

with the definition set forth in Article XXIV of the General Agreement on Tariffs and Trade (GATT) of 1994, and the Marrakech Agreement establishing the WTO.

2. The Goals of this Agreement are:

- a) to deepen the economic co-operation between the two countries and to raise the standards of living of population of these countries,
- b) to gradually eliminate restrictions on trade in goods,
- c) to ensure conditions for fair competition in the trade between the Contracting Parties,
- d) to facilitate this process by removing barriers to trade and thus facilitating harmonious development and expansion of the world trade,
- e) to enhance co-operation between the Contracting Parties,
- f) to create conditions furthering investments, particularly joint investment projects in the Contracting Parties,
- g) to promote trade and co-operation of the Contracting Parties in the third countries' markets.

CHAPTER I INDUSTRIAL GOODS

Article 2 Scope

Provisions of this Chapter shall apply to industrial products, originating in one of the Contracting Parties. For purposes of this Agreement, the term "industrial products" means products falling within Chapters 25 to 97 of Harmonized Commodity Description and Coding System with the exception of the products listed in Annex I.

Article 3 Basic duties

- 1. For commercial exchanges covered by this Agreement, the Customs Tariffs of the Republic of Macedonia shall apply to the classification of goods imported to the Republic of Macedonia. The Customs Tariffs of Ukraine shall apply to the goods imported in Ukraine.
- 2. For each product the basic duty, the rate of which is subject to the gradual reductions under this Agreement, shall be the most-favored-nation duty applied by the Contracting Parties on 1 January 2001.
- 3. If after this date, any reduced tariff rate is applied erga omnes, in particular, a rate reduced as a result of tariff agreements made in conformity with the Uruguay Round of the GATT 1994 and the Marrakech Agreement Establishing the WTO, the reduced duty shall replace the basic duty set forth in Paragraph 2 from the date of application of the reduced tariff rate.
- 4. The reduced duties, calculated in accordance with Paragraph 2, shall be rounded off to the first digit after the decimal point.
- 5. The Contracting Parties shall exchange information on their basic duties.

Article 4 Customs Duties on Imports

- 1. No new customs duties on imports or charges having equivalent effect shall be introduced in trade between the Contracting Parties.
- 2. The Contracting Parties shall abolish on the date of entry into force of this Agreement all customs duties on imports and any charges having equivalent effect on products originating in Republic of Macedonia or Ukraine, except for those specified in

Protocol A.

Article 5

Charges Equivalent to Duties

1. No new charges, having effect equivalent to customs duties on imports, shall be introduced in trade between the Contracting Parties.
2. All charges having effect equivalent to customs duties on imports shall be abolished as of the date of entry into force of this Agreement in accordance with Article 38.

Article 6

Fiscal Duties

1. The provisions of Article 4 shall also apply to customs duties of a fiscal nature, except for the fee charged for the customs documents processing and preparation.
2. Notwithstanding Paragraph 1 of this Article the Contracting Parties shall implement their national regulations on Value Added Tax and Excise Tax.

Article 7

Customs Duties on Exports and Charges Having Equivalent Effect

1. No new customs duties on exports or charges, having equivalent effect, shall be introduced in trade between the Contracting Parties.
2. On the date of entry into force of this Agreement in accordance with Article 38, the Contracting Parties shall abolish all customs duties on exports and charges having equivalent effect, in their relations between themselves.

Article 8

Quantitative Restrictions on Imports or Exports and Measures Having Equivalent Effect

1. No new quantitative restrictions on imports and exports or measures having equivalent effect shall be introduced in trade between the Republic of Macedonia and Ukraine.
2. All quantitative restrictions on imports and exports of the Contracting Parties and measures, having equivalent effect, shall be abolished on the date of entry into force of this Agreement in accordance with Article 38, except for those that may be necessary to fulfill obligations assumed under international agreements of both Contracting Parties.

Article 9

Technical Barriers to Trade

1. The Contracting Parties shall cooperate and share information in the field of standardization, metrology, conformity assessment and accreditation, for the purpose of elimination of technical barriers to trade and unification of domestic procedures in conformity with the WTO rules relating to trade barriers when carrying out trade transactions.
2. A Contracting Party, upon a request from another Contracting Party, shall submit information concerning relevant individual cases that concern standards, technical rules or similar measures.
3. The Contracting Parties will, where appropriate, enter into negotiations for the conclusion of agreements on mutual recognition of conformity assessment, following the

recommendations of the WTO Agreement on Technical Barriers to Trade relating to technical barriers issues when carrying out trade transactions.

CHAPTER II
AGRICULTURE, AGRICULTURAL AND FISHERY PRODUCTS

Article 10
Scope

Provisions of this Chapter shall apply to agricultural products originating in one of the Contracting Parties. The term "agricultural products" for purposes of this Chapter will refer to products falling within Chapters 1 to 24 of the Harmonized Commodity Description and Coding System., as well as to products listed in Annex 1 to this Agreement.

Article 11
Exchange of concessions

The Contracting Parties declare their readiness to develop trade in agricultural products in conformity with provisions of this Chapter and requirements of the World Trade Organization (WTO).

Article 12
Concessions and Agricultural Policy

The Contracting Parties shall grant each other concessions listed in Protocol B, while applying measures facilitating trade in agricultural products in conformity with provisions of this Chapter and provisions of the Protocol.

Article 13
Special Safeguards

Notwithstanding other provisions of this Agreement, and, in particular, Article 19, in case of particularly sensitive agricultural products, in instances where import of products originating in one of the Contracting Parties, and to which under this Agreement concessions apply, seriously disrupts operation of the market of the other Party, the former Party shall immediately enter into consultations to resolve this problem. Pending such a decision such Contracting Party may take measures it deems necessary in conformity with national legislation.

Article 14
Sanitary and Phytosanitary Measures

1. The Contracting Parties shall apply their national veterinary, sanitary and phytosanitary regulations on the nondiscriminatory basis and shall not introduce any new measures leading to unjustifiable barriers to trade.
2. Veterinary, sanitary and phytosanitary measures will be applied in accordance with international conventions to which both Contracting Parties are parties.

CHAPTER III
GENERAL PROVISIONS

Article 15