

**AGREEMENT
BETWEEN THE GOVERNMENT OF THE RUSSIAN FEDERATION AND THE
GOVERNMENT OF TURKMENISTAN ON FREE TRADE
(Moscow, 11 November, 1992)**

The Government of the Russian Federation and the Government of Turkmenistan, hereafter referred to as the Contracting Parties,

Guided by the provisions of the Treaty on Friendship and Co-operation between the Russian Federation and Turkmenistan signed on 31 July 1992,

Taking into consideration the multilateral Agreement on customs policy principles of 13 March 1992,

Striving to develop trade and economic cooperation between the Russian Federation and Turkmenistan on the basis of equality and mutual benefit,

On the assumption of the sovereign right of each State to conduct its independent foreign economic policy and enforce relevant international obligations and realization of proclaimed intentions,

Intending to promote the establishment of common market for goods, services, capital and labour,

Desiring to promote the establishment of proper conditions for the Customs union,
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 from this trade regime on the basis of the agreed nomenclature of goods shall be formalized by annual documents, which shall be an integral part of this Agreement.

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:

(a) Completely produced in the territory of Contracting Parties;

(b) Having been processed on the territory of Contracting Parties by utilizing raw materials and components of third country origin, and, with this regard, have been changed its classification under the Goods Nomenclature of International Trade, based under the Harmonized System of Commodity Description and Coding of Goods and Combined tariff-statistical nomenclature of the European economic community, on the basis of the first four digits;

(c) Produced with the use of raw materials and components listed in "b" above, provided that its total cost shall not exceed fixed proportion of export price of goods sold.

Detailed rules on establishing origin of goods shall be formulated by the Contracting Parties in a separate document, which will become an integral part of this Agreement.

Article 2

Contracting Parties shall not:

directly or indirectly impose on goods, covered by this Agreement, any internal taxes or charges in excess of corresponding taxes and charges, imposed on domestically produced similar goods or goods of third country origin;

apply with regard to import or export of goods, covered by this Agreement, any special limitations or requirements, which are not applied in a similar situation to domestically produced similar goods or goods of third country origin;