

- (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

1. The provisions of this Chapter shall apply to industrial products originating in one of 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 (hereinafter "Annex I").
2. The provisions of this Chapter shall not preclude the introduction by the Republic of Slovenia of an agricultural component in the duties applicable to products falling within Chapters 25 to 97 of the Harmonised Commodity Description and Coding System listed in Annex II to this Agreement (hereinafter "Annex II") in respect of products originating in the Republic of Turkey.
3. The provisions of this Chapter shall not preclude the retention by the Republic of Turkey of an agricultural component in the duties applicable to products falling within Chapters 25 to 97 of the Harmonised Commodity Description and Coding System listed in Annex II in respect of products originating in the Republic of Slovenia.

Article 3

Basic duties

1. For commercial exchanges covered by this Agreement, the Slovenian Customs Tariffs shall be applied for the classification of goods for import into the Republic of Slovenia. The Turkish Customs Tariffs shall be applied for the classification of goods for import into the Republic of Turkey.
2. For each product the basic duty to which successive reductions set out in this Agreement are to be applied shall be:

for products originating in the Republic of Turkey, the Most Favoured Nation rate of duty in force on 1 January 1997 in the Republic of Slovenia;

for products originating in the Republic of Slovenia, the Most Favoured Nation rate of duty that is in force in Turkey, on erga omnes basis, on the date of entry into force of this Agreement.

3. If, after entry into force of the 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 GATT Uruguay Round, such reduced duties shall replace the basic duties referred to in paragraph 2 as from that date when such reductions are applied.

4. The reduced duties calculated in accordance with Protocol 1 shall be applied rounded to the first decimal place.

5. The Parties shall notify each other their respective national basic rates of duties.

Article 4

Customs duties on imports

1. No new customs duty on imports shall be introduced in trade between the Parties from the date of entry into force of this Agreement.

2. Customs duties on imports shall be abolished in accordance with the provisions of Protocol 1 to this Agreement (hereinafter "Protocol 1").

3. Customs duties on imports for selected number of textile products originating in the Republic of Turkey shall be progressively reduced in accordance with Annex III to this Agreement (hereinafter "Annex III").

Article 5

Charges equivalent to customs duties

1. No new charge having an effect equivalent to a customs duty on imports shall be introduced in trade between the Parties.

2. All charges having an effect equivalent to customs duties on imports shall be abolished on the date of the entry into force of this Agreement.

Article 6

Fiscal duties

The provisions of Article 4 shall also apply to customs duties of a fiscal nature.

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 Parties.
2. All customs duties on exports and charges having equivalent effect shall be abolished on the date of entry into force of the Agreement .

Article 8

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 on imports and measures having equivalent effect shall be abolished on the date of entry into force of the Agreement, except as provided for in Annex III.

Article 9

Quantitative restrictions on exports and measures having equivalent effect

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

CHAPTER II

Agricultural, Processed Agricultural and Fish Products

Article 10

Scope

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

Article 11

Trade in agricultural products