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No. 9825

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**UNION OF SOVIET SOCIALIST REPUBLICS  
and  
MONGOLIA**

**Trade Treaty (with annex). Signed at Moscow on 17 December 1957**

*Authentic texts: Russian and Mongolian.*

*Registered by the Union of Soviet Socialist Republics on 30 August 1969.*

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**UNION DES RÉPUBLIQUES SOCIALISTES  
SOVIÉTIQUES  
et  
MONGOLIE**

**Traité de commerce (avec annexe). Signé à Moscou le 17 décembre 1957**

*Textes authentiques: russe et mongol.*

*Enregistré par l'Union des Républiques socialistes soviétiques le 30 août 1969.*

[TRANSLATION — TRADUCTION]

TRADE TREATY<sup>1</sup> BETWEEN THE UNION OF SOVIET  
SOCIALIST REPUBLICS AND THE MONGOLIAN PEOP-  
LE'S REPUBLIC

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The Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics and the Presidium of the Great Khural of the Mongolian People's Republic,

Desiring to promote the further development and strengthening of economic relations between the two States and to determine by treaty the basic provisions governing such relations,

Have resolved to conclude this Trade Treaty and have appointed as their plenipotentiaries for this purpose :

The Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics :  
Mr. Ivan Grigoryevich Kabanov, Minister of Foreign Trade of the Union of Soviet Socialist Republics;

The Presidium of the Great Khural of the Mongolian People's Republic :  
Mr. Demchigiin Molomzhamts, Deputy Chairman of the Council of Ministers of the Mongolian People's Republic,

who, having exchanged their full powers, found in good and due form, have agreed as follows :

*Article 1*

The Contracting Parties shall take all necessary measures to develop and strengthen trade relations between the two States in a spirit of friendly co-operation and mutual assistance and on a basis of equality and mutual benefit.

To this end, the Governments of the two Contracting Parties shall conclude agreements, including long-term agreements, determining the mutual deliveries of goods and other conditions to ensure the development of trade in accordance with the requirements of the national economy of both States.

*Article 2*

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

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<sup>1</sup> Came into force on 30 April 1958 by the exchange of the instruments of ratification, which took place at Ulan Bator, in accordance with article 14.

*Article 3*

The Contracting Parties shall, in accordance with the provisions of article 2, grant each other most-favoured-nation treatment in all customs matters, in particular as regards duties, taxes and other charges, the warehousing of goods under customs control, and the regulations and formalities applied in the customs clearance of goods.

*Article 4*

Natural and manufactured products imported from the territory of one of the Contracting Parties into the territory of the other Contracting Party shall not be liable to any duties, taxes or similar charges other or higher, or to regulations other or formalities more burdensome, than those imposed on similar natural and manufactured products of any third State.

Similarly, natural and manufactured products of one Contracting Party shall not be liable, on exportation to the territory of the other Contracting Party, to any duties, taxes or similar charges other or higher, or to regulations other or formalities more burdensome, than those imposed on similar natural and manufactured products on exportation to the territory of any third State.

*Article 5*

Subject to their being re-exported or reimported within a time-limit fixed by the customs authorities and to the production of proof of identity, the following articles shall be exempt from duties, taxes or other charges on importation and exportation :

- (a) Articles intended for fairs, exhibitions or competitions;
- (b) Articles intended for experiments or tests;
- (c) Articles imported for repair which are to be re-exported in their repaired form;
- (d) Fitting equipment and instruments imported or exported by fitters or sent to them;
- (e) Natural and manufactured products imported for transformation or processing which are to be re-exported in their transformed form;
- (f) Marked containers imported for filling, and containers which hold imported articles and which are to be returned at the end of a specified period.

Merchandise samples used only as such and consigned in quantities normal in trade shall be unconditionally exempt from duties, taxes or other charges.

*Article 6*

Internal charges imposed in the territory of one Contracting Party, for whosoever benefit or on whosoever behalf, on the production, processing, distribution or consumption of any goods, shall in no event be levied on the natural or manufactured products of the other Contracting Party at a higher rate than on similar products of any third State.

*Article 7*

In the carriage of goods, passengers and baggage on their domestic railways, roads and waterways, the two Contracting Parties shall grant each other most-favoured-nation treatment in all matters relating to the acceptance of goods for carriage, the means and cost of carriage, and the charges levied on carriage in the given direction and for the given distance.

*Article 8*

Neither of the Contracting Parties shall impose on imports from or exports to the territory of the other Contracting Party any restrictions or prohibitions which are not applicable to all other States.

The Contracting Parties nevertheless reserve the right to impose, for reasons of national security, the maintenance of public order, public health, the protection of animal and plant life or the preservation of works of art and historical and archaeological treasures, prohibitions or restrictions on importation or exportation, where such prohibitions or restrictions are applied in like circumstances to any third State.

*Article 9*

Natural and manufactured products of either Contracting Party in transit through the territory of the other Contracting Party to the territory of a third State shall not be liable to duties, taxes or other charges.

With respect to transit regulations and formalities, the treatment accorded to such products shall not be less favourable than that accorded to the transit consignments of any third State.

*Article 10*

Each of the Contracting Parties may maintain in the capital of the other Contracting Party a Trade Delegation, whose legal status shall be governed by the provisions of the annex to this Treaty, which annex shall constitute an integral part of the Treaty.

*Article 11*

Corporate bodies constituted in the territory of one of the Contracting Parties and recognized under that Party's laws shall likewise be recognized in the territory of the other Contracting Party. The admission of such corporate bodies to economic activity in the territory of the other Contracting Party shall be effected in accordance with its laws.

*Article 12*

Corporate bodies and individuals of either Contracting Party shall in all respects enjoy in the territory of the other Party treatment no less favourable than that accorded to corporate bodies and individuals of any third State.

*Article 13*

The Contracting Parties guarantee the enforcement of any arbitral awards with regard to disputes arising out of the commercial or other contracts of their corporate bodies or institutions, where the parties have duly agreed to refer the dispute to an *ad hoc* or permanent arbitral tribunal for settlement.

Orders for the enforcement of arbitral awards shall be made, and the enforcement itself carried out, in accordance with the laws of the Contracting Party enforcing the award.

*Article 14*

This Treaty shall be ratified as soon as possible and shall enter into force on the date of the exchange of the instruments of ratification, which shall take place at Ulan Bator.

The Treaty shall remain in force until the expiry of a period of six months following the date on which one of the Contracting Parties gives notice of its intention to terminate the Treaty.

IN WITNESS WHEREOF the plenipotentiaries of the two Contracting Parties have signed this Treaty and have affixed thereto their seals.

DONE at Moscow on 17 December 1957, in duplicate, in the Russian and Mongolian languages, both texts being equally authentic.

I. Kabanov

D. Molomzhamts

## ANNEX

## THE LEGAL STATUS OF THE TRADE DELEGATION OF THE UNION OF SOVIET SOCIALIST REPUBLICS IN THE MONGOLIAN PEOPLE'S REPUBLIC AND OF THE TRADE DELEGATION OF THE MONGOLIAN PEOPLE'S REPUBLIC IN THE UNION OF SOVIET SOCIALIST REPUBLICS

*Article 1*

The functions of the Trade Delegation of the Union of Soviet Socialist Republics in the Mongolian People's Republic and of the Trade Delegation of the Mongolian People's Republic in the Union of Soviet Socialist Republics shall be :

- (a) To promote the development of trade relations between the two States;
- (b) To represent the interests of their respective States in the other State in all matters relating to foreign trade;
- (c) To regulate trade transactions with the other State on behalf of their respective States;
- (d) To carry on foreign trade transactions in the other State on behalf of their respective Governments.

*Article 2*

The Trade Delegation shall form an integral part of the Embassy of its own State.

The Trade Delegate and his deputies shall enjoy all the rights and privileges accorded to members of diplomatic missions.

The premises occupied by the Trade Delegation shall enjoy extraterritoriality. The Trade Delegation shall be entitled to use ciphers.

The Trade Delegation shall not be subject to commercial registration.

Employees of the Trade Delegation who are citizens of the State to which the Trade Delegation belongs shall be exempt in the receiving State from taxation on the emoluments which they receive in the service of their Government.

*Article 3*

The Trade Delegation shall act on behalf of its Government. The Government shall be responsible only for foreign commercial contracts concluded or guaranteed on behalf of the Trade Delegation in the receiving State and signed by authorized persons.

The names of persons authorized to transact legal business on behalf of the Trade Delegation and particulars of the degree of authority of each such person to sign commercial contracts on its behalf shall be published in the Government publication of the receiving State.

*Article 4*

The Trade Delegation shall enjoy all the immunities to which a sovereign State is entitled and which relate also to foreign trade, with the following exceptions only, to which the Parties agree :

(a) Disputes relating to foreign commercial contracts concluded or guaranteed under article 3 by the Trade Delegation in the territory of the receiving State shall be subject, in the absence of a reservation providing for arbitration or some other jurisdiction, to the jurisdiction of the courts of the said State. No interim court orders for the provision of security may be made;

(b) Final judicial decisions against the Trade Delegation in such disputes may, when they have acquired legal effect, be enforced by execution, but such execution may be levied only on goods and claims standing to the credit of the Trade Delegation.