

No. 3683

**UNION OF SOVIET SOCIALIST REPUBLICS  
and  
SYRIA**

**Trade and Payments Agreement. Signed at Damascus,  
on 16 November 1955**

*Official texts: Russian and Arabic.*

*Registered by the Union of Soviet Socialist Republics on 1 February 1957.*

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**UNION DES RÉPUBLIQUES SOCIALISTES  
SOVIÉTIQUES  
et  
SYRIE**

**Accord de commerce et de paiements. Signé à Damas, le  
16 novembre 1955**

*Textes officiels russe et arabe.*

*Enregistré par l'Union des Républiques socialistes soviétiques le 1<sup>er</sup> février 1957.*

[TRANSLATION — TRADUCTION]

No. 3683. TRADE AND PAYMENTS AGREEMENT<sup>1</sup>  
BETWEEN THE UNION OF SOVIET SOCIALIST REPUBLICS  
AND THE SYRIAN REPUBLIC. SIGNED AT  
DAMASCUS, ON 16 NOVEMBER 1955

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The Government of the Union of Soviet Socialist Republics and the Government of the Syrian Republic, desiring to develop and strengthen trade relations between their two countries on a basis of equality and mutual benefit, have agreed as follows :

*Article 1*

Trade relations between the Union of Soviet Socialist Republics and the Syrian Republic shall be based on the principle of respect for each other's commercial interests and any contracts concluded under this agreement shall in so far as possible be effected on the basis of an equal trade balance between the two countries.

The Governments of the Union of Soviet Socialist Republics and the Syrian Republic shall study and deal in a spirit of genuine co-operation with any proposals which either Party may wish to put forward for the purpose of strengthening trade relations and promoting the development of trade between the USSR and Syria within the limits of the export and import regulations in force in each of the two countries.

*Article 2*

The exchange of goods between the USSR and the Syrian Republic shall be effected on the basis of schedules A<sup>2</sup> and B<sup>2</sup> annexed.

Schedule A enumerates the goods intended for export to the Syrian Republic and schedule B enumerates the goods intended for export to the USSR.

Schedules A and B may be amended by agreement between the Contracting Parties.

*Article 3*

The competent authorities of the two Governments shall issue without restriction the necessary import and export licences for the goods enumerated in schedules A and B, in accordance with the laws in force.

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<sup>1</sup> Came into force on 3 April 1956, as from the date of the exchange of the instruments of ratification at Damascus, in accordance with article 17.

<sup>2</sup> See p. 98 of this volume.

*Article 4*

The provisions of article 2 shall not affect the right of Soviet foreign-trade organizations and Syrian individuals and bodies corporate to conclude with each other, subject to compliance with the regulations in force in the two countries regarding importation, exportation and currency control, commercial contracts for the import or export of goods not included in the schedules referred to in article 2.

The competent authorities of the two Parties shall consider, in a spirit of genuine co-operation, any requests relating to the importation and exportation of goods under the contracts provided for in this article.

*Article 5*

Goods originating in or imported from the territory of the Union of Soviet Socialist Republics shall be entitled, on importation into the territory of the Syrian Republic, to minimum tariff rates and shall not be liable to any import duties, charges or taxes higher than those imposed on goods imported from any third State.

Goods originating in or imported from the territory of the Syrian Republic shall be entitled, on importation into the territory of the Union of Soviet Socialist Republics, to minimum tariff rates and shall not be liable to any import duties, charges or taxes higher than those imposed on goods imported from any third State.

These provisions shall not extend to goods imported from the USSR but originating in countries which do not enjoy most-favoured-nation treatment in Syria, or to goods imported from Syria but originating in countries which do not enjoy most-favoured-nation treatment in the USSR.

Most-favoured-nation treatment shall also be applied with respect to customs regulations and formalities concerning the importation, exportation, conveyance in transit, warehousing and transshipment of goods being exported or imported or goods in transit, and to any charges connected with these operations.

*Article 6*

Goods which are being imported from the USSR into the territory of the Syrian Republic and are conveyed in transit through the territory of one or more third countries, and goods which are being imported from the Syrian Republic into the territory of the USSR and are conveyed in transit through the territory of one or more third countries, shall not be liable to any treatment other than that to which they would have been liable if they had been exported directly from their country of origin or export.

