

Agreement on Agriculture
Between Montenegro and Iceland

ARTICLE 1

Scope and Coverage

1. This Agreement concerning trade in agricultural products between Montenegro and Iceland is concluded further to the Free Trade Agreement between the EFTA States and Montenegro (hereinafter referred to as “the Free Trade Agreement”), which was signed on 14 November 2011, and in particular pursuant to paragraph 2 of Article 7 of the Free Trade Agreement.
2. This Agreement applies to trade between the Parties relating to agricultural products:
 - (a) classified in Chapters 1 to 24 of the Harmonized Commodity Description and Coding System (hereinafter referred to as the “HS”) and not included in Annex II or Annex III to the Free Trade Agreement; and
 - (b) covered by Annex I to the Free Trade Agreement.

ARTICLE 2

Tariff Concessions

Iceland shall grant tariff concessions to agricultural products originating in Montenegro as specified in Annex I. Montenegro shall grant tariff concessions to agricultural products originating in Iceland as specified in Annex II.

ARTICLE 3

Rules of Origin and Administrative Cooperation

1. Article 8 of the Free Trade Agreement shall apply to this Agreement, *mutatis mutandis*, except as provided for in paragraph 2.
2. For the purposes of this Agreement, Article 3 of Appendix I to the Regional Convention on Pan-Euro-Mediterranean Preferential Rules of Origin shall apply *mutatis mutandis*, allowing only for bilateral cumulation between the Parties.

ARTICLE 4

Dialogue

The Parties shall examine any difficulties that might arise in their trade in agricultural products and shall endeavour to seek appropriate solutions.

ARTICLE 5

Further Liberalisation

The Parties undertake to continue their efforts with a view to achieving further liberalisation of their trade in agricultural products, taking account of the pattern of such trade between them, the particular sensitivities of such products, and the development of agricultural policies on either side. At the request of either Party, the Parties shall consult to achieve this objective, including through improvements in market access by reduction or elimination of customs duties on agricultural products and through extension of the scope of agricultural products covered by this Agreement.

ARTICLE 6

WTO Agreement on Agriculture

The Parties confirm their rights and obligations under the WTO Agreement on Agriculture.

ARTICLE 7

Provisions of the Free Trade Agreement

The provisions on Territorial Application (Article 4), Central, Regional and Local Government (Article 5), Sanitary and Phytosanitary Measures (Article 12), Technical Regulations (Article 13), Anti-dumping (Article 19) and Bilateral Safeguard Measures (Article 21) as well as Chapter 8 on Dispute Settlement of the Free Trade Agreement shall apply to this Agreement, *mutatis mutandis*.

ARTICLE 8

Entry into Force and Termination

1. This Agreement shall enter into force on the same date as the Free Trade Agreement enters into force between Montenegro and Iceland. It shall remain in force as long as the Free Trade Agreement remains in force between them.
2. This Agreement shall be terminated if a Party withdraws from the Free Trade Agreement, in which case this Agreement shall be considered terminated on the same date the withdrawal from the Free Trade Agreement takes effect.

IN WITNESS WHEREOF the undersigned, being duly authorised thereto, have signed this Agreement.

Done at Geneva, this 14th day of November 2011, in two originals.

For Montenegro

For Iceland

ANNEX I

REFERRED TO IN ARTICLE 2

TARIFF CONCESSIONS OF ICELAND

Tariff heading	Description of Products	MFN - Rate of Duty, <i>ad valorem</i>	MFN - Rate of Duty, Specific	GATT Bound <i>ad valorem</i>/ specific	Preferential Rate of Duty
ex chapter 4	Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere specified or included				
0409	Natural honey	0		22	Free
Chapter 5	Products of animal origins, not elsewhere specified or included	0		0 to 175	Free
ex Chapter 7	Edible vegetables and certain roots and tubers				
ex 0703	Onions, shallots, garlic, leeks and other alliaceous vegetables, fresh or chilled				
0703.10	- Onions and shallots, fresh or chilled	30		34	Free
0703.20	- Garlic, fresh or chilled	30		34	Free
0708	Leguminous vegetables, shelled or unshelled, fresh or chilled	25		26	Free
ex 0709	Other vegetables, fresh or chilled				
0709.20	- Asparagus, fresh or chilled	30		30	Free
0709.5901	- - - Truffles, fresh or chilled	30		283/5.45	Free
0709.70	- Spinach, N-Z spinach and orache spinach (garden spinach), fresh or chilled	20		189/3.9	Free
0709.9003	- - Olives	30		34	Free
0709.9005	- - Globe artichokes, fresh or chilled	30		34	Free
ex 0710	Vegetables (uncooked or cooked by steaming or boiling in water), frozen				
0710.21	- - Peas, frozen	30		34	Free
0710.22	- - Beans, frozen	30		34	Free
0710.29	- - Other	30		34	Free
0710.40	- Sweetcorn, frozen	30		51 to 175	Free

