

No. 6835

**UNION OF SOVIET SOCIALIST REPUBLICS
and
UNITED ARAB REPUBLIC**

Payments Agreement. Signed at Moscow, on 23 June 1962

Official texts: Russian and Arabic.

Registered by the Union of Soviet Socialist Republics on 24 July 1963.

**UNION DES RÉPUBLIQUES SOCIALISTES
SOVIÉTIQUES**

et

RÉPUBLIQUE ARABE UNIE

Accord de paiement. Signé à Moscou, le 23 juin 1962

Textes officiels russe et arabe.

Enregistré par l'Union des Républiques socialistes soviétiques le 24 juillet 1963.

[TRANSLATION — TRADUCTION]

No. 6835. PAYMENTS AGREEMENT¹ BETWEEN THE UNION OF SOVIET SOCIALIST REPUBLICS AND THE UNITED ARAB REPUBLIC. SIGNED AT MOSCOW, ON 23 JUNE 1962

The Government of the Union of Soviet Socialist Republics and the Government of the United Arab Republic, wishing to regulate direct payments between their two countries on a basis of equality and mutual benefit, have agreed as follows :

Article 1

The current payments listed in article 2 of this Agreement between individuals and bodies corporate in the Union of Soviet Socialist Republics and individuals and bodies corporate in the United Arab Republic shall be made in accordance with the terms of this Agreement and with the laws and regulations in force in the two countries, provided, however, that neither Party shall apply any restrictions or prohibitions in this connexion unless they are also applied with respect to other countries.

Article 2

Current payments shall be understood to include :

- (1) Payments in connexion with the circulation of goods between the two countries, and all connected expenses, namely, freight charges, insurance charges and other similar expenses;
- (2) Payments connected with goods transit;
- (3) Payments connected with banking expenses, commissions etc.;
- (4) Payments connected with the expenses of the embassies and consulates of the two countries;
- (5) Payment of consular dues;
- (6) Payments connected with the expenses of government and commercial missions and any other missions or delegations of the two countries;
- (7) Payments for expenses connected with social and cultural events, such as trade fairs and exhibitions, sporting events, theatre and concert performances and other similar events;
- (8) Payments for expenses connected with the hire of films and the sale of books and periodicals;

¹ Came into force provisionally on 1 January 1963, and definitively on 26 January 1963, the date of the exchange of the instruments of ratification at Cairo, in accordance with article 13.

(9) Payments for expenses connected with visits by citizens of either State to the other, including expenses connected with the training of students and probationers;

(10) Payments connected with the payment of fees and royalties in respect of patents, trade marks, licences, authors' copyrights and other such rights;

(11) Payments connected with insurance and reinsurance premiums and claims;

(12) Payment of wages and salaries, pensions, emoluments and fees;

(13) Payments connected with periodic settlements of accounts between postal, telegraph and telephone services;

(14) Payments connected with the maintenance and ordinary provisioning of vessels, disbursements and transport expenses, and other payments mentioned in the Agreement on Shipping of 18 September 1958¹ between the Government of the USSR and the Government of the United Arab Republic;

(15) Payment of harbour dues;

(16) Payments for air transport and related services;

(17) Payments connected with scientific and technical co-operation, including payments for training and visits by expert delegations;

(18) Payment of ship dues, taxes, penalties and other related expenses;

(19) Other payments to be agreed upon between the Foreign Trade Bank of the USSR and the Central Bank of Egypt, not including Suez Canal dues, which shall continue to be paid in a freely convertible currency.

Article 3

Payments in respect of current transactions between the USSR and the United Arab Republic shall be made in the USSR through the Foreign Trade Bank of the USSR and in the United Arab Republic through the Central Bank of Egypt.

For this purpose the Foreign Trade Bank of the USSR, acting on behalf of the Government of the USSR, and the Central Bank of Egypt, acting on behalf of the Government of the United Arab Republic, shall open in each other's favour non-interest-bearing clearing accounts in pounds sterling which shall be free of all taxes or dues. Payments through these accounts shall be treated in all respects as equivalent to payments in a freely convertible currency.

¹ United Nations, *Treaty Series*, Vol. 338, p. 29.

