

No. 7214

**UNION OF SOVIET SOCIALIST REPUBLICS
and
SOMALIA**

**Trade and Payments Agreement (with annexes). Signed at
Moscow, on 2 June 1961**

Official texts: Russian and Italian.

Registered by the Union of Soviet Socialist Republics on 14 April 1964.

**UNION DES RÉPUBLIQUES SOCIALISTES
SOVIÉTIQUES
et
SOMALIE**

**Accord de commerce et de paiement (avec annexes). Signé
à Moscou, le 2 juin 1961**

Textes officiels russe et italien.

Enregistré par l'Union des Républiques socialistes soviétiques le 14 avril 1964.

[TRANSLATION — TRADUCTION]

No. 7214. TRADE AND PAYMENTS AGREEMENT¹ BETWEEN THE UNION OF SOVIET SOCIALIST REPUBLICS AND THE SOMALI REPUBLIC. SIGNED AT MOSCOW, ON 2 JUNE 1961

The Government of the Union of Soviet Socialist Republics and the Government of the Somali Republic, desiring to strengthen the bonds of friendship uniting the two countries and endeavouring to foster and develop economic and trade relations in their mutual interest, have agreed as follows :

CHAPTER I

TRADE

Article 1

The Contracting Parties have agreed to encourage by all possible means the development of trade between the two countries and shall in particular grant, in accordance with the laws and regulations in force in the two countries, every facility for the export and import of goods originating in and imported from their respective territories and listed in schedules " A " and " B " annexed to this Agreement.

Schedule " A " lists goods for export from the Somali Republic; schedule " B " lists goods for export from the USSR.

The competent authorities of the two Contracting Parties shall, if the need arises, issue import and export licences for the goods specified in schedules " A " and " B ".

The import and export of goods shall be carried out on the basis of contracts to be concluded between the Soviet foreign trade organizations on the one hand and Somali natural and legal persons on the other.

Article 2

The Contracting Parties shall grant each other most-favoured-nation treatment in all matters relating to trade and navigation between the two countries.

¹ Applied provisionally as from 1 June 1961; came into force definitively on 10 February 1962, the date of the exchange of the instruments of ratification at Mogadiscio, in accordance with the provisions of article 13.

Article 3

The provisions of article 2 shall not apply to advantages which have been or which may hereafter be accorded by either Contracting Party to contiguous countries, or to advantages resulting from a customs union.

Article 4

The two Contracting Parties shall promote the development of transit trade through their countries which is of interest to both countries, in accordance with the laws and regulations in force in each country regarding goods in transit.

CHAPTER II

PAYMENTS

Article 5

The Contracting Parties shall effect the settlement of payments relating to trading operations and other payments on the basis of clearing procedure in accordance with the provisions of the following articles.

Article 6

For the purpose indicated in article 5, the Bank for Foreign Trade of the USSR, acting on behalf of the Government of the USSR, and the Somali National Bank, acting on behalf of the Government of the Somali Republic, shall open in each other's favour non-interest-bearing, tax-free accounts in pounds sterling which shall be known as the "general account of Somalia" and the "general account of the USSR" respectively.

Article 7

At the end of each six-month period (the first six-month period shall begin on the date of the provisional entry into force of this Agreement), the debit or credit balance in the accounts referred to in the preceding article must not exceed the limit of 100,000 (one hundred thousand) pounds sterling.

After the expiry of each six-month period, the debtor Party shall liquidate one-half of its debit balance in a freely convertible currency within a period of one month.

If, on the expiry of this Agreement, any balance is found to be outstanding in the accounts referred to in article 6, it shall be liquidated by deliveries of goods to be agreed upon between the Parties.

Article 8

All sums in contracts and invoices relating to trade between the USSR and the Somali Republic, and in payment documents and payment orders, shall be expressed in Somali shillings, pounds sterling or United States dollars.

For the purpose of this article, the conversion of currencies shall be effected on the basis of the gold content of the currencies concerned.

Article 9

In the event of any change in the gold content of the pound sterling, which is at present equal to 2.48828 grammes of fine gold, the balance standing in the "general account of the USSR" and the "general account of Somalia" referred to in article 6 shall be adjusted in such a way that the amount of the balance in both accounts on the date of the change in the gold content of the pound sterling remains the same in terms of gold.

Article 10

The Bank for Foreign Trade of the USSR and the Somali National Bank shall determine by agreement the requisite technical procedure for the application of this Agreement.

CHAPTER III

FINAL PROVISIONS

Article 11

In the event of any dispute relating to the interpretation or application of this Agreement, the Contracting Parties shall consult together in a spirit of friendship with a view to finding an appropriate solution or, at the request of either Party, shall convene for this purpose a Mixed Commission composed of representatives of the two Governments.

Article 12

On the expiry of this Agreement, any obligations arising out of contracts concluded during the period of its validity shall be settled on the basis of the provisions of this Agreement.

Article 13

This Agreement is subject to ratification. The Contracting Parties have also agreed that this Agreement shall enter into force provisionally with effect

from 1 June 1961. The Agreement shall enter into force definitively on the date of the exchange of the instruments of ratification, which shall take place at Mogadiscio.

The Agreement shall remain in force for one year; it shall be extended by tacit consent of the Parties from year to year unless one of the Contracting Parties denounces it by giving notice two months before the expiry of the current term.

IN WITNESS WHEREOF the plenipotentiaries have signed this Agreement.

DONE in Moscow on 2 June 1961 in two original copies, each in the Russian and Italian languages, both texts being equally authentic.

For the Government
of the Union of Soviet Socialist
Republics :

N. S. PATOLICHEV

For the Government
of the Somali Republic :

Ali G. DJAMA

A N N E X

SCHEDULE « A »

GOODS FOR EXPORT FROM THE SOMALI REPUBLIC TO THE USSR

1. *Agricultural Products*

Textile fibres (cotton, kapok, ramie, banan, etc.).
Oil seeds (sesame, groundnuts, castor oil seeds, cottonseed).
Resins (balsam, myrrh, gum arabic etc.).
Fruits (bananas, grapefruit, mangoes).

2. *Animal Products*

Meat and meat products.
Fish and fish products.
Undressed skins and tanned hides, excluding leopard skin.
Vegetable and animal oils and fats.
Ivory.
Unworked shells.
Sponges.

3. *Mineral Products*

Pumice.
Lead.
Other goods.

SCHEDULE « B »

GOODS FOR EXPORT FROM THE USSR TO THE SOMALI REPUBLIC

Machinery and equipment, including :

Metal-cutting lathes, passenger automobiles, lorries, tractors, agricultural machinery and implements, road-building equipment, power and electrical engineering equipment, water pumps, building, printing, drilling and mining equipment, woodworking lathes, optical instruments, clocks and watches, spare parts and instruments.

Rolled ferrous metals and manufactures thereof.

Cable manufactures.

Cement.

Petroleum products.

Window glass and ceramic ware.

Paper, cardboard and articles thereof.

Chemical fertilizers.

Chemical products.

Medicaments and medical equipment.

Rubber manufactures.

Automobile tires and inner tubes.

Cotton fabrics and other textile goods.

Haberdashery.

Office supplies.

Foodstuffs (sugar, wheat, flour, rice, fresh and salted fish, canned foods, butter, spirituous liquors, etc.).

Household and toilet soap.

Matches.

Tobacco and tobacco products.

China and glazed earthenware.

Cinematograph films and printed matter.

Other goods.