service of the other Party is acting in a manner inconsistent with paragraph 1 or 2, it may request the other Party establishing, maintaining or authorising such supplier to provide specific information concerning the relevant operations in its territory.

4. The provisions of this Article shall also apply to cases of exclusive service suppliers, where a Party, formally or in effect,

   (a) authorizes or establishes a small number of service suppliers; and

   (b) substantially prevents competition among those suppliers in its territory.

ARTICLE 13
Business Practices

1. The Parties recognise that certain business practices of service suppliers, other than those falling under Article 12 (Monopolies and Exclusive Service Suppliers) may restrain competition and thereby restrict trade in services.

2. Each Party shall, at the request of the other Party, enter into consultations with a view to eliminating practices referred to in paragraph 1. The Party addressed shall accord full and sympathetic consideration to such a request and shall cooperate through the supply of publicly available non-confidential information of relevance to the matter in question. The Party addressed shall also provide other information to the requesting Party, subject to its domestic law and to the conclusion of satisfactory agreement concerning the safeguarding of its confidentiality by the requesting Party.

ARTICLE 14
Denial of Benefits

1. A Party may deny the benefits of this Protocol to a service supplier of the other Party if it establishes that the service is being supplied in that Party by a juridical person which is owned or controlled by persons of a third party who have no substantive business operations in the territory of any Party.

2. A Party may deny the benefits of this Protocol to a service supplier of the other Party that is a juridical person, where the former Party (denying Party) establishes that the juridical person is owned or controlled by persons of a third party and the denying Party:

(a) does not maintain diplomatic relations with the third party; or

(b) adopts or maintains measures with respect to the third party or a person of the third party that prohibits transactions with the juridical person or that would be violated or circumvented if the benefits of this Protocol were accorded to the juridical person.

ARTICLE 15
Payments and Transfers

1. Except under the circumstances envisaged in Article 16 (Restrictions to Safeguard the Balance of Payments) the Parties shall not apply restrictions on international transfers and payments for current transactions relating to its specific commitments.

2. Nothing in this Protocol shall affect the rights and obligations of the Members of the International Monetary Fund under the Articles of Agreement of the Fund, including the use of exchange actions which are in conformity with the Articles of Agreement, provided that a Member shall not impose restrictions on any capital transactions inconsistently with its specific commitments regarding such transactions, except under Article 16 (Restrictions to Safeguard the Balance of Payments) or at the request of the Fund.

ARTICLE 16
Restrictions to Safeguard the Balance of Payments

1. In the event of serious balance-of-payments and external financial difficulties or threat thereof, a Party may adopt or maintain restrictions on trade in services on which it has undertaken specific commitments, including on payments or transfers for transactions related to such commitments. It is recognised that particular pressures on the balance of payments of a Party in the process of economic development or economic transition may necessitate the use of restrictions to ensure, inter alia, the maintenance of a level of financial reserves adequate for the implementation of its programme of economic development or economic transition.

2. The restrictions referred to in paragraph 1:

   (a) shall not be discriminatory;

   (b) shall be consistent with the Articles of Agreement of the International Monetary Fund;

   (c) shall avoid unnecessary damage to the commercial, economic and financial interests of the other Party;

   (d) shall not exceed those necessary to deal with the circumstances described in paragraph 1;

(e) shall be temporary and be phased out progressively as the situation specified in paragraph 1 improves.

3. In determining the incidence of such restrictions, the Parties may give priority to the supply of services which are more essential to their economic or development programs. However, such restrictions shall not be adopted or maintained for the purpose of protecting a particular service sector.

4. The Party maintaining or having adopted such restrictive measures, or any changes thereto, shall promptly notify them to the Joint Committee and present, as soon as possible, a time schedule for their removal.

ARTICLE 17
General Exceptions

1. Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between the Parties where like conditions prevail, or a disguised restriction on trade in services, nothing in this Protocol shall be construed to prevent the adoption or enforcement by any Party of measures:

   (a) necessary to protect public morals or to maintain public order;[5]

   (b) necessary to protect human, animal or plant life or health;

   (c) necessary to secure compliance with laws or regulations which are not inconsistent with the provisions of this Protocol including those relating to:

      (i) the prevention of deceptive and fraudulent practices or to deal with the effects of a default on services contracts;

      (ii) the protection of the privacy of individuals in relation to the processing and dissemination of personal data and the protection of confidentiality of individual records and accounts;

      (iii) safety;

   (d) inconsistent with Article 5 (National Treatment), provided that the difference in treatment is aimed at ensuring the equitable or effective[6] imposition or collection of direct taxes in respect of services or service suppliers of the other Party;

[5] The public order exception may be invoked only where a genuine and sufficiently serious threat is posed to one of the fundamental interests of society.

[6] Measures that are aimed at ensuring the equitable or effective imposition or collection of direct taxes include measures taken by a Party under its taxation system which:

(i.) apply to non-resident service suppliers in recognition of the fact that the tax obligation of non-residents is determined with respect to taxable items sourced or located in the Party's territory; or

(ii.) apply to non-residents in order to ensure the imposition or collection of taxes in the Party's territory; or

(iii.) apply to non-residents or residents in order to prevent the avoidance or evasion of taxes, including compliance measures; or

(e) inconsistent with Article 3 (Most Favoured Nation Treatment), provided that the difference in treatment is the result of an agreement on the avoidance of double taxation or provisions on the avoidance of double taxation in any other international agreement or arrangement by which the Party is bound.

ARTICLE 18
Security Exceptions

1. Nothing in this Protocol shall be construed:

   (a) to require any Party to furnish any information, the disclosure of which it considers contrary to its essential security interests; or

   (b) to prevent any Party from taking any action which it considers necessary for the protection of its essential security interests:

      (i) relating to the supply of services as carried out directly or indirectly for the purpose of provisioning a military establishment;

      (ii) relating to fissionable and fusionable materials or the materials from which they are derived;

      (iii) taken in time of war or other emergency in international relations; or

   (c) to prevent any Party from taking any action in pursuance of its obligations under the United Nations Charter for the maintenance of international peace and security.

2. The Joint Committee shall be informed to the fullest extent possible of measures taken under paragraph 1 (b) and (c) and of their termination.

ARTICLE 19
Review of Commitments

1. With a view to further liberalisation and eliminating remaining restrictions and ensuring an overall balance of rights and obligations, the Parties shall review this Protocol and their Schedules of Specific Commitments no later than five years after the entry into force of this Protocol and at regular intervals thereafter. As a result of

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(iv.) apply to consumers of services supplied in or from the territory of the other Party in order to ensure the imposition or collection of taxes on such consumers derived from sources in the Party's territory; or
(v.) distinguish service suppliers subject to tax on worldwide taxable items from other service suppliers, in recognition of the difference in the nature of the tax base between them; or
(vi.) determine, allocate or apportion income, profit, gain, loss, deduction or credit of resident persons or branches, or between related persons or branches of the same person, in order to safeguard the Party's tax base.

Tax terms or concepts in subparagraph (d) of this Article and in this footnote are determined according to tax definitions and concepts, or equivalent or similar definitions and concepts, under the domestic law of the Party taking the measure.

such review, the Joint Committee may decide to amend this Protocol and/or the relevant Schedules of Specific Commitments.

2. The regular reviews of the level of liberalisation pursuant to paragraph 1 shall take into account the assessment of the degree of restrictiveness of measures affecting trade in services by using the methodologies established by the World Bank and the Organization for Economic Co-operation and Development (OECD).

3. The Parties shall take into account in particular any autonomous liberalisation and on-going work under the auspices of the WTO.

