

No. 14322

**FINLAND
and
HUNGARY**

Agreement on the development of economic, industrial and scientific-technological co-operation. Signed at Budapest on 2 September 1974

Authentic text: English.

Registered by Finland on 22 September 1975.

**FINLANDE
et
HONGRIE**

Accord relatif au développement de la coopération économique, industrielle et scientifico-technique. Signé à Budapest le 2 septembre 1974

Texte authentique : anglais.

Enregistré par la Finlande le 22 septembre 1975.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE REPUBLIC OF FINLAND AND THE GOVERNMENT OF THE HUNGARIAN PEOPLE'S REPUBLIC ON THE DEVELOPMENT OF ECONOMIC, INDUSTRIAL AND SCIENTIFIC-TECHNOLOGICAL COOPERATION

The Government of the Republic of Finland and the Government of the Hungarian People's Republic;

Recalling the Long-term Trade Agreement signed at Budapest on 22 October 1968, and noting the results achieved in the field of economic and technical co-operation within the framework of the Agreement concerning economic, industrial and technical co-operation signed at Budapest on 1 October 1969;²

Desiring to strengthen the economic, industrial and scientific-technological co-operation between their countries to their mutual advantage, and being convinced that such co-operation can make a substantial contribution to the development of their economic relations;

Willing to utilise the possibilities offered by the Agreement on the Reciprocal Removal of Obstacles to Trade, signed at Helsinki on 2 May 1974, also in the field of economic, industrial and scientific-technological co-operation;

Taking into account the desire of both countries to encourage the development of co-operation in Europe;

Recognising the importance of long-term measures to provide a firm basis for the successful expansion of co-operation between the two countries in the future;

have agreed as follows:

Article 1. The Contracting Parties shall continue their efforts to encourage the development and strengthening of economic, industrial and scientific-technological co-operation which is of mutual benefit to both countries.

To this end, the Contracting Parties shall encourage and facilitate the co-operation of their respective institutions, economic organisations and enterprises in the execution of existing and future development plans and programmes of the other country.

The Contracting Parties shall grant to each other in the field of economic, industrial and scientific-technological co-operation the most favourable treatment allowed by the laws and regulations applicable in their respective countries.

Article 2. Contracts on exchange of goods and services within the scope of this Agreement will be concluded between Finnish legal and physical persons and Hungarian foreign trade organisations or other legal persons authorized to enter into economic, industrial and scientific-technological co-operation.

Article 3. The Contracting Parties recognise the need to identify those fields and forms where the expansion of economic and industrial co-operation is especially

¹ Came into force on 1 June 1975, i.e., the first day of the second month that followed the exchange of instruments of ratification, effected on 14 April 1975, in accordance with article 9.

² United Nations, *Treaty Series*, vol. 729, p. 59.

desirable. The Joint Commission to be established under the terms of Article 7 will indicate the fields in which the co-operation contracts to be concluded will enjoy priority. The Joint Commission shall study and encourage the realization of appropriate forms of co-operation between Finnish and Hungarian institutions, economic organisations and enterprises in the two countries as well as in third markets.

Article 4. The Contracting Parties will endeavour to encourage, promote and facilitate scientific-technological co-operation between interested institutions, organisations, and enterprises, i.a.:

- a) identifying and carrying out of scientific-technological co-operation projects of common interest;
- b) exchange of scientific and technological information;
- c) arranging symposia, courses and conferences for experts and other interested persons;
- d) exchange of experts and trainees, including post-graduate training of specialists;
- e) joint research within applied science with a view to the application of the results in industrial production.

Article 5. The Contracting Parties are aware of the significance of appropriate financing conditions for co-operative undertakings. They point out that the aims of this Agreement should be taken into consideration in the relevant financial and credit arrangements which will be concluded between financial and banking institutions, in order to ensure that the most favourable credit conditions possible may be made available for such undertakings.

Article 6. The conditions governing particular projects of economic, industrial and scientific-technological co-operation shall be agreed between the respective institutions, economic organisations and enterprises of the two countries, in accordance with the laws and regulations in force in each country.

Article 7. For the implementation and supervision of the functioning of this Agreement the Contracting Parties shall establish a Joint Commission which shall meet at least once annually or at the request of either Party, alternately in Finland and Hungary.

The Joint Commission shall:

- examine appropriate measures and make recommendations for the implementation of co-operation projects to be carried out within the scope of this Agreement,
- review periodically progress made in co-operation and work out programmes for further development of economic, industrial and scientific-technological co-operation,
- coordinate the whole field of economic, industrial and scientific-technological co-operation between the two countries,
- explore and consider proposals which are suitable for the promotion of the development of co-operation between the two countries.

In both countries permanent Secretariates will be set up by the competent authorities with the task to organize the work of the Joint Commission and the working groups.

The Joint Commission may establish working groups with the aim of considering specific matters.

Article 8. This Agreement does not affect the validity of any other agreement concluded and in force between the two countries.

Article 9. This Agreement shall replace the Agreement on economic, industrial and technical co-operation signed at Budapest on 1 October 1969 between the Republic of Finland and the Hungarian People's Republic. The replacement shall have no effect on decisions, arrangements and contracts made under that Agreement.

This Agreement will be subject to ratification by the Contracting Parties in accordance with their own constitutional procedures.

The instruments of ratification are to be exchanged through diplomatic channels.

The Agreement shall enter into force on the first day of the second month following the exchange of instruments of ratification, and shall remain in force for a period of ten years. Thereafter, the Agreement shall be automatically extended for a period of one year at a time unless either Contracting Party gives a written notice of termination six months prior to the expiration.

DONE at Budapest this 2nd day of September, 1974 in two original copies in the English language.

For the Government of the Republic of Finland:

JERMU LAINE

For the Government of the Hungarian People's Republic:

JOZSEF BIRO
