AGREEMENT
BETWEEN THE GOVERNMENT OF THE REPUBLIC OF LATVIA AND THE
GOVERNMENT OF MONGOLIA ON INTERNATIONAL
ROAD TRANSPORT

The Government of the Republic of Latvia and the Government of Mongolia (hereinafter referred as the "Contracting Parties"),

- anxious to contribute to the development of trade and economic relations between the two countries;

- determined to promote collaboration in road transport within the framework of the market economics;

- recognizing the mutual interest and advantage of an agreement on road transport

have agreed as follows:

I GENERAL PROVISIONS

Article 1
Scope

This Agreement applies to international road transport operations performed by the carrier who in his home country according to its national legislation is entitled to perform international road transport operations, on hire and reward or on own account, and may perform such operations to, from, or in transit through the other country's territory.

Article 2
Definitions

1. The term "home country" means the territory of the Contracting Parties in which the carrier is established and a vehicle is registered.

2. The term "host country" means the territory of a Contracting Party in which the carrier is operating without its vehicle being registered there and without the carrier being established there.

3. The term "carrier" means any natural or legal person, established in the territories of the Contracting Parties, and authorized in accordance with the relevant national laws and regulations to engage in the international carriage of passengers or goods by road.

4. The term "vehicle" means:
a) in the carriage of passengers - any power driven road vehicle which is adapted for carriage of passengers, has more than nine seats, including the driver's seat and is registered in the territory of one of the Contracting Parties,

b) in the carriage of goods - any power driven road vehicle, either laden or unladen, which is registered in the territory of either Contracting Party and adapted for goods transport. For the purposes of this Agreement the term "vehicle" also applies to any trailer or semi-trailer, coupled to any motor vehicle disregarding the place of registration of trailer or semi-trailer.

5. The term "regular service" means passenger transport along routes and according to schedules agreed in advance and whereby passengers may enter or exit the vehicle at predetermined stops.

6. The term "shuttle services" means services whereby, by means of repeated outward and return journeys, groups of passengers assembled in advance are carried from a single place of departure to a single place of destination.

Each group, consisting of the passengers who made the outward journey, is carried back to the place of departure on a later journey. Place of departure and destination mean respectively the place where the journey begins and the place where the journey ends, together with, in each case, the surrounding locality within a 50 km radius. The first return journey and the last outward journey in a series of shuttles are made unladen.

7. The term "occasional service" means a service falling neither within the definition of a regular passengers service nor within the definition of a shuttle service. The frequency or number of services does not affect their classification as occasional service.

8. The term "cabotage" means the transport of passengers or goods between some points within the territory of one Contracting Party carried out by a carrier of the other Contracting Party.

**Article 3**

**Joint Committee and Competent Authorities**

1. For the application and implementation of the provisions of this Agreement, the competent authorities of both Contracting Parties establish a Joint Committee, which is formed from the delegates designated by these authorities.

2. The Joint Committee shall meet at the request of competent authorities of the either Contracting Party at meetings that will be held alternately in the territories of the Contracting Parties.

3. Under this Agreement, the competent authorities shall be:

- For the Republic of Latvia: Ministry of Transport;
- For Mongolia: Ministry of Roads and Transportation.
II PASSENGER TRANSPORT

Article 4
Regular and shuttle services

1. Regular and shuttle services operated between the territories of the Contracting Parties or in transit through them are subject to a system of permits issued by the competent authority of the Contracting Parties.

2. Carriers must address applications for authorizations for regular and shuttle services to the competent authority of their home country. If that competent authority approves the application, it forwards the said application to the competent authority of the host country.

3. The Joint Committee set up under Article 3 hereof decides on the form of the application for authorizations and following documents.

4. Regular services shall be established on reciprocity basis.

Each competent authority shall issue the permits for the period up to 5 (five) years for the section of the itinerary operated on its territory.

Article 5
Occasional services

1. Occasional services operated between the territories of the Contracting Parties or in transit through their territories are subject to a system of permits previously issued by the competent authority of the Contracting Parties.

2. As an exemption to paragraph 1 of this Article the following occasional services will not require any transport permit:

   a) round trip services, i.e. services whereby the same vehicle is used to transport the same group of passengers throughout the journey and to bring them back to the same place of departure;

   b) services which make the outward journey laden and the return journey unladen;

   c) services which make the outward journey unladen and the return journey laden, provided that passengers:

      - constitute a group formed under a contract of carriage entered into before their arrival in the territory of the Contracting Party where they are picked up and carried to the territory of the home country;

      - have been previously brought by the same carrier into the territory of the Contracting Party where they are picked up again and carried into the territory of the home country;

      - have been invited to the territory of the country of establishment, the cost of transport being born by the person issuing the invitation.
d) transit transport performed in services defined in indent a), b) or c);

e) runs by bus or coach sent to replace a bus which has broken down.

**Article 6**

**Common provisions on transport of passengers**

1. Permits for services mentioned within the paragraph 1 of the Article 4 and the paragraph 1 of the Article 5 are personal and are not transferable to other carrier.

2. The Joint Committee set up under Article 3 may add to the list of services within the paragraph 2 of the Article 5 which are excluded from the system of permits.

3. Services included in the paragraph 2 of the Article 5 and in paragraph 2 of this Article must have in their vehicles a properly completed waybill containing the list of passengers, which has been signed by the carrier and stamped by the competent control authorities. The waybill shall be completed at the Home country and must be kept in the vehicle throughout the journey for which it has been issued, and produced on the request of any authorized control officials.

**III TRANSPORT OF GOODS**

**Article 7**

**Regime of permits**

1. Carriers may, by virtue of previously obtained permits by the Competent authority of the Host country, perform goods transport between the territories of the Contracting Parties, as well as to/from third countries, if not otherwise provided for by the Joint Committee. The transit transport of goods through them will be carried out without permits.

2. The permit can be used only by the carrier to whom it is issued and is not transferable.

3. The permit must be kept in the vehicle during the whole journey and must be produced at the request of any authorized control officials.

4. The Joint Committee set up under Article 3 determines type, contingents, validity period for use of permits.

5. The competent authorities of both Contracting Parties shall annually exchange a jointly approved number of permits for occasional services and goods transport.

**Article 8**

**Exemption from permit requirements**

1. The following categories of transport shall be exempted from permit requirements:
a) transport by vehicles whose total permissible laden weight, including trailers, does not exceed 3.5 tonnes,

b) transport of vehicles which are damaged or have broken down and the transport of breakdown repair vehicles;

c) unladen runs by a vehicle sent to replace a vehicle which has broken down in another country, and also the return run, after repair, of the vehicle that had broken down;

d) transport of medical supplies and equipment needed for emergencies, more particularly in response to natural disasters and humanitarian aid;

e) transport of works and objects of art for fairs and exhibitions for non-commercial purposes;

f) transport for non-commercial purposes of properties, accessories and animals to or from theatrical, musical, film, sports or circus performances, fair or fetes, and those intended for radio recordings, or for film or television production;

g) first unladen run of newly-purchased vehicles;

h) funeral transport;

i) transport of livestock in special purpose - built or permanently converted vehicles for the transport of livestock;

j) transport of spare parts and provisions for aircraft and ocean-going ships.

2. The Joint Committee set up under Article 3 may add the list of transport categories exempted from, the permit requirements set out in paragraph 1 of this Article.

3. With regard to the transport referred to in paragraph 1 and 2 of this Article, the driver must keep all papers and documents that clearly indicate that one of the above kinds of transport is in case.

IV COMMON PROVISIONS

Article 9
Cabotage

Carriers cannot perform cabotage transport in the territory of the Host country, unless it is agreed otherwise.

Article 10
Obligations of carriers and penalties

1. Carriers and their staff must comply with national laws and regulations in force in the territory of the Host country while performing road transport within the host country's territory.
2. In the event that a carrier or the staff on board of a vehicle registered in one Contracting Party have not observed the laws and regulations in force on the territory of the Host country, or the provisions of this Agreement or the conditions mentioned in the permit, the Competent authority of the Home country could, at the demand of the Competent authority of the Host country, take the following measures:

   a) to issue a warning for the carrier who committed the infringement;

   b) to cancel or withdraw temporarily the permits allowing the carrier to perform transport in the territory of the Contracting Party where the infringement was committed.

3. The Competent authority which has adopted such a measure shall notify it to the Competent authority of the Host country which had proposed it.

4. The provisions of this Article shall not exclude the lawful sanctions which may be applied by the courts or administration authorities of the country where the infringement was committed.

---

**Article 11**

**Taxation**

1. Passenger and goods vehicles registered in the country of one of the Contracting Parties when entering the country of the other Contracting Party in accordance with the customs and fiscal legislation in force in that country on a temporary basis, shall be exempted from all duties connected with the ownership of vehicles, from the taxes and charges levied on the circulation or possession of vehicles and from taxes and charges levied on transport operations carried out in this country. However, these exemptions shall not apply to the payment of road tolls, road user charges or other similar charges which are not other or more burdensome than road tolls, road user charges or other similar charges and connected requirements to which the carriers of country of that other Contracting Party may be subjected.

2. Lubricants and fuel contained in the standard tanks of the vehicles registered in the country of one Contracting Party, as well as spare parts intended for the repair service of a damaged vehicle performing international transport, shall be exempted from all the import duties of the Host country. Non-used spare parts as well as replaced old parts shall be exported or treated in accordance with customs regulations of the Host country.

---

**Article 12**

**Insurance**

Carriage of passengers and cargo can only be done on a vehicle with driver fully insured for driver's civil liability. The carrier shall also have prior insurance on all vehicles to be operated on the territory of the other Contracting Party.
Article 13
Special conditions and requirements

1. In case weights and dimensions of the vehicle registered in one Contracting Party to be used in transport operations with or without load exceed the maximum permissible limits being in force in the territory of the Host country or carrying dangerous goods, a special permit issued by the competent authorities of that country is needed.

2. The carrier should fully comply with the travel route, if such route is specifically provided in the permit mentioned in paragraph 1 of this Article.

Article 14
International obligations

The provisions of this Agreement shall not affect the rights or obligations of the Contracting Parties contained in International Conventions, Agreements and Regulations which apply to them.

Article 15
Final provisions

1. This Agreement shall come into force on the date of the receipt of the last notification through diplomatic channels by which the Contracting Parties notify each other that the conditions required by their respective national legislation for entry into force of the Agreement have been fulfilled.

2. This Agreement may be amended on the basis of mutual agreement between the Contracting Parties. Such amendment shall enter into force in accordance with the procedures stipulated in paragraph 1 of this Article.

3. In case any dispute arises between the Contracting Parties relating to the interpretation or application of this Agreement, the Contracting Parties shall endeavour to settle it by negotiation.

4. This Agreement shall remain in force unless it is terminated through diplomatic channels by one of the Contracting Parties. In that case the Agreement shall be terminated six months after the other Contracting Party has been notified about it.

In witness whereof, the undersigned being duly authorized thereto by their respective Governments, have signed the present Agreement.

Done in two originals at Ulaanbaatar, on June 12, 2014 each in the Latvian, Mongolian and English languages, all texts being equally authentic. In case of divergence of interpretation, the English text shall prevail.

For the Government of the Republic of Latvia
Minister of Foreign Affairs
Edgars Rinkēvičs

For the Government of Mongolia
Minister of Roads and Transportation
Amarjargal Gansukh