ARTICLE 20
Relations with the Agreement

1. This Protocol shall be an integral part of the Free Trade Agreement between the Republic of Turkey and the Republic of Serbia, signed on 1 June 2009 and entered into force on 1 September 2010 (hereinafter referred to as "the Agreement"), as stipulated in Article 36 (Protocols and Annexes) of the Agreement.

2. The provisions of the Agreement shall not apply to this Protocol, with the exception of Article 29 (Establishment of the Joint Committee), Article 30 (Procedures of the Joint Committee), Article 33 (Fulfillment of Obligations), Article 35 (Amendments), Article 36 (Protocols and Annexes), Article 37 (Validity and Withdrawal), Article 38 (Entry into Force) of the Agreement.

3. For the purposes of Article 33 (Fulfillment of Obligations) of the Agreement, the procedures set in Article 22 (Notifications and Consultations Procedure for the Application of Measures) of the Agreement shall apply, *mutatis mutandis*.

4. Unless otherwise specified, any consultations that will take place under this Protocol shall be subject to the provisions set in Article 22 (Notifications and Consultations Procedure for the Application of Measures) of the Agreement, *mutatis mutandis*.

5. In the event of any inconsistency between this Protocol and the provisions of the Agreement, the provisions of this Protocol shall prevail to the extent of the inconsistency.

ARTICLE 21
Contact Points

Each Party shall designate one contact point to facilitate communications between the Parties on any matter covered by this Protocol, and shall provide details of such contact point to the other Party. The Parties shall notify each other promptly of any amendments to the details of their contact points.

ARTICLE 22
Annexes, Appendixes and Footnotes

The Annexes, Appendixes and footnotes to this Protocol are integral parts of this Protocol.

SECTION II
TEMPORARY MOVEMENT OF NATURAL PERSONS FOR THE PURPOSE OF SUPPLYING SERVICES

ARTICLE 23
Scope

1. This Section applies to measures affecting the entry and temporary stay of natural persons who are service suppliers of a Party, and natural persons of a Party who are employed by a service supplier of a Party, in respect of the supply of a service.

2. This Section shall not apply to measures affecting natural persons seeking access to the employment market of a Party, nor shall it apply to measures regarding citizenship, residence or employment on a permanent basis.

3. Nothing in this Section shall prevent a Party from applying measures to regulate the entry of natural persons into, or their temporary stay in, its territory, including those measures necessary to protect the integrity of, and to ensure the orderly movement of natural persons across its borders, provided that such measures are not applied in such a manner as to nullify or impair the benefits accruing to the other Party under the terms of a specific commitments of this Protocol in Annex I (Schedules of Specific Commitments)[7].

4. Notwithstanding the provisions of this Section, all requirements of the Parties' laws regarding entry, stay, work and social security measures shall continue to apply, including regulations concerning period of stay, minimum wages as well as collective wage agreements even if not listed in the Schedules of Specific Commitments.

5. Commitments on entry and temporary stay of natural persons for business purposes do not apply in cases where the intent or effect of the entry and temporary stay is to interfere with or otherwise affect the outcome of any labour/management dispute or negotiation, or the employment of any natural person who is involved in such dispute.

ARTICLE 24
General Principle

Each Party shall apply its measures relating to the provisions of this Section as expeditiously as possible, so as to avoid unduly impairing or delaying trade in goods or services under this Agreement.

[7] The sole fact of requiring a visa for natural persons shall not be regarded as nullifying or impairing benefits under the terms of a specific commitment in Annex I (Schedules of Specific Commitments).

ARTICLE 25
Specific Commitments

1. In scheduling commitments pursuant to Articles 4 (Market Access) and 5 (National Treatment) of this Protocol, each Party shall set out in its Schedule of Specific Commitments the commitments it undertakes for the entry and temporary stay in its territory of natural persons of the other Party. These Schedules of Specific Commitments shall specify the terms, limitations and conditions governing those commitments for each category of service supplier, including the period of stay and any possibility for extension of stay, any numerical quotas and any requirement of an economic needs test.

2. Each Party shall grant entry and temporary stay to natural persons of the other Party in accordance with this Protocol including the terms and conditions for each category set out in Annex I (Schedules of Specific Commitments) provided that the natural persons comply with the relevant immigration laws and regulations applicable to entry and temporary stay such as those relating to public health and safety and national security.

3. The sole fact that a Party grants entry and temporary stay to a natural person of the other Party shall not be construed to exempt that person from meeting any applicable licensing or other requirements, including any mandatory codes of conduct, to practice a profession or otherwise engage in business activities.

4. The Parties' Schedules of Specific Commitments do not include measures relating to qualification requirements and procedures, technical standards and licensing requirements when they do not constitute a market access or a national treatment limitation within the meaning of Articles 4 (Market Access) and 5 (National Treatment). Those measures e.g. need to obtain a license, universal service obligations, need to obtain recognition of qualifications in regulated sectors, and need to pass specific examinations, including language examinations and need to have a legal domicile in the territory where the economic activity is performed, even if not listed, apply in any case to key personnel and graduate trainees of Turkey and Serbia.

5. No later than five years after the entry into force of this Protocol, the Parties shall consider negotiating commitments concerning the access of contractual service suppliers and independent professionals of a Party to the territory of the other Party.

ARTICLE 26
Provision of Information

1. For the purposes of this Section, each Party shall ensure that its competent authorities make publicly available the information necessary for an effective application of the grant of authorizations for the entry into and temporary stay in its territory.

2. Information referred to in paragraph 1 shall include descriptions of, in particular:

   (a) all categories of authorization and permits relevant to the entry and temporary stay for each category set out in Annex I (Schedules of Specific Commitments);

(b) requirements and procedures for application for, and issuance of, first-time entry and temporary stay, including conditions to be met, method of filing, application fees, typical processing time, maximum period of validity, conditions of available renewal, available review procedures.

3. Each Party shall provide the other Party with details of relevant publications or web-sites where information referred to in paragraph 2 is made available.

ARTICLE 27
Entry and Temporary Stay Related Requirements and Procedures

1. The Parties shall, in accordance with their domestic laws and regulations, ensure transparency, efficiency, due and fair process in processing of applications for entry and temporary stay of natural persons supplying services.

2. Documents requested for the processing of applications for entry and temporary stay must be relevant and not excessive in relation to the purpose for which they are collected.

3. Fees for processing applications for entry and temporary stay and work for the service providers shall be reasonable and determined with regard to the administrative costs involved.

4. Complete applications shall be processed promptly and expeditiously. The competent authorities of each Party shall notify the applicant for entry, temporary stay or work permit of the outcome of its application promptly after a decision has been taken. The notification shall include, if applicable, the period of stay and any other terms and conditions.

5. The period for processing complete work permit applications may not exceed 30 days, except in cases where there are reasonable grounds.

6. Upon the applicant's request, the competent authorities of the Party concerned shall, without undue delay and to the extent possible, provide information concerning the status of the applicant's application.

7. In case of an incomplete application, the applicant shall be informed promptly of the information required to complete the application and shall be provided with the opportunity to correct any deficiencies within a reasonable period of time.

8. When the application is refused, the applicant shall be informed of the refusal and be provided information on available review procedures.

