

No. 4820

**CEYLON
and
ITALY**

**Trade Agreement (with schedules and exchange of letters).
Signed at Colombo, on 23 April 1957**

**Exchange of letters constituting an agreement extending
the above-mentioned Agreement. Colombo, 29 April
1958**

Official texts: English and Italian.

Registered by Ceylon on 13 July 1959.

**CEYLAN
et
ITALIE**

**Accord commercial (avec annexes et échange de lettres).
Signé à Colombo, le 23 avril 1957**

**Échange de lettres constituant un accord prorogeant
l'Accord susmentionné. Colombo, 29 avril 1958**

Textes officiels anglais et italien.

Enregistrés par Ceylan le 13 juillet 1959.

No. 4820. TRADE AGREEMENT¹ BETWEEN THE GOVERNMENT OF CEYLON AND THE GOVERNMENT OF THE REPUBLIC OF ITALY. SIGNED AT COLOMBO, ON 23 APRIL 1957

The Government of Ceylon and the Government of the Republic of Italy being desirous of developing trade between the two countries to their mutual advantage, have agreed as follows :

Article I

1. With respect to Customs duties and other charges imposed on imports or exports or imposed on the international transfer of payments for imports or exports and with respect to the method of levying such duties and charges, and with respect to any regulations, formalities and charges to which Customs clearing operations may be subject, any advantage, favour, privilege or immunity granted by either of the Contracting Parties to any product originating from or destined for any other country shall be granted immediately and unconditionally to the like product originating in or destined for the territory of the other Contracting Party.

2. The provisions of paragraph 1 shall not be extended to :

- (a) advantages that either of the Contracting Parties is granting or may grant during the validity of the present agreement to contiguous countries in order to facilitate frontier traffic.
- (b) advantages granted by virtue of the membership obligations connected with any Customs Union or preference or free trade area of which either of the Contracting Parties is or may become a member and to those included in provisional agreements necessary to arrive at any such union or to establish any such free trade or preference area.
- (c) advantages granted or to be granted in future by the Republic of Italy to the Republic of San Marino and to the Vatican City State.
- (d) special advantages that either Contracting Party has granted or will grant in the future to the territories administered by such Contracting Party and having special internationally recognised status as well as to territories which have been or may be given in trusteeship administration to such Contracting Party.
- (e) advantages granted or to be granted to goods imported into Italy originating from the United Kingdom of Libya.

¹ Came into force on 1 June 1957, the date fixed by an exchange of notes signifying the approval of the Agreement by the respective Governments, in accordance with article VIII.

- (f) special agreements that Italy may have concluded or may conclude in the future by virtue of her participation, in a European Community set up between a number of countries and to the special advantages that Ceylon may grant to neighbouring countries in order to organise, in common, one or more sectors of production, trade and services for similar purposes.

Article II

Each Contracting Party shall accord to the ships of the other Contracting Party treatment no less favourable than that accorded to the ships of any foreign country in respect of taxes or duties, bunkering charges, pilotage or other analogous duties levied in their respective ports.

Article III

The Lists of items of goods available for export from each of the two countries to the other which are hereto annexed as Schedules "A"¹ and "B",² shall not be construed as excluding the exchange to the maximum possible extent of other goods which are not itemized.

Article IV

With respect to imports, each Contracting Party shall treat the other no less favourably than any third country considered by it as belonging to the same currency area as the other. In particular, the Italian Government, in consideration of the fact that Ceylon belongs to the currency group of countries called "non-participating countries" whose accounts with the Republic of Italy are settled through the European Payments Union (E.P.U.) although such countries do not belong to the Organization for European Economic Co-operation (O.E.E.C.), shall allow free imports from Ceylon, without restriction as to quantity, of all goods included in the Italian administrative liberalisation lists, with modifications, which will be published from time to time.

The Government of Ceylon, in issuing import licences for goods still subject to quantitative restrictions, shall accord in respect of Italian goods treatment no less favourable than that accorded to the goods of any third country belonging to the E.P.U. currency area.

Article V

Payments and other charges in connection with the import and export of goods between the two countries shall be settled in Pounds Sterling.

¹ See p. 120 of this volume.

² See p. 122 of this volume.

Article VI

The Government of Ceylon agrees, until such time when it will be possible for it in pursuance of its policy of Ceylonisation of trade to apply to imports from the Republic of Italy the same procedure as to imports from any other country, to keep the Ceylonization policy under review so that corrective action may be taken to overcome any particular hardship arising from this policy with regard to Italian exports to Ceylon.

Article VII

During the currency of the present Agreement and in order to facilitate its application, the two Contracting Parties agree to consult each other regarding any question arising from or connected with the exchange of goods between the two countries.

Article VIII

The present Agreement shall enter into force on a date to be fixed by an exchange of notes signifying the approval or ratification by the respective governments, the said exchange of notes to take place within thirty days from today.

