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**UNION OF SOVIET SOCIALIST REPUBLICS
and
MALAYSIA**

**Trade Agreement (with annexes). Signed at Kuala Lumpur
on 3 April 1967**

Authentic texts: Russian, Malay and English.

Registered by the Union of Soviet Socialist Republics on 30 August 1969.

**UNION DES RÉPUBLIQUES SOCIALISTES
SOVIÉTIQUES
et
MALAISIE**

**Accord commercial (avec annexes). Signé à Kuala Lumpur le
3 avril 1967**

Textes authentiques: russe, malais et anglais.

Enregistré par l'Union des Républiques socialistes soviétiques le 30 août 1969.

TRADE AGREEMENT¹ BETWEEN THE UNION OF SOVIET SOCIALIST REPUBLICS AND MALAYSIA

The Government of the Union of Soviet Socialist Republics and the Government of Malaysia,

Desiring to establish and develop direct commercial relations between the U.S.S.R. and Malaysia on the basis of equality and mutual benefit,

Have agreed as follows :

Article I

1. Each Contracting Party shall grant the other most favoured nation treatment in all matters relating to :

- (a) customs duties and charges of any kind, including the method of levying such duties and charges, imposed on or in connection with importation, or exportation imposed on the transfer of payment for imports or exports;
- (b) rules, formalities and charges connected with customs clearance; and
- (c) all internal taxes or other internal charges of any kind imposed on or in connection with imported and exported products.

2. Each Contracting Party shall accord the other most favoured nation treatment in respect of issuance of import and export licences.

3. Any advantage, favour, privilege or immunity granted or may be granted by each Contracting Party on import or export of any product, originating in or consigned to the territory of a third country, shall be accorded immediately and unconditionally to the like product originating in or consigned to the territory of either Contracting Party.

4. Neither Contracting Party shall impose restrictions or prohibitions on the importation of any product from the territory of the other Contracting Party or on the exportation of any product consigned to the territory of the other Contracting Party, unless such prohibitions or restrictions are applicable to all third countries.

¹ Came into force on 3 April 1967 by signature, in accordance with article 13.

5. The provisions of the preceding paragraphs of this Article shall not however apply to advantages or preferences which either of the Contracting Parties has granted or may grant to its neighbouring countries.

Article II

1. The Contracting Parties shall, subject to their respective import, export, foreign exchange and other laws, rules and regulations in force in either country, provide the maximum facilities possible for the purpose of increasing the volume of trade between the two countries and in particular in respect of goods and commodities listed in Schedules A and B attached to the present Agreement as Annexes 1 and 2 respectively. These Schedules may be amended and supplemented by mutual consent of the Contracting Parties.

2. The provisions of the preceding paragraph of this Article shall also apply to goods and commodities not listed in Schedules A and B.

Article III

The provisions of the present Agreement shall not limit the right of either Contracting Party to adopt or execute measures relating to the protection of :

- (a) its security; and
- (b) public health or the prevention of diseases and pests in animals and plants.

Article IV

Commercial transactions within the framework of this Agreement shall be concluded between Soviet foreign trade organisations as independent legal bodies and Malaysian legal and natural persons.

Article V

Legal and natural persons of each Contracting Party, when engaged in commercial activities in the territory of the other, shall enjoy most favoured nation treatment in respect of protection of persons and their property, provided that the enjoyment of this treatment shall be subject to the laws, rules and regulations in force in the territory of the other Contracting Party.

Article VI

For the purpose of promoting trade between the two countries the Contracting Parties shall, on terms and conditions as shall be agreed upon by the com-

petent authorities of both countries, subject to laws, rules and regulations in force in either country, and within their competence, facilitate each other's participation in trade fairs to be held in either country and the organisation of commercial exhibitions by one of the Contracting Parties in the territory of the other.

Article VII

Mercantile ships of either country with or without cargoes thereon, other than ships engaged in coastal navigation, shall enjoy in respect of entry, stay in and departure from the ports of the other country most favoured nation facilities granted by their respective laws, rules and regulations to ships of third country flags.

Article VIII

All current payments between the two countries shall be effected in freely convertible currency in accordance with the foreign exchange controls in force in each country.

Article IX

Each Contracting Party may on the basis of reciprocity establish in the capital of the other Contracting Party its Trade Representation. The legal status of such Representation shall be determined by the provisions of Annex 3 which shall form an integral part of the present Agreement.

Article X

Unless the parties otherwise agree and in the absence of an arbitration clause, all disputes relating to any commercial transaction concluded between Soviet foreign trade organisations and Malaysian legal or natural persons shall be subject to the jurisdiction of the Soviet courts where the transaction has been concluded in the U.S.S.R. and to the jurisdiction of the Malaysian courts where such transaction has been concluded in Malaysia. Such disputes may also be submitted to the courts of any other country for determination where the parties have so stipulated in their contracts.

Article XI

The Contracting Parties shall, at the request of either Party, discuss in the spirit of mutual understanding measures for the expansion of trade between the two countries and problems relating to the implementation of the present Agreement.