

**TRADE AGREEMENT¹ BETWEEN THE
GOVERNMENT OF INDIA AND THE
GOVERNMENT OF THE ARAB
REPUBLIC OF EGYPT
New Delhi, 13 October 1977
Cairo, 12 March 1978**

The Government of the Republic of INDIA

AND

The Government of the Arab Republic of EGYPT,

HEREINAFTER referred to as the Contracting Parties.

GUIDED by the desire to promote the friendly economic cooperation between their countries and to expand the mutual trade relations, based on the principles of friendship, national independence, sovereignty, equality and mutual benefit and with a view to expanding the commercial and economic relations between the two countries.

HAVE AGREED as follows :

Article I

The Contracting Parties shall endeavour to encourage and facilitate the development of the exchange of all goods and services between them in conformity with the respective laws and regulations which are in force in their countries during the validity of this Agreement.

Article II

The Contracting Parties shall, in accordance with their obligations under GATT, accord to each other most-favoured-nation treatment with respect to :

1 Came into force on 5 August 1979.

- (a) Customs, customs duties and other taxes or charges of any kind applied to the goods exported to the territory of the other Contracting Party or imported therefrom or being in transit in their territory.
- (b) Customs rules and formalities concerning the imports, exports, transit, storing and loading of goods imported, exported or being in transit as well as duties and taxes connected therewith.
- (c) Granting of import and export licences.

The ships, their crews and cargoes of each of the Contracting Parties shall receive in harbours and in the territorial waters of the other Party the same treatment as ships, crews and cargoes of countries enjoying the most-favoured-nation treatment.

The above stipulations shall not apply to coastal navigations and fishing in the territorial waters of the Contracting Parties.

Article III

The most-favoured-nation treatment provided for in Article II shall not apply to :

- (a) Advantages that any one of the Contracting Parties has granted or shall grant to neighbouring countries to facilitate frontier trade and traffic;
- (b) Preferences resulting from Customs Unions and/or free trade areas to which either Contracting Party is or will become a member;
- (c) Any advantage of preference accorded under any scheme for expansion of trade and economic cooperation among developing countries which is open for participation by developing countries and to which either of the Government is or may become a party;
- (d) Preferences resulting from participation by either Contracting Party in multilateral arrangements aiming at economic integration;
- (e) Preferences which the Arab Republic of Egypt has granted or may grant in the future to any of the Arab Countries;
- (f) Preferences or advantages accorded by either Party to any country, as existing on the date of the conclusion of the present Agreement or in replacement of such preferences or advantages that existed prior to 10th April 1947.

Article IV

Each Contracting Party undertakes to issue, in accordance with the laws and regulations in force in its country import and export licences, whenever necessary, for the goods originated and imported from or exported to the territory of the other Contracting Party.

Article V

Each Contracting Party shall, subject to the laws and regulations in force in its country, exempt from Customs Duties and other fiscal charges the following goods originating in the territory of the other Party;

- (a) Catalogues, price-lists, brochures and other advertising material (including-films) for goods offered for sale in the market of the importing Party;
- (b) Commercial samples which are not for sale;
- (c) Goods and materials for permanent or temporary fairs and exhibitions and not intended for sale.

Article VI

All payments related to the commercial exchanges between the two countries shall be effected in freely convertible currencies.

Prices in contracts concluded under this Agreement and related to the exchange of goods and services, as well as in all other payments, shall be expressed in freely convertible currencies.

Article VII

The deliveries of goods and services within the framework of this Agreement shall be effected according to the contracts to be concluded between natural and juridical persons of the two countries authorised to carry out foreign trade activities.

Article VIII

1. Each Contracting Party shall facilitate and promote the participation in international fairs and exhibitions as well as the organisation of individual exhibitions held in the territory of the other Party.
2. Each Contracting Party shall grant the other Party within the framework of the laws and regulations in force in its country all the facilities for the organisation or participation in such fairs and exhibitions.

Article IX

The provisions of this Agreement shall continue even after its termination, to apply to contracts concluded within its framework and during its validity.

Article X

The present Agreement replaces the Trade Agreement¹ signed between the Government of Egypt and the Government of India on the 8th July 1953.

This Agreement shall come into force provisionally on the date of signature and finally on the date of notes confirming the approval or ratification of this Agreement by the Governments of the two Contracting Parties.

This Agreement shall be valid for five years. The period of validity thereafter shall be automatically renewed for periods of one year each unless either Contracting Party gives 3 months notice in writing before the expiry of its validity, of its intention to terminate this Agreement.

DONE and signed in New Delhi on the 13th October, 1977 in two originals each in the English, Hindi and Arabic languages, all the texts being equally authentic provided that in case of doubt, the English text shall prevail.

For the Government of the
Republic of India

For the Government of the
Arab Republic of Egypt

Sd/-
DR. P.C. ALEXANDER
Secretary
Ministry of Commerce
(Leader of the India
Trade Delegation)

Sd/-
SALAH EI ABADI
Under Secretary of State
Ministry of Trade Government
(Leader of the ARE Trade
Delegation)

1 IBTA Vol. 2 Doc. No. 82.