Protocol between the Czech Republic and the Republic of Guatemala on the amendment to the Agreement between the Czech Republic and the Republic of Guatemala for the Promotion and Reciprocal Protection of Investments, signed on the 8th July, 2003 at Prague

The Czech Republic and the Republic of Guatemala (hereinafter referred to as "the Contracting Parties") have agreed to amend the Agreement between the Czech Republic and the Republic of Guatemala for the Promotion and Reciprocal Protection of Investments, signed on July 8th, 2003 at Prague (hereinafter referred to as "the Agreement") as follows:

ARTICLE 1

The Contracting Parties agree to incorporate a new paragraph 3 to Article 3 of the Agreement and replace paragraphs 3 and 4 by new paragraphs 4 to 6, as follows:

- "3. The concepts of "fair and equitable treatment" and "full protection and security" in this Article and Article 2 do not require treatment in addition to or beyond that which is required by the customary international law minimum standard of treatment of aliens.
- 4. The National Treatment and Most-Favoured-Nation Treatment provisions of this Article shall not apply to advantages accorded by a Contracting Party pursuant to its obligations as a member of a customs, economic, or monetary union, a common market or a free trade area.

- 5. Each Contracting Party understands the obligations of the other Contracting Party as a member of a customs, economic, or monetary union, a common market or a free trade area to include obligations arising out of an international agreement or reciprocity agreement of that customs, economic, or monetary union, common market or free trade area.
- 6. The provisions of this Agreement shall not be construed so as to oblige one Contracting Party to extend to the investors of the other Contracting Party, or to the investments or returns of such investors, the benefit of any treatment, preference or privilege which may be extended by the Contracting Party by virtue of any international agreement or arrangement relating wholly or mainly to taxation."

ARTICLE 2

In Article 6 of the Agreement, at the beginning of the first sentence of paragraph 1, the following words are added:

"Without prejudice to measures adopted by the European Community or other regional economic integration organisation"

Paragraph 4 of Article 6 of the Agreement is deleted.

ARTICLE 3

The provision of Article 11 of the Agreement shall be replaced by the following wording:

- "1. Nothing in this Agreement shall be construed to prevent any Contracting Party from taking any actions that it considers necessary for the protection of its essential security interests,
 - a) relating to criminal or penal offences;
 - b) relating to traffic in arms, ammunition and implements of war and transactions in other goods, materials, services and technology undertaken directly or indirectly for the purpose of supplying a military or other security establishment;
 - c) taken in time of war or other emergency in international relations;
 - d) relating to the implementation of national policies or international agreements respecting the non-proliferation of nuclear weapons or other nuclear explosive devices; or
 - e) in pursuance of its obligations under the United Nations Charter for the maintenance of international peace and security.
- 2. A Contracting Party's essential security interests may include interests deriving from its membership in a customs, economic, or monetary union, a common market or a free trade area.".

ARTICLE 4

The Protocol shall enter into force on the thirtieth day after the later notification by which the Contracting Parties communicate each other that their internal legal procedures for its entry into force have been completed. The Protocol shall remain in force as long as the Agreement.

For the Czech Republic

For the Republic of Guatemala