Article 4

In order to ensure the continuity of payments through the accounts referred to in the preceding article, the Foreign Trade Bank of the USSR and the Central Bank of Egypt shall grant each other technical credit up to a figure of 6 million pounds sterling.

If that figure is exceeded, annual interest of 2 per cent shall be payable on the excess. The Parties shall take the necessary steps to liquidate the excess within three months. If the excess is not liquidated within that period, the creditor bank may at any time demand payment of the excess amount in pounds sterling or in any other freely convertible currency agreed upon between the banks of the two countries.

Pounds sterling shall be converted into other freely convertible currencies at the official par rate of exchange quoted on the date of conversion in the country in whose currency the payment is made.

Article 5

Contracts in respect of which payments are to be made in accordance with this Agreement shall be concluded in terms of either pounds sterling or another freely convertible currency.

Article 6

In the event of a change in the gold content of the pound sterling (the present gold content of one pound sterling is 2.48828 grammes of fine gold) the balance as at the date of such change in the sterling accounts referred to in article 3 above shall be adjusted accordingly, so that its gold value remains unchanged.

The technical credit limit specified in article 4 shall be adjusted in the same way.

Article 7

The Payments Agreement concluded on 18 August 1953 between the Government of the Union of Soviet Socialist Republics and the Government of the Republic of Egypt and all amendments and additions thereto shall cease to have effect from the date of the entry into force of this Agreement.

The outstanding balance in Egyptian pounds in Collection Account-General Account No. 5 maintained under the Payments Agreement of 18 August 1953 shall be converted into pounds sterling on the basis of the gold content of the Egyptian pound and the pound sterling (at present 2.55187 and 2.48828 grammes of fine gold respectively) and shall be transferred on the date of the entry into force of this Agreement to the accounts referred to in article 3 of this Agreement.

Payments in respect of uncompleted contracts concluded before the entry into force of this Agreement between bodies corporate or individuals in the Union of Soviet Socialist Republics and bodies corporate or individuals in the United Arab Republic shall be made in pounds sterling through the accounts referred to in article 3. Sums due under such contracts in Egyptian pounds shall be converted into pounds sterling in the manner specified in the preceding paragraph.

Article 8

Transfers may be made into and from the accounts opened in accordance with article 3 of this Agreement from and into accounts opened under any other payments agreement between the Contracting Parties and a third country, subject to the prior approval of the competent authorities of the Parties concerned.

Article 9

Contracts concluded while this Agreement is in force shall be fulfilled in accordance with its terms even after it has expired.

Article 10

On the expiry of this Agreement any remaining balance in the accounts referred to in article 3 shall be liquidated by deliveries of goods to be agreed upon by the Parties and by current payments in accordance with the provisions of this Agreement.

If six months after the expiry of this Agreement the balance has still not been liquidated, the debtor Party shall, at the request of the creditor Party, liquidate it by payments in pounds sterling or another freely convertible currency.

Article 11

The Foreign Trade Bank of the USSR and the Central Bank of Egypt shall arrange the technical procedure for the implementation of this Agreement.

Article 12

Soviet foreign trade organizations and bodies corporate and individuals of the United Arab Republic may, with the permission of the competent authorities of both Parties, conclude contracts outside the framework of this Agreement for deliveries of goods against payment in a currency specified in the contract.

Article 13

This Agreement shall have effect from 1 January 1963 to 31 December 1965. It shall be subject to ratification at the earliest possible date and shall enter into force finally on the date of the exchange of the instruments of ratification.

The instruments of ratification shall be exchanged at Cairo.

The Agreement shall in any case be provisionally effective from 1 January 1963.

Article 14

This Agreement shall be renewed by tacit consent for consecutive three-year periods unless either of the Parties denounces it by notice in writing ninety days before the expiry of such a period.

IN WITNESS WHEREOF the duly authorized representatives of the two Governments have signed this Agreement.

DONE in duplicate at Moscow, on 23 June 1962, in the Russian and Arabic languages, the two texts being equally authentic.

For the Government
of the Union of Soviet Socialist
Republics :
P. N. KUMYKIN

For the Government
of the United Arab Republic :
A. M. AL-KAISSOUNI