The present Agreement shall remain in force for a period of one year and may be extended for a similar period provided an understanding to that effect is reached between the two governments two months before its expiry.

DONE at Colombo on 23rd April, 1957 in two originals in the English and Italian languages both texts being equally authentic.

For the Government
of Ceylon :

W. J. A. VAN LANGENBERG

For the Government
of the Republic of Italy :

P. SOLARI

SCHEDULE "A"

EXPORTS FROM CEYLON TO ITALY

- | | |
|----------------------------|---------------------------------|
| 1. Arecanuts. | 12. Desiccated coconut. |
| 2. Basketware. | 13. Essential oils. |
| 3. Brass and silverware. | 14. Kapok. |
| 4. Cashew nuts. | 15. Papain. |
| 5. Cocoa beans. | 16. Plumbago. |
| 6. Coconuts, fresh. | 17. Precious stones. |
| 7. Copra. | 18. Rubber. |
| 8. Coconut oil. | 19. Spices, including cinnamon. |
| 9. Coconut shell charcoal. | 20. Tea. |
| 10. Coir fibre. | 21. Wood and timber. |
| 11. Coir yarn. | |

SCHEDULE "B"

EXPORTS FROM ITALY TO CEYLON

- | | |
|---|---|
| <ol style="list-style-type: none"> 1. Fresh and dried legumes and vegetables. 2. Fresh fruit. 3. Canned tomatoes and canned olives. 4. Rough and worked marble and alabaster. 5. Wheat pastes (spaghetti, macaroni, etc.). 6. Rice. 7. Sweets. 8. Corned meat. 9. Tinned fish. 10. Preserves and fruit juice. 11. Cheese. 12. Wines and vermouth. 13. Artificial or synthetic textile fibre yarns. 14. All kinds of textiles and textile products. 15. Straw hats and hats made of other material. 16. Buttons. 17. Umbrellas and walking sticks. 18. Other products of dressmaking, underwear, furnishing and kindred industries. 19. Wood, rushwork and wickerwork articles. 20. Paper and paper products. 21. Products of printing and publishing industries. 22. Aluminium and its alloys. 23. Machine-tools. 24. Sewing machines. 25. Agricultural machinery. 26. Machinery for printing and kindred industries. 27. Ball bearings. 28. Other machinery and apparatus—non-electric and spare parts. 29. Electric generators, motors, and component parts. 30. Other electric machines and parts thereof. 31. Watches and parts thereof. | <ol style="list-style-type: none"> 32. Calculating machines and typewriters. 33. Other precision machines. 34. Cycles and parts thereof. 35. Motor-cycles, motor-scooters and parts thereof. 36. Motor-cars and spare parts. 37. Tools and instruments for arts and crafts and agriculture. 38. Bolts, screws, and small hardware articles. 39. Other products of metal—mechanical industries. 40. Articles made of stone and non-metallic mineral (marble and alabaster excluded). 41. Lime, cement and plaster. 42. Terracotta building material and refractory material. 43. Glass ware and crystal ware. 44. Anticryptogamil and anti-parasite products for agricultural use. 45. Chemical and pharmaceutical products and preparations (including tartaric acid, citric acid, formic acid, borax, boric-acid and fertilizers). 46. Sulphur. 47. Colours, lacquers, tinctures, paint and varnishes, and enamels. 48. Inks, dextrine, glues, sealing wax and kindred products. 49. Chestnut extract. 50. Colouring earth. 51. Other chemical, organic and inorganic products. 52. Petroleum Products, including petrol, lubricating oil, kerosene and gas oil. 53. Pneumatic tyres. 54. Cables and electric insulated conductors. 55. Electric lamps and parts thereof. 56. Cameras. 57. Photographic paper and films. 58. Steel tubes. 59. Musical instruments and parts thereof. 60. Other goods. |
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EXCHANGE OF LETTERS

I

*The Envoy Extraordinary and Minister Plenipotentiary of Italy in Ceylon to the
Permanent Secretary, Ministry of Commerce and Trade*

[ITALIAN TEXT — TEXTE ITALIEN]

Colombo, 23 Aprile 1957

Signor Segretario Permanente,

In relazione alle conversazioni che hanno portato alla conclusione di un Accordo commerciale fra i nostri due Paesi, mi è gradito di informarLa che il Governo italiano, animato dal desiderio di dare il massimo impulso alla collaborazione economica fra l'Italia ed il Ceylon, è pronto ad esaminare con benevolenza — in aggiunta al piano di scambi previsto dall'Accordo — qualsiasi proposta che il Governo del Ceylon vorrà avanzare per tutto quanto riguarda la partecipazione dell'industria e della tecnica italiana allo sviluppo economico del Ceylon.

Mi riferisco, in particolare, all'eventuale costituzione di società miste italo-ceylonesi con il concorso di tecnici italiani e con l'apporto di macchinari ed altri beni strumentali italiani, aventi per scopo lo studio e la costruzione di impianti e di opere pubbliche, allo sviluppo delle comunicazioni e dell'elettrificazione, ecc.

