

CANADA

**TRADE AGREEMENT BETWEEN THE GOVERNMENT OF CANADA AND THE
GOVERNMENT OF THE SOCIALIST FEDERAL REPUBLIC OF YUGOSLAVIA**

The Government of Canada and the Government of the Socialist Federal Republic of Yugoslavia,

Desiring to strengthen the friendly relations existing between the two countries by promoting and encouraging the development of mutual trade and facilitating economic cooperation between enterprises in the two countries,

Have agreed as follows:

ARTICLE I

1. The Government of Canada and the Government of the Socialist Federal Republic of Yugoslavia shall extend to each other unconditional most-favoured-nation treatment, consistent with the rights and obligations of the two Governments as Contracting Parties to the General Agreement on Tariffs and Trade, with respect to customs duties and charges of any kind imposed on or in connection with importation or exportation of products and with respect to the method of levying such duties and charges, with respect to all rules and formalities connected with importation or exportation, with respect to all internal taxes or other internal charges of any kind that may be imposed on goods already imported and cleared through customs, and with respect to products in transit through the territory of third countries.

2. Any advantage, favour, privilege or immunity which has been or may hereafter be granted by either Contracting Party in regard to the matters referred to in paragraph 1 of this Article to any product originating in or consigned to any third country shall be immediately and unconditionally accorded to the like product originating in or consigned to the territory of the other Contracting Party.

ARTICLE II

Article I of this Agreement shall not apply:

- (a) to exclusive advantages extended by Canada to countries and their overseas territories entitled to the benefits of the British Preferential Tariff;
- (b) to exclusive advantages extended by either Government to contiguous countries for the purpose of facilitating frontier traffic;
- (c) to exclusive advantages extended by either Government by virtue of membership in a customs union or free trade area; and
- (d) to any other exclusive advantages extended by either Government to any third country or territory consistent with the rights and obligations of that Government as a Contracting Party to the General Agreement on Tariffs and Trade.