

No. 11912

**DENMARK
and
POLAND**

**Long-Term Trade Agreement (with exchanges of letters). Signed at
Copenhagen on 3 December 1970**

Authentic text : English.

Registered by Denmark on 14 August 1972.

**DANEMARK
et
POLOGNE**

**Accord commercial à long terme (avec échanges de lettres). Signé à
Copenhague le 3 décembre 1970**

Texte authentique : anglais.

Enregistré par le Danemark le 14 août 1972.

LONG-TERM TRADE AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE KINGDOM OF DENMARK AND THE GOVERNMENT OF THE POLISH PEOPLE'S REPUBLIC

The Government of the Kingdom of Denmark and the Government of the Polish People's Republic,

Considering the favourable conditions which exist for further expansion of trade and economic co-operation between their two countries, and

Prompted by the desire to facilitate and promote trade relations as well as economic and industrial co-operation between their two countries

Have agreed as follows :

Article I

1. Having regard to the development of trade under their previous Trade Agreement as well as to the provisions of this Agreement the Contracting Parties shall endeavour to ensure a harmonious and mutually advantageous development of trade between them by creating for each other favourable conditions for a substantial increase in mutual trade, on the understanding that a favourable basis would thereby be afforded for the continuing evolution of economic relations between the two countries.

2. The Contracting Parties shall pursue their policy of removing any obstacle to the free flow of goods between their markets and shall support all efforts aiming at further diversifying the structure of their mutual trade by promoting exchange of industrial goods, particularly in the field of machinery and equipment.

Article II

1. Considering that both countries are contracting parties to the General Agreement on Tariffs and Trade /GATT/² and the respective conditions for their participation in the said Agreement, both Contracting Parties accord to each other the most-favoured nation treatment in respect of customs duties and

¹ Came into force on 11 December 1971, the date of the last of the notes by which the Parties informed each other that it had been approved under their respective procedures, with retroactive effect from 1 January 1971, in accordance with article VII.

² United Nations, *Treaty Series*, vol. 55, p. 187, and annex A in volumes 77, 90, 125, 651, 797 and 807.

charges as well as with respect to regulations and formalities concerning exports and imports of goods and services, as foreseen under article I of the above-mentioned General Agreement.

2. Both Contracting Parties shall endeavour to ensure free access to the markets of the two countries for Danish and Polish goods respectively. To this end, in accordance with the respective laws and regulations in force in each of the two countries, trade between the two countries shall be conducted freely with the exception of those goods for which quantitative restrictions are still maintained.

Article III

1. The trade between the two countries will be conducted in accordance with the principles set forth in this Agreement and on the basis of Annual Trade Protocols which will constitute an integral part of this Agreement.

2. The Annual Trade Protocols shall be drawn up by the Mixed Commission, referred to in article V, which has to take into account, i.a., the desire of both Contracting Parties to facilitate and expand trade and economic co-operation from year to year.

Article IV

1. Referring to the Agreement on economic, industrial and technical co-operation, dated 15 November, 1967,¹ and the Protocol on economic and industrial co-operation,² signed today, the Contracting Parties, taking into consideration the particular importance of industrial co-operation for the future development of their economic relations, confirm their interest in the development of all forms of co-operation between interested organizations, associations and enterprises in the two countries as well as on third markets.

2. To this end the Contracting Parties shall accord each other in accordance with their laws and regulations the best possible treatment, particularly with regard to importation formalities and customs facilities, and shall use their best endeavours to support the realization of co-operation projects and contracts between interested organizations, associations and enterprises of the two countries.

Article V

1. The Contracting Parties establish a Mixed Commission which will review and supervise the proper functioning of this Agreement.

¹ United Nations, *Treaty Series*, vol. 643, p. 383.

² See p. 9 of this volume.

2. The Mixed Commission shall be responsible for elaborating detailed provisions concerning the mutual trade and for the conclusion of Annual Trade Protocols regarding the exchange of goods.

3. Further, the Mixed Commission shall discuss other problems connected with the economic relations between the two countries and make proposals and recommendations to the respective Governments for their favourable solution.

4. The Mixed Commission shall meet at least once a year, alternately in Copenhagen and in Warszawa. Extraordinary sessions of the Mixed Commission shall be called at the request of one of the Parties at a date and place to be agreed upon.

