

No. 30372

---

**MULTILATERAL**

**Agreement between the European Free Trade Association countries and Bulgaria relating to trade (with annexes, protocols, joint declaration, record of understandings and protocol of correction of 30 June 1993). Signed at Geneva on 29 March 1993**

*Authentic text: English.*

*Registered by Sweden on 8 October 1993.*

---

**MULTILATÉRAL**

**Accord entre les pays de l'Association européenne de libre-échange et la Bulgarie relatif au commerce (avec annexes, protocoles, déclaration conjointe, procès-verbal d'interprétation et protocole de correction du 30 juin 1993). Signé à Genève le 29 mars 1993**

*Texte authentique : anglais.*

*Enregistré par la Suède le 8 octobre 1993.*

## AGREEMENT<sup>1</sup> BETWEEN THE EFTA STATES AND BULGARIA

### *Preamble*

The Republic of Austria, the Republic of Finland, the Republic of Iceland, the Principality of Liechtenstein, the Kingdom of Norway, the Kingdom of Sweden, the Swiss Confederation (hereinafter called the EFTA States)

and

the Republic of Bulgaria (hereinafter called Bulgaria),

Recalling their intention to participate actively in the process of economic integration in Europe and expressing their preparedness to co-operate in seeking ways and means to strengthen this process,

Considering the importance of the traditional links existing between the EFTA States and Bulgaria and the common values they share, and recognizing that the EFTA States and Bulgaria wish to strengthen these links and to establish close and lasting relations,

Having regard to the Declaration signed by the EFTA States and Bulgaria in Geneva in December 1991,

Recalling their firm commitment to the Final Act of the Conference on Security and Co-operation in Europe,<sup>2</sup> the Charter of Paris<sup>3</sup> for a new Europe, and in particular the principles contained in the final document of the CSCE Bonn Conference on Economic Co-operation in Europe,<sup>4</sup>

Reaffirming their commitment to pluralistic democracy based on the rule of law, human rights, including rights of persons belonging to minorities, and fundamental freedoms, and recalling their membership in the Council of Europe,

Considering the commitment of the EFTA States and Bulgaria to free trade, and in particular to the principles of the General Agreement on Tariffs and Trade,<sup>5</sup>

Firmly convinced that this Agreement will foster the creation of an enlarged and harmonious free trade area within Europe, thus constituting an important contribution to European integration,

Bearing in mind the economic and social disparities between the EFTA States and Bulgaria and thus recognizing that the objectives of this Agreement should be reached through its appropriate provisions,

Resolved to this end to gradually establish a free trade area by eliminating progressively the obstacles to substantially all their trade, in accordance with the General Agreement on Tariffs and Trade,

Declaring their readiness to examine, in the light of any relevant factor, the possibility of developing and deepening their relations in order to extend them to fields not covered by this Agreement,

<sup>1</sup> Came into force on 1 July 1993 for the Signatory States which had deposited their instrument of ratification or acceptance with the Government of Sweden, including Bulgaria, in accordance with article 38 (1):

<i>Participant</i>	<i>Date of deposit of the instrument of ratification</i>
Bulgaria.....	29 June 1993
Sweden.....	10 June 1993

In addition, the Agreement came into force provisionally on 1 July 1993 for the following Signatory States which had declared its provisional application, in accordance with article 38 (3):

Liechtenstein  
Norway  
Switzerland

Subsequently, the Agreement came into force for Austria on 1 September 1993 on the first day of the second month following the deposit of its instrument of ratification (on 29 July 1993), in accordance with article 38 (2).

<sup>2</sup> *International Legal Materials*, vol. XIV (1975), p. 1292 (American Society of International Law).

<sup>3</sup> United Nations, *Official Records of the General Assembly, Forty-fifth Session*, document A/45/859, p. 3.

<sup>4</sup> *International Legal Materials*, vol. XXIX, No. 4 (1990), p. 1054 (American Society of International Law).

<sup>5</sup> United Nations, *Treaty Series*, vol. 55, p. 187.

Considering that no provision of this Agreement may be interpreted as exempting the States Parties to this Agreement from their obligations under other international agreements,

HAVE DECIDED, in pursuit of the above, to conclude this Agreement:

#### Article 1

##### *Objectives*

1. The EFTA States and Bulgaria shall during a transitional period ending on 31 December 2002 gradually establish a free trade area, in accordance with the provisions of the present Agreement.

2. The objectives of this Agreement, which is based on trade relations between market economies and on the respect of democratic principles and human rights, are:

(a) to promote, through the expansion of mutual trade, the harmonious development of the economic relations between the EFTA States and Bulgaria and thus to foster in the EFTA States and in Bulgaria the advance of economic activity, the improvement of living and employment conditions, and increased productivity and financial stability;

(b) to provide fair conditions of competition for trade between the States Parties to this Agreement;

(c) to contribute in this way, by the removal of barriers to trade, to the harmonious development and expansion of world trade.

#### Article 2

##### *Scope*

The Agreement shall apply:

(a) to products falling within Chapters 25 to 97 of the Harmonized Commodity Description and Coding System,<sup>1</sup> excluding the products listed in Annex I;

(b) to products specified in Protocol A, with due regard to the arrangements provided for in that Protocol;

(c) to fish and other marine products as provided for in Annex II; originating in an EFTA State or Bulgaria.

#### Article 3

##### *Rules of origin and co-operation in customs administration*

1. Protocol B lays down the rules of origin and methods of administrative co-operation.

2. The States Parties to this Agreement shall take appropriate measures, including regular reviews by the Joint Committee and arrangements for administrative cooperation, to ensure that the provisions of Articles 4 to 9, 14 and 23 of the Agreement and Protocol B are effectively and harmoniously applied, and to reduce, as far as possible, the formalities imposed on trade, and to achieve mutually satisfactory solutions to any difficulties arising from the operation of those provisions.

