

No. 124

DENMARK
and
UNION OF SOVIET SOCIALIST REPUBLICS

**Treaty of commerce and navigation (with Annex). Signed at
Moscow, on 17 August 1946**

Danish and Russian official texts communicated by the Permanent Representative of Denmark to the United Nations. The registration took place on 14 October 1947.

DANEMARK
et
UNION DES REPUBLIQUES SOCIALISTES SOVIETIQUES

**Traité de commerce et de navigation (avec annexe). Signé à
Moscou, le 17 août 1946**

Textes officiels danois et russe communiqués par le représentant permanent du Danemark auprès de l'Organisation des Nations Unies. L'enregistrement a eu lieu le 14 octobre 1947.

TRANSLATION — TRADUCTION

No. 124. TREATY OF COMMERCE AND NAVIGATION
BETWEEN DENMARK AND THE UNION OF SOVIET
SOCIALIST REPUBLICS. SIGNED AT MOSCOW, ON
17 AUGUST 1946

His Majesty the King of Denmark, on the one hand, and the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics, on the other hand, desiring to promote the development of economic relations between the two countries, have resolved to conclude a Treaty of Commerce and Navigation and have appointed as their plenipotentiaries for this purpose:

His Majesty the King of Denmark: Mr. Thomas Dessing, Envoy Extraordinary and Minister Plenipotentiary in Moscow;

The Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics: Mr. Anastas Ivanovich Mikoyan, Minister for Foreign Trade of the Union of Soviet Socialist Republics;

who, having communicated their full powers, found in good and due form, have agreed upon the following provisions:

Article 1

Denmark and the Union of Soviet Socialist Republics shall grant one another most-favoured-nation treatment in respect of all questions relating to commerce and navigation between the two countries.

Article 2

The natural or manufactured products originating in or exported from the Union of Soviet Socialist Republics shall in no case be liable, on importation into Denmark, to any import duties, taxes or charges other or higher, or to regulations or formalities other or more burdensome, than those which are or may hereafter be imposed on similar natural or manufactured products originating in or exported from any third country.

The natural or manufactured products originating in or exported from Denmark shall in no case be liable, on importation into the Union of Soviet Socialist Republics, to any import duties, taxes or charges other or higher, or to regulations or formalities other or more burdensome, than those which are or may

hereafter be imposed on similar natural or manufactured products originating in or exported from any third country.

Similarly, the natural or manufactured products of either of the Contracting Parties intended for export to the territory of the other Party shall in no case be liable to any duties, taxes or charges other or higher, or to regulations or formalities other or more burdensome than those which are or may hereafter be imposed on similar natural or manufactured products intended for export to the territory of a third country.

Article 3

The natural or manufactured products of either Contracting Party shall not be liable, after importation into the territory of the other Party, to any other or higher internal taxes or charges than those which are or may be imposed on products of the same character of a third country.

Article 4

Neither of the Contracting Parties shall impose or maintain on importations from or exportations to the territory of the other Party any prohibitions or restrictions which are not similarly applicable to all other countries in like circumstances.

The provisions of this treaty shall not apply to prohibitions or restrictions affecting:

- (a) public order and national security;
- (b) the protection of public health, the protection of animal and plant life against disease, harmful pests and parasites, and the protection of vegetable seeds against degeneration.

Article 5

The merchant vessels of either of the Contracting Parties, their crews, passengers and cargoes shall be accorded in the ports of the other Party most-favoured-nation treatment in all that concerns entering, clearing and stationing; loading and discharging; all kinds of dues and charges; supplies of coal and water; repairs; the use of cranes, weightbridges, moorages, anchorages, dry-docks and warehouses; the application of rules and formalities, including health and quarantine formalities, and, generally, in all that relates to shipping.

Any advantages, facilities, privileges or immunities which are or may hereafter be granted in these matters by either of the Contracting Parties to any third country shall be extended immediately and free of charge to the other Party.

Article 6

The provisions of the present treaty shall apply:

- (a) to the performance of harbour services, including pilotage and towage;
- (b) to coastal shipping; nevertheless, the vessels of either of the Contracting Parties proceeding from one port of the other Party to another for the purpose of landing the whole or part of a cargo brought from abroad, or of taking on board the whole or part of their cargo for a foreign destination, shall not be considered as engaged in coasting trade.

Article 7

If any vessel of either of the Contracting Parties should run aground or be wrecked on the coast of the other Party, such vessel and its cargo shall enjoy the same treatment as that prescribed by the laws of the country in question for its own vessels and cargoes in similar circumstances. The necessary help and assistance shall be afforded at all times to the master, crew and passengers both as regards their persons and as regards the vessel and cargo.

