**AGREEMENT**

**on Trade RELATIONS Between**

 **the Russian Federation and the Republic of Uzbekistan**

(Moscow, November 13, 1992)

Government of the Russian Federation and the Government of the Republic of Uzbekistan, hereinafter referred to as the Contracting Parties,

guided by the provisions of the Treaty on the basics of interstate relations, friendship and cooperation between the Russian Federation and Uzbekistan as of May 30, 1992,

taking into consideration the multilateral Agreement on cooperation in the field of foreign economic activities as of May 15, 1992,

taking into consideration the multilateral Agreement on coordination of works on issues of export control for raw materials, materials, equipment, technologies and services, which may be used for production of weapons of mass destruction and rocket means of its delivery, as of June 26, 1992,

 striving to develop trade-economic cooperation between the Russian Federation and Uzbekistan 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. Trade relations between the Russian Federation and the Republic of Uzbekistan are implemented under the free trade regime.

Contracting Parties shall not apply customs duties, taxes and charges, which have equivalent impact on exportation and/or importation of goods, originating from the customs territory of one of Contracting Parties and destined for the customs territory of the other Contracting Party.

Peculiarities of application the trade regime on the basis of the agreed nomenclature of goods shall be formalized by annual documents, being an integral part of this Agreement.

2. Contracting Parties have agreed to develop detailed rules to define the origin of goods in a separate document, which will be an integral part of this Agreement, taking as a basis that these goods:

completely produced in the territory of Contracting Parties;

having been processed on the territory of Contracting Parties by utilizing raw materials, materials and components of third country origin, having changed with this regard, its classification under the Harmonized Systems of Commodity Description and Coding of Goods, on the basis of the first four digits;

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

Article 2

Contracting Parties shall not:

directly or indirectly impose on goods, covered by this Agreement, any special restrictions or requirements, which are not applied in a similar situation to domestically produced similar goods or goods of third country origin;

apply with regard to warehousing, reloading, storage, transportation of goods, originated from the territory of the other Contracting Party, as well as to payments and payment transfers, rules other than those applied in similar situations to its own goods of domestic production or of third country origin.

Article 3

 Contracting Parties shall refrain from imposing quantitative restrictions or equivalent to them measures on export and/or import of goods within the frames of this Agreement.

 Contracting Parties shall endeavour to solve all issues arising in relation to application of quantitative restrictions by means of consultations.

Article 4

Neither Contracting Party shall permit re-export of goods in relation to export of which the other Contracting Party, on which territory these goods originate from, applies measures of tariff and/or non-tariff regulation. Contracting Parties shall define a list of goods, which are forbidden for re-export, and also exchange lists of goods, to which measures of tariff and non-tariff regulation are applied.

 Re-export of such goods into third countries is permitted only upon written consent and on conditions stipulated by an authorized state agency of the country of origin of these goods. In case of non-compliance with this provision the Contracting Party, whose interests have been violated, has the right for unilateral introduction of measures to regulate export of goods into the territory of the Contracting Party that permitted the non-sanctioned re-export. Currency gain from such re-export shall be repaid to the country of origin of relevant goods.

For the purposes of this Article the term "re-export" refers to the export of goods originating from the customs territory of one Contracting Party, by the other Contracting Party outside the customs territory of the latter, for the purpose of exporting it into a third country.

Article 5

 Contracting Parties will exchange information on customs issues on a regular basis, including customs statistics. Authorized bodies of Contracting Parties shall formulate in a relevant document an order of exchanging such information.

Article 6

1. Contracting Parties will apply measures to converge levels of customs duties, which are imposed in trade with third countries, and for this purpose will hold regular consultations.
2. Contracting Parties will inform each other of all exceptions from the existing in its states rules on customs tariffs.