SECTION III
TELECOMMUNICATIONS SERVICES

ARTICLE 28
Definitions

For purposes of this Section:

“authorization” means licenses, concessions, permits, registrations or other authorizations that a Party may require to provide public telecommunications services;

“co-location” means the access and use of physical space in order to install, maintain or repair equipment on properties owned or controlled and used by another major supplier for the provision of public telecommunications services;

“cost-oriented” means based on costs, and may include a reasonable profit and may involve different cost methodologies for different facilities or services;

“end user” means a final consumer of or subscriber to a public telecommunications service, including a service supplier other than a supplier of public telecommunications services;

“enterprise” means any entity constituted or organized under applicable law, whether or not for profit, and whether privately or governmentally owned or controlled, including any company, corporation, trust, partnership, sole proprietorship, joint venture or other business association, and a branch of an enterprise;

“enterprise of a Party” means an enterprise constituted or organized under the law of a Party and carrying out business activities there;

“essential elements” are those elements of the network or public telecommunications service that:

(a) are essential for the provision of public telecommunications services;

(b) are exclusively or predominantly provided, by a single supplier or a limited number of suppliers; and

(c) are not economically or technically feasible to replace in order to supply a service;

“interconnection” means the link between two or more public telecommunication networks within the territory of a Party, in order to allow users of one supplier communicate with the users of another supplier and also be able to have access to the services provided by another supplier;

“leased circuits” means telecommunications facilities between two or more designated points that are destined for the dedicated use or for the availability of a particular client or for other users chosen by that client;

“major supplier” means that supplier of public telecommunications services, which has the ability to importantly affect the terms of participation, from the point of view of price and supply in the relevant market of networks or public telecommunications services, as a result of:

(a) control of the essential elements or,

(b) the use of its position in the market;

“network element” means any facility or an equipment used for the provision of a public telecommunications service, its technical definition must include its characteristics, functions and capabilities that are provided by such facilities or equipments;

“non-discriminatory” means treatment no less favourable than that given to any other network or similar telecommunication services user, in like circumstances;

“number portability” means the right of end-users of public telecommunications services to maintain, for fixed telephone numbers at the same location, for mobile numbers at any location, the same phone numbers when switching to a similar supplier of public telecommunications services;

“public telecommunications network” means the infrastructure used to provide public telecommunications services;

“public telecommunications services” means any telecommunications service, offered to the general public. These services may include, among others, telephony and data transmission, without any end to end change in the form or content of the information, but excludes information services;

“reference interconnection offer” means an offer of interconnection offered by a major supplier and registered or approved by the telecommunication regulatory body, which is sufficiently detailed to allow suppliers of public telecommunications services that wish to accept those rates, terms and conditions, obtain interconnection without having to engage in negotiations with the supplier in question;

“telecommunications” means the emission, transmission and reception of signals by any physical, electromagnetic or optical means;

“telecommunications regulatory authority” means the body or bodies in the telecommunications services sector, in charge of any of the regulatory tasks assigned in accordance with the national legislation of each Party;

“termination point of the network” means the point where a public telecommunications network connects with the facilities and equipment of end-users or, where applicable, the point where other telecommunication networks connect to this one; and

“user” means a natural or legal person, whether a subscriber or not, that uses telecommunications services, may be a supplier of public telecommunications services.

ARTICLE 29
Scope

1. This Section shall apply to:

   (a) measures adopted or maintained by a Party, related to the access to, and the use of, the public telecommunications networks and services;

   (b) measures adopted or maintained by a Party, related to the obligations of the providers of public telecommunications networks or services; and

   (c) other measures adopted or maintained by a Party, related to the public telecommunications networks and services.

2. This Section shall not apply to measures adopted or maintained by a Party related to broadcasting[8] and cable distribution of radio or television programming destined to the public, except to guarantee that the enterprises that provide these services have access and continuous use of public telecommunications networks and services as established in Article 30 (Public Telecommunications Networks and Services Access and Use).

3. Nothing in this Section shall be construed to require a Party, or require a Party to compel any enterprise, to establish, construct, acquire, lease, operate or supply public telecommunications networks or services, where such networks or services are not offered to the general public.

4. In addition, this Section shall not be construed as preventing a Party from prohibiting persons that operate private networks, the use of their networks to provide networks or public telecommunication services to third persons.

ARTICLE 30
Public Telecommunications Networks and Services Access and Use

1. Subject to the right of a Party to restrict the supply of a service in accordance with the reservations set out in their Schedules of Specific Commitments, a Party shall ensure that enterprises that supply telecommunications services of the other Party have access to public telecommunications networks or services offered in its territory or across its borders and may use them on reasonable and non-discriminatory terms and conditions, including, among other forms, the provisions established in paragraphs 2 to 6.

2. Each Party shall ensure that such enterprises are permitted to:

[8] Broadcasting shall be defined as provided for in the relevant legislation of each Party.

(a) buy or lease and connect terminals or other equipment that interfaces with the public telecommunications networks;

(b) provide services to final, individual or multiple users, over owned or leased circuits;

(c) interconnect private leased or owned circuits with networks and public telecommunication services of that Party, or with circuits leased or owned by another enterprise; and

(d) perform switching, signalling, processing and conversion functions; and use operating protocols of their choice.

3. Each Party shall ensure that enterprises of the other Party may use public telecommunications networks and services to transmit information in its territory or across its borders, and to access information contained in databases or otherwise stored in a readable form by a machine in the territory of any Party, in accordance with its laws and regulations.

4. Notwithstanding paragraph 3, a Party shall take necessary measures to:

(a) ensure the security and confidentiality of messages; and/or

(b) protect the privacy of personal data of telecommunications end users;

provided that such measures are not applied in a way that would constitute a discriminatory, arbitrary or unjustifiable mean, or a disguised restriction on trade in services.

5. Each Party shall ensure that no conditions are imposed on access to and use of public telecommunications networks or services, except those deemed necessary for:

(a) safeguard the public service responsibilities of suppliers of public telecommunications networks or services, in particular their ability to make their networks or services available to the general public;

(b) protect the technical integrity of public telecommunications networks or services; or

(c) ensure that services suppliers of the other Party do not provide services that are limited by the reservations listed by the Parties in their Schedules of Specific Commitments.

6. Provided that they satisfy the criteria set out in paragraph 5, conditions for access to and use of public telecommunications networks and services may include:

(a) a requirement to use specified technical interfaces, including interface protocols, for interconnection with such networks and services;

(b) requirements, where necessary, for the inter-operability of such services;

(c) the homologation or approval of terminal or other equipment which interfaces with the network and technical requirements relating to the connection of such equipment to such networks; and

(d) restrictions on inter-connection of private leased or owned circuits with such networks or services, or with circuits leased or owned by other enterprise.

7. Nothing in this Article shall prevent a Party from requiring an enterprise to provide notification, or obtain license, concession, permit, registration or other type of authorization in order to provide some kind of public telecommunications service in its territory.

ARTICLE 31
Public Availability of Licensing Criteria

1. Where a licence is required, the following will be made publicly available:

   (a) all the licensing criteria and the period of time normally required to reach a decision concerning an application for a licence; and

   (b) the terms and conditions of individual licences.

2. The reasons for the denial of a licence will be made known to the applicant upon request.

ARTICLE 32
Performance of Major Suppliers

Treatment of Major Suppliers

1. Each Party shall ensure that major suppliers in its territory provide suppliers of public telecommunications services of the other Party, treatment no less favourable than that provided by such suppliers, in like circumstances, to its subsidiaries, to its affiliates or non-affiliated services suppliers with respect to:

   (a) availability, supply, rates or quality of networks or similar public telecommunications services; and

   (b) the availability of technical interfaces necessary for interconnection.

Competitive Safeguards

1. Each Party shall maintain the appropriate measures to prevent suppliers that, in an individual or a conjunctive way, are major suppliers in its territory, apply or continue applying anti-competitive practices.

2. The anti-competitive practices referred to in paragraph 1 include:

(a) perform anti-competitive activities of cross-subsidization;

(b) use information obtained from competitors with anti-competitive results; and

(c) not making available to other suppliers of public telecommunications services, in a timely manner, technical information on the essential elements and commercially relevant information which those suppliers need to provide public telecommunications services.