Article VI

Payments under this Agreement shall be effected in Danish kroner or any other convertible currency according to the provisions of the Protocol concerning payments between the Kingdom of Denmark and the Polish People's Republic dated February 11, 1959.¹

Article VII

1. This Agreement shall enter into force on the 1st of January, 1971, after an exchange of notes confirming its approval in accordance with the legal requirements of each Contracting Party, and shall remain in force until the 31st of December, 1975. It replaces the Trade Agreement between the Government of the Kingdom of Denmark and the Government of the Polish People's Republic, signed in Warszawa on September 3, 1965.

2. This Agreement shall be considered as automatically renewed from year to year unless terminated by a written notice given by one of the Contracting Parties to the other Contracting Party at least 3 months before its expiration.

3. The termination of this Agreement shall have no effect on the validity and implementation of contracts concluded between organizations, institutions and enterprises of both countries under the provisions of this Agreement.

¹ See p. 3 of this volume.

DONE in two original copies in the English language in Copenhagen,
3rd December 1970.

For the Government
of the Kingdom of Denmark :

[Signed]
KNUD THOMSEN
[SEAL]

For the Government
of the Polish People's Republic :

[Signed]
R. KARSKI
[SEAL]

EXCHANGES OF LETTERS

I a

CHAIRMAN OF THE DANISH DELEGATION

Copenhagen, 3rd December 1970

Mr. Chairman,

During the negotiations which have led to the signing today of a Long-Term Trade Agreement between the Government of the Kingdom of Denmark and the Government of the Polish People's Republic the two Delegations have agreed as follows :

The two Governments will refrain from discriminatory actions and restrictions affecting shipping engaged in international trade, and will in particular refrain from any action tending to hinder the participation of the shipping of either flag in such trade.

Please confirm, Mr. Chairman, that the above correctly sets out the understanding reached between us.

Please accept, Mr. Chairman, the assurance of my highest consideration.

[Signed]

B. ABRAHAMSON

To the Chairman of the Polish Delegation

II a

CHAIRMAN OF THE POLISH DELEGATION

Copenhagen, 3rd December 1970

Mr. Chairman,

I confirm the receipt of your letter of today's date which reads as follows :

[See letter I a]

I confirm, Mr. Chairman, that the above correctly sets out the understanding reached between us.

Please accept, Mr. Chairman, the assurance of my highest consideration.

[Signed]

DLUGOSZ

To the Chairman of the Danish Delegation

I b

CHAIRMAN OF THE POLISH DELEGATION

Copenhagen, 3rd December 1970

Mr. Chairman,

In the course of negotiations which have led to the signing today of the Long-Term Trade Agreement between the Government of the Polish People's Republic and the Government of the Kingdom of Denmark, the following understanding was reached with regard to the expansion of trade in machinery, equipment and complete plants, including licences, patents, know-how, etc. and associated services :

Within the framework of the laws and regulations in force in both countries, the Contracting Parties shall make every effort to support the granting of credits on the best possible terms and conditions with a view to furthering the expansion and diversification of trade and to promoting the industrial co-operation between the two countries.

In particular, both Contracting Parties have agreed to support long term credits for deliveries, the character and scope of which justify such terms.

Please confirm, Mr. Chairman, that the above sets out correctly the understanding reached between us.

Please accept, Mr. Chairman, the assurance of my highest consideration.

[Signed]

DLUGOSZ

To the Chairman of the Danish Delegation

II b

CHAIRMAN OF THE DANISH DELEGATION

Copenhagen, 3rd December 1970

Mr. Chairman,

I confirm the receipt of your letter of today's date which reads as follows :

[See letter I b]

I confirm, Mr. Chairman, that the above sets out correctly the understanding reached between us.

Please accept, Mr. Chairman, the assurance of my highest consideration.

[Signed]

B. ABRAHAMSON

To the Chairman of the Polish Delegation

I c

CHAIRMAN OF THE DANISH DELEGATION

Copenhagen, 3rd December 1970

Mr. Chairman,

In the course of negotiations which have led to the signing today of the Long-Term Trade Agreement between the Government of the Kingdom of Denmark and the Government of the Polish People's Republic the Polish Delegation expressed the desire to secure against the possibility that the Danish Government should retreat from existing liberalization, as this could limit Poland's long-term export opportunities.

This problem is dealt with in article II of the Agreement. The said article contains the pledge that both Contracting Parties shall guide themselves in mutual exchange by the GATT rules. For the Kingdom of Denmark in its bilateral relations with the Polish People's Republic this means the confirmation of her obligations under the GATT and under the Protocol for the accession of Poland to the GATT. In accordance with the said Protocol the Contracting Parties to the GATT are obliged not to increase the restrictions which they still apply and to progressively relax them.