*Article 7*

The merchant vessels of each Contracting Party and their cargoes shall enjoy, in the seaports of the other Contracting Party, the same treatment in all respects as the merchant vessels and cargoes of the most-favoured-nation. The Contracting Parties shall grant each other, in their ports, most-favoured-nation treatment with regard to the entering, clearing and stationing of their vessels and cargoes.

*Article 8*

The most-favoured-nation treatment provided for in this Agreement shall not extend to :

- 1) Privileges which have been or may hereafter be granted by one of the Contracting Parties for the purpose of facilitating frontier trade;
- 2) Advantages arising out of a customs union which one of the Contracting Parties has concluded or may hereafter conclude;
- 3) Special privileges and advantages which Syria has granted or may hereafter grant to one of the Arab countries;
- 4) Special privileges and advantages which the Union of Soviet Socialist Republics has granted or may hereafter grant to a country adjacent to it.

*Article 9*

The Contracting Parties shall do everything in their power to promote the development of the transit trade of interest to both their countries through their respective territories, subject to compliance with the laws and regulations regarding transit in each country.

The Government of the Syrian Republic shall allow the trade organizations of the USSR the use of the free zones of Syria for the warehousing, processing, distribution and reforwarding of goods and for other commercial purposes, in accordance with the laws and regulations governing these operations.

*Article 10*

Payments between the Union of Soviet Socialist Republics and the Syrian Republic shall be effected, in the USSR, through the State Bank of the USSR and, in the Syrian Republic, through the Banque de Syrie et du Liban.

For this purpose the State Bank of the USSR, acting on behalf of the Government of the USSR, shall open a special account in British pounds sterling in favour of the Banque de Syrie et du Liban, and the Banque de Syrie et du Liban, as the bank of issue, acting for the Government of the Syrian

Republic, shall open a special account in British pounds sterling in favour of the State Bank of the USSR. These accounts shall be non-interest-bearing and shall not be subject to taxation.

#### *Article 11*

The payments provided for in article 10 shall include :

- 1) Payments in connexion with deliveries of goods from one country to the other;
- 2) Expenses connected with such deliveries, e.g. : freight charges, insurance and re-insurance premiums, commissions, brokerage, expenses connected with the warehousing and storage of goods, and customs charges;
- 3) Port charges and dues, expenses connected with the provisioning of ships;
- 4) Periodic payments for postal, telegraph and telephone services;
- 5) Travel and subsistence costs;
- 6) Expenses connected with the maintenance of diplomatic and consular missions;
- 7) Travel and maintenance costs of trade delegations;
- 8) Dues and credits in respect of patents, licences, trade-marks and authors' copyrights; and all other payments agreed upon by the Governments of the two Contracting Parties.

#### *Article 12*

Sums paid in by individuals or bodies corporate in the USSR for the account of individuals or bodies corporate in the Syrian Republic shall be credited to the account opened for the Banque de Syrie et du Liban in the State Bank of the USSR in accordance with article 10.

Upon receipt of advice of the crediting of its account the Banque de Syrie et du Liban shall effect payment of the said sums to the persons to whom they are due, debiting the account opened for the State Bank of the USSR in the Banque de Syrie et du Liban, whether or not funds are available in the said account.

Sums paid in by individuals or bodies corporate in the Syrian Republic for the account of individuals or bodies corporate in the USSR shall be credited to the account opened for the State Bank of the USSR in the Banque de Syrie et du Liban in accordance with article 10.

Upon receipt of advice of the crediting of its account the State Bank of the USSR shall effect payment of the said sums to the persons to whom they

are due, debiting the account opened for the Banque de Syrie et du Liban in the State Bank of the USSR, whether or not funds are available in the said account.

If the balance of the said accounts exceeds the sum of 300,000 British pounds sterling, the Governments shall take the necessary steps to liquidate the balance in excess.

