

TRADE AGREEMENT BETWEEN
THE GOVERNMENT OF THE REPUBLIC OF INDIA
AND

THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF MOZAMBIQUE

The Government of the Republic of India and the Government of the People's Republic of Mozambique, hereinafter referred to as "Contracting Parties,"

Desiring to promote friendship and co-operation between their two countries and to develop their trade and economic relations,

Have agreed as follows :

ARTICLE - I

(a) The Contracting Parties shall accord to each other the Most Favoured Nation treatment in respect of import and export licences, customs duties and all other charges and taxes applicable to importation or exportation.

Juridical and natural persons of either Contracting Party shall enjoy the Most Favoured Nation treatment, authorised by law and all legal regulations in force in each of the Contracting Parties when effecting foreign trade activities in the territory of the other Contracting Party.

(b) The provisions of the preceding paragraph of this Article shall, however, not apply to the grant or continuance of any :

(i) advantages which either of the Contracting Parties has granted or may grant to neighbouring countries in order to facilitate border traffic,

(ii) advantages which shall result from a Customs union, a Free Trade Area or any other multilateral preferential trade arrangements to which either Contracting Party is or may become a party,

(iii) Preferences or advantages accorded by either Contracting Party to any country as existing on the date of the conclusion of the present Agreement or those granted in replacement of such preferences or advantages that existed prior to the 10th April, 1947;

(iv) any advantages or preferences accorded under any scheme for expansion of trade and economic cooperation among developing countries and to which either of the Contracting Parties is or may become a party.

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ARTICLE - 2

The Contracting Parties agree to co-operate in promoting by all appropriate means the mutual export and import of products, goods and services in accordance with their laws and regulations governing imports and exports.

ARTICLE - 3

The Contracting Parties agree to consult each other from time to time in respect of any matter arising from/or in connection with the implementation of the Agreement and to consider concrete steps to achieve the objectives of this Agreement.

ARTICLE - 4

All payments relating to contracts and transactions concluded under the terms of this agreement will be effected in freely convertible currency subject to the laws and regulations relating to exchange control for the time being in force in the respective countries.

ARTICLE - 5

Each Contracting Party shall, within the scope of its laws and regulations in force from time to time, and subject to such conditions as may be prescribed, exempt from import duty and other charges levied in its territory the following goods originating in the territory of the other Contracting Party and not intended for sale :

- (a) Prototype of engineering goods when imported as samples for use in connection with securing of export orders or the execution thereof ;
- (b) samples of small value when imported solely for the purpose of being shown for the guidance of exporters;
- (c) samples of goods of negligible value when imported for being used for soliciting orders only; ; and
- (d) trade catalogue, price lists and advertising circulars on supply free of charge.

ARTICLE - 6

Each Contracting Party shall encourage participation of the other Contracting Party in Trade Fairs and Exhibitions organised within its territory.

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ARTICLE - 7

The Contracting Parties shall use their best endeavours to prevent all movements between their two countries of goods the exportation and importation of which is contrary to the relevant laws and regulations in force in either country.

ARTICLE - 8

This Agreement shall come into force on the date of the exchange of Notes confirming that the same has been approved in accordance with the constitutional procedures of the Contracting Parties.

ARTICLE - 9

(i) The Agreement shall be valid for a period of one year from the date of its entry into force and thereafter shall automatically be extended for a further period of one year each time, unless either party notifies the other of its intention to terminate the same ninety days prior to the date of expiry.

(ii) Notwithstanding the expiry of this Agreement, all contracts relating to trade entered into during the period of validity of this Agreement, which remain to be executed after the expiry of this Agreement shall continue to be governed by the provisions of this Agreement.

Done in the city of MAPUTO on this 28 day of October 1981 in six original copies in Hindi, Portuguese and English.

In case of discrepancy in interpreting any of the Articles of this Agreement, the English version shall be considered the authentic text.

FOR THE GOVERNMENT OF
THE REPUBLIC OF INDIA

FOR THE GOVERNMENT OF
THE PEOPLE'S REPUBLIC
OF MOZAMBIQUE

Sd/-

Sd/-

(GURDIP SINGH BEDI)
AMBASSADOR OF INDIA IN MOZAMBIQUE

(DANIEL GABRIEL)
NATIONAL DIRECTOR FOR
COMMERCIAL POLICY,
MINISTRY OF FOREIGN TRADE