Article 7

Contracting Parties shall recognize incompatible with the purposes of this Agreement unfair business practices, which are expressed, in particular, in the following:

concluding agreements between enterprises, its divisions, which purpose is to prevent or limit competition or violate conditions for it on the territories of Contracting Parties;

performing actions, by which means one or several enterprises use their dominant position, limiting competition within the entire or considerable part of the territory of Contracting Parties.

Article 8

At applying measures of tariff and non-tariff regulation in bilateral economic relationships, for statistical information exchange, for carrying out customs procedures, Contracting Parties have agreed to use the unified nine-digit Commodity Nomenclature of Foreign Economic Activitiy (CN FEA), based upon the Harmonized Commodity Description and Coding System and Combined Tariffs and Statistics Nomenclature of the European Economic Community. At the same time for the own needs of its states Contracting Parties exercise the development of Commodity Nomenclature beyond the nine digits if necessary.

Conduct of the standard specimen of the Commodity Nomenclature is carried out by the Russian Federation through the existing representations in relevant international organizations during the period of time, until the Republic of Uzbekistan declares its independent conduct of such standard specimen.

Article 9

Contracting Parties agree that compliance with the principle of freedom of transit is the major condition for achieving goals of this Agreement and a substantial element in the process of its integration to the system of international specialization of labour and cooperation.

 Thereupon each Contracting Party shall provide unimpeded transit through its territory for goods originating from the customs territory of the other Contracting Party and/or third countries and destined for the customs territory of the other Contracting Party or any third country, and shall provide exporters, importers and carriers with all available and necessary for ensuring transit facilities and services on terms not worse than these facilities and services are granted to national exporters, importers or carriers, or exporters, importers or carriers of any other third state.

 Transit tariffs for all types of transportation, including tariffs for loading and unloading operations, shall be economically justified and Contracting Parties shall not request payment for warehousing, reloading, storage and transportation of goods in currency of any third state.

Article 10

 For the purpose of conducting a coordinated export control policy Contracting Parties may establish an Interstate coordination council.

Article 11

Provisions of this Agreement shall replace the provisions of agreements concluded earlier between Contracting Parties insofar as the latter are either incompatible with the former or identical to it. Contracting Parties shall instruct its competent authorities to prepare an appropriate protocol on this matter.

Article 12

 This Agreement shall not affect other Agreements, concluded earlier by Contracting Parties with third countries.

Article 13

Nothing in this Agreement shall prevent Contracting Parties from establishing relationships, which do not contradict goals and terms of this Agreement, with third countries, as well as with its associations and international organizations.

Article 14

Disputes between Contracting Parties on the interpretation or application of provisions of this Agreement will be settled by means of negotiations.

Article 15

Contracting Parties have agreed that the Russian Federation shall establish its trade representation in the Republic of Uzbekistan, and the Republic of Uzbekistan shall establish its trade representation in the Russian Federation. The legal status of trade representations, its functions, residence and organizational procedures shall be agreed additionally.

Article 16

Any state may accede to this Agreement on terms, which will be agreed between the acceding state and Contracting Parties.

Article 17

An integral part of this Agreement shall be a Protocol on exceptions to free trade regime, which Contracting Parties shall sign in by the end of 1992.

Article 18

This Agreement shall become effective upon exchange of notices of completion by Contracting Parties of intra-state procedures necessary for its entry into force and will remain in force upon the expiry of twelve months from the date, when one of Contracting Parties notifies the other Contracting Party in writing of its desire to terminate its action.

 Done in the City of Moscow, on November 13, 1992 in two originals, each in Russian and Uzbek, both texts are being equally authentic.

