

**No. 15935**

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**BRAZIL  
and  
ROMANIA**

**Agreement on trade and payments (with schedules). Signed  
at Brasília on 5 June 1975**

*Authentic texts: Portuguese and Romanian.*

*Registered by Brazil on 30 September 1977.*

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**BRÉSIL  
et  
ROUMANIE**

**Accord de commerce et de paiements (avec listes). Signé à  
Brasília le 5 juin 1975**

*Textes authentiques : portugais et roumain.*

*Enregistré par le Brésil le 30 septembre 1977.*

[TRANSLATION — TRADUCTION]

AGREEMENT<sup>1</sup> ON TRADE AND PAYMENTS BETWEEN THE  
GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL  
AND THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF  
ROMANIA

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The Government of the Federative Republic of Brazil and the Government of the Socialist Republic of Romania, hereinafter referred to as "Contracting Parties",

Desiring to expand and strengthen trade relations between the two countries on the basis of equality and mutual benefit;

Noting that those relations have grown substantially since the signing of the Agreement on trade, payment and economic co-operation on 5 May 1961; and

Considering, none the less, that a volume of trade corresponding to the real potential of the two countries requires an improved legal instrument;

Have decided to conclude a new agreement in the following terms:

*Article I*

The Contracting Parties shall, in the interest of developing economic relations between them, do their utmost to increase trade between the two countries and strive, wherever possible, to maintain balance in that trade at all times.

*Article II*

For the purpose provided for in the preceding article and in accordance with the respective legislations on foreign trade and payments, the competent organs of both Parties shall grant the necessary administrative and exchange facilities for the operations governed by this Agreement.

*Article III*

The Contracting Parties shall grant each other, with immediate effect, most-favoured-nation treatment in their bilateral trade relations, in accordance with the principles of GATT.<sup>2</sup>

*Sole paragraph.* The provisions of this article shall not apply to any advantages, exemptions and facilities which:

- (a) either Contracting Party has granted or may hereafter grant to contiguous countries for the purpose of facilitating frontier traffic;
- (b) either Contracting Party has granted or may hereafter grant as a consequence of its participation in a free trade area, common market or customs union; and
- (c) either Contracting Party has granted or may hereafter grant pursuant to multilateral trade arrangements among developing countries in which one of the Contracting Parties does not participate, including those concluded under the auspices of GATT.

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<sup>1</sup> Came into force on 20 December 1976, the date of the later of the notifications by which the Contracting Parties informed each other of the completion of the necessary formalities, in accordance with article XXVIII (2).

<sup>2</sup> United Nations, *Treaty Series*, vol. 55, p. 187.

#### *Article IV*

Trade shall be promoted in accordance with the indicative schedules A and B of goods and products annexed to this Agreement.

“Schedule A” relates to products that may be exported from the Socialist Republic of Romania to the Federative Republic of Brazil.

“Schedule B” relates to products that may be exported from the Federative Republic of Brazil to the Socialist Republic of Romania.

*Sole paragraph.* The schedules referred to are merely indicative and shall not preclude trade in other goods not specified in them between the two countries.

#### *Article V*

The commercial conditions applicable to goods imported or exported under this Agreement shall be laid down in contracts concluded between Brazilian firms, institutions and agencies, on the one hand, and the foreign trade enterprises of the Socialist Republic of Romania, as independent bodies corporate, on the other. The two Governments shall incur no responsibility in connexion with the execution of trade contracts except when they are Parties to such contracts.

#### *Article VI*

The prices of the products and goods traded between the two countries shall be determined, in the relevant contracts concluded between the individuals, bodies corporate and organizations mentioned in article V of this Agreement, on the basis of world market prices for products and goods of the same or comparable quality. In the case of products and goods for which a world market price cannot be quoted, competitive world prices for other similar products and goods shall be applied.

#### *Article VII*

With a view to furthering the exchange of goods between the two countries, the Contracting Parties shall strive to stimulate the systematic exchange of trade information, reciprocal visits by specialists in the field of trade and the organization of fairs and exhibitions in their territories.

To that end, all possible facilities shall be granted by each Party to the other, in accordance with their respective legislations in force.

#### *Article VIII*

In accordance with the laws, regulations and provisions in force in their respective territories, the Contracting Parties shall permit the import and export of the following articles without payment of customs duties:

- (a) samples of products and goods of no commercial value and commercial advertising material;
- (b) products and equipment for permanent or temporary fairs and exhibitions, subject to prior agreement that such products and equipment will be re-exported; and
- (c) machinery, tools and equipment needed for the performance of contracted services, including assembly or repairs, the temporary import of which is permitted subject to the condition that such goods shall not be sold.

