

No. 4999

**CEYLON
and
UNION OF SOVIET SOCIALIST REPUBLICS**

**Trade Agreement (with exchange of letters). Signed at
Colombo, on 8 February 1958**

Official texts: English and Russian.

Registered by Ceylon on 7 January 1960.

**CEYLAN
et
UNION DES RÉPUBLIQUES SOCIALISTES
SOVIÉTIQUES**

**Accord commercial (avec échange de lettres). Signé à Colom-
bo, le 8 février 1958**

Textes officiels anglais et russe.

Enregistré par Ceylan le 7 janvier 1960.

No. 4999. TRADE AGREEMENT¹ BETWEEN THE GOVERNMENT OF CEYLON AND THE GOVERNMENT OF THE UNION OF SOVIET SOCIALIST REPUBLICS. SIGNED AT COLOMBO, ON 8 FEBRUARY 1958

The Government of Ceylon and the Government of the Union of Soviet Socialist Republics animated by the desire to develop and to extend economic and trade relations between the two countries on the basis of equality and mutual benefit, have resolved for this purpose to conclude a Trade Agreement and agreed as follows :

Article 1

1. The Contracting Parties agree to accord to each other in the trade relations between their countries treatment no less favourable than that which is accorded to any other country.

2. Either Party shall guarantee to the other Party application of the above said treatment, in particular with respect to customs rules and formalities, customs duties, taxes and charges of any kind with respect to the regulations connected with importation and exportation of goods and also with respect to the conditions of granting licences for import and export of goods.

3. The provisions of paragraphs 1 and 2 shall not, however, apply to the grant or continuance of any :

- (a) advantages accorded by either of the Contracting Parties to contiguous countries in order to facilitate frontier traffic;
- (b) advantages resulting from any Customs Union or preference or free trade area to which either of the Contracting Parties is or may become a party;
- (c) advantages accorded by virtue of multilateral economic agreements relating to international commerce.

4. The merchant vessels under either country's flag while entering, putting off and lying at the seaports of the other country will enjoy in every respect the same treatment as accorded to the merchant vessels of any other country. This principle will not apply to vessels engaged in coastal traffic.

¹ Came into force on 8 February 1958, the date of signature, in accordance with article 10.

Article 2

The Government of Ceylon shall agree to allow the export to the U. S. S. R. and the Government of the U. S. S. R. shall agree to allow the import from Ceylon of goods set out in Schedule " A " ¹ attached to the present Agreement.

The Government of the U. S. S. R. shall agree to allow the export to Ceylon and the Government of Ceylon shall agree to allow the import from the U. S. S. R. of goods set out in Schedule " B " ¹ attached to the present Agreement.

Article 3

The import and export of the goods stipulated in Article 2 will be carried out in accordance with the rules in force affecting the import, export and foreign exchange control in either country and on the basis of the commercial transactions to be concluded between Ceylonese natural and juridical persons on the one side and the Soviet foreign trade organisations on the other.

Article 4

The provisions of the present Agreement do not affect the rights of Ceylonese natural and juridical persons and the Soviet foreign trade organisations to conclude between themselves subject to the import, export and foreign exchange regulations in force in both countries, commercial transactions for the import or export of goods not included in the above-mentioned Schedules.

Article 5

Both Governments will render all possible assistance to the export and import of the goods mentioned in Article 2 and those to be exported and imported under the transactions referred to in Article 4 and in particular will grant export and import licences without any hindrance should such licences be prescribed by the laws in force in both countries.

Article 6

All payments under the present Agreement shall be effected in accordance with the provisions of the Payments Agreement between the Government of Ceylon and the Government of the U. S. S. R. signed today.

Article 7

The Government of the U. S. S. R. recognises the desire of the Government of Ceylon to encourage Ceylonese natural and juridical persons to engage in export and import trade and acknowledges its policy of Ceylonisation. With a view to assisting in the successful implementation of this policy, the Government

¹ See p. 166 of this volume.

of the U. S. S. R. will encourage the appointment of Ceylonese natural and juridical persons as agents in Ceylon for products originating in the U. S. S. R.

For its part the Government of Ceylon will, whenever a case of particular hardship results from the regulations in force or to be brought into force with regard to the Ceylonisation of trade, give sympathetic consideration to any request placed before it by competent U. S. S. R. authorities.

Article 8

In order to facilitate the implementation of the present Agreement the Contracting Parties agree to consult each other in respect of any questions arising in connection with the trade between the two countries.

For this purpose they will establish a Mixed Commission which will meet upon the request of either of the Contracting Parties within a convenient term agreed upon by the Parties, but not later than 45 days after the request therefor has been made.

Article 9

Transactions entered into during the currency of the present Agreement and not brought to an end by the date of its expiration will be fulfilled in accordance with the provisions of this Agreement.

Article 10

The present Agreement shall enter into force on the date of signature and shall remain valid for a period of one year from the date of its entering into force.

Unless either Party gives three months' notice of its desire to terminate the present Agreement it will remain in force for a further period of one year and so on.

DONE in duplicate in Colombo on February 8, 1958, in two original copies, each of them in English and in Russian both texts being equally authentic.

By authority of the Government
of Ceylon :

R. G. SENANAYAKE

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

P. A. MALETIN
F. I. MIKHALTCHENKO

SCHEDULE " A "

GOODS FOR EXPORT FROM CEYLON TO THE U.S.S.R.

