

FREE TRADE AGREEMENT BETWEEN UKRAINE AND TURKMENISTAN

FREE TRADE AGREEMENT between the Government of Ukraine and the Government of Turkmenistan

Date of signing: November 5, 1994

Date of ratification: November 4, 1995

The Government of Ukraine and the Government of the Turkmenistan, referred to hereinafter as the Contracting Parties,

confirming their favorable regard to the free development of mutual economic cooperation,

taking into account the integrative economic relations that evolved between Ukraine and Turkmenistan,

desiring to develop trade and economic cooperation between Ukraine Turkmenistan on the basis of equality and mutual benefit,

recognizing that the free movement of goods and services requires effecting mutually agreed measures,

confirming the intentions of Ukraine and Turkmenistan to become Contracting Parties to the General Agreement on Tariffs and Trade (GATT), sharing the goals and principles of GATT and taking into account the results of the agreements and accords achieved within the framework of the Uruguay Round of Multilateral Trade Negotiations,

have agreed as follows:

Article 1

1. The Contracting Parties shall not apply customs duties, taxes and charges of equivalent effect on the export and/or import of commodities originating from the customs territory of one of the Contracting Parties and intended for the customs territory of another Contracting Party. Exclusion from the given trade regime by a conciliated classification of commodities shall be formalized by documents that are an inseparable part of the present Agreement, if the Contracting Parties deem it necessary.

2. For the purposes of the present Agreement and for its validity period, the commodities originating from the territory of the Contracting Parties shall mean the commodities identified by the Rules for Identifying the Countries of the Commodities' Origin, as determined by the agreements of the Contracting Parties.

Article 2

Each of the Contracting Parties shall not:

- directly or indirectly impose on commodities, which come within the purview of the present Agreement, domestic taxes and charges that exceed corresponding taxes or charges imposed on similar commodities of domestic manufacture or commodities originating from third countries;
- apply to the warehousing, reloading, storage, movement of commodities originating from another Contracting Party, as well as payments and remittance of payments other rules than those that are applied in similar cases to its own commodities.

Article 3

The Contracting Parties shall in mutual trade refrain from applying discriminatory measures, and from introducing quantitative restrictions or equivalent measures on the export and/or import of commodities within the framework of the present Agreement.

The Parties may set quantitative or other special restrictions by conciliation of the Parties.

These restrictions shall be of an exclusive nature and may be applied only in cases provided for by agreements within the framework of GATT.

Article 4

The Contracting Parties shall exchange on a regular basis information about:

- laws and statutory acts related to economic activity, including on issues of trade, investment, taxation, banking, insurance, financial services, as well as on issues of transport and customs, including customs statistics.

The Contracting Parties shall without delay notify each other about the changes in national legislation that may impact on the performance of the present Agreement.

The authorized agencies of the Contracting Parties shall conciliate the procedure for exchanging such information.

Article 5

The Contracting Parties shall recognize unfair business practices as being incompatible with the purposes of the present Agreement and shall undertake not to resort, in particular, but not exclusively, to such of their methods:

- agreements between enterprises, decisions made by associations of enterprises, as well as joint methods of business practices that aim to hinder or restrict competition or violate the terms for it on the territories of the Contracting Parties;
- actions by which one or several enterprises use their dominating status, restricting competition on the entire or a substantial part of the Contracting Parties' territories.

Article 6

When effecting measures of tariff and nontariff regulation of bilateral economic relations, for the exchange of statistical information and for conducting customs procedures, the Contracting Parties shall apply the uniform nine-digit classification of foreign trade commodities (CFTC) based on the Harmonized System of Description and Coding of Commodities and the combined tariff-statistical classification of the European Union. For their own needs the Contracting Parties shall, when necessary, develop the commodity classification beyond the nine-digit limit.

A model copy of commodity classification shall be maintained on the basis of mutual agreement through the existing missions at corresponding international organizations.

Article 7

1. The Contracting Parties agree that abidance by the principle of free transit is an important condition for achieving the purposes of the present Agreement and an essential element in the process of their linkup with the system of international division of labor and cooperation.

In this connection, each Contracting Party shall ensure unhindered transit through its territory of commodities originated from the customs territory of another Contracting Party and/or third countries and intended for the customs territory of the other Contracting Party or any third country, and provide to exporters, importers or carriers all the available and required facilities and services