This leads the Contracting Parties to the conclusion that going back on existing liberalization can take place only under the provisions of the GATT or the provisions of the Protocol for the accession of Poland to the GATT.

Please confirm, Mr. Chairman, that the above sets out correctly the understanding reached between us.

Please accept, Mr. Chairman, the assurance of my highest consideration.

[Signed]

B. ABRAHAMSON

To the Chairman of the Polish Delegation

II c

CHAIRMAN OF THE POLISH DELEGATION

Copenhagen, 3rd December 1970

Mr. Chairman,

I confirm the receipt of your letter of today's date which reads as follows :

[See letter I c]

I confirm, Mr. Chairman, that the above sets out correctly the understanding reached between us.

Please accept, Mr. Chairman, the assurance of my highest consideration.

[Signed]

DLUGOSZ

To the Chairman of the Danish Delegation

I d

CHAIRMAN OF THE POLISH DELEGATION

Copenhagen, 3rd December 1970

Mr. Chairman,

In the course of negotiations which have led to the signing today of the Long-Term Trade Agreement between the Government of the Polish People's Republic and the Government of the Kingdom of Denmark the following understanding was reached with regard to article V :

1. The Mixed Commission consists of a Delegation appointed by the Government of the Polish People's Republic and a Delegation appointed by the Government of the Kingdom of Denmark. Both Delegations will work together during the plenary sessions or in subcommittees or in working groups. Each Delegation consists of the Chairman, the Deputy-Chairman, the Secretary and the members. Representatives of trade and industry, including end users, of the two countries can be called upon to take part in the sessions of the Mixed Commission or its organs.

2. The ordinary, plenary sessions of the Mixed Commission shall take place at least once a year, alternately in Poland and in Denmark, on a date mutually agreed upon. The agenda of the ordinary, plenary sessions of the Mixed Commission should include in particular the reviewing of the realization of the present Agreement during the last year, and should determine the tendencies and means for the development of the economic relations between the two countries. Extraordinary sessions of the Mixed Commission shall be called at the request of one of the Delegations' Chairmen and shall take place not later than within thirty days from the date of such a request. The agenda of an extraordinary session shall be presented by the Chairman of the Delegation on whose request the session is called. The agenda can contain concrete trade problems of interest to either one or both of the Contracting Parties. Other matters can be included by mutual consent of the two Chairmen.

3. The results of the work of the Mixed Commission and its organs shall be recorded in protocols or agreed minutes, done in two original copies in the English language.

Please confirm, Mr. Chairman, that the above sets out correctly the understanding reached between us.

Please accept, Mr. Chairman, the assurance of my highest consideration.

[Signed]

DLUGOSZ

To the Chairman of the Danish Delegation

II d

CHAIRMAN OF THE DANISH DELEGATION

Copenhagen, 3rd December 1970

Mr. Chairman,

I confirm the receipt of your letter of today's date which reads as follows :

[See letter I d]

I confirm, Mr. Chairman, that the above sets out correctly the understanding reached between us.

Please accept, Mr. Chairman, the assurance of my highest consideration.

[Signed]

B. ABRAHAMSON

To the Chairman of the Polish Delegation

I e

CHAIRMAN OF THE DANISH DELEGATION

Copenhagen, 3rd December 1970

Mr. Chairman,

In the course of negotiations which have led to the signing today of the Long Term Trade Agreement between the Government of the Kingdom of Denmark and the Government of the Polish People's Republic both Contracting Parties reconfirmed their conviction that the exchange of goods between the two countries shall take place on the basis of fair market prices.

Should difficulties arise in connection with prices the two Contracting Parties shall take up the matter for discussion without delay in the Mixed Commission referred to in article V of the Agreement, or through diplomatic channels in order to find ways and means to overcome any such difficulties.

Please confirm, Mr. Chairman, that the above sets out correctly the understanding reached between us.

Please accept, Mr. Chairman, the assurance of my highest consideration.

[Signed]

B. ABRAHAMSON

To the Chairman of the Polish Delegation

II e

CHAIRMAN OF THE POLISH DELEGATION

Copenhagen, 3rd December 1970

Mr. Chairman,

I confirm the receipt of your letter of today's date which reads as follows :

[See letter I e]

I confirm, Mr. Chairman, that the above sets out correctly the understanding reached between us.

Please accept, Mr. Chairman, the assurance of my highest consideration.

[Signed]

DLUGOSZ

To the Chairman of the Danish Delegation