

No. 24964

**CANADA
and
GERMAN DEMOCRATIC REPUBLIC**

Trade Agreement. Signed at Leipzig on 9 September 1983

Authentic texts: English, French and German.

Registered by Canada on 16 July 1987.

**CANADA
et
RÉPUBLIQUE DÉMOCRATIQUE ALLEMANDE**

Accord de commerce. Signé à Leipzig le 9 septembre 1983

Textes authentiques : anglais, français et allemand.

Enregistré par le Canada le 16 juillet 1987.

TRADE AGREEMENT¹ BETWEEN THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE GERMAN DEMOCRATIC REPUBLIC

The Government of Canada and the Government of the German Democratic Republic, hereinafter referred to as the Contracting Parties,

Desiring to facilitate and develop trade relations between the two countries on the basis of equality and mutual advantage,

Reaffirming the significance they attach to the Final Act of the Conference on Security and Cooperation in Europe, signed in Helsinki on August 1, 1975,²

Have agreed as follows:

Article I. The Contracting Parties shall cooperate in matters of trade in light of their mutual interest in developing and strengthening economic and commercial relations. To promote and facilitate trade between Canada and the German Democratic Republic, they shall grant each other most-favoured-nation treatment as provided for in the following Articles.

Article II. 1. Most-favoured-nation treatment shall be accorded in all matters with respect to customs duties and charges of any kind imposed on or in connection with importation or exportation and with respect to the method of levying such duties and charges, with respect to the rules and formalities connected with importation or exportation, and with respect to all internal taxes or internal charges of any kind, and with respect to all laws, regulations and requirements affecting internal sale, offering for sale, purchase, distribution or use of imported goods within the territory of each Contracting Party.

2. Accordingly, products of each Contracting Party imported into the territory of the other Contracting Party shall not be subject, in regard to the matters referred to in the first paragraph of this Article, to any duties, taxes or charges other or higher, or to any rules or formalities more burdensome than those to which like products of any third country are or may hereafter be subject.

3. Similarly, products exported from the territory of a Contracting Party and consigned to the territory of the other Contracting Party shall not be subject, in regard to matters referred to in the first paragraph of this Article, to any duties, taxes or charges other or higher, or to any rules or formalities more burdensome, than those to which like products when consigned to the territory of any third country are or may hereafter be subject.

4. Any advantage, favour, privilege or immunity which has been or may hereafter be granted by either Contracting Party, in regard to the matters referred to in the first paragraph of this Article, to any product of any third country shall be accorded immediately and without compensation to like products originating in the territory of the other Contracting Party, and irrespective of the nationality of the carrier.

¹ Came into force provisionally on 9 September 1983, the date of signature, and definitively on 1 June 1984, the date of exchange of the instruments of ratification, which took place at Ottawa, in accordance with article XV (1).

² *International Legal Materials*, vol. XIV (1975), p. 1292 (American Society of International Law).

Article III. 1. Each Contracting Party shall accord the products of the other Contracting Party, which have been in transit through the territory of any third country receiving most-favoured-nation treatment from the importing country, treatment no less favourable than that which would have been accorded to such products had they been transported from their place of origin to their destination without going through the territory of such third country.

2. Each Contracting Party shall remain free to maintain any provision in effect on the date of signature of the present Agreement, regarding direct shipment insofar as it relates to its method of determining value for duty.

Article IV. No prohibitions or restrictions shall be applied by either Contracting Party on the importation or exportation of any product from or to the territory of the other Contracting Party which are not similarly applied to the importation or exportation of the like product from or to the territories of all third countries.

Article V. The foregoing provisions of this Agreement shall not apply:

- (a) To advantages now accorded or which may hereafter be accorded by Canada to countries and their dependent overseas territories entitled to the benefits of the British Preferential Tariff or to certain British Commonwealth countries in Trade Agreements;
- (b) To advantages now accorded or which may hereafter be accorded by either Contracting Party to developing countries on the basis of its domestic legislation;
- (c) To advantages accorded by either Contracting Party to adjacent countries in order to facilitate frontier traffic.

Article VI. In the event that a product is being imported into the territory of either Contracting Party from the territory of the other Contracting Party in such quantities or under such conditions as to cause or threaten injury to the domestic industry producing a like product, nothing in this Agreement shall preclude the importing Contracting Party from taking measures to prevent or remedy injury to such domestic industry.

Article VII. 1. Each Contracting Party shall, on the basis of reciprocity, grant to the merchant vessels of the other Contracting Party and to other vessels carrying trade between the Contracting Parties, the most favourable treatment that is granted its own merchant vessels and to the merchant vessels of any third party, respectively, for:

- (a) Access to cargo, ports and services connected with ocean transportation; and,
- (b) Port charges and handling fees imposed on vessels and their cargoes upon arrival and departure and during time spent in port.

