

ANNEX I-B TO CHAPTER 1

ADDITIONAL CONDITIONS OF TRADE FOR WORN CLOTHING

Article 1

The Parties agreed on the following special conditions of trade for worn clothing in preferential trade between the Parties:

1. For the worn clothing (Ukraine customs code 6309 00 00) Ukraine will eliminate customs duties on imports in accordance with the following conditions:
 - until 1 January of the year following the entry into force of this Agreement Ukraine applies import duties valid for the moment of entering into force of this Agreement;
 - from 1 January of the year following the entry into force of this Agreement, Ukraine shall, within 5 years, reduce duties on imports by 1 percentage point per annum during the first four years and shall abolish them not later than the end of the fifth year.
2. Along with the annual reduction of import duties Ukraine will introduce the entry price determined in euro per kilogram of net weight. During the transitional period of elimination of the duties, the MFN customs duties will be charged on imports of products the value of which is below the entry price as defined in paragraph 3 of this Article.
3. Ukraine will publish on 1 January of every year the annual average price of two years before (Y-2) of the products falling under the custom codes mentioned in paragraph 4 of this Article. This average will be the basis for the calculation of the entry price of products falling under the customs code mentioned in paragraph 1 of this Article. The established entry price will be applicable in the entire customs territory of Ukraine for the entire year.
4. The rate of the entry price will be defined as 30 % of the average for the preceding year customs value of the clothes falling within the following Ukrainian customs codes: 6101, 6102, 6103, 6104, 6105, 6106, 6109, 6110, 6111, 6112, 6114, 6116, 6117, 6201, 6202, 6203, 6204, 6205, 6206, 6209, 6210, 6211, 6214, 6217.
5. Every year, Ukraine will publish annual trade statistics on the quantities of products imported under the customs code mentioned in paragraph 1 of this Article.