(Signatures)

**PROTOCOL**

**ON EXCEPTIONS TO FREE TRADE REGIME**

**TO THE AGREEMENT ON TRADE RELATIONS BETWEEN THE Russian Federation AND THE Republic of UZBEKISTAN**

**OF NOVEMBER 13, 1992**

(Moscow, January 13, 1993)

Authorized representatives of the Russian Federation and the Republic of Uzbekistan, have concluded this Protocol on the following:

Article 1

Exceptions to free trade regime, stipulated in Article 1 of the Agreement between the Government of the Russian Federation and the Government of Uzbekistan of November 13, 1992, shall apply on:

1. Goods within the purview of the Russian legislation on export tariffs as well as the legislation on licensing and quotas on exports of goods (works, services), effective at the moment of customs declaration of goods, during its export from the Russian Federation to Uzbekistan (at the moment of signing the present Protocol export tariffs are in force, established by the Government of the Russian Federation Regulation No.461 of June 30, 1992; list of goods subject to quotas and licensing is established by the Government of the Russian Federation Regulation No.854 of November 6, 1992).
2. Goods within the purview of Uzbek legislation on export tariff, as well as the legislation on licensing and quotas for export of goods (works, services), effective at the moment of customs declaration of goods, during its export from Uzbekistan to the Russian Federation (at the moment of signing the present Protocol export tariffs, list of goods subject to quotas and licensing are established by the Cabinet of Ministers of the Republic of Uzbekistan Regulation No.220 of April 30, 1992 and No. 485 of October 21, 1992).

The Parties shall promptly notify each other of all the amendments in the above stated exceptions.

Article 2

Parties have agreed not to apply customs export duties to major types of goods and produce, supplied for state needs under the Agreement between the Government of the Russian Federation and the Government of the Republic of Uzbekistan on trade-economic cooperation in 1993 as of November 13, 1992 and exercised on clearing and mutual basis (Annex 3, 4 and 5 to the mentioned Agreement within the limits, provided in Annexes).

Additional mutual goods exceptions from export duties will be formulated in separate protocols.

Article 3

1. In respect of goods, subject to tariff and non-tariff export restrictions in accordance with Article 1 of this Protocol, Parties shall grant each other the most favoured nation regime with regard to:

- customs duties, taxes and charges payable upon export, including methods of levying such duties, taxes and charges;

- provisions relating to customs clearance of transit, transportation, storage, reloading and other similar services;

- issuance of export licenses;

2. Provisions of paragraph 1 of this Article shall not apply to advantages, granted to:

- any of the Parties to third countries with the aim of creating a customs union or free trade area, or as a result of establishing such a union or area;

- developing countries, in accordance with the laws of the Parties;

- neighboring countries in order to facilitate cross-border trade;

- Parties to each other in accordance with special agreements.

Article 4

Parties have agreed not to apply customs export duties in mutual trade until February 1, 1993.

Article 5

1. This Protocol is an integral part of the Agreement between the Government of the Russian Federation and the Government of the Republic of Uzbekistan as of November 13, 1992, and enters into force simultaneously with the above stated Agreement.

2. This Protocol shall be valid until the signature of a new Protocol as provided by Article 1 of the Agreement on trade relations between the Government of the Russian Federation and the Government of Uzbekistan as of November 13, 1992.

Done in the City of Moscow on January 13, 1993 in two originals, each in Russian and Uzbek, both texts being equally authentic.

(Signatures)

**PROTOCOL**

**ON AMENDMENTS AND ADDITIONS TO THE PROTOCOL**

**ON EXCEPTIONS TO FREE TRADE REGIME OF THE AGREEMENT**

**on Trade RELATIONS BETWEEN THE Russian Federation AND THE Republic of UZBEKISTAN**

**AS OF NOVEMBER 13, 1992,**

**SIGNED ON JANUARY 13, 1993**

**(Moscow, May 4, 2001)**

The Government of the Russian Federation and the Government of the Republic of Uzbekistan, hereafter referred to as the Parties,

taking into account that after the signing of the Agreement on trade relations between the Russian Federation and the Republic of Uzbekistan as of November 13, 1992, hereinafter referred to as the Agreement, and the Protocol as of January 13, 1993, to the Agreement, hereinafter referred to as the Protocol, structural changes have occurred in national economies as well as in the legislation of the states of the Parties on tariff and non-tariff regulation of foreign economic activity,

taking guidance from the provisions of the Agreement on the Establishment of the Free Trade Area as of April 15, 1994, and the Protocol on Amendments and Additions to the Agreement on the Establishment of the Free Trade Area of April 15, 1994, signed on April 2, 1999,

have agreed as follows:

Article 1

Article 1 shall be added by paragraph 3 of the following substance:

“3. Goods imported into the customs territory of the Russian Federation from the Republic of Uzbekistan, as specified in Annex 1, and goods imported into the customs territory of the Republic of Uzbekistan from the Russian Federation, as specified in Annex 2 to this Protocol, as well as the goods within the purview of the states Parties’ legislation on licensing and quotas of import of goods (works, services), effective at the moment of customs declaration of goods.

Parties shall notify each other about the introduction of exceptions to free trade regime of goods, as specified in Annexes 1 and 2 to this Protocol, not later than two months prior to its introduction”;

in Paragraph 1 of Article 3 the words “during the export; export” shall be replaced by the words “during the export and/or import”;

paragraph 2 of Article 5 shall be deleted.

Article 2

This Protocol shall become effective upon the receipt of the last notice on the completion of intra-state procedures necessary for its entry into force and shall be an integral part of the Agreement on trade relations between the Russian Federation and the Republic of Uzbekistan as of November 13, 1992.

Made at the city of Moscow on May 4, 2001 in two copies, each in the Russian and Uzbek languages, both texts being of equal force.

(Signatures)

Annex 1

to the Protocol on Amendments

and Additions to the Protocol on the Exceptions

to Free Trade Regime to the Agreement on trade relations between the Russian Federation and

the Republic of Uzbekistan as of November 13, 1992, signed on January 13, 1993,

as of May 4, 2001

**list of goods,**

**imported into the customs territory of the russian federation**

**from the republic of UZBEKISTAN and subject to tariff exceptions**

**from free trade regime on goods, which formation is envisaged by**

**paragraph 1 of article 1 of the agreement ON TRADE RELATIONS between**

**the russian federation and the republic of UZBEKISTAN**

**as of NOVEMBER 13, 1992**

|  |  |  |
| --- | --- | --- |
| CIS HS Code |  | Name of goods |
| 1701 99 100 |  | White sugar |
| 2207  |  | Undenatured ethyl alcohol of an alcoholic strength by volume of 80% or higher; ethyl alcohol and other spirits, denatured, of any strength |
| 2208 60 |  | Vodka  |
| 2208 90 910,2208 90 990 |  | Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80%; spirits, liqueurs and other spirituous beverages:- 2 liters and less- more than 2 liters |
| 2402 |  | Cigars, cigars with clipped ends, cigarillos, and cigarettes of tobacco and its substitutes  |

Annex 2

to the Protocol on Amendments

and Additions to the Protocol on the Exceptions

to Free Trade Regime to the Agreement on trade relations between the Russian Federation and

the Republic of Uzbekistan as of November 13, 1992, signed on January 13, 1993,

as of May 4, 2001

**list of goods,**

**imported into the customs territory of the republic of UZBEKISTAN**

**from the russian federation and subject to tariff exceptions from the free trade regime on goods, which formation is envisaged by**

**paragraph 1 of article 1 of the agreement ON TRADE RELATIONS between**

**the russian federation and the republic of UZBEKISTAN**

**as of NOVEMBER 13, 1992**

|  |  |  |
| --- | --- | --- |
| CIS HS Code  |  | Name of goods |
| 1701 99 100 |  | White sugar |
| 2207 |  | Undenatured ethyl alcohol of an alcoholic strength by volume of 80% or higher; ethyl alcohol and other spirits, denatured, of any strength |
| 2208 60 |  | Vodka  |
| 2208 90 910,2208 90 990 |  | Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80%; spirits, liqueurs and other spirituous beverages:- 2 liters and less- more than 2 liters |
| 2402 |  | Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes  |

(Signatures)