Interconnection Obligations relating to Major Suppliers

1. Each Party shall ensure that a major supplier in its territory provides interconnection for the facilities and equipment of suppliers of public telecommunications services of the other Party

   (a) at any technically feasible point in the major supplier's network;

   (b) under non-discriminatory terms, conditions (including technical standards and specifications), and rates;

   (c) of a quality no less favourable than that provided by the major supplier for its own like services, for like services of non-affiliated service suppliers, or for its subsidiaries or other affiliates;

   (d) in a timely fashion, and on terms and conditions (including technical standards and specifications), and at cost-oriented rates, that are transparent, reasonable, having regard to economic feasibility, and sufficiently unbundled so that the suppliers need not pay for network components or facilities that they do not require for the service to be provided; and

   (e) on request, at points in addition to the network termination points offered to the majority of users, subject to charges that reflect the cost of construction of necessary additional facilities.

2. Each Party shall ensure that a major supplier in its territory provides suppliers of public telecommunications services of the other Party the opportunity to interconnect their facilities and equipment with those of the major supplier through a reference interconnection offer or another standard interconnection offer containing the rates, terms, and conditions that the major supplier offers generally to suppliers of public telecommunications services. In addition, each Party shall ensure that suppliers of public telecommunications services of the other Party have the opportunity to interconnect their facilities and equipment with those of the major supplier through negotiation of a new interconnection agreement.

3. Each Party shall provide a means for suppliers of the other Party to obtain the rates, terms, and conditions necessary for interconnection offered by a major supplier. Such means include, at a minimum, ensuring:

(a) the public availability of rates, terms, and conditions for interconnection with a major supplier set by the telecommunications regulatory body; or

(b) the public availability of a reference interconnection offer.

4. Each Party shall make publicly available the applicable procedures for interconnection negotiations with a major supplier in its territory.

ARTICLE 33
Supply and Pricing of Leased Circuits

1. Each Party shall ensure that major suppliers in its territory provide to enterprises of the other Party leased circuits, which are public telecommunication services, in terms, conditions and rates that are reasonable and non-discriminatory.

2. For purposes of paragraph 1, each Party shall provide to its telecommunications regulatory body the authority to require major suppliers in its territory, to offer to enterprises of the other Party leased circuits, at flat rate, or at capacity-based and cost-oriented prices.

ARTICLE 34
Co-location

1. Each Party shall ensure that major suppliers in its territory provide suppliers of public telecommunication services of the other Party, the physical co-location of necessary equipment to interconnect or have access to unbundled network elements on terms and conditions, and at cost-oriented rates, that are reasonable, transparent and non-discriminatory.

2. Each Party may specify, in accordance with its domestic law and regulations, the elements subject to paragraph 1.

ARTICLE 35
Access to Poles, Ducts, Conduits and Way Rights

Each Party shall ensure that major suppliers in its territory provide access to poles, ducts, conduits and each Party shall ensure rights of way to suppliers of public telecommunications services of the other Party on terms and conditions and at rates that are reasonable and non-discriminatory.

ARTICLE 36
Resale

Each Party shall ensure that major suppliers in its territory:

(a) offer for resale, at reasonable[9] rates, to suppliers of public telecommunications services of the other Party, public telecommunications services that such major suppliers provide retail to end users; and

(b) do not impose discriminatory or unjustified conditions or limitations in the resale of such services[10].

ARTICLE 37
Unbundling of Network Elements

1. Each Party shall provide to its telecommunications regulatory body, the authority to require major suppliers in its territory provide to suppliers of public telecommunications services of the other Party, access to the network elements in an unbundled way on terms and conditions, and cost-oriented rates that are reasonable, non-discriminatory and transparent for the supply of public telecommunications services.

2. Each Party may determine which network elements should be available in its territory and which suppliers may obtain such elements, in accordance with its domestic laws and regulations.

ARTICLE 38
Interconnection

1. Each Party shall ensure that suppliers of public telecommunications services in its territory provide, directly or indirectly, interconnection to suppliers of public telecommunications services of the other Party, in accordance with the Party´s domestic legislation.

2. For the purposes of paragraph 1, each Party shall ensure that suppliers of public telecommunications services in its territory take reasonable actions to protect the confidentiality of commercially sensitive information, or related to, suppliers and end users of public telecommunications services, and only use such information to provide those services.

ARTICLE 39
Number Portability

Each Party shall ensure that suppliers of public telecommunications services in its territory provide number portability, in an opportune way, and in reasonable and non-discriminatory terms and conditions.

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[9] A Party may determine reasonable rates through any methodology it considers appropriate.

[10] Where its domestic law or legislation so establishes, a Party may prohibit the reseller to obtain, at wholesale rates, a public telecommunications service that is available at a retail level only to a limited category of users, to offer such service to a different category of users.

ARTICLE 40
Flexibility in the Choice of Technologies

1. Neither Party may prevent suppliers of public telecommunications services to have flexibility in choosing the technologies that they use to provide their services, including mobile wireless services, subject to the valid technical regulations in each Party.

2. Nothing in this Article shall be construed as preventing that, if an operator intends to provide a different approach to the service that was authorized, the regulatory body require additional license or other proper authorization to provide such public telecommunications service.

ARTICLE 41
Universal Service

1. Each Party has the right to define the kind of universal service obligations that it wishes to adopt or maintain.

2. Each Party shall administer any universal service obligation that adopts or maintains, in a transparent, non-discriminatory and competitively neutral way, and shall ensure that any universal service obligation is not more burdensome than necessary for the type of universal service defined by the Party.

ARTICLE 42
Attribution, Assignation and Use of Scarce Resources

1. Each Party shall administer its procedures for the attribution, assignation and use of scarce telecommunications resources, including frequencies and numbers in an objective, opportune, transparent and non-discriminatory way, except those related to government use.

2. The measures of a Party related to the attribution and assignation of the spectrum and frequency management do not constitute incompatible measures, per se with Article 4 (Market Access).

3. In consequence, each Party shall retain the right to establish, implement and maintain spectrum and frequency management policies that may have the effect to limit the number of suppliers of public telecommunications services, as long as this is done in a compatible way with other provisions of this Protocol. In addition, each Party retains the right to attribute and assign frequency bands taking into account present and future needs and the availability of spectrum.

4. Each Party shall make available to the public the current state of attributed and assigned frequency bands but shall not be required to provide detailed identification of attributed and assigned frequencies for specific government uses.

5. Where the spectrum for non-government telecommunications services is attributed, each Party's procedures shall be based on a public comment process, open and transparent, that considers the public interest. These procedures shall be based on, in general, market-based approaches in the assignation of spectrum for terrestrial non-governmental telecommunications services.

ARTICLE 43
Regulatory Authority

1. Each Party shall ensure that its telecommunications regulatory authority is independent and is separate from and not accountable to, any supplier of public telecommunications services.

2. For this purpose, each Party shall ensure that its telecommunications regulatory authority has no financial interest or operational functions in any supplier of public telecommunications services.

3. Each Party shall ensure that the decisions and procedures of its regulatory authority are impartial with respect to all market participants. For this purpose, each Party shall ensure that any financial interest that the Party has in a supplier of public telecommunications services, does not influence the decisions and procedures of its telecommunications regulatory authority.

4. Neither Party shall provide to a supplier of public telecommunications services a treatment more favourable than that provided to a similar supplier of the other Party, justifying that the supplier that receives more favourable treatment is totally or partly owned by the national government of any of the Parties.

ARTICLE 44
Resolution of Domestic Telecommunications Disputes

Each Party shall ensure that there are internal mechanisms for dispute resolutions, in accordance with its valid domestic legislation.