#### Article 4

##### *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 EFTA States and Bulgaria.

2. Upon the date of entry into force of this Agreement, the EFTA States shall abolish all customs duties on imports and any charges having equivalent effect for products originating in Bulgaria, except for products specified in Annex III for which customs duties on imports and charges having equivalent effect shall be progressively abolished in accordance with the provisions laid down in that Annex.

3. For the products specified in Annex IV originating in an EFTA State, Bulgaria shall progressively abolish all customs duties on imports and any charges having equivalent effect in accordance with the provisions laid down in that Annex.

<sup>1</sup> See "International Convention on the Harmonized Commodity Description and Coding System", United Nations, *Treaty Series*, vol. 1503, p. 3.

## Article 5

### *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 applied on 31 May 1993.

2. If, after the entry into force of this Agreement, any tariff reduction is applied on an erga omnes basis, in particular reductions implemented as a result of the Uruguay Round of Multilateral Trade Negotiations<sup>1</sup> or of the accession of Bulgaria to the GATT, such reduced duties shall replace the basic duties referred to in paragraph 1 as from the date when such reductions are applied.

3. The reduced duties calculated in accordance with Article 4 shall be applied rounded to the first decimal place or, in case of specific duties, to the second decimal place.

## Article 6

### *Customs duties of a fiscal nature*

1. The provisions of paragraphs 1 to 3 of Article 4 shall also apply to customs duties of a fiscal nature, except as provided for in Protocol C.

2. The States Parties to this Agreement may replace a customs duty of a fiscal nature or the fiscal element of a customs duty by an internal tax.

## 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 EFTA States and Bulgaria.

2. The EFTA States shall abolish on the date of entry into force of this Agreement any customs duties on exports and any charges having equivalent effect, except as provided for in Annex V.

3. Bulgaria shall progressively abolish any customs duties on exports and any charges having equivalent effect. Such duties and charges shall be eliminated at the latest by 31 December 1998.

## Article 8

### *Quantitative restrictions on imports and measures having equivalent effect*

1. No new quantitative restriction on imports or measures having equivalent effect shall be introduced in trade between the EFTA States and Bulgaria.

2. Quantitative restrictions and measures having equivalent effect on imports to the EFTA States shall be abolished on the date of entry into force of this Agreement, except as provided for in Annex VI.

3. Quantitative restrictions and measures having equivalent effect on imports into Bulgaria shall be abolished on the date of entry into force of the Agreement.

## Article 9

### *Quantitative restrictions on exports and measures having equivalent effect*

1. No new quantitative restriction on exports or measures having equivalent effect shall be introduced in trade between the EFTA States and Bulgaria.

2. Quantitative restrictions on exports from the EFTA States and measures having equivalent effect shall be abolished on the date of entry into force of the Agreement except as provided for in Annex VII.

3. Quantitative restrictions on exports from Bulgaria and measures having equivalent effect shall be abolished on the date of entry into force of the Agreement except as provided for in Annex VIII.

<sup>1</sup> Registered with the Secretariat of the United Nations on 1 June 1995 under No. I-31874.

## Article 10

*General exceptions*

This Agreement shall not preclude prohibitions or restrictions on imports, exports or goods in transit justified on grounds of public morality, public policy or public security; the protection of health and life of humans, animals or plants and the environment; the protection of national treasures possessing artistic, historic or archaeological value; the protection of intellectual property; rules relating to gold or silver; or the conservation of exhaustible natural resources. Such prohibitions or restrictions shall not, however, constitute a means of arbitrary discrimination or a disguised restriction on trade between the States Parties to this Agreement.

## Article 11

*State monopolies*

1. The States Parties to this Agreement shall ensure that any state monopoly of a commercial character be adjusted, subject to the provisions laid down in Protocol D, so that no discrimination regarding the conditions under which goods are procured and marketed will exist between nationals of the EFTA States and of Bulgaria.

2. The provisions of this Article shall apply to any body through which the competent authorities of the States Parties to this Agreement, in law or in fact, either directly or indirectly supervise, determine or appreciably influence imports or exports between the States Parties to this Agreement. These provisions shall likewise apply to monopolies delegated by the State to others.

## Article 12

*Information procedure on draft technical regulations*

1. The EFTA States and Bulgaria shall notify each other, at the earliest practicable stage and in accordance with the provisions laid down in Annex IX, of draft technical regulations and draft amendments thereto, which they intend to issue.

2. The States Parties to this Agreement shall endeavour to implement this procedure within two years from the entry into force of the Agreement. If this does not turn out to be fully possible, the Joint Committee shall prolong this period.

## Article 13

*Trade in agricultural products*

1. The States Parties to this Agreement declare their readiness to foster, in so far as their agricultural policies allow, harmonious development of trade in agricultural products, taking into account its high importance for Bulgaria's economy.

2. In pursuance of this objective each individual EFTA State and Bulgaria have concluded a bilateral arrangement providing for measures to facilitate trade in agricultural products.

3. The States Parties to this Agreement shall apply their regulations in veterinary, plant health and health matters in a non-discriminatory fashion and shall not introduce any new measures that have the effect of unduly obstructing trade.

## Article 14

*Internal taxation*

1. The States Parties to this Agreement shall refrain from any measure or practice of an internal fiscal nature establishing, whether directly or indirectly, discrimination between the products originating in an EFTA State and like products originating in Bulgaria.

2. Products exported to the territory of one of the States Parties to this Agreement may not benefit from repayment of internal taxation in excess of the amount of direct or indirect taxation imposed on them.

## Article 15

*Payments*

1. Payments relating to trade between an EFTA State and Bulgaria and the transfer of such payments to the territory of the State