Inoltre, il Governo italiano sarà lieto di facilitare l'impiego di tecnici e specialisti italiani in Ceylon in base ad intese fra il Governo ceylonese da una parte e di tecnici e specialisti italiani dall'altra, e all'occorrenza presterà ogni possibile assistenza per l'addestramento di tecnici ceylonesi in Italia.

Il Governo italiano è pronto non soltanto ad esaminare caso per caso proposte specifiche, ma a discutere con il Governo ceylonese gli accordi da prendere affinché la costituzione e l'attività delle suddette società possano aver luogo e svolgersi con particolare riguardo alle garanzie, ai mezzi di trasferimento, di rimborso, ecc.

Le sarò grato per un cortese cenno di ricevuta.

Le rinnovo l'assicurazione della mia più alta considerazione.

Pietro SOLARI

Al Signor W. J. A. Van Langenberg
Segretario Permanente del Ministero del Commercio
del Ceylon
Colombo

II

*The Permanent Secretary, Ministry of Commerce and Trade to Envoy Extraordinary
and Minister Plenipotentiary of Italy in Ceylon*

Colombo, 23rd April, 1957

His Excellency Pietro Solari
Minister for Italy in Ceylon

Excellency,

I have much pleasure in acknowledging receipt of your letter dated April 23rd, 1957, which reads as follows :

[See letter I]

I have translated your letter into English as follows :

“With reference to the conversations which led to the conclusion of a Trade Agreement¹ between our two Countries, I have much pleasure in informing you that the Italian Government, wishing to give the greatest possible encouragement to economic co-operation between Italy and Ceylon, is prepared to consider in a spirit of goodwill—over and above the plan for the exchange of goods provided for by the Agreement—any proposal the Government of Ceylon may make regarding the participation of Italian Industry and Technique in the economic development of Ceylon.

“I refer, in particular, to mixed Italo-Ceylonese Companies being eventually formed with the collaboration of Italian Technicians and the contribution of Italian machinery and other Italian equipment for the purpose of studying and constructing plants and Public works and of developing communications, electrification etc.

“The Italian Government, moreover, will be glad to facilitate the employment of Italian Technicians and Specialists in Ceylon on the basis of arrangements to be made between the Government of Ceylon on the one hand and Italian Technicians and Specialists on the other hand and, if necessary, the Italian Government will give every possible assistance for the training of Ceylonese Technicians in Italy.

“The Italian Government is prepared not only to consider, case by case, any specific proposal that may be submitted to it, but also to discuss with the Government of Ceylon the arrangements to be made so that the formation and activities of the above mentioned Companies may take place, particularly in regard to guarantees, means of transferring profits and capital, repayments, etc.

“I shall be grateful for a kind acknowledgement of this letter.”

Accept, Excellency, the assurances of my highest consideration.

W. J. A. VAN LANGENBERG

¹ See p. 116 of this volume.

II

From: Mr. V. L. Wirasinha, Permanent Secretary, Ministry of Commerce and Trade

To: His Excellency Dr. Pietro Solari, Envoy Extraordinary and Minister Plenipotentiary of Italy in Ceylon

MINISTRY OF COMMERCE AND TRADE

Colombo, 29th April, 1958

Your Excellency,

I have much pleasure in acknowledging receipt of your letter dated 29th April, 1958, which reads as follows :

[See letter I]

I have translated your letter into English as follows :

“With reference to the understanding reached on March 27, 1958, in terms of Article VIII of the Trade Agreement concluded between the Government of the Republic of Italy and the Government of Ceylon on April 23, 1957,¹ I have pleasure in informing you that the Government of the Republic of Italy approves that understanding and the extension for another year of the validity of the said Trade Agreement, which came into effect on June 1, 1957, on the exchange of letters on May 23, 1957.

“The extension of validity applies also to the two letters exchanged on April 23, 1957, which form part of the Trade Agreement.

“I shall be grateful if you will acknowledge the receipt of this letter and assure me that the Government of Ceylon approves the understanding reached on March 27, 1958, in respect to Article VIII of the Trade Agreement, and that the exchange of our letters is a confirmation of that understanding in terms of which the said Trade Agreement is extended up to May 31, 1959.”

I confirm that the Government of Ceylon approves the understanding reached on March 27, 1958, in respect to Article VIII of the Trade Agreement, and that the exchange of our letters is a confirmation of that understanding, in terms of which the said Trade Agreement is extended up to May 31, 1959.

Accept, Your Excellency, the assurances of my highest consideration.

V. L. WIRASINHA
Permanent Secretary
Ministry of Commerce and Trade

His Excellency Dr. Pietro Solari
Envoy Extraordinary and Minister Plenipotentiary
of Italy in Ceylon
Colombo

¹ See p. 116 of this volume.