#### *Article IX*

Subject to the legislation of Brazil, citizens and bodies corporate of the Socialist Republic of Romania engaged in commercial activities in the Federative Republic of

Brazil under this Agreement shall enjoy the same rights with respect to the protection of their persons and property as the citizens and bodies corporate of any other State.

Subject to the legislation of Romania, citizens and bodies corporate of the Federative Republic of Brazil engaged in commercial activities in the Socialist Republic of Romania under this Agreement shall enjoy the same rights with respect to the protection of their persons and property as the citizens and bodies corporate of any other State.

#### *Article X*

The Contracting Parties shall, subject to their respective legislations, exempt from any public tax or charge the activities of individuals or bodies corporate of either of the two countries in the territory of the other, when such activities are related to the execution of a contract concluded under this Agreement.

#### *Article XI*

Goods subject to this Agreement shall be used solely for internal consumption or for processing by the industries of the importing country.

*Sole paragraph.* The re-export of goods shall not be permitted, unless one Contracting Party obtains, in each case, the prior consent of the other.

#### *Article XII*

The Contracting Parties shall do their utmost to ensure that the highest proportion possible of the flow of exports between them gradually takes the form of manufactures and semi-manufactures of interest to both Parties, without prejudice to the export of new raw materials and those which have hitherto constituted their traditional exports.

#### *Article XIII*

The carriage by sea of goods exported or imported under the terms of this Agreement shall be effected in ships of Brazilian and Romanian registry or in ships registered in a third country, in accordance with the provisions of the Agreement concerning maritime transport<sup>1</sup> concluded between the Federative Republic of Brazil and the Socialist Republic of Romania.

#### *Article XIV*

The Central Bank of Brazil, acting with the authorization of the Government of the Federative Republic of Brazil, and the Romanian Foreign Trade Bank, designated by the Government of the Socialist Republic of Romania, shall each open in United States dollars the accounts, hereinafter referred to as the "Accounts", necessary for recording the trade transactions governed by this Agreement and for effecting the payments arising therefrom.

*Paragraph 1.* The said banks shall record in the Accounts receipts and payments in respect of:

- (a) the export and import of goods intended for consumption, utilization and processing in the two countries, as provided for in article XI of this Agreement;
- (b) trade and banking expenses relating to such exports and imports, such as freight charges for goods transported by ships registered in one of the two countries, commissions, insurance and re-insurance premiums, commercial and bank interest, and other expenses incidental to the transactions;

<sup>1</sup> See p. 91 of this volume.

- (c) other operations which shall, in each case, be approved in advance by the Central Bank of Brazil and the Romanian Foreign Trade Bank.

*Paragraph 2.* Both the Accounts shall be free of any commissions and charges.

#### *Article XV*

In order to facilitate trade, the Contracting Parties shall grant each other a credit line of \$US 1 million, applicable to the Accounts referred to in article XIV.

Balances in the Accounts shall earn interest at the rate of 5 per cent per annum, to be computed and entered biannually and, if applicable, upon closure of the Accounts.

#### *Article XVI*

In converting the currency of the Accounts referred to in this Agreement into other freely convertible currencies and vice versa, the two Banks shall apply the rates of exchange between the United States dollar and the chosen currency prevailing on the date of the operation on the international currency market previously agreed upon in each case by the two Banks.

#### *Article XVII*

If the balances in the Accounts exceed the limit of the line of credit provided for in article XV, the Contracting Parties shall, in order to liquidate the excess, grant the necessary administrative and exchange facilities for export and import transactions governed by this Agreement.

Moreover, in order to provide opportunities for expanding trade, the two Banks shall at all times and by agreement encourage transactions which contribute to the liquidation of the balances in the Accounts, whether or not they exceed the limits of the line of credit provided for in article XV.

#### *Article XVIII*

Within the limits of their functions, the Central Bank of Brazil and the Romanian Foreign Trade Bank shall, through direct arrangements, decide upon the technical measures required for the execution of this Agreement.

#### *Article XIX*

Transfers of consular receipts shall not be made through the Accounts but, at the request of either Contracting Party, shall be authorized in freely convertible currency in accordance with the relevant regulations.

#### *Article XX*

Upon the entry into force of this Agreement, the balance of the accounts referred to in article IX of the Agreement on trade, payment and economic co-operation of 5 May 1961 shall be transferred to the Accounts provided for in article XIV of this Agreement.

*Sole paragraph.