

No. 5248

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**UNION OF SOVIET SOCIALIST REPUBLICS  
and  
CUBA**

**Agreement on Trade and Payments (with annexes). Signed  
at Havana, on 13 February 1960**

*Official texts: Russian and Spanish.*

*Registered by the Union of Soviet Socialist Republics on 14 July 1960.*

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**UNION DES RÉPUBLIQUES SOCIALISTES  
SOVIÉTIQUES  
et  
CUBA**

**Accord de commerce et de paiements (avec annexes).  
Signé à La Havane, le 13 février 1960**

*Textes officiels russe et espagnol.*

*Enregistré par l'Union des Républiques socialistes soviétiques le 14 juillet 1960.*

[TRANSLATION — TRADUCTION]

No. 5248. AGREEMENT<sup>1</sup> ON TRADE AND PAYMENTS BETWEEN THE UNION OF SOVIET SOCIALIST REPUBLICS AND THE REPUBLIC OF CUBA. SIGNED AT HAVANA, ON 13 FEBRUARY 1960

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

*Article 1*

The Union of Soviet Socialist Republics undertakes to purchase 425,000 tons of sugar in the Republic of Cuba in 1960, in addition to the 575,000 tons already purchased for delivery during the year. Over the succeeding four years the Union of Soviet Socialist Republics will purchase one million tons of sugar each year in the Republic of Cuba.

The sugar purchased by the Union of Soviet Socialist Republics in the Republic of Cuba is intended for domestic consumption, and during the period of validity of this Agreement the Union of Soviet Socialist Republics shall not export sugar to countries which are traditional importers of Cuban sugar.

The sugar purchased by the Union of Soviet Socialist Republics in the Republic of Cuba between 1961 and 1964 shall be paid for as follows : 20 per cent of the total annual quantity purchased shall be paid for in currency freely convertible into US dollars, and the remainder in deliveries of goods. The 425,000 tons of sugar purchased and shipped in 1960 shall be paid for entirely in goods.

The goods to be exported from the Republic of Cuba to the Union of Soviet Socialist Republics in 1960 are listed in schedule A.<sup>2</sup> Schedules of goods for export during the succeeding years shall be drawn up each year by agreement between the Parties.

*Article 2*

The Republic of Cuba shall purchase in the Union of Soviet Socialist Republics equipment, machinery and mechanical tools, petroleum and petroleum

<sup>1</sup> Came into force on 12 May 1960, the date of the exchange of the instruments of ratification, in accordance with article 12.

<sup>2</sup> See p. 32 of this volume.

products, wheat, paper, non-ferrous metals, chemical products, fertilizers and other goods.

The goods to be exported from the Union of Soviet Socialist Republics to the Republic of Cuba in 1960 are listed in schedule B.<sup>1</sup> Schedules of goods for export during the succeeding years shall be drawn up each year by agreement between the Parties.

#### *Article 3*

The Soviet exporters and importers on the one hand, and the Cuban exporters and importers on the other shall conclude contracts between them for the purchase and sale of Soviet and Cuban goods in accordance with this Agreement. The contracts shall be concluded on the basis of world prices.

#### *Article 4*

Each of the Governments shall take appropriate measures to ensure the export of Soviet and Cuban goods stipulated in this Agreement. In accordance with the foregoing, the competent authorities of both Governments shall where necessary issue import and export licences for such goods.

#### *Article 5*

The two Governments agree to grant each other unconditional most-favoured-nation treatment in all matters relating to custom duties and tariffs, consular fees and any other charges and duties which are or may become applicable in respect of the import or export of goods, as also in regard to the method of imposition of such taxes and to all customs regulations and formalities.

#### *Article 6*

The provisions of article 5 of this Agreement shall not extend to :

- (a) Any special privileges which the Government of the Union of Soviet Socialist Republics has granted or may grant to countries adjacent to it;
- (b) Any special privileges which the Government of the Republic of Cuba has granted or may grant to the United States of America.

#### *Article 7*

The merchant vessels of both countries shall on entering or leaving Soviet or Cuban ports and during their stay in such ports, enjoy the most favourable

<sup>1</sup> See p. 34 of this volume.

conditions granted under the relevant legislations to ships flying the flags of third parties in regard to harbour regulations and port operations.

### *Article 8*

Payments in respect of the goods referred to in this Agreement, with the exceptions set forth in article 1, which are payable in currencies freely convertible into US dollars, and the payment of the costs connected with the trade exchanges in question, shall be made in the Union of Soviet Socialist Republics through the State Bank and in the Republic of Cuba through the National Bank of Cuba.

For this purpose, the said banks shall each open a dollar account in the name of the other Party.

Each bank shall immediately make payments on receipt of the relevant instructions from the other bank, regardless of the state of the accounts.

Payments may also be made from these accounts for goods exported from third countries to the Republic of Cuba in accordance with trilateral agreements which may be concluded between the Union of Soviet Socialist Republics, the Republic of Cuba and third countries.

By agreement between the State Bank of the Union of Soviet Socialist Republics and the National Bank of Cuba, other payments in addition to those referred to in this article may also be made from the said accounts.

If the balance of the accounts opened in accordance with this article exceeds \$US10 million, representatives of the two Governments shall consider ways and means of liquidating the balance in excess. Interest at the rate of 2.5 per cent per annum shall be charged on any part of the balance in excess of \$US10 million.

The State Bank of the Union of Soviet Socialist Republics and the National Bank of Cuba shall agree upon technical procedures for accounting operations between them under this Agreement.

### *Article 9*

On the expiry of this Agreement, any outstanding balance in the accounts referred to in article 8 shall be liquidated by the debtor Party within a period of six months by deliveries of goods agreed upon by the Parties.

If, in the course of the six months period the balance has not been liquidated by deliveries of goods, representatives of the Parties shall agree upon procedures for the liquidation of the balance remaining.

*Article 10*

A joint commission consisting of representatives of the two Parties shall be set up to study the question of developing trade between the two countries and to prepare appropriate recommendations for submission to the respective Governments. The commission shall be convened at the request of either Party.

*Article 11*

Three months before the expiry of this Agreement, negotiations shall be initiated between the two countries with a view to regulating the further exchange of goods between the two countries on a mutually satisfactory basis.

*Article 12*

This Agreement shall be concluded for a period of five years. It shall be ratified by both Parties at the earliest possible date and shall enter into force on the date of exchange of the instruments of ratification.

Notwithstanding the foregoing, the Agreement shall be provisionally effective as of the day of its signature.

DONE at Havana on 13 February 1960, in two copies, in the Russian and Spanish languages, both texts being equally authentic.

For the Government  
of the Union of Soviet  
Socialist Republics :  
A. MIKOYAN

For the Government  
of the Republic of Cuba :  
Fidel CASTRO

## SCHEDULE A

CUBAN GOODS TO BE DELIVERED TO THE UNION OF SOVIET SOCIALIST  
REPUBLICS IN 1960

Sugar.	Cord fabric.
Fresh fruits.	Hennequen.
Preserved fruits.	Peppers.
Fruit juices (orange juice, grapefruit juice, pineapple juice).	Hides.
	Other goods.

SCHEDULE B  
SOVIET GOODS TO BE DELIVERED TO CUBA IN 1960

Petroleum.

Fuel oil.

Pig iron.

Wheat.

Timber.

Newsprint.

Rollet steel products.

Superphosphates.

Ammonium sulphate.

Caustic soda.

Sulphur.

Aluminium ingots.

Rolled aluminium products.

Resin.

Dyes.

Machinery, equipment, apparatus and spare parts.

Other goods.