ARTICLE 45
Transparency

In accordance with domestic legislation of the Parties, each Party shall ensure that to the extent possible:

(a) promptly publish or make available to the public the regulation that establishes the telecommunications regulatory authority, including the basis for such regulation;

(b) provide interested persons, as far as possible, with adequate public notice, of the opportunity to comment any regulation that the telecommunications regulatory authority proposes; and

(c) make available to the public the measures concerning to public telecommunications networks or services, including measures relating to:

(i) rates and other terms and conditions of the service;

(ii) specifications of technical interfaces;

(iii) conditions for the connection of the terminal and other equipment to the public telecommunications network;

(iv) requirements of notification, license, permit, registration or other authorization, if they exist;

(v) information about the responsible bodies of the elaboration, modification and adoption of measures related to standards that affect the access and use; and

(vi) procedures related to solution of telecommunications disputes, set out in Article 44 (Resolution of Domestic Telecommunications Disputes).

ARTICLE 46
Standards and International Organizations

The Parties recognise the importance of international standards for global compatibility and interoperability of networks or telecommunication services, and undertake to promote such standards through the work of competent international bodies, including the International Telecommunication Union and the International Organization for Standardization.

SECTION IV
FINANCIAL SERVICES

ARTICLE 47
Scope and Definitions

1. This Section sets out the principles of the regulatory framework for all financial services on which specific commitments are undertaken in Annex I (Schedules of Specific Commitments). The Parties recognise that the establishment, organization or operation of branch of a financial service supplier, as a form of commercial presence, shall be in line with the Schedules of Specific Commitments of each Party.

2. For the purposes of this Section:

   “financial services” means any service of a financial nature offered by a financial service supplier of a Party. Financial services include all insurance and insurance-related services, and all banking and other financial services (excluding insurance). Financial services include the following activities:

   (a) Insurance and insurance-related services:

   (i) direct insurance (including co-insurance): life; non-life;

   (ii) reinsurance and retrocession;

   (iii) insurance inter-mediation, such as brokerage and agency; and

   (iv) services auxiliary to insurance, such as consultancy, actuarial, risk assessment and claim settlement services; and

   (b) Banking and other financial services (excluding insurance):

   (v) acceptance of deposits and other repayable funds from the public;

   (vi) lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transactions;

   (vii) financial leasing;

   (viii) all payment and money transmission services, including credit, charge and debit cards, travellers cheques and bankers drafts;

   (ix) guarantees and commitments;

   (x) trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise, the following:

A. money market instruments (including cheques, bills and certificates of deposits);
B. foreign exchange;
C. derivative products including, but not limited to, futures and options;
D. exchange rate and interest rate instruments, including products such as swaps, forward rate agreements;
E. transferable securities; and
F. other negotiable instruments and financial assets, including bullion;

(xi) participation in issues of all kinds of securities, including underwriting and placement as agent (whether publicly or privately) and provision of services related to such issues;

(xii) money broking;

(xiii) asset management, such as cash or portfolio management, all forms of collective investment management, pension fund management, custodial, depository and trust services;

(xiv) settlement and clearing services for financial assets, including securities, derivative products and other negotiable instruments;

(xv) provision and transfer of financial information, and financial data processing and related software by suppliers of other financial services; and

(xvi) advisory, intermediation and other auxiliary financial services on all the activities listed in subparagraphs (v) through (xv), including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy.

“financial service supplier” means any natural person or juridical person of a Party that seeks to provide or provides financial services and does not include a public entity;

“new financial service” means a service of a financial nature, including services related to existing and new products or the manner in which a product is delivered, that is not supplied by any financial service supplier in the territory of a Party but which is supplied in the territory of the other Party;

“public entity” means:

(a) a government, a central bank or a monetary authority of a Party or an entity owned or controlled by a Party, that is principally engaged in carrying out governmental functions or activities for governmental purposes, not including an entity principally engaged in supplying financial services on commercial terms; or

(b) a private entity, performing functions normally performed by a central bank or monetary authority, when exercising those functions.

ARTICLE 48
Prudential Carve-out

1. Each Party may adopt or maintain measures for prudential reasons[11], including:

   (a) the protection of investors, depositors, policy-holders or persons to whom a fiduciary duty is owed by a financial service supplier; or

   (b) ensuring the integrity and stability of the Party's financial system.

2. These measures shall not be more burdensome than necessary to achieve their aim, and where they do not conform to the provisions of this Section they shall not be used as a means of avoiding each Party's commitments or obligations under such provisions.

3. Nothing in this Section shall be construed to require a Party to disclose information relating to the affairs and accounts of individual consumers or any confidential or proprietary information in the possession of public entities.

4. Without prejudice to other means of prudential regulation of cross-border trade in financial services, a Party may require the registration of cross-border financial service suppliers of the other Party and of financial instruments.

ARTICLE 49
Transparency

1. The Parties recognise that transparent regulations and policies governing the activities of financial service suppliers are important in facilitating access of foreign financial service suppliers to, and their operations in, each other's markets. Each Party commits to promoting regulatory transparency in financial services.

2. The competent authorities of each Party shall make available to interested persons of the other Party domestic requirements and applicable procedures for completing applications relating to the supply of financial services.

3. Where a licence or an authorisation is required for the supply of a financial service, the competent authorities of a Party shall make the requirements for such a licence or an authorisation publicly available.

4. Each Party shall ensure that all measures of general application to which this Section applies are administered in a reasonable, objective, and impartial manner.

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[11] It is understood that the term "prudential reasons" may include the maintenance of the safety, soundness, integrity, or financial responsibility of individual financial service suppliers.

5. To the extent practicable, each Party should allow reasonable time between publication of final regulations of general application and their effective date.

6. Each Party shall ensure that the rules of general application adopted or maintained by self-regulatory organizations of the Party are promptly published or otherwise made available in such a manner as to enable interested persons to become acquainted with them.

7. Each Party shall maintain or establish appropriate mechanisms for responding to inquiries from interested persons regarding measures of general application covered by this Section.

ARTICLE 50
Self- Regulatory Organizations

When a Party requires membership or participation in, or access to, any self-regulatory organizations, securities or futures exchange or market, clearing agency or any other organization or association, in order for financial service suppliers of the other Party to supply financial services on an equal basis to financial service suppliers of the Party, or when the Party provides directly or indirectly such entities with privileges or advantages in supplying financial services, the Party shall ensure that such entities accord national treatment to financial service suppliers of the other Party.

ARTICLE 51
Payment and Clearing Systems

Under terms and conditions that accord national treatment, each Party shall grant to financial service suppliers of the other Party established in its territory access to payment and clearing systems operated by public entities and to official funding and refinancing facilities available in the normal course of ordinary business. This paragraph is not intended to confer access to a Party's lender of last resort facilities.

ARTICLE 52
New Financial Services

1. Each Party shall permit a financial service supplier of the other Party established in its territory to provide any new financial service that the Party would permit its own financial service suppliers to supply, within the scope of the subsectors and financial services committed in its Schedule of Specific Commitments and subject to the terms, limitations, conditions and qualifications established in that Schedule of Specific Commitments, in like circumstances, under its domestic law, provided that the introduction of the new financial service does not require a new law or modification of an existing law.

2. A Party may determine the institutional and juridical form through which the service may be provided and may require authorization for the provision of the service.

Where such authorization is required, a decision shall be made within a reasonable period of time and the authorization may be refused only for prudential reasons.

ARTICLE 53
Transfers and Processing of Information

Subject to its domestic legislation, no Party shall take measures that prevent transfers of information into or out of the Party's territory or the processing of financial information, including transfers of data by electronic means, or that, subject to importation rules consistent with international agreements, prevent transfers of equipment, where such transfers of information, processing of financial information or transfers of equipment are necessary for the conduct of the ordinary business of a financial service supplier of the other Party. Nothing in this Article restricts the right of a Party to protect personal data, personal privacy and the confidentiality of individual records and accounts so long as such right is not used to circumvent the provisions of this Section.