Article 8

The nationality of vessels shall be reciprocally recognized in accordance with the laws and enactments of the two Contracting Parties on the basis of the documents and certificates on board the vessel issued by the proper authorities of either of the Contracting Parties.

Article 9

Any tonnage certificates and other technical shipping documents issued or recognized by either of the Contracting Parties shall also be recognized by the other Party.

In accordance with this provision merchant vessels of either of the Contracting Parties which are provided with a valid tonnage certificate shall be exempt from re-measurement in the ports of the other Party and the net capacity of the vessel entered in the certificate shall be accepted as the basis for calculating harbour dues.

Article 10

The two Contracting Parties undertake, in respect of the conveyance of passengers, luggage and goods by rail, road or waterways, to extend to one another most-favoured-nation treatment in respect of all that concerns acceptance for conveyance, methods and costs of conveyance and charges connected with such conveyance.

Article 11

The Contracting Parties shall grant one another free transit through their territories on the same conditions as granted to other countries. Nevertheless neither of the Contracting Parties shall claim for itself any immunities which may be granted by the other Party to a third country under special transit agreements.

Article 12

In view of the fact that, under the laws of the Union of Soviet Socialist Republics foreign trade is a State monopoly, the Union of Soviet Socialist Republics shall maintain in Denmark a trade delegation, the legal position of which shall be determined by the provisions of the annex to the present treaty, which shall constitute an integral part thereof.

Article 13

Danish merchants and manufacturers and physical or juridical persons, as defined by Danish law, shall enjoy in respect of their persons and property equally favourable treatment with that accorded to the nationals or juridical persons of the most-favoured-nation, in the exercise of economic activities on the territory of the Union of Soviet Socialist Republics, directly or through intermediaries selected by them, subject to the conditions under which such activities are permitted by the laws of the Union of Soviet Socialist Republics.

State economic organizations and other juridical persons of the Union of Soviet Socialist Republics, as defined by the laws of the Union of Soviet Socialist Republics, and nationals of the Union of Soviet Socialist Republics shall enjoy in respect of their persons and property equally favourable treatment with that accorded to the nationals or juridical persons of the most-favoured-nation in the exercise of economic activities on the territory of Denmark, directly or through intermediaries selected by them, subject to the conditions under which such activities are permitted by the laws of Denmark.

The nationals and juridical persons of either Contracting Party shall have the right to appear in court and shall have free and unhampered access to the courts of the other Contracting Party.

Article 14

The settlement of any disputes which may arise in connection with contracts relating to commerce between the two Parties may be effected by means of arbitration.

Each Contracting Party shall be prepared, at the request of the other Party, to enter into negotiations with a view to concluding an agreement regarding the best method of arbitration on uniform lines based on the principle of parity, and also regarding the method of enforcing arbitration awards. The provisions of such agreements shall have retrospective effect.

Article 15

Any disputes relating to commercial transactions concluded between State economic organizations of the Union of Soviet Socialist Republics and Danish physical or juridical persons shall, in the absence of a reservation regarding arbitration, be subject to the jurisdiction of Danish courts, if the transaction was concluded in Denmark, and to the jurisdiction of the courts of the Union of Soviet Socialist Republics, if the transaction was concluded in the Union of Soviet Socialist Republics. Nevertheless, the courts of the other Party shall have the right to determine disputes whenever their competence with regard to these disputes is definitely provided for by a condition specifically stipulated in the contract.

Article 16

On the conclusion of the present Treaty, the following agreements, previously concluded, shall lapse:

- (a) The preliminary agreement between Denmark and the Russian Socialist Federal Soviet Republic of 23 April 1923¹ and the exchange of notes relating thereto of 18 July 1924², regarding modifications to the aforementioned agreement in connection with the establishment of diplomatic relations between Denmark and the Union of Soviet Socialist Republics;
- (b) The agreement between the Danish Government and the Government of the Union of Soviet Socialist Republics regarding the question of the reciprocal recognition of tonnage measurement certificates, as constituted by the relevant notes exchanged in 1924³, 1925³ and 1929.

¹ League of Nations, *Treaty Series*, Volume XVIII, page 15.

² League of Nations, *Treaty Series*, Volume XXVII, page 149.

³ League of Nations, *Treaty Series*, Volume XXXVI, page 251.

Article 17

The present treaty is concluded for a period of five years. It shall be ratified as soon as possible and shall enter into force on the day of the exchange of ratifications, which shall take place at Copenhagen.

If neither Party has given at least six months notice in writing before the expiration of the said period of his desire to denounce the Treaty, it shall remain in force for subsequent periods of one year, until one of the parties gives notice in writing at least six months before the end of a year of his intention to terminate the Treaty.