2. The provisions of this Article shall not apply to pilot services and coastal shipping (cabotage). Cabotage, however, shall not be deemed to be the journey of ships of either Contracting Party from one port of the other Contracting Party to any other of the latter's ports in order to unload cargo originating abroad or to take on board cargo destined for abroad.

3. In order that the benefits of increased trade and traffic between the Contracting Parties may be shared on an equitable basis, each Contracting Party shall grant the right to tender for goods and services, including insurance, ship repair and ship husbandry required in the normal operation of all vessels engaged in the trades between them.

Article VIII. In order to expand and diversify trade between the Contracting Parties on the basis of mutual advantage, the competent authorities shall facilitate visits for business purposes and shall promote the exchange of economic and commercial information between the Contracting Parties.

Article IX. Recognizing the importance of financing for the further development of trade relations, the Contracting Parties shall make efforts to promote the extension of commercial credits on conditions as favourable as possible.

Article X. 1. Contracts relating to trade in goods and/or services shall be concluded between natural and juridical persons of Canada and juridical persons of the German Democratic Republic authorized to participate in foreign trade.

2. The natural and juridical persons of each Contracting Party shall enjoy access to the courts of the other Contracting Party on the same basis as natural and juridical persons of any other country.

Article XI. 1. Each Contracting Party shall, in accordance with its laws and regulations, facilitate the holding of trade fairs and exhibitions by natural and juridical persons of the other Contracting Party.

2. Each Contracting Party shall, in the interest of developing mutual trade relations, give sympathetic consideration to participating in international fairs and exhibitions in the country of the other Contracting Party and to promoting and facilitating the participation of its enterprises and firms in such fairs and exhibitions.

Article XII. All payments for goods and/or services made under this Agreement shall be effected in freely convertible currencies traded in the major international foreign exchange markets.

Article XIII. In order to encourage the development of their trade relations, a Mixed Commission composed of representatives of the Contracting Parties shall meet, as mutually agreed, in principle on an annual basis, alternately in Berlin and Ottawa or such other place as may be mutually agreed upon. The functions of the Mixed Commission shall include, in particular:

- (a) Reviewing the implementation of the Agreement;
- (b) Examining the possibilities of increasing the diversifying trade between Canada and the German Democratic Republic;
- (c) Examining the possibilities of economic cooperation and technical assistance in setting up industrial projects in Canada or the German Democratic Republic and in selected third countries.

Article XIV. The provisions of this Agreement shall not limit the right of either Contracting Party to apply prohibitions or restrictions of any kind directed to the protection of its essential security interests.

Article XV. 1. This Agreement shall enter into force provisionally from the date of signature. It shall be ratified by the Contracting Parties as soon as possible and shall enter into force definitively on the date of the exchange of instruments of ratification which shall take place in Ottawa.

2. The Agreement shall remain in force for a period of three years from the date of signature and may be amended at any time by mutual agreement of the Contracting Parties. Not later than three months prior to the expiry of the said three-year period, the Contracting Parties shall consult concerning measures necessary to continue the facilitation of trade between their two countries, including the renewal of this Agreement or the entering into negotiations for a new Agreement.

[For the testimonium and signatures, see p. 112 of this volume].

IN WITNESS WHEREOF, the undersigned, duly authorized thereto by their respective Governments, have signed this Agreement.

DONE in duplicate at Leipzig, this ninth day of September 1983, in the English, French and German languages, each version being equally authentic.

EN FOI DE QUOI, les soussignés dûment autorisés à cet effet par leurs Gouvernements respectifs ont signé le présent Accord.

FAIT en double exemplaire à Leipzig ce neuvième jour de septembre 1983, dans les langues française, anglaise et allemande, chaque version faisant également foi.

ZU URKUND dessen haben die dazu ordnungsgemäß von ihren jeweiligen Regierungen bevollmächtigten Unterzeichner dieses Abkommen unterzeichnet.

AUSGEFERTIGT in Leipzig am 9.09.1983 in zwei Originalen in englischer, französischer und deutscher Sprache, wobei jede Fassung gleichermaßen gültig ist.

For the Government of Canada:

Pour le Gouvernement du Canada :

Für die Regierung
Kanadas:

[Signed – Signé]

HAZEN ROBERT ARGUE

For the Government
of the German Democratic Republic:

Pour le Gouvernement
de la République démocratique allemande :

Für die Regierung
der Deutschen Demokratischen Republik:

[Signed – Signé]

GERHÁRD BEIL
