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FREE TRADE AGREEMENT BETWEEN ARMENIA AND UKRAINE

The following communication, dated 17 June 2004, is being circulated at the request of the Delegation of Armenia.
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AGREEMENT
BETWEEN THE GOVERNMENT OF REPUBLIC OF ARMENIA
AND THE GOVERNMENT OF UKRAINE ON FREE TRADE

The Government of Republic of Armenia and the Government of Ukraine, hereafter referred to as the Contracting Parties,

Striving to develop trade and economic cooperation between Republic of Armenia and Ukraine based upon equality and mutual benefits,

Based upon the sovereign right of each state to conduct its independent foreign economic policy,

Aiming at fostering economic activities, providing full employment, increasing productivity and rational use of resources,

Striving to promote harmonious development and growth of world trade, elimination of barriers in its development,

Reaffirming the intention of the Republic of Armenia and Ukraine to become Contracting Parties to the General Agreement on Tariffs and Trade (GATT) sharing goals and principles of GATT and taking into account the results of agreements and understandings reached under Uruguay round of multilateral trade negotiations,

HAVE AGREED as follows:

Article 1

1. Contracting Parties shall not apply customs duties, taxes and charges having equivalent impact on exportation and importation of goods originating from the customs territory of one of Contracting Parties and destined for the customs territory of the other Contracting Party. Exceptions to this trade regime on the basis of the agreed

nomenclature shall be formalized by separate documents, which shall be an integral part of this Agreement, if Contracting Parties consider this necessary.
2. For the purposes of this Agreement, and for its effective term, goods originating from the territories of Contracting Parties shall be deemed to be the goods determined according to the Rules of Establishing the Country of Origin for Goods of September 24, 1993, approved by the Resolution of the Council of the Heads of Governments of the Independent States.

Article 2

Each Contracting Party shall not:

- directly or indirectly impose any internal taxes or charges on commodities co Agreement, in excess of corresponding taxes and charges imposed on similar of domestic production or of third country origin;

- apply rules to warehousing, reloading, storage, and transportation of goods that originating from the territory of the other Contracting Party, as well as to payments and payment transfers, other than those applied in similar situations regarding goods of domestic production or of third country origin.

Article 3

Contracting Parties in their mutual trade shall refrain from discriminatory measures, introduction of quantitative restrictions or similar measures for exportation and/or importation of goods within the framework of this Agreement.

Parties may introduce unilaterally quantitative or other special restrictions only within reasonable limits, and for a strictly defined time period.

These restrictions shall be of exceptional nature and may only be applied in cases provided for by the GATT agreements.

A Contracting Party which applies quantitative restrictions under this Article shall provide the other Contracting Party, if possible, in advance with full information on the main reasons for introduction, forms and expected terms of application of the abovementioned restrictions, whereupon the consultations shall be set.

Article 4

Contracting Parties shall on a regular basis exchange information on laws and other regulations related to economic activity, including trade, investment, taxation, banking and insurance and other financial services, on transport and customs issues, including customs statistics.

Contracting Parties shall inform each other without delay on any changes in the national legislation, which may influence implementation of this Agreement.