

No. 10553

**DENMARK
and
MADAGASCAR**

**Trade Agreement (with annexes). Signed at Copenhagen on
10 December 1965**

Authentic text: French.

Registered by Denmark on 22 June 1970.

**DANEMARK
et
MADAGASCAR**

**Accord commercial (avec annexes). Signé à Copenhague le
10 décembre 1965**

Texte authentique: français.

Enregistré par le Danemark le 22 juin 1970.

[TRANSLATION — TRADUCTION]

TRADE AGREEMENT¹ BETWEEN THE KINGDOM OF DENMARK AND THE MALAGASY REPUBLIC

The Government of the Kingdom of Denmark and the Government of the Malagasy Republic,

Desiring to promote and develop their trade and

Considering that increased exports and industrialization are essential factors for the economic development of the developing countries,

Have agreed as follows:

Article 1

The two Contracting Parties undertake to adopt all possible measures consonant with international agreements and the laws and regulations in force in each of the two countries with a view to facilitating their trade.

Article 2

The two Contracting Parties shall grant each other most-favoured-nation treatment in all matters relating to customs duties and other charges of any kind levied or payable in connexion with their imports or exports and to the procedures for the collection of such duties, as well as to the rules and formalities connected with importation and exportation and to the laws and regulations affecting the taxation, sale, distribution or use of goods imported into the two countries.

The foregoing clause shall not apply to:

- (a) Advantages which either of the Contracting Parties has accorded or may in future accord to contiguous countries in order to facilitate frontier traffic;

¹ Came into force provisionally on 10 December 1965, upon signature, and definitively on 26 July 1967, as provided for by the exchange of notes confirming that the constitutional requirements of the two Contracting Parties had been fulfilled, in accordance with article 10.

- (b) Advantages which either of the Contracting Parties has accorded or may in future accord to members of customs unions, free-trade areas or other similar international conventions in which it may take part;
- (c) Advantages which either of the Contracting Parties may accord within the framework of regional or subregional arrangements with a view to promoting trade between developing countries;
- (d) Advantages which Denmark has accorded or may accord to Finland, Iceland, Norway or Sweden.

Article 3

With regard to most of the goods listed in schedule B annexed hereto, the competent authorities of the Kingdom of Denmark shall authorize unlimited imports of goods of Malagasy origin coming from Madagascar. In the case of other goods which are subject to the global quota, Madagascar shall receive non-discriminatory treatment.

The competent authorities of the Malagasy Republic shall issue import licences for goods of Danish origin coming from Denmark that are listed in schedule A annexed hereto.

For the implementation of the provisions of this Agreement, the origin of goods shall be defined in accordance with the legislative provisions of the importing country.

With a view to facilitating trade, each of the Contracting Parties undertakes to supply, at the request of the other Party, all necessary information relating to trade.

Trade between the two Parties shall not be confined to goods listed in the annexed schedules and the Malagasy Government undertakes, in particular, to give favourable treatment to all requests over and above the quotas in schedule A.

Article 4

The Contracting Parties undertake to avoid the introduction into their maritime policy of any discriminatory measures that might harm the shipping of the other Party or its free choice of tonnage, and shall also accord to merchant vessels flying the flag of the other Party the same treatment as they accord to their own vessels or at least the most-favoured-nation treatment

with respect to customs formalities, duties and charges, access to and use of ports, and treatment of crews, passengers and goods, including in particular access to quays and the use of harbour installations.

This clause shall not apply to cabotage and home-trade shipping, which is governed by the laws and regulations in force in each of the two countries.

Article 5

Payments arising out of trade covered by this Agreement shall be effected in convertible currency in accordance with the regulations in force in each of the two countries.

Article 6

Investments, property, rights and interests belonging to nationals, foundations, associations or companies of one of the Contracting Parties in the territory of the other shall enjoy fair and equitable treatment, at least equal to that received by the nationals of the Party concerned, or the treatment accorded to nationals, foundations, associations or companies of the most-favoured nation, if the latter is more favourable. Each Party shall guarantee the transfer of invested capital and the income therefrom and, in the event of liquidation, the proceeds thereof, for nationals, foundations, associations and companies of the other Contracting Party.