Tariff heading	Description of Products	MFN - Rate of Duty, <i>ad valorem</i>	MFN - Rate of Duty, Specific	GATT Bound <i>ad valorem</i> / specific	Preferential Rate of Duty
ex 0711	Vegetables provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption				
0711.20	- Olives	30		34 to 59	Free
0711.9003	- - Onions, provisionally preserved but not suitable for immediate consumption	30		34 to 59	Free
0713	Dried leguminous vegetables, shelled, whether or not skinned or split	0		0	Free
Chapter 8	Edible fruit and nuts; peel of citrus fruit or melons	0		0 to 40	Free
Chapter 9	Coffee, tea, maté and spices	0		0 to 40	Free
ex Chapter 10	Cereals				
	- Other than for animal feeding	0		0	Free
ex Chapter 11	Products for milling industry; malt; starches; inulin; wheat gluten				
ex 1101	Wheat or meslin flour				
	- Other than for animal feeding	0		0	Free
ex 1102	Cereal flours other than of wheat or meslin				
	- Other than for animal feeding	0		0	Free
ex 1103	Cereal grouts, meal and pellets				
	- Other than for animal feeding	0		0	Free
ex 1104	Cereal grains otherwise worked (for example hulled, rolled, flaked, pearled, sliced or kibbled), except rice of heading No. 1006; germ of cereals, whole, rolled, flaked or ground				
	- Other than for animal feeding	0		0	Free
1105	Flour, meal, powder, flaked, granules and pellets of potatoes	0-12		12 to 175	Free
ex 1106	Flour, meal and powder of the dried leguminous vegetables of heading No. 0713, of sago or of roots or tubers of heading No. 0714 or of the products of Chapter 8				
	- Other than for animal feeding	0		21	Free

Tariff heading	Description of Products	MFN - Rate of Duty, <i>ad valorem</i>	MFN - Rate of Duty, Specific	GATT Bound <i>ad valorem</i>/ specific	Preferential Rate of Duty
1107	Malt, whether or not roasted	0		21	Free
1108	Starches, inulin	0-5		12 to 175	Free
1109	Wheat gluten, whether or not dried	0		12 to 175	Free
ex Chapter 12	Oil seeds and oleaginous fruits, miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder				
1201	Soya beans, whether or not broken	0		0 to 175	Free
1202	Ground-nuts, not roasted or otherwise cooked, whether or not shelled or broken	0		0 to 175	Free
1203	Copra	0		0 to 175	Free
1204	Linseed, whether or not broken	0		0 to 175	Free
1205	Rape or colza seeks, whether or not broken	0		0 to 175	Free
1206	Sunflower seeds, whether or not broken	0		0 to 175	Free
1207	Other oil seeds and oleaginous fruits, whether or not broken	0		0 to 175	Free
1208	Flours and meals of oil seeds or oleaginous fruits, other than those of mustard	0		0 to 175	Free
1209	Seeds, fruits and spores, of a kind used for sowing	0		0 to 175	Free
1210	Hop cones, fresh or dried, whether or not ground, powdered or in form of pellets; lupulin	0		0	Free
1211	Plants and parts of plants (including seeds and fruits), of a kind used primarily in perfumery, in pharmacy or for insecticidal, fungicidal or similar purposes, fresh or dried, whether or not cut, crushed or powdered	0		0	Free
1212	Locust beans, seaweed and other algae, sugar beet and sugar cane, fresh, chilled, frozen or dried, etc.	0		0 to 175	Free
1214	Swedes, mangolds, fodder roots, hay, lucerne (alfalfa), clover, sainfoin, forage kale, lupines, vetches and similar forage products, whether or not in the form of pellets	0		175	Free

