

No. 5247

**UNION OF SOVIET SOCIALIST REPUBLICS
and
CUBA**

Agreement concerning the grant of a credit by the Government of the Union of Soviet Socialist Republics to the Government of the Republic of Cuba. Signed at Havana, on 13 February 1960

Official texts: Russian and Spanish.

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

**UNION DES RÉPUBLIQUES SOCIALISTES
SOVIÉTIQUES
et
CUBA**

Accord relatif à l'octroi d'un crédit par le Gouvernement de l'Union des Républiques socialistes soviétiques au Gouvernement de la République de Cuba. 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. 5247. AGREEMENT¹ BETWEEN THE UNION OF SOVIET SOCIALIST REPUBLICS AND THE REPUBLIC OF CUBA CONCERNING THE GRANT OF A CREDIT BY THE GOVERNMENT OF THE UNION OF SOVIET SOCIALIST REPUBLICS TO THE GOVERNMENT OF THE REPUBLIC OF CUBA. SIGNED AT HAVANA, ON 13 FEBRUARY 1960

The Government of the Union of Soviet Socialist Republics and the Government of the Republic of Cuba,

Moved by a common desire to establish and develop economic relations between the Union of Soviet Socialist Republics and the Republic of Cuba,

Have agreed as follows :

Article 1

The Government of the Union of Soviet Socialist Republics shall grant to the Government of the Republic of Cuba a credit in the amount of 100 (one hundred) million United States dollars (1 dollar = 0.888671 grammes of fine gold) at 2.5 per cent interest per annum, and undertakes on the basis of the said credit, at the request of the Government of the Republic of Cuba, to furnish technical assistance for the construction of the plants and factories which the Government of the Republic of Cuba plans to install between 1961 and 1965.

The schedule of plants and factories and their capacity, as also the nature, time-table and volume of the technical assistance to be furnished in connexion with each, shall be fixed in accordance with additional agreements once the experts of the two Parties have studied the data on which a decision as to the technical and economic need for any particular plant and factory must be based.

Article 2

The credit granted under article 1 of this Agreement shall be used for the payment of :

(a) The preliminary prospecting and research work carried out by Soviet organizations;

(b) Equipment, machinery and materials supplied by the Union of Soviet Socialist Republics to the Republic of Cuba where they are not available in Cuba. The prices of such equipment, machinery and materials shall be determined on the basis of world market prices;

¹ Came into force on 12 May 1960, the date of the exchange of the instruments of ratification, in accordance with article 6.

(c) The actual cost incurred by the Soviet organizations in preparing and transmitting technical documents (plans and specifications of technical processes) required for the organization of production in the plants constructed in accordance with article 1 of this Agreement;

(d) The cost incurred by the Soviet organizations in sending specialists to the Republic of Cuba for technical assistance purposes.

Article 3

The construction of the plants and factories and the execution of the projects envisaged in article 1 of this Agreement shall be carried out by Cuba through its government bodies, which shall be responsible for all building and assembly work, the provision of the manpower and local materials required, and the construction of subsidiary undertakings, common services, access roads, and external communication lines. In case of necessity, the Cuban organizations shall apply to Soviet organizations for technical assistance.

Article 4

The Government of the Republic of Cuba shall redeem the credit granted in accordance with article 1 of this Agreement over a period of twelve years, in equal annual instalments, beginning one year after the equipment for each plant and factory from the Union of Soviet Socialist Republics has been delivered and/or the work (not connected with the construction of the plant or factory) based on this credit has been completed, the date of utilization of the credit for the purchase of equipment, machinery and materials being assumed to be the date of the bill of lading, or in the case of payment for designing and other forms of technical assistance, the date on which the account was made out.

Interest in connexion with the credit shall be calculated from the date of utilization of the relevant portion thereof and shall be payable by the end of the first quarter of the year following that for which it was calculated.

Redemption of the credit and payment of the interest shall be made by the Government of the Republic of Cuba in the form of deliveries of sugar and other Cuban goods to the Union of Soviet Socialist Republics in accordance with the Soviet-Cuban Agreement on Trade and Payments of 13 February 1960¹ or any similar agreement which may be concluded between the Parties during the period of redemption of the credit, and/or in freely convertible currencies by agreement between the Parties.

¹ See p. 17 of this volume.

Article 5

The State Bank of the Union of Soviet Socialist Republics and the National Bank of Cuba shall each open a special US dollar credit account in the name of the other Party, and shall make joint arrangements for bookkeeping and settlement of accounts in connexion with the credit.

Conversion of the freely convertible currencies into US dollars shall be made at the official dollar exchange rate on the day of payment.

In the event of any change in the gold content of the US dollar referred to in article 1 of this Agreement, the balance of the accounts referred to in this article shall be adjusted to offset such change.

Article 6

This Agreement shall be ratified by the two Parties at the earliest possible date and shall enter into force on the date of the exchange of the instruments of ratification.

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