

ARTICLE 4

Customs duties on imports and charges having equivalent effect

1. No new customs duty on imports or charge having equivalent effect shall be introduced in trade between the EFTA States and Poland.
2. Upon the date of entry into force of this Agreement, the EFTA States shall abolish all customs duties on imports and any charges having equivalent effect for products originating in Poland, except for products specified in Annex III for which customs duties on imports and charges having equivalent effect shall be progressively abolished in accordance with the provisions laid down in that Annex.
3. For products originating in an EFTA State, Poland shall progressively abolish in five equal annual steps starting on 1 January 1995 all customs duties on imports and any charges having equivalent effect, except for products specified in Annex IV for which customs duties and charges having equivalent effect shall be abolished on the date of entry into force of this Agreement and for products specified in Annex V for which customs duties and charges having equivalent effect shall be progressively abolished in accordance with the timetable laid down in that Annex.

ARTICLE 5

Basic duties

1. For each product the basic duty to which the successive reductions set out in this Agreement are to be applied shall be the most-favoured-nation rate of duty applicable on 29 February 1992.
2. If, after the entry into force of this Agreement, any tariff reduction is applied on an *erga omnes* basis, in particular reductions resulting from the tariff agreement concluded as a result of the Uruguay Round of Multilateral Trade Negotiations, such reduced duties shall replace the basic duties referred to in paragraph 1 as from the date when such reductions are applied.
3. The reduced duties calculated in accordance with Article 4 shall be applied rounded to the first decimal place or, in case of specific duties, to the second decimal place.

ARTICLE 6

Customs duties of a fiscal nature

1. The provisions of paragraphs 1 to 3 of Article 4 shall also apply to customs duties of a fiscal nature, except as provided for in Protocol C.
2. The States Parties to this Agreement may replace a customs duty of a fiscal nature or the fiscal element of a customs duty by an internal tax.

ARTICLE 7

Customs duties on exports and charges having equivalent effect

1. No new customs duty on exports or charge having equivalent effect shall be introduced in trade between the EFTA States and Poland.