Agreement between the Government of Ukraine and

the Government of the Transitional Islamic State of Afghanistan

on

Trade and Economic Co-operation

Agreement between the Government of Ukraine and the Government of the Transitional Islamic State of Afghanistan on Trade and Economic Co-operation

The Government of Ukraine and the Government of the Transitional Islamic State of Afghanistan, hereinafter referred to as the "Contracting Parties",

wishing to further strengthen trade and economic relations between

the two countries on the principles of equality and mutual benefit,

conscious that development of bilateral economic cooperation will further the improvement of the prosperity of the peoples of both countries,

desiring to create a basis for economic co-operation between the two countries,

Have agreed as follows:

Article 1

The Contracting Parties shall, in accordance with legislation and rules of their states, promote trade and economic co-operation between the two countries on a long-term and stable basis.

Article 2

The Contracting Parties shall accord to each other the most-favored-nation treatment in all areas in respect of:

 custom duties and charges applied to imports and exports, including the method of levying such duties and charges;

provisions relating to customs clearance, transit, warehousing and transshipment;

taxes and other internal charges directly or indirectly related to

imported or exported goods;

 methods of payment and transfer of such payments, rules concerning sale, purchase, transport, distribution and use of goods in the domestic market.

Each of the Contracting Parties shall accord to goods originating from the custom territory of one of the states of the Contracting Parties or intended for the custom territory of the other state of the Contracting Party, non-discriminatory treatment regarding application of the quantitative restrictions and granting of licenses.

Article 3

The provision of Article 2 shall not apply to:

/a/ advantages resulting from the creation of a customs union or a free-trade area, or advantages granted with the aim of creating such a union or area;

/b/ advantages which either of the Contracting Parties accords to neighboring countries in order to facilitate transborder or coastal trade.

Article 4

The Contracting Parties shall encourage and facilitate contacts between natural and juridical persons of their states, inter alia, through establishing contacts among business circles, organizing fairs and exhibitions, and exchanging of information.

The Contracting Parties shall encourage opening of the branch offices of the foreign trade organizations, companies, firms, banks and other commercial institutions in each other's territories, in accordance with their laws and legislation.

Article 5

Import and export of goods and services shall be performed on the basis of the contracts to be concluded between the natural and juridical persons of both countries in accordance with the legislation in force of the states of the Contracting Parties, as well as international trade practice. Neither of the Contracting Parties shall be responsible for liabilities of the natural and juridical persons arising from such commercial contracts.

Article 6

All commercial transactions and payments between Ukraine and the Transitional Islamic State of Afghanistan shall be made in freely convertible currencies unless other special arrangement shall be reached between the two Contracting Parties.

Article 7

Natural and juridical persons of either country shall also have possibility to import or export goods and services on the basis of counter-trade, compensation agreements or any other internationally recognized form of business cooperation, in accordance with the legislation in force of the Contracting Parties.

Article 8

The Contracting Parties shall encourage investment, scientific and technological cooperation between them, inter alia, through establishment of joint ventures in the territories of their states, for their domestic markets as well as markets of the third states.

Article 9

The Contracting Parties, at the request of one of the Parties, shall hold consultations in order to facilitate proper implementation of this Agreement, as well as to scitle disputes in the interpretation and implementation of the Agreement.

Article 10

This Agreement shall enter into force from the date of the receipt of the last notification in writing on fulfillment by the Contracting Parties of the internal procedures necessary for entering into force of the Agreement.

This Agreement shall be valid for a period of 5 (five) years.

Validity of this Agreement shall be automatically extended each time for further successive periods of one year, unless either of the Contracting Parties informs the other party in writing of its decision to terminate the Agreement at least six months prior to its expiration. After expiration of this Agreement, its provisions shall continue to be applied to all contracts concluded during the period of validity of the Agreement and not fully executed until the date of expiration of this Agreement.

Signed on this fourth day of April 2004 in two original copies, each in the Ukrainian, Dari and English languages, all texts being equally authentic. In case of divergences in interpretation of the Agreement, the English text shall prevail.

Jungenes for the Government of Ukraine Kostyantyn I. Gryshchenko Minister of Foreign Affairs

for the Government of the Transitional Islamic State of Afchanistan Dr. Abdullah Abdullah Minister of Foreign Affairs