ARTICLE 54
Specific Exceptions

1. Nothing in this Section shall be construed to prevent a Party, including its public entities, from exclusively conducting or providing in its territory activities or services forming part of a public retirement plan or statutory system of social security, except when those activities may be carried out, as provided by its domestic regulations, by financial service suppliers in competition with public entities or private institutions.

2. Nothing in this Section shall apply to activities conducted by a central bank or monetary authority or by any other public entity in pursuit of monetary or exchange rate policies.

3. Nothing in this Section shall be construed to prevent a Party, including its public entities, from exclusively conducting or providing in its territory activities or services for the account or with the guarantee or using the financial resources of the Party, including its public entities except when those activities may be carried out, as provided by its domestic regulations, by financial service suppliers in competition with public entities or private institutions.

ARTICLE 55
Dispute Settlement

In resolving any dispute arising under this Section between the Parties, the provisions of Article 22 (Notifications and Consultations Procedure for the Application of Measures) of the Agreement shall apply and the relevant experts of the Parties shall be involved.

ARTICLE 56
Recognition of Prudential Measures

1. A Party may recognise prudential measures of the other Party in determining how the Party's measures relating to financial services shall be applied. Such recognition, which may be achieved through harmonization or otherwise, may be based upon an agreement or arrangement between the Parties, or may be accorded autonomously.

2. A Party that is a party to an agreement or arrangement of the type referred to in paragraph 1 with a third party, whether at the time of entry into force of this Protocol or thereafter, shall afford adequate opportunity for the other Party to negotiate its accession to such agreements or arrangements, or to negotiate comparable ones with it, under circumstances in which there would be equivalent regulation, oversight, implementation of such regulation, and, if appropriate, procedures concerning the sharing of information between the Parties to the agreement or arrangement. Where a Party accords recognition autonomously, it shall afford adequate opportunity for the other Party to demonstrate that such circumstances exist.

SECTION V
ROAD TRANSPORT AND AUXILIARY SERVICES

ARTICLE 57
Scope

This Section applies to measures by Parties affecting trade in international road freight transport and auxiliary services.

ARTICLE 58
Definitions

For the purposes of this Section;

“vehicle” means a commercial motor vehicle or a coupled combination of vehicles registered in a Party, used exclusively for the carriage of goods;

“international road freight transport” means:

(a) a laden or an unladen journey undertaken by a vehicle the point of arrival or departure of which is in the territory of a Party;

(b) transit of a laden or an unladen vehicle;

“auxiliary services” means services classified under CPC 741, 742, 748 and 749 which are supplied in support of international road freight transport;

“swap body” means the part of a vehicle which is intended to bear the load, has supports and, by means of a device which is part of the vehicle, may be detached from the vehicle and re-incorporated therein;

“perishable goods” means goods that rapidly decay due to their natural characteristics, in particular in the absence of appropriate storage conditions.

ARTICLE 59
Administrative and Technical Requirements[12]

A Party shall not adopt or maintain any administrative and technical requirements that are not based on objective and transparent criteria, such as competence and the ability to supply the service, and shall ensure that those requirements do not constitute arbitrary or unjustifiable discrimination or a disguised restriction on trade in services covered by this Section.

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[12] This Article shall not apply to the requirements with respect to the distribution of international road freight transport quotas and the issuance of transport permits.

ARTICLE 60
Movement of Transport Equipment[13]

Each Party shall permit cross-border movement and transit of transport equipment such as containers and swap bodies necessary for the supply of services covered by this Section, on reasonable and non-discriminatory terms and conditions.

ARTICLE 61
Specific Routes

A Party shall not adopt or maintain any measure requiring a service supplier of the other Party to follow a specific route that does not apply to its own like service suppliers.

ARTICLE 62
Mandatory Modes of Transport

No Party may adopt or maintain any discriminatory measures that prevent service suppliers of the other Party to use their preferred mode of transport.

ARTICLE 63
Perishable Goods

The Parties recognise the essential role of road transport for the timely delivery of perishable goods and with a view to preventing avoidable loss or deterioration of perishable goods they:

(a) shall give appropriate priority to service suppliers and their vehicles carrying perishable goods when scheduling any examinations that may be required for crossing borders, and;

(b) shall endeavour to avoid the imposition of restrictive measures that prevent timely delivery of perishable goods.

ARTICLE 64
Penalties

1. Each Party shall ensure that penalties charged by its competent authorities are reasonable, non-discriminatory and pre-established by law in a level of detail sufficient for service suppliers to estimate in advance how much is charged for each infringement.

2. Each Party shall ensure that once a service supplier or a vehicle of a Party is charged for an infringement it will not be charged again for the same specific infringement.

[13] For greater certainty, trailers and semi-trailers are covered by the definition of vehicle and are not regarded as transport equipment.

ARTICLE 65
Access to and Use of the Infrastructure

The Parties shall not adopt or maintain any measure that would deny service suppliers of the other Party access to and use of relevant transportation infrastructure[14] on reasonable and non-discriminatory terms and conditions.

ARTICLE 66
Transparency

1. Each Party shall make publicly available on the internet relevant measures affecting the supply of services covered by this Section, including, where applicable information on:

   (a) weight and dimensions for vehicles,
   (b) fiscal charges,
   (c) border formalities,
   (d) social regulations and environmental regulations,
   (e) penalties.

2. Each Party shall promptly provide information on internet concerning any amendments, new regulations and international agreements affecting the supply of services covered by this Section.

ARTICLE 67
Professional Drivers

Professional drivers of a Party may stay in the territory of the other Party without a visa for a maximum period of 90 days in any 180-day period.

ARTICLE 68
Relation with the Protocol

In case of an inconsistency between the provisions of this Section and the other parts of this Protocol, the provisions of this Section shall prevail.

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[14] For purposes of this Article relevant transportation infrastructure means any infrastructure, including road side facilities, necessary for the supply of services that is made generally available to the service suppliers.

SECTION VI
ELECTRONIC COMMERCE

ARTICLE 69
Definitions

For the purposes of this Section:

“delivery” means a computer program, text, video, image, sound recording or other delivery that is digitally encoded; and

“electronic commerce” means any commercial activity conducted by electronic means.

ARTICLE 70
Objectives and Scope

1. The Parties, recognising that electronic commerce increases trade opportunities in many sectors, agree to promote the development of electronic commerce between them, in particular by cooperating on the issues raised by electronic commerce under the provisions of this Section.

2. Each Party shall adopt or maintain a domestic legal framework that provides for the protection of the personal information. In the development of these personal information protection frameworks, each Party should take into account principles and guidelines of relevant international bodies.

3. Considering the potential of electronic commerce as a social and economic development tool, the Parties recognise the importance of clarity, transparency and predictability in their domestic regulatory frameworks in facilitating, the development of electronic commerce.

4. This Section does not impose an obligation on a Party to allow a delivery transmitted by electronic means except in accordance with the Party's obligations under another provision of this Agreement.

5. The Parties recognise the importance of the free flow of information on the internet, while agreeing that this should not impair the rights of intellectual property owners given the importance of protecting intellectual property rights on the internet.

ARTICLE 71
Customs Duties on Electronic Deliveries

1. Each Party shall not impose a customs duty on a delivery transmitted by electronic means between the Parties, consistent with paragraph 5 of the WTO Ministerial

Decision of 7 December 2013 in relation to the Work Programme on Electronic Commerce (WT/MIN(13)/32-WT/L/907).