Tariff heading	Description of Products	MFN - Rate of Duty, <i>ad valorem</i>	MFN - Rate of Duty, Specific	GATT Bound <i>ad valorem</i>/ specific	Preferential Rate of Duty
Chapter 13	Lac; gums, resins and other vegetable saps and extracts	0		0 to 25	Free
Chapter 14	Vegetable plaiting materials; vegetable products not elsewhere specified or included	0		0 to 9	Free
ex Chapter 15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes				
1502	Fats of bovine animals, sheep or goats, other than those of heading 15.03	0		119	Free
1503	Lard stearin, lard oil, oleostearin, oleo-oil and tallow oil, nut emulsified or mixed or otherwise prepared	0		119	Free
1505	Wool grease and fatty substances derived there from (including lanolin)	0		5	Free
1506	Other animal fats and oils and their fractions, whether or not refined, but not chemically modified	0		119	Free
1508	Ground-nut oil and its fractions, whether or not refined, but not chemically modified	0		107	Free
1509	Olive oil and its fractions, whether or not refined, but not chemically modified	0		107	Free
1512	Sunflower-see, safflower or cotton-seed oil and fraction thereof, whether or not refined, but not chemically modified	0		107	Free
1515	Other fixed vegetable fats and oils (including jojoba oil) and their fractions, whether or not refined, but not chemically modified	0		107	Free
1516	Animal or vegetable fats and oils and their fractions, partly or wholly hydrogenated, inter-esterified, reesterified or elaidinised, whether or not refined, but not further prepared	0		107	Free

Tariff heading	Description of Products	MFN - Rate of Duty, <i>ad valorem</i>	MFN - Rate of Duty, Specific	GATT Bound <i>ad valorem</i> / specific	Preferential Rate of Duty
1518	Animal or vegetable fats and oils and their fractions, boiled, oxidised, dehydrated, sulphurised, blown, polymerised by heat in vacuum or in inert gas or otherwise chemically modified etc. etc.	0		107	Free
1520	Glycerol, crude; glycerol waters and glycerol lyes	0		107	Free
ex chapter 18	Cocoa and cocoa preparations				
1801	Cocoa beans, whole or broken, raw or roasted	0		0	Free
1802	Cocoa shells, husks, skins and other cocoa waste	0		0	Free
1803	Cocoa paste, whether or not defatted	0		0	Free
1804	Cocoa butter, fat and oil	0		0	Free
1805	Cocoa powder, not containing added sugar or other sweetening matter	0		0 to 13	Free
ex Chapter 20	Preparations of vegetables, fruits, nuts or other parts of plants				
ex 2001	Vegetables, fruit, nuts and other edible parts of plants, prepared or preserved by vinegar or acetic acid				
2001.10	- Cucumbers and gherkins	0		45/1.4	Free
ex2004	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid frozen, other than products of heading 20.06				
2004.90	- Other vegetables and mixtures of vegetables	0		237/1,59	Free
ex2005	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, not frozen, other than products of heading 20.06				
2005.10	- Homogenised vegetables	0		185/1,59	Free
2005.40	- Peas (<i>pisum sativum</i>)	0		32	Free
2005.51	- - Beans, shelled	0		45	Free
2005.59	- - Other	0		45	Free
2005.60	- Asparagus	0		38	Free
2005.70	- Olives	0		45	Free