IN WITNESS WHEREOF, the plenipotentiaries of the two Contracting Parties have signed the present treaty and have affixed thereto their seals.

DONE in duplicate, at Moscow, on 17 August 1946, in the Danish and Russian languages, both texts being equally authentic.

(Signed) T. DESSING

(Signed) A. MIKOYAN

[L. S.]

[L. S.]

A N N E X

THE LEGAL POSITION OF THE TRADE DELEGATION OF THE UNION
OF SOVIET SOCIALIST REPUBLICS IN DENMARK*Article 1*

The Trade Delegation of the Union of Soviet Socialist Republics in Denmark shall exercise the following functions; it will:

- (a) Promote the development of commercial relations between the Union of Soviet Socialist Republics and Denmark;
- (b) Represent the interests of the Union of Soviet Socialist Republics in all matters of foreign trade;
- (c) Regulate trading transactions between the Union of Soviet Socialist Republics and Denmark on behalf of the Union of Soviet Socialist Republics;
- (d) Carry on trade between the Union of Soviet Socialist Republics and Denmark.

Article 2

The Trade Delegation shall form an integral part of the Legation of the Union of Soviet Socialist Republics to Denmark and have its headquarters at Copenhagen.

The Trade Delegate in Denmark of the Union of Soviet Socialist Republics and his two deputies shall enjoy all the rights and privileges accorded to members of diplomatic missions.

In addition to the persons referred to in the above paragraph the members and employees of the Trade Delegation who are citizens of the Union of Soviet Socialist Republics, and who shall number not more than 35, shall be exempt from Danish taxation on the emoluments they receive in the service of the Government of the Union of Soviet Socialist Republics.

The premises occupied by the Trade Delegation shall enjoy extra-territoriality. The Trade Delegation shall be entitled to use a cipher.

Article 3

Branches of the Trade Delegation may subsequently be opened in other Danish towns after agreement between the Danish Government and the Government of the Union of Soviet Socialist Republics.

The legal position of these departments shall be determined by agreement between the two Parties.

Article 4

The Trade Delegation shall act on behalf of the Government of the Union of Soviet Socialist Republics. The Government of the Union of Soviet Socialist Republics shall be responsible only for commercial transactions concluded or guaranteed in Denmark by the Trade Delegation and signed by authorized persons.

Any commercial transactions whatsoever concluded without the guarantee of the Trade Delegation by any State economic organizations of the Union of Soviet Socialist Republics which under the laws of the Union of Soviet Socialist Republics have status of independent juridical persons, shall be binding only on the organizations in question and distraint in respect of them may be levied only on the property of such organizations. Responsibility for such transactions shall not be borne either by the Government of the Union of Soviet Socialist Republics or by the Trade Delegation in Denmark or by any other State economic organizations of the Union of Soviet Socialist Republics.

Article 5

The Trade Delegation may give its guarantee for contracts concluded between any of the organizations mentioned in the second paragraph of article 4 of the present annex and any Danish physical or juridical persons.

Article 6

The Trade Delegation shall enjoy the privileges and immunities arising out of article 2 of the present annex, with the following exceptions:

Disputes regarding commercial transactions concluded or guaranteed on the territory of Denmark by the Trade Delegation under the first paragraph of article 4 of the present annex shall be subject, in the absence of a reservation regarding arbitration or any other jurisdiction, to the competence of Danish courts and shall be settled in accordance with Danish law, unless otherwise provided for by the terms of individual contracts or by Danish legislation. No action for enforcement may, however, be taken against the Trade Delegation.

In enforcement of all final court decisions which have become legally valid, in respect of transactions in which the Trade Delegation is concerned, distraint may be levied upon all Government property belonging to the Union of Soviet Socialist Republics in Denmark and, in particular, upon property, rights and interests arising out of transactions effected by the Trade Delegation or with its guarantee, with the exception of property belonging to the organizations mentioned in the second paragraph of article 4 of the present annex.

Property or premises devoted exclusively to the discharge in Denmark of the political and diplomatic functions of the Government of the Union of Soviet Socialist Republics, under international law, and also premises occupied by the Trade Delegation and the movable property contained therein shall not be subject to measures of distraint.

Article 7

The Trade Delegation shall be exempt from the regulations governing commercial registration. It shall publish in the Danish Government publication the names of the persons authorized to take legal action on its behalf and also information concerning the extent of the powers of such persons as regards signing the commercial obligations of the Trade Delegation.

(Signed) Thomas DESSING

(Signed) A. MIKOYAN