

TRADE AGREEMENT BETWEEN THE GOVERNMENT OF
THE UNITED REPUBLIC OF TANZANIA AND THE
GOVERNMENT OF THE REPUBLIC OF INDIA.

The Government of the United Republic of Tanzania and the Government of the Republic of India (here in after referred to as the Contracting Parties) having regard to the bonds of friendship between two countries;

RECOGNISING their mutual desire to strengthen the relations with each other which will support, complement and extend cooperation between them;

RECALLING that the first Trade Agreement between Tanzania and India was signed in January, 1966 which expired in March, 1971 and the Second Trade Agreement was signed in December, 1972 which expired in February 1975;

CONSCIOUS of the increased flow of trade between the United Republic of Tanzania and the Republic of India;

MINDFUL that the more dynamic trade relationship call for closer cooperation across the whole range of trade activities;

CONVINCED that cooperation should be realised in evolutionary pragmatic fashion as their policies develop;

DESIRING FURTHERMORE to contribute jointly to international trade and cooperation for the betterment of their people and their economies;

HAVING RESOLVED to consolidate, strengthen and diversify the trade relations between their countries to the full extent for their growing capacity to meet each other's requirements on the basis of mutual benefit founded on most-favoured-nation (MFN) treatment in the General Agreement on Tariffs and Trades ("GATT");

HAVE agreed as follows:-

ARTICLE I

- (1) The Contracting Parties shall accord to each other most favoured nation treatment in respect of import and export licences, customs duties and all other charges and taxes applicable to importation, exportation or transit of commodities.
- (2) The Contracting Parties shall grant each other in respect of import and export licences or permissions where such licences or permissions are required under their regulations treatment no less favourable than that granted to any other country.

ARTICLE II

The Provisions of Article I above shall not however apply to the grant or continuance, if any, of:-

- (a) Advantages which either of the Contracting Parties has granted or may grant to contiguous Countries to facilitate frontier traffic;
- (b) Preferences of advantages, accorded by either Contracting Party to any other country, in accordance with a bilateral preferential trade agreement or arrangement existing on the date of signature of this agreement, or in replacement of such preferences or advantages that existed prior to the 10th April, 1947;
- (c) Advantages or preferences which either of the Contracting Parties has granted or may grant under any scheme for the expansion of trade and economic cooperation among developing countries which scheme is open for participation by developing countries to which either of the Contracting Parties is or may become a party;
- (d) Advantages or preferences which result from membership of a custom union and/or Free trade Area to which either of the Contracting Parties is or may become a party.

ARTICLE III

- (1) The exchange of goods within the framework of this Agreement shall be carried out in terms of contracts concluded between either juridical or natural persons of the United Republic of Tanzania of the one part and juridical natural persons of the Republic of India of the other part.
- (2) The parties to a contract contemplated in Sub Articles (1) shall be responsible for the fulfilment of the Contract(s) concluded by them in compliance with the laws and regulations in force in the country where such contract is concluded.

ARTICLE IV

Each Contracting Party shall, subject to the relevant laws and regulations in force, encourage enterprises and firms of the country of the other Contracting Party to organise trade fairs and exhibitions in that country and shall actively facilitate the staging of such fairs and exhibitions.

ARTICLE V

Each Contracting Party shall, subject to the laws and regulations in force in its country, allow the importation from the country of the other, free from custom duties and other levies of:-

(a) the following goods destined for any fair, exhibition, demonstration, seminar, congress or conference in its country and not intended for sale, namely:-

(i) goods to be displayed, exhibited or demonstrated at such a fair, exhibition or demonstration;

(ii) goods necessary for the purpose of demonstrating foreign machines or apparatus to be displayed or exhibited;

(iii) advertising and publicity materials such as posters, books and pamphlets, advertising and

demonstration materials (which are demonstrably publicity material for the goods displayed) such as sound recording, films and lantern/slides as well as apparatus for the use thereof;

(iv) equipment including interpretation and sound recording apparatus, and

(v) construction and decorating materials and electrical fittings for the temporary stands or for the display or exhibition, of the goods contemplated in sub-paragraph (i);

(b) goods and instruments which are part of personal baggages of technicians and experts and destined to be used by them in the course of duties to be performed by them in relation to such fair, exhibition, demonstration, seminar, congress or conference by virtue of their assignment thereto;

- (c) articles which, after having been exported, are returned, for repairs, provided such articles are re-exported after such repairs.

ARTICLE VI

Payments for goods and services arising from the implementations for this Agreement shall be made in freely convertible currencies in accordance with foreign exchange laws and regulations in force in the United Republic of Tanzania and the Republic of India respectively.

ARTICLE VII

- (1) The Contracting Parties agree that the authorities responsible for the implementation of the provision of this Agreement and other matters relating thereto shall, in the case of Tanzania be the Ministry of Industry and Commerce and in the case of India the Ministry of Commerce and Industry.

- (2) These authorities of the Contracting Parties shall communicate to the extent possible, all useful information which could contribute to the expansion of trade and commercial activities between the two countries.

ARTICLE VIII

- (1) In order to review the working and facilitate the effective implementation of this Agreement, the Contracting Parties shall establish a Joint Trade Committee consisting of representatives from both parties;
- (2) The Joint Trade Committee shall endeavour to meet once in two years alternately in the United Republic of Tanzania and in the Republic of India in order to review the implementation of the provisions of present agreement and to recommend to the Contracting Parties, the steps to be taken for development and diversification of commercial exchanges.

- (3) Costs of return air ticket shall be borne by the party travelling to the Joint Trade Committee Meeting while the host shall bear costs of hotel accommodation and those of the meeting.

ARTICLE IX

- (1) Either Contracting Party may, by a written notice transmitted through appropriate diplomatic channels, present to the other Contracting Party a request for revision or amendment, if mutually agreed upon by the Contracting Parties in writing, shall form an integral part of this Agreement.
- (2) Any amendment of this Agreement or the termination thereof shall not adversely effect or in any way prejudice any rights or obligations accrued or incurred by virtue of the application of this Agreement prior to the effective date of such amendment or termination.

ARTICLE X

Any disputes as to the interpretation and the implementation of this Agreement shall be resolved through negotiations between the Contracting Parties.

ARTICLE XI

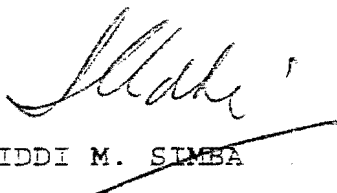
- (1) This Agreement shall come into force on the date of signature and shall remain in force until terminated in accordance with paragraph (2) of this article.
- (2) This Agreement shall be terminated three months after the date on which either Contracting Party has given the other notice in writing of the proposed termination.

DONE AT Dar-es-Sala ON THIS 14th DAY OF JANUARY 2000

The year Two Thousand in two (2) originals each in the English and the Hindi, both text being equally authentic. In case of doubt, English text shall prevail.

IN WITNESS WHEREOF THE CONTRACTING PARTIES HAVE SIGNED THIS AGREEMENT.

For the Government of
United Republic of Tanzania



HON. IDDI M. SIMBA

Minister for Industry
and Commerce

For the Government of
Republic of India



HON. ABDULLAH, SHRI OMAR

Minister for Commerce
and Industry