If one Party expropriates or nationalizes property, rights or interests belonging to nationals, foundations, associations or companies of the other Party or takes any other direct or indirect dispossession measures affecting nationals, foundations, associations or companies of the other Party, it shall provide for the payment of adequate and effective compensation, in accordance with international law. The compensation, the amount of which must be fixed at the time of the expropriation, nationalization or dispossession, shall be paid in transferable currency, and payment shall be made to the beneficiary, whatever his place of residence, without undue delay. However, expropriation, nationalization or dispossession measures may not be discriminatory or in breach of a specific undertaking.

Article 7

If a dispute arises between the Contracting Parties concerning the interpretation or implementation of the provisions of article 6 above and if it cannot be settled satisfactorily through the diplomatic channel within six

months, it shall be submitted, on the request of either Party, to a court of arbitration composed of three members. Each Party shall designate one arbitrator. The two arbitrators designated shall appoint a referee, who must be a national of a third State.

If one of the Parties has not designated an arbitrator and has not acted on a request from the other Party to make such a designation within two months, the arbitrator shall be appointed, on the request of the second Party, by the President of the International Court of Justice.

If the two arbitrators cannot agree on the choice of a referee within two months of their designation, the latter shall be appointed, on the request of one of the Parties, by the President of the International Court of Justice.

If, in the cases provided for in paragraphs 2 and 3 of this article, the President of the International Court of Justice is unable to do so or if he is a national of one of the Parties, the appointments shall be made by the oldest member of the Court who is not a national of either Party.

Unless the Parties decide otherwise, the court shall establish its own rules of procedure.

The court's awards shall be binding on the Parties.

Article 8

A Joint Commission composed of representatives of the two Contracting Parties shall meet at the request of either of the Contracting Parties. It shall supervise the implementation of this Agreement and shall propose any useful measures aimed at the most rapid development and subsequent expansion of the trade relations between the two countries.

Article 9

The provisions of this Agreement shall continue to be applicable after its expiry to all contracts which, though signed when it was in force, have not been fully executed at the time of expiry.

Article 10

This Agreement shall be applicable on a provisional basis from the time of signature and shall enter into force definitively after an exchange of notes confirming that the constitutional requirements of the two Contracting Parties have been fulfilled.

It shall be valid for a period of one year and shall be renewable annually by tacit agreement unless denounced three months before the expiry of its period of validity.

In the event of denunciation, the provisions of articles 6 and 7 hereof shall be applicable for a further period of ten years to investments made before the denunciation.

Done at COPENHAGEN, on 10 December 1965, in two original copies in the French language.

For the Government
of the Kingdom of Denmark:

Anker SVART

[SEAL]

For the Government
of the Malagasy Republic:

E. LÉCHAT

[SEAL]

SCHEDULE A

DANISH GOODS FOR EXPORT TO THE MALAGASY REPUBLIC

<i>Product</i>	<i>Quotas in Danish crowns</i>
Food products of animal origin	900,000
Beer	540,000
Paint	200,000
Chewing gum	35,000
Cement	75,000
Radio receivers, gramophones and records	100,000
Batteries	800,000
Preserved fish	100,000
Machines, appliances and instruments	1,000,000
Miscellaneous	500,000

SCHEDULE B

MALAGASY GOODS FOR EXPORT TO THE KINGDOM OF DENMARK

1. Meat
 2. Natural honey
 3. Dried vegetables (Sieva beans, beans)
 4. Manioc and its derivatives (flour, starch, tapioca)
 5. Bananas, fresh, dried or in cosettes and tropical fruit
 6. Coffee
 7. Pepper and peppers
 8. Vanilla
 9. Cloves
 10. Rice
 11. Maize
 12. Oil ground nuts (shelled)
 13. Oilcake for cattle
 14. Castor oil seed
 15. Cotton seed
 16. Cashew nuts
 17. Raffia
 18. Tropical wood
 19. Tung-oil (aleurite)
 20. Beeswax
 21. Preserved fish or shell fish
 22. Cocoa
 23. Preserved tropical fruit
 24. Tobacco
 25. Quartz
 26. Mica
 27. Graphite
 28. Essential oils
 29. Hides, raw or dressed, and tanned leather
 30. Sisal
 31. Handicrafts
 32. Miscellaneous
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