

FREE TRADE AGREEMENT BETWEEN THE REPUBLIC OF ESTONIA
AND THE REPUBLIC OF LATVIA AND THE REPUBLIC OF LITHUANIA
ON TRADE IN AGRICULTURAL PRODUCTS

Preamble

The Republic of Estonia (hereinafter referred to as "Estonia"), *the Republic of Latvia* (hereinafter referred to as "Latvia") and *the Republic of Lithuania* (hereinafter referred to as "Lithuania"), jointly referred to as "the Parties",

Having regard to the Preamble and Article 3 of the Free Trade Agreement between the Republic of Estonia and the Republic of Latvia and the Republic of Lithuania signed on 13 September 1993,

Recalling their intention to participate actively in the process of integration in Europe and expressing their preparedness to co-operate in seeking ways and means to strengthen this process,

Firmly convinced that this Agreement will foster the intensification of mutually beneficial trade relations between them and contribute to the process of integration in Europe,

Desiring to create favourable conditions for the development and diversification of trade between them and for the promotion of commercial and economic co-operation in areas of common interest on the basis of equality, mutual benefit and international law,

Resolved to contribute to the strengthening of the multilateral trading system and to develop their relations in the field of trade in accordance with the principles of the Agreement Establishing the World Trade Organisation (WTO), Estonia, Latvia and Lithuania having the objective to become a Member of WTO,

Determined to implement this Free Trade Agreement with the objective to preserve and protect the environment and to ensure an optimal use of natural resources in accordance with the principle of sustainable growth,

Declaring their readiness to examine, in the light of any relevant factor, the possibility of developing and deepening their economic relations in order to extend them to fields not covered by this Agreement,

Have decided, in pursuit of the above, to conclude the following Agreement (hereinafter referred to as "this Agreement"):

Article 1

Objectives

The objectives of this Agreement are:

- (a) to create a free trade area for agricultural, food and fish products between Estonia, Latvia and Lithuania;
- (b) to promote, through liberalisation of trade in agricultural products, the harmonious development of the economic relations between Estonia, Latvia and Lithuania;
- (c) to provide fair conditions of competition for trade between the Parties.

Article 2

Scope

This Agreement shall apply to products falling within Chapters 01 to 24 of the Harmonised Commodity Description and Coding System originating in Estonia, Latvia or Lithuania.

Article 3

Customs duties on imports and charges having equivalent effect

1. The Parties shall abolish in trade between them on the date of entry into force of this Agreement all customs duties on imports and all charges having equivalent effect on products originating in the Parties in accordance with the provisions of Article 7 (Rules of origin).
2. No new customs duty on imports or charge having equivalent effect shall be introduced in trade between the Parties.

Article 4

Fiscal duties

The provisions of Article 3 (Customs duties on imports and charges having equivalent effect) shall also apply to customs duties of a fiscal nature.

Article 5

Customs duties on exports and charges having equivalent effect

1. The Parties shall abolish in trade between them on the date of entry into force of this Agreement all customs duties on exports and charges having equivalent effect to customs duties on exports.
2. No new customs duty on exports or charge having equivalent effect shall be introduced in trade between the Parties.