- in cases of acute deficit of balance of payments until the situation with balance of payments is stabilized;
- for the purposes of carrying out the measures provided by Article 4 hereof.
- 3. The quantitative restrictions of this Article may also be established on the basis of Parties' mutual agreement and shall be included in yearly documents mentioned in paragraph 1 of Article 1 hereof.
- 4. A Contracting Party that applies quantitative restrictions in compliance with paragraph 2 of the Article shall be obliged, upon inquiry of the other Contracting Party, to present necessary information concerning the reasons for the introduction, forms and possible terms of applying the mentioned restrictions.
- 5. The Contractions Parties will aspire to solve all the issues arising in connection with the application of the quantitative restrictions in compliance with paragraph 2 of this Article by way consultations.

Article 4

Either Contracting Party will not allow re-exportation of goods with respect to exportation of which the other Contracting Party, where these goods originate from, applies measures of tariff and/or non-tariff regulation.

Re-exportation of these goods to third countries can be carried out only by written consent and on terms determined by the authorized body of a State which is the country of origin of these goods. In the event that this provision is not implemented, a Contracting Party, whose interests have been violated, shall have the right to unilaterally introduce measures, for the regulation of exportation of goods to the territory of the State which allowed non-sanctioned re-export. And the latter pay the whole currency earning of such re-export to the country of origin of the relevant goods.

Re-exportation shall mean that goods originated from the customs territory of one of the Contracting Parties, as defined in paragraph 2 of Article 1 hereof, are exported by the other Contracting Party outside the customs territory of the latter with the aim of exporting them to a third

Page 3

Article 5

The Contracting Parties will, on a regular basis, exchange information on customs issues, as well as customs statistics. The relevant authorized bodies of the Contracting Parties shall coordinate the order and volume of such information.

The Contracting Parties will inform each other of all exceptions to the current customs tariff which are unilaterally applied.

Article 6

The Contracting Parties shall consider unfair business practice incompatible with the objectives of this Agreement. The unfair business practice is expressed in particular in the following:

- in concluding agreements between enterprises and their associations aimed at impeding or restricting competition or violating conditions for the competition on the territories of the Contracting Parties;
- in carrying out actions with the help of which one or several enterprises use their dominant position restricting competition on the entire or considerable part of the territory of the Contracting Parties.

Article 7

In carrying out measures of tariff and non-tariff regulation of bilateral economic relations, for exchanging statistical information and carrying out customs procedures, the Contracting Parties have agreed to apply a single 9-digit Goods Nomenclature of Foreign Economic Activity (GN FEA) based on the Harmonized Commodity Description and Coding System and the Combined Tariff Statistical Nomenclature of the European Economic Community. And the Contracting

Parties shall, for their own needs, if necessary, carry out the development of the Goods Nomenclature beyond 9-digits.

Article 8

The Contracting Parties have agreed not to use the national aid in the form of subsidies to enterprises or in any other form, if such national aid might cause violation of normal economic conditions on the territory of the other Contracting Party.

Article 9

The Contracting Parties have agreed that the observance of a principle of transit freedom shall be the most important condition for achieving the objectives of this Agreement and shall be an essential element of the process of their attachment to the system of international division of labor and cooperation.

In this connection, either Contracting Party shall provide a free transit, via its territory, of goods originated from the customs territory of the other Contracting Party and/or third countries and intended for the customs territory of the other Contracting Party or any third country. Either Contracting Party shall provide exporters, importers or carriers with all means and services available and necessary to provide transit on terms not worse than those on which the same means and services are provided to its own exporters, importers or carriers, or to exporters, importers or carriers of any third country.

The Contracting Parties have agreed that tariffs on transit by any kind of transport, including tariffs on loading and unloading works, will be economically substantiated. Page 4

The Contracting Parties will conclude a special agreement on transit issues.

Article 10

Nothing herein must prevent a Contracting Party from taking measures which it considers necessary to protect its vital interests or which are undoubtedly necessary for the implementation of the international agreements of which it intends to become a signatory, if these measures concern:

- information affecting interests of the national defense;
- trade in weapons, ammunition and military equipment;
- investigations or production connected with needs of defense;
- deliveries of materials and equipment used in nuclear industry;
- defense of public moral and public order;
- protection of industrial or intellectual property;
- gold, silver or other precious metals and stones;
- health protection of people, animals and plants.

Article 11

The provisions of this Agreement shall replace provisions of the agreements concluded earlier between the Contracting Parties, if the latter is either not compatible with the former or identical to it. The Contracting Parties will instruct bodies to prepare a relevant Protocol on this issue.

Article 12

This Agreement shall not affect the effectiveness of other Agreements earlier concluded by the Contracting Parties with third countries.

Article 13

Nothing herein shall prevent the Contracting Parties from carrying out relations, which do not contradict the objectives and terms hereof, with States which are not Parties to this Agreement and with their associations and international organizations.

Article 14

Disputes between the Contracting Parties regarding the interpretation or application of the provisions hereof will be settled by way of negotiations.

Article 15