If the said balance is not liquidated within a period of three months, the State Bank of the USSR or the Banque de Syrie et du Liban, as the case may be, may at any time demand payment of the balance in its favour; in that case the creditor bank shall have the right to demand payment of the said balance in British pounds sterling or in such other currency as may be agreed upon by the banks, for which purpose the conversion of pounds sterling into such other currency shall be effected at the average official rate of exchange of the pound sterling obtaining on the day of conversion in the country in whose currency the payment is made.

#### *Article 13*

If the official gold content of the British pound sterling (2.48828 grammes of fine gold = 1 pound sterling) is altered, the balance existing at the close of business in the accounts referred to in article 10 shall automatically be adjusted on the day on which the change in the gold content of the British pound sterling occurs, in proportion to such change.

#### *Article 14*

All sums in connexion with the payments referred to in article 11 shall be expressed in British pounds sterling.

#### *Article 15*

At the request of either Contracting Government, meetings shall take place between representatives of the two Parties for the purpose of examining the manner in which this Agreement is being carried out and of drafting recommendations likely to promote the expansion of trade between the USSR and the Syrian Republic.

#### *Article 16*

After the expiry of this Agreement, the State Bank of the USSR and the Banque de Syrie et du Liban shall continue to accept payments for the credit of the accounts referred to in article 10 and to make payments from these accounts in accordance with this Agreement in respect of all contracts concluded during the period of its validity.

If it is found that one of the Parties is a debtor under the accounts aforesaid, the said Party shall be obliged to liquidate the debit balance within a period of six months from the date of expiry of this Agreement by deliveries of goods to be agreed upon between the Parties.

If the debit balance is not liquidated by deliveries of goods within the said period of six months, the debtor bank, upon the demand of the creditor bank, shall transfer by telegraph within seven days the amount of the debit balance in pounds sterling or such other currency as may be agreed upon between the banks, the conversion of the British pounds sterling into the currency in which the transfer is to be effected being carried out in the manner prescribed in the last paragraph of article 12.

#### *Article 17*

This Agreement shall be ratified by each of the Contracting Parties in accordance with its legislation. It shall enter into force after the exchange of the instruments of ratification, which shall take place at Damascus, and shall have effect for one year from the date of its entry into force. It shall be renewed by tacit consent from year to year unless either Contracting Party gives notice in writing to the other Contracting Party, three months before the expiry of any one-year period of the Agreement's validity, of its desire to terminate the Agreement.

IN WITNESS WHEREOF the undersigned plenipotentiaries, having been duly authorized by their Governments, have signed this Agreement.

DONE in duplicate at Damascus, on 16 November 1955, in the Russian and Arabic languages, both texts being equally authentic.

By authorization  
of the Government of the Union  
of Soviet Socialist Republics :

S. NEMCHINA  
Envoy Extraordinary  
and Plenipotentiary  
of the USSR to Syria

B. VAGANOV  
Commercial Counsellor  
to the USSR Legation in Syria

By authorization  
of the Government  
of the Syrian Republic :

Rizqallah ANTAKE  
Minister of National Economy

## ANNEX

## SCHEDULE A

## SOVIET GOODS INTENDED FOR EXPORT TO SYRIA

Machinery and industrial equipment	Medicines and pharmaceutical products
Miscellaneous electrical equipment	Chinaware and ceramic products
Passenger automobiles	Furs
Trucks	Coal
Motorcycles and bicycles	Alcoholic beverages
Rolled ferrous metals and metal manufactures	Seeds for agricultural crops
Electric motors and generators	Salted fish
Tractors and agricultural machinery	Fish preserves
Sewing machines	Tinned crab
Precision instruments	Asbestos
Photographic and cinematographic apparatus	Cinematographic films
Musical instruments	Newsprint and other paper
Chemical products	Newspapers
Inks and colours	Magazines
Lumber	Books
Articles of plastic materials	Wireless sets
	Cotton fabrics and thread

## SCHEDULE B

## SYRIAN GOODS INTENDED FOR EXPORT TO THE USSR

Cotton	Washed and unwashed wool
Oil-seeds	Goatskins and sheepskins
Vegetable oils : olive oil, cottonseed oil	Hemp
Dried fruit	Hempen rope and string
Legumes : peas, lentils	Natural silk
Tobacco	Natural and artificial silk fabrics