2. Each Party reserves the right to adjust its practice referred to in paragraph 1 in accordance with any further WTO Ministerial Decisions in relation to the Work Programme on Electronic Commerce.

3. For greater certainty, paragraph 1 does not prevent a Party from imposing an internal tax or other internal charge on a delivery transmitted by electronic means, provided that the tax or charge is imposed in a manner consistent with this Agreement.

ARTICLE 72
Dialogue on Electronic Commerce

1. The Parties agree to maintain a dialogue on regulatory issues raised by electronic commerce, which will *inter alia*, address the following issues:

   (a) the recognition of certificates of electronic signatures issued to the public and the facilitation of cross-border certification services;

   (b) the liability of intermediary service suppliers with respect to the transmission, or the storage of information;

   (c) the treatment of unsolicited electronic commercial communications;

   (d) the protection of personal information and the protection of consumers and businesses from fraudulent and deceptive commercial practices in the sphere of electronic commerce;

   (e) any other issue relevant for the development of electronic commerce.

2. The dialogue in paragraph 1 may take the form of exchange of information on the Parties' respective laws, regulations, and other measures on these issues, as well as sharing experiences on the implementation of such laws, regulations and other measures.

SECTION VII
CO-PRODUCTION ON FILM OR TV SERIES

ARTICLE 73
Objective

Recognising that co-production may serve the development of film or TV series production and encourage further development of the cultural and technological ties between the Parties, this Section aims at facilitating the co-production on film or TV series between the Parties by establishing the rules.

ARTICLE 74
Scope and Definitions

1. This Section applies to measures by the Parties affecting co-productions of films or TV series.

2. For the purpose of this Section:

   "competent authorities" means both competent authorities responsible for the implementation of this Section or either competent authority in regard to its own country, as the case may be. The competent authorities are:

   For Turkey: Ministry of Culture and Tourism, General Directorate of Cinema, or their successors;

   For Serbia: Ministry of Culture and Media, Film Center Serbia, or their successors,

   "co-producer" means a person or an entity established in the territory of the Parties by whom the arrangements necessary for the making and financing of the cinematographic work and providing other conditions are undertaken, and which are bound by a co-production contract;

   "co-production" means a cinematographic work, with or without accompanying sounds, regardless of length or genre, including fiction, animation and documentaries, which is intended to be shown first in cinemas or on TV channels.

ARTICLE 75
Approval and Procedures

1. Co-production of films or TV series pursuant to this Section shall be approved by the competent authorities.

2. The application for the approval of a co-production under this Section shall follow the procedures set out in Appendix, which constitutes an integral part of this Section.

However, competent authorities may, in a given case, jointly authorize co-producers to act in accordance with ad-hoc rules, which they jointly approve.

3. Approval shall not be given to a project where the co-producers are linked by common management or control, except to the extent that such an association has been established specifically for the purpose of the co-production project itself.

4. Approval of a proposal for the co-production of a film or TV series by the competent authorities does not imply any permission or authorization to show or distribute the film or TV series thus produced.

5. Co-production of films or TV series shall be made, processed, dubbed or subtitled, up to creation of the first release print in the countries of the participating co-producers. However, if a scenario or the subject of the film or TV series so requires, location shooting, exterior or interior, in a country not participating in the co-production may be authorized by the competent authorities. Similarly, if processing, dubbing or subtitling services of satisfactory quality are not available in a country participating in the co-production, the competent authorities may authorize the procurement of such services from a supplier in a third country.

ARTICLE 76
Requirements to Co-producers

1. Failure of a Party's co-producer to fulfill the conditions according to which that Party has approved a co-production or a material breach of the co-production Section by a Party's co-producer may result in the other Party revoking the co-production status of the production and the attendant rights and benefits.

2. In order to qualify for the benefits of co-production, the co-producers shall provide evidence to their respective competent authority that they have the proper technical organization, adequate financial support, recognised professional standing and qualifications to bring the production to a successful conclusion.

3. To be entitled to the benefits under this Section, co-producers shall comply with the legislation and regulations of each of the Parties involved.

ARTICLE 77
Requirements for Natural Persons

1. The producers, co-producers, authors, scriptwriters, performers, directors, professionals and technicians participating in co-productions, must be citizens of the Parties in accordance with the national legislation in force of those Parties.

2. The producers, co-producers, authors, scriptwriters, performers, directors, professionals and technicians participating in co-productions, may live in third countries.

3. Should the co-production so require, the participation of professionals who do not fulfill the conditions provided by paragraph 1 may be permitted, only in exceptional circumstances, and with the approval of the competent authorities.

4. Each Party must fulfill the obligations concerning social security liabilities of the production crew who are citizens of the Parties in accordance with their respective social security legislation.

5. Use of any other languages in a co-production other than the languages permitted according to the national legislation of the Parties may be added to the co-production if the screenplay requires it.

ARTICLE 78
National Treatment

1. Any co-production produced in accordance with this Section shall be considered by the competent authorities as a national film or national TV series, subject to national legislation in force of the Parties. Such co-productions shall be entitled to the benefits by virtue of each Party's national legislation or by those which may be decreed by each Party. These benefits accrue solely to the co-producer of a Party that grants them.

2. In all matters concerning the marketing or export of a co-produced film or TV series, each Party will accord the co-produced film or TV series the same status and treatment as a domestic production, subject to national legislation in force of that Party.

ARTICLE 79
Marketing in Third Countries with Quota

1. If a co-produced film or TV series is marketed in a country that has quota regulations with regard to both Parties, it shall be included in the quota of the country which is the majority co-producer. In the event that the contributions of the co-producers are equal, the co-production shall be included in the quota of the Party of which the director of the co-production is a citizen.

2. If a co-produced film or TV series is marketed in a country that has quota regulations with regard to one of the Parties, the co-produced film or TV series shall be marketed by the Party which is not subject to the quota.

ARTICLE 80
Co-production Credits and Festivals

1. All co-produced films or TV series shall be identified as "Turkish-Serbian co-production" or "Serbian-Turkish co-production".

2. Such identification shall appear in a separate credit title, in all commercial advertising and promotional material, whenever co-produced films or TV series are shown at any public performance.

3. Unless otherwise agreed upon by the competent authorities, co-produced films or TV series shall be entered in international festivals by the Party of the majority co-producer.

4. Co-produced films or TV series produced on the basis of equal contributions shall be entered in international festivals by the Party of which the director is a citizen.

ARTICLE 81
Contribution in Co-Productions

1. The respective financial contribution of the producers of the Parties may vary from twenty (20) to eighty (80) per cent for each co-produced film or TV series. In addition, the co-producers shall be required to make an effective technical and creative contribution, proportional to their financial investment in the co-produced film or TV series. The technical and creative contribution should be comprised of the combined share of authors, performers, technical-production personnel, laboratories and facilities.

2. Any exception to the above mentioned principles must be approved by the competent authorities, who may, in special cases, authorize that the respective financial contributions by the producers of the two countries vary from ten (10) to ninety (90) per cent.

3. In the event that the Turkish co-producer or the Serbian co-producer is composed of several production companies, the financial contribution of each company shall not be less than five (5) percent of the total budget of the co-produced film or TV series.

4. In the event that a producer from a third country is authorized to participate in the co-production its financial contribution shall not be less than ten (10) percent. In the event that the co-producer from a third country is composed of several production companies, the financial contribution of each company shall not be less than five (5) percent of the total budget of the co-produced film or TV series.

ARTICLE 82
Entry and Temporary Stay of Natural Persons and Film or TV Series Equipment

1. Subject to their legislation, each Party shall facilitate the entry and temporary stay of the artistic and technical personnel and the performers engaged by a co-producer of the Parties involved for the purpose of the co-production.

