

**AGREEMENT
BETWEEN THE GOVERNMENT OF THE RUSSIAN FEDERATION AND THE
FEDERAL GOVERNMENT OF THE FEDERAL REPUBLIC OF YUGOSLAVIA ON
FREE TRADE BETWEEN THE RUSSIAN FEDERATION AND THE FEDERAL
REPUBLIC OF YUGOSLAVIA**

(Belgrade, August 28, 2000)

The Government of the Russian Federation and the Federal Government of the Federal Republic of Yugoslavia, hereinafter referred to as the Contracting Parties,
seeking to freely develop and deepen mutual economic and trade cooperation,
reaffirming commitment to the principles of the market economy as the basis of trade and economic relations,
reaffirming their intention to actively participate and encourage the expansion of mutually advantageous trade and economic relations,
creating necessary conditions for the free movement of goods and capital in accordance with the current in each state laws and the rules of the World Trade Organization (WTO),
have agreed as follows:

Article 1

General provisions

The Contracting Parties liberalize mutual trade in accordance with the provisions of this Agreement and the WTO rules in order to establish a free trade regime.

Article 2

Objectives of this Agreement

The objectives of this Agreement are:
expansion and promotion of mutual trade and economic relations aimed at fostering of the economic development of both States, improvement of living and working conditions, increase in employment in the sphere of production, achievement of production and financial stability of both States;
ensuring conditions for fair competition between economic entities of both States;
harmonization of customs procedures and order of application of rules of origin of goods, relevant to standards of international practice, harmonization of rules of control of origin of goods by the customs authorities of both States.

Article 3

Scope of application

Provisions of this Agreement will apply to goods, specified in groups from 1 to 97 of the nomenclature of the Harmonized commodity description and coding system, adopted in accordance with the International Convention on the Harmonized system of description and coding of goods (Brussels, June 14, 1983), or in customs tariffs of each State.

Article 4

Import customs duties and other charges

The Contracting Parties shall endeavour to within the five-year period to take agreed measures to phase out in the mutual trade import customs duties and equivalent to them charges in respect of goods, originating from the customs territory of the States of the Contracting Parties.

The Contracting Parties annually agree on withdrawal from the regime, provided for in Article 1 of this Agreement, which will be applied on the basis of bilateral Protocols signed by the Contracting Parties in accordance with the legislation of their States.

Fees for customs clearance of goods will be levied in accordance with the laws of the States of each of the Contracting Parties.

Article 5

Technical regulation

The Contracting Parties shall cooperate and exchange information in the field of standardization, metrology and establishment of compliance of goods to prevent the creation of any technical obstacles in the mutual trade.

In order to implement the provisions of this Agreement the Contracting Parties shall conclude agreements on mutual recognition of the acts of testing, conformity certificates or other documents that are directly or indirectly relate to the goods which are the subject of trade between the two States.

Conditions and methods of compliance of the goods to regulations are determined by the authorised organisations of the Contracting Parties in accordance with the legislation of the importing State.

Article 6

Sanitary and hygienic, veterinary and phytosanitary measures

The Contracting Parties shall apply regulations of their States in the area of veterinary, quarantine and plant protection in part of the competence of the relevant international institutions, providing information about the spread of contagious diseases in domestic animals and quarantine diseases, pests and weeds plants with the coordination of the necessary documents for mutual deliveries and transit of goods.

The Contracting Parties shall apply regulations of their States in the area of veterinary, protection of plants and animals on the non-discriminatory basis in accordance with the Agreement between the Government of the Russian Federation and the Federal Government of the Federal Republic of Yugoslavia on cooperation in the field of agro-industrial complex, the Agreement between the Government of the Russian Federation and the Federal Government of the Federal Republic of Yugoslavia on cooperation in the field of veterinary and the Agreement between the Government of the Russian Federation and the Federal Government of the Federal Republic of Yugoslavia on cooperation in the field of quarantine and protection of plants, signed in the city. Belgrade, October 31, 1996.

Article 7

Rules of origin

The origin of the goods shall be determined on the basis of the rules, provided for by the legislation of the importing State.