Rubber.	Spices :
Tea.	Cinnamon.
Desiccated coconuts, Coconut fibre, coir and coir products.	Cardamom.
Coconut oil.	Cloves.
Copra.	Nutmeg.
Cocoa beans.	Citronella oil.

SCHEDULE " B "

GOODS FOR EXPORT FROM THE U.S.S.R. TO CEYLON

Petroleum products : gasoline, kerosene, diesel fuel, fuel oil, lubricating oils.	Separate items of port equipment (including barges, tugs).
Rolled iron and steel products.	Excavators and auto-cranes.
Asbestos.	Electric equipment and portable power stations.
Carbon black.	Instruments, apparatus and appliances.
Chemicals and chemical fertilizers.	Compressors, pumps and diesel engines.
Dyestuffs.	Textile machinery.
Drugs, raw materials for medicines, medical instruments.	Printing equipment.
Cement.	Metal and wood working machines.
Window glass.	Microscopes, optical apparatus.
Sawn timber.	Ball and roller bearings.
Newsprint.	Tractors, agricultural machinery.
Cellulose.	Automobiles.
Cotton textiles.	Motor cycles.
Boring equipment.	Bicycles.
Mining equipment.	Photographic and Cinematographic equip- ment.
Road-building equipment.	Cinematographic films.
Building machines.	Printed matter.

EXCHANGE OF LETTERS

I

From: Hon'ble R. G. Senanayake, Minister of Commerce and Trade.

To: Mr. P. A. Maletin, Leader of the Soviet Economic Delegation.

MINISTRY OF COMMERCE & TRADE
GOVERNMENT OF CEYLON

Colombo, February 8, 1958

Dear Mr. Maletin,

I have the honour to refer to Article 7 of the Trade Agreement¹ between the Government of the Union of Soviet Socialist Republics and the Government of Ceylon, signed by you, and by Mr. Mikhaltchenko and myself today. It has been agreed between us that the remaining Articles of the Agreement will be operated in conformity with the policy of Ceylonisation referred to in Article 7. That policy is being pursued by the Government of Ceylon in order to enable Ceylonese to participate to a greater extent in the import and export trade of Ceylon.

I would refer also to item (c) of paragraph 3 of Article 1 of the same Trade Agreement. I wish to assure you that the inclusion of that item was desired by the Government of Ceylon in order to bring the Agreement into conformity with the great majority of the existing Trade Agreements between Ceylon and other countries, and not to enable any discrimination to be made against the Soviet Union in terms of that item.

I shall be grateful if you will confirm that this letter correctly sets out the understanding reached between our delegations.

Please accept the assurance of my highest consideration.

Yours sincerely,

R. G. SENANAYAKE
Minister of Commerce & Trade

Mr. P. A. Maletin
Leader of the Soviet Economic Delegation
Colombo

¹ See p. 160 of this volume.

II

From: Mr. P. A. Maletin, Leader of the Soviet Economic Delegation.

To: Hon'ble R. G. Senanayake, Minister of Commerce and Trade.

[RUSSIAN TEXT — TEXTE RUSSE]

Коломбо, 8 февраля 1958 года

Господин Сенанаике,

Имею честь подтвердить получение Вашего письма, датированного сегодняшним днем, следующего содержания:

« Имею честь сослаться на статью 7 Торгового Соглашения между Правительством Союза Советских Социалистических Республик и Правительством Цейлона, подписанного сегодня Вами, г. Михальченко и мною. Между нами было согласовано, что все другие статьи Соглашения будут действовать в соответствии с политикой цейлонизации, о которой упоминается в статье 7. Эта политика проводится Правительством Цейлона с целью предоставить цейлонцам возможность принимать более широкое участие в импортной и экспортной торговле Цейлона.

Я хотел бы также сослаться на пункт (e) параграфа 3 статьи 1 вышеупомянутого Соглашения. Я хочу заверить Вас, что включение этого пункта было вызвано желанием Правительства Цейлона привести Соглашение в соответствие с подавляющим большинством существующих Торговых Соглашений между Цейлоном и другими странами, и что условиями этого пункта не допускается возможность проведения какой-либо дискриминации против Советского Союза ».

Я подтверждаю, что Ваше письмо в точности соответствует взаимопониманию, достигнутому между нашими делегациями.

Примите уверения в моем совершенном к Вам уважении.

П. А. МАЛЕТИН

Руководитель Советской
экономической делегации

Господину Р. Г. Сенанаике
Министру внешней и внутренней торговли
Правительство Цейлона
Коломбо

[TRANSLATION¹ — TRADUCTION²]

Colombo, February 8, 1958

Dear Mr. Senanayake,

I have the honour to acknowledge the receipt of your letter of today's date which reads as follows :

[*See letter I*]

I confirm that your letter correctly sets out the understanding reached between our delegations.

Please, accept the assurance of my highest consideration.

Yours sincerely,

P. MALETIN
Leader of Soviet Economic Delegation

Mr. R. G. Senanayake
Minister of Commerce and Trade
The Government of Ceylon
Colombo

¹ Translation provided by the Government of Ceylon.

² Traduction transmise par le Gouvernement ceylanais.