

2. The objectives of this Agreement are:

- (a) to promote, through the expansion of mutual trade, the harmonious development of economic relations between the Parties and thus to foster in the Parties the advance of economic activity;
- (b) to provide fair conditions of competition for trade between the Parties;
- (c) to contribute, by the removal of barriers to trade, to the harmonious development and expansion of world trade;
- (d) to promote co-operation in areas which are of mutual interest to the Parties.

CHAPTER I

Industrial Products

Article 2

Scope

The provisions of this Chapter shall apply to industrial products originating in the Parties, where the term "industrial products" means for the purpose of this Agreement the products falling within Chapters 25 to 97 of the Harmonized Commodity Description and Coding System, with the exception of the products listed in Annex I to this Agreement.

Article 3

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 Parties.
- 2. Customs duties on imports shall be abolished in accordance with the provisions of Protocol 1 to this Agreement.
- 3. The Parties shall abolish between them on the date of entry into force of this Agreement all charges having equivalent effect to customs duties on imports.

Article 4

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 in force on 1 January 1996.
- 2. If, after entry into force of the Agreement, any tariff reduction is applied on an erga omnes basis, such reduced duties shall replace the basic duties referred to in paragraph 1 as from that date when such reductions are applied.
- 3. The reduced duties calculated in accordance with Protocol 1 to this Agreement and in accordance with paragraph 2 shall be applied rounded to the first decimal place.
- 4. The Parties shall notify each other of their respective national basic rates of duties in accordance with the provisions of paragraph 2.

Article 5
Fiscal duties

The provisions of Article 3 shall also apply to customs duties of a fiscal nature.

Article 6
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 Parties.
2. The Parties shall abolish between them on the date of entry into force of this Agreement all customs duties on exports and all charges having equivalent effect.

Article 7
Quantitative restrictions on imports and measures having equivalent effect

1. No new quantitative restriction on imports or measure having equivalent effect shall be introduced in trade between the Parties.
2. All quantitative restrictions and all measures having equivalent effect on imports of products originating in the Parties shall be abolished on the date of entry into force of this Agreement, except as provided for in Annex II to this Agreement.

Article 8
Quantitative restrictions on exports and measures having equivalent effect

1. No new quantitative restriction on exports or measure having equivalent effect shall be introduced in trade between the Parties.
2. All quantitative restrictions and all measures having equivalent effect on exports of products originating in the Parties shall be abolished on the date of the entry into force of this Agreement.

CHAPTER II
Agricultural Products

Article 9
Scope

The provisions of this Chapter shall apply to agricultural products originating in the Parties, where the term "agricultural products" means for the purpose of this Agreement the products falling within Chapters 1 to 24 of the Harmonized Commodity Description and Coding System, including the products listed in Annex I to this Agreement.

Article 10
Exchange of concessions