Tariff heading	Description of Products	MFN - Rate of Duty, <i>ad valorem</i>	MFN - Rate of Duty, Specific	GATT Bound <i>ad valorem</i> / specific	Preferential Rate of Duty
2005.80	- Sweetcorn (<i>Zea mays var. Saccharata</i>)	0		38 to 175	Free
2006	Vegetables, fruits, nuts, fruit-peel and other parts of plants, preserved by sugar (drained, glacé or crystallised)	0		26	Free
2007	Jams, fruit jellies, marmalades, fruit or nut purée and fruit or nut pastes, being cooked preparations, whether or not containing added sugar or other sweetening matter	0		26	Free
2008	Fruit, nuts and other edible parts of plants, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or included	0		32 to 58	Free
2009	Fruit juices (including grape must) and vegetable juices, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter	20		10 to 22	Free
ex 2103	Sauces and preparations therefor, mixed condiments and mixed seasoning, mustard flour and meal and prepared mustard				
2103.10	Soya sauce	0		29	Free
2103.30	Mustard flour and meal and prepared mustard	0		29	Free
ex Chapter 22	Beverages, spirits and vinegar				
2201	Waters, including natural or artificial mineral waters and aerated waters, not containing added sugar or other sweetening matter nor flavoured; ice and snow	20		23	Free
2204					
2204.10					Free
2204.21	- - In Containers holding 2l or less	0-10		0 to 10	Free
2209	Vinegar and substitutes for vinegar obtained from acetic acid	0		0 to 175	Free

Tariff heading	Description of Products	MFN - Rate of Duty, <i>ad valorem</i>	MFN - Rate of Duty, Specific	GATT Bound <i>ad valorem</i>/ specific	Preferential Rate of Duty
ex Chapter 23	Residues and waste from food industries; prepared animal fodder	0		0 to 175	Free
	Other than for animal feeding				
Chapter 24	Tobacco and manufactured tobacco substitutes	0		15 to 25	Free

ANNEX II

REFERRED TO IN ARTICLE 2

TARIFF CONCESSIONS OF MONTENEGRO

Tariff heading	Description of Products	MFN Rate of Duty	Tariff Concession
0101	Horses, asses, mules and hinnies, live		
0101 10	– Pure-bred breeding horses and asses	0	0
0101 90	– Other	0	0
0204	Meat of sheep or goats, fresh, chilled or frozen	30	20
0210	Meat and edible meat offal, salted, in brine, dried or smoked; edible flours and meals of meat or meat offal		
0210 99	-- Other:	5	0
	----- Meat of sheep and goats:		
0210 99 21	----- With boneless	5	0
0210 99 29	----- Boneless	5	0
0210 99 39	----- Others	5	0
0406	Cheese and curd		
0406 10	– Fresh cheese unripened or uncured cheese, incl. whey cheese, and curd	30+0,30€/kg	15+0,15€/kg
0406 20	– Grated or powdered cheese, of all kinds:	30+0,30€/kg	15+0,15€/kg
ex 0406 20 10	-- Glarus herb cheese (known as Schabziger) made from skimmed milk and mixed with finely ground herbs	30+0,30€/kg	25
0406 30	– Processed cheese, not grated or powdered	30+0,30€/kg	30+0,15€/kg
0406 40	– Blue-veined cheese and other cheese containing veins produced by penicillium roqueforti:	30+0,30€/kg	30+0,15€/kg
0406 90	-- Other:	30+0,30€/kg	30+0,15€/kg
	----- Other		
0406 90 13	--- Emmentaler	30+0,30€/kg	30
0406 90 15	--- Gruyère and sbrinz	30+0,30€/kg	25
0406 90 17	--- Bergkäse and appenzell	30+0,30€/kg	25
0406 90 18	--- Fromage fribourgeois, vacherin mont d'or and tête de moine	30+0,30€/kg	25
0406 90 19	--- Glarus herb cheese known as schabziger made from skimmed milk and mixed with finely ground herbs	30+0,30€/kg	25
0406 90 25	--- Tilsit	30+0,30€/kg	25
0406 90 76	----- Danbo, fontal, fontina, fynbo, havarti, maribo and samsø	30+0,30€/kg	30
0406 90 79	----- Esrom, italico, kernhem, saint-nectaire, saint-paulin and taleggio	30+0,30€/kg	30
0406 90 84	----- Brie	30+0,30€/kg	30

2201	Waters, including natural or artificial mineral waters and aerated waters, not containing added sugar or other sweetening matter nor flavoured, ice and snow	30+0,10€/kg	0
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ANNEX III

TRANSITIONAL ARRANGEMENT

Considering that Article 6 of this Agreement refers to WTO Agreement on Agriculture without incorporating it, the Parties agree that until Montenegro becomes a full Member of the WTO, the WTO Agreement on Agriculture shall be considered to be part of this Agreement and apply, *mutatis mutandis*, between the Parties.