2. The Parties shall facilitate the entry and re-export of any film or TV series equipment necessary for the production of co-produced films or TV series under this Section, subject to their legislation.

ARTICLE 83
Profit Distribution

The distribution of profits between co-producers should be proportionate to the contribution of each co-producer.

ARTICLE 84
Intellectual Property Rights

1. For the purposes of this Section and the provisions set forth in paragraph 3 (a) of the Appendix hereto, the co-producers shall ensure that, to the extent any intellectual property rights are embodied in any element of the cinematographic work, these rights will be within the authorship and/or right holdership according to the domestic laws of the Parties of persons who participated in its creation. Such intellectual property rights will be licensed to the Parties in writing, upon terms and conditions sufficient to conform to the objectives of this Section.

2. Allocation of intellectual property rights in a co-produced film or TV series, including ownership and licensing thereof, shall be made in the co-production contract.

3. Each co-producer shall have free access to all the original co-production materials and the right to duplicate or print there from, but not the right to any use or assignment of intellectual property rights in the said materials, except as determined by the co-producers in the co-production contract.

4. Each co-producer shall be an owner on a joint basis of the physical copy of the original negative or other recording media in which the master co-production is made, not including any intellectual property rights that may be embodied in the said physical copy, except as determined by the co-producers in the co-production contract.

5. Where the co-production is made on film negative, the negative will be developed in a laboratory chosen mutually by the co-producers, and will be deposited therein, on an agreed name.

6. Each co-producer shall be entitled to retain a copy of the original of initial record of the cinematographic work, provided that in respect of the rights in its creation and use paragraph 1 and 2 of this Article shall apply.

7. The co-production contract must guarantee to each co-producer joint ownership of the original picture and sound negative. The contract shall include the provision that this negative shall be kept in a place mutually agreed by the co-producers, and shall guarantee them free access to it.

8. Co-producers must give a subtitled copy of the film or TV series to each Party following the production of the film or TV series.

ARTICLE 85
Sub-committee on Film or TV Series Co-production

1. For the purpose of the effective implementation and operation of this Section, the Sub-committee on film or TV series co-productions comprised from the representatives of the competent authorities of each Party and co-chaired by the Parties (hereafter referred to in this Article as "the Sub-committee") is hereby established. The function of the Sub-committee shall be:

   (a) reviewing and monitoring the implementation and operation of this Section with respect to films or TV series co-production;

   (b) discussing issues related to film or TV series co-productions with a view to enhancing trade relations between the Parties and promoting efficient and transparent administration of their procedures for application for, and approval of, a co-production under this Section;

   (c) proposing initiatives to further promote the cooperation in the area of film or TV series production;

   (d) reporting its findings and outcome of its discussions to the Joint Committee; and

   (e) carrying out other tasks as may be assigned by the Joint Committee.

2. The activities of the Sub-committee are without prejudice to existing or future relations between the competent authorities of the Parties within the scope of their competence.

Appendix to Section on Film or TV Series Co-Production

Referred to in Article 75.2

Rules of Procedures

1. Applications for qualification of a film or TV series for co-production benefits must be conveyed to the competent authorities at least sixty (60) days prior to the commencement of shooting or key animation of the film or TV series. The applications shall be reviewed by the competent authority within thirty (30) days after the Party with the highest proportion of financial contribution expresses its opinion. The decision shall be notified to the applicants within ten (10) days. If the Party with the highest proportion of financial contribution as well as the competent authority give their affirmation, the co-production shall be considered as approved.

2. The competent authorities shall notify each other of their decision regarding any such application for co-production within thirty (30) days from the date of submitting the complete documentation listed in this Appendix.

3. Applications must be accompanied by the following documents in English language:

   (a) A proof of license arrangements with respect to intellectual property rights, of any sort, including in particular copyright and neighbouring rights ("neighbouring rights" shall be understood as including, inter alia, film or TV series producers rights, performers' rights, phonogram producers' rights and broadcasters' rights), embodied in, or arising from, a co-production, to an extent sufficient for purposes of fulfilling the objectives of the co-production contract, including clearance arrangements for public performance, distribution, broadcast, making available by internet or otherwise, and sale or rental of physical or electronic copies of the co-production in the territories of the Parties' home countries as well as in third countries, and including copyright and neighbouring rights clearance with respect to any literary, dramatic, musical or artistic work which has been adapted by the applicant for purposes of the co-production;

   (b) The signed co-production contract, which is subject to the approval of the competent authorities.

4. A. The co-production contract must make provision for the following issues:

   (a) The title of the co-produced film or TV series, even if provisional;

   (b) The name of the writer or the person responsible for adapting the subject if it is drawn from a literary source;

   (c) The name of the director (a safety clause is permitted for his/her replacement, if necessary);

   (d) The budget of the co-produced film or TV series;

(e) The amount of the financial contributions of the co-producers;

(f) The financial undertakings of each producer in respect of the percentage apportionment of expenditures with regard to development, elaboration, production and post-production costs up to the creation of the answer print;

(g) The distribution of revenue and profits including the sharing or pooling of markets;

(h) The respective participation of the co-producers in any costs which exceed the budget or in the benefits from any savings in the production cost;

(i) Allocation of intellectual property rights in a co-produced film or TV series, including ownership, authorship and/or holdership and licensing thereof;

(j) A clause in the contract must recognise that the approval of the film or TV series, entitling it to benefits under the agreement, does not obligate the competent authorities of each Party to permit the public screening of the film or TV series. Likewise, the contract must set out the conditions of a financial settlement between the co-producers in the event that the competent authorities of each Party refuse to permit the public screening of the film or TV series in that Party or in third countries;

(k) Breach of the co-production contract;

(l) A clause which requires the major co-producer to take out an insurance policy covering all production risks;

(m) The approximate starting date of shooting;

(n) The list of required equipment (technical, artistic or other) and personnel, including nationality of personnel and the roles to be played by the performers;

(o) The production schedule;

(p) A distribution agreement, if one has been concluded;

(q) The manner in which the co-production shall be entered in international festivals;

(r) Other provisions required by the competent authorities.

B. In addition to the agreement, the following documents must be sent to the competent authority.

(a) A synopsis of the co-produced film or TV series;

(b) Treatment;

(c) The full text of screenplay;

(d) The list of technical and artistic personnel that produce the co-production;

(e) Curriculum vitae of the director;

(f) A detailed budget and financing plan;

(g) The document of intellectual property transfer for commercial use of the production;

(h) Production schedule of the co-produced film or TV series;

(i) Nationality of personnel and the roles to be played the performers.

5. The co-producers will provide any further documentation and information, which the competent authorities deem necessary in order to process the co-production application or in order to monitor the co-production or the execution of the co-production agreement.

6. Any material provisions in the original co-production contract may be amended subject to prior approval by the competent authorities.

7. The replacement of a co-producer is subject to the prior approval by the competent authorities.

8. Competent authorities have to be informed about the participation of a producer from a third country in the co-production.

SECTION VIII
FINAL PROVISIONS

ARTICLE 86
Entry Into Force

This Protocol shall enter into force on the first day of the second month following the receipt of the last notification, via diplomatic channels, confirming that all internal legal procedures required by either Party for their entry into force have been concluded.

IN WITNESS THEREOF the undersigned plenipotentiaries, being duly authorized thereto, have signed this Protocol.

DONE at Ankara on 30 January 2018, in two originals, each in the Turkish, Serbian and English languages, all texts being equally authentic. In case of any divergence in the interpretation of this Protocol, the English text shall prevail.

For the Republic of Turkey	**For the Republic of Serbia**
Nihat ZEYBEKCİ **Minister of Economy**	**Rasim LJAJIĆ** **Deputy Prime Minister and Minister of Trade, Tourism and Telecommunications**