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No. 9828

**UNION OF SOVIET SOCIALIST REPUBLICS
and
CYPRUS**

**Trade and Payments Agreement (with appendix). Signed at
Nicosia on 22 December 1961**

Authentic texts: Russian and English.

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

**UNION DES RÉPUBLIQUES SOCIALISTES
SOVIÉTIQUES
et
CHYPRE**

**Accord de commerce et de paiement (avec appendice). Signé à
Nicosie le 22 décembre 1961**

Textes authentiques: russe et anglais.

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

TRADE AND PAYMENTS AGREEMENT¹ BETWEEN THE UNION OF SOVIET SOCIALIST REPUBLICS AND THE REPUBLIC OF CYPRUS

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

Animated by the desire to develop and strengthen trade relations between both countries on the basis of equality and mutual benefit,

Have agreed upon the following :

Article 1

The export of goods from the USSR to the Republic of Cyprus and from the Republic of Cyprus to the USSR in 1962 shall be carried out according to the Lists of goods A and B attached to the present Agreement.

Lists of goods for succeeding years shall be agreed upon by the two Parties and established in yearly Protocols.

The Contracting Parties shall endeavour to maintain an approximate balance of mutual deliveries of goods.

Article 2

The Competent Authorities of the two Contracting Parties shall consider favourably the possibility of increasing the quantities and values specified in Lists A and B and, furthermore, the addition to these Lists of goods not included therein.

Article 3

The Competent Authorities of the two Contracting Parties shall issue import and export licences for the goods specified in Lists A and B whenever import or export of goods require the procurement of such licences.

Article 4

Export and import of goods in accordance with the present Agreement shall be carried out on the basis of contracts to be concluded between the Soviet Foreign Trade Organisations, on the one side, and natural or juridical persons in the Republic of Cyprus, on the other side.

¹ Came into force on 22 December 1961 by signature, in accordance with article 16.

Article 5

The Contracting Parties shall exert every effort so that the prices for the goods to be delivered under the present Agreement be established on the basis of world market prices, i.e. the prices of the main world markets of the corresponding goods.

Article 6

The goods imported by each country under the present Agreement shall be used for consumption within the importing country.

Article 7

All payments between the USSR and the Republic of Cyprus referred to in Article 8 shall be effected in the USSR through the Bank for Foreign Trade of the USSR and in the Republic of Cyprus through the Bank of Cyprus Ltd.

For this purpose the Bank for Foreign Trade of the USSR authorised by the Government of the USSR and the Bank of Cyprus Ltd, authorised by the Government of the Republic of Cyprus, shall open in favour of each other accounts in pounds sterling. These accounts shall bear no interest and shall be free of any charges.

The Bank for Foreign Trade of the USSR and the Bank of Cyprus Ltd shall mutually establish the technical procedure of keeping the above accounts and of settlement of these accounts according to the present Agreement.

Article 8

The following payments shall be effected through the accounts referred to in Article 7 :

- (1) for the goods delivered under the present Agreement;
- (2) expenses relating to freight, insurance, despatch, demurrage and transhipment of goods;
- (3) port dues and shipshandlers' expenses;
- (4) rentals of cinema films;
- (5) subscriptions to magazines, periodicals and newspapers;
- (6) other payments to be mutually agreed between the two Parties.

Article 9

The two Banks shall notify each other about every deposit and such notices shall be construed as payment orders.

Nevertheless, in case the funds available in one of the two accounts envisaged in Article 7 are not sufficient to allow the execution of payment orders, the Bank concerned shall execute payment orders to the debit of the relative account up to a maximum sum of £200,000. The sum so fixed shall have the nature of a revolving credit and shall be valid for the duration of the Agreement.

Article 10

If the balance on the accounts referred to in Article 7 in favour of any Party exceeds the amount of £300,000 then at the request of either Party the representatives of the two Parties shall meet in order to work out and submit recommendations for the elimination of the excess.

Article 11

In case of any change in the gold parity of the pound sterling (at present one pound sterling is equal to 2.48828 grams of fine gold) the Bank for Foreign Trade of the USSR and the Bank of Cyprus Ltd shall effect recalculation of the balances of the above accounts outstanding on the date of such change proportionally to the change.

Article 12

Upon expiration of the present Agreement the Bank for Foreign Trade of the USSR and the Bank of Cyprus Ltd shall continue to accept payments on the accounts mentioned in Article 7 and to effect payments therefrom on all transactions concluded in the period of validity of this Agreement.

If any debt occurs on the accounts of either Party, such Party shall have to pay it up within six months from the date of the expiration of the present Agreement by deliveries of goods mutually agreed upon between the Parties.

If this debt is not settled within the above period of six months by the deliveries of goods, the debtor-Party shall be obliged to pay the debt at the request of the creditor-Party in pounds sterling or in any convertible currency to be agreed between the two Parties, the rate of conversion being the rate quoted by the Bank of England on the day of payment.

Article 13

In order to further the expansion of trade between both countries, the Contracting Parties shall render each other necessary assistance in the organisation of trade fairs and exhibitions.

Articles destined for such fairs and exhibitions, as well as samples of goods shall, subject to the relevant legislation, be exempted from Customs duties.

Article 14

Upon expiration of the present Agreement its provisions shall be applied to all contracts concluded in the period of its validity and unfulfilled by the moment of its expiration.

Article 15

At the request of either Contracting Party their representatives shall meet to supervise the carrying out of this Agreement and to work out requisite recommendations directed to the promotion of growth of the turnover of goods between the two countries.

Article 16

The present Agreement shall come into force on the date of signature and shall remain in force until the 31st December, 1962 and, thereafter, it shall be extended from year to year until either Party by a notice in writing, given at least three months before December 31st of each ensuing year, terminate the operation of the Agreement.

DONE in Nicosia on December 22, 1961, in two original copies, each in the Russian and English languages, both texts being equally authentic.

For the Government
of the Union of Soviet
Socialist Republics :

П. ЕРМОШИН¹
О. КОЖЕВНИКОВ²

For the Government
of the Republic of Cyprus :

A. ARAUSOS

¹ P. Ermoshin.

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APPENDIX

LIST A

GOODS TO BE EXPORTED FROM THE USSR TO THE REPUBLIC OF CYPRUS IN 1962

| | | |
|--|--------|-----------------|
| Sawn Wood | 17,000 | cubic meters |
| Sugar | 6,000 | metric tons |
| Cement | 20,000 | metric tons |
| Petroleum products | 25,000 | metric tons |
| Fertilizers | 5,000 | metric tons |
| Rolled steel & iron and iron pipes | 30,000 | pounds sterling |
| Optical, surgical, dental, medical and other equipment | 40,000 | pounds sterling |
| Glass and glassware | 20,000 | pounds sterling |
| Plywood, blockboards, chipboards and fibreboards | 20,000 | pounds sterling |
| Pharmaceuticals | 15,000 | pounds sterling |
| Fish and fish preparations | 5,000 | pounds sterling |
| Bicycles, photo cameras, clocks and watches | 20,000 | pounds sterling |
| Hand tools | 10,000 | pounds sterling |
| Musical instruments | 10,000 | pounds sterling |
| Other goods (books, periodicals, cinema films etc.) | 20,000 | pounds sterling |

LIST B

GOODS TO BE EXPORTED FROM THE REPUBLIC OF CYPRUS TO THE USSR IN 1962

| | | |
|---------------------------|--------|-----------------|
| Raisins | 8,000 | metric tons |
| Oranges | 3,000 | metric tons |
| Lemons | 2,000 | metric tons |
| Tobacco | 300 | metric tons |
| Almonds | 50 | metric tons |
| Hides and skins | 15,000 | pieces |
| Essential oils | 5,000 | pounds sterling |
| Citrus juices | 5,000 | pounds sterling |
| Other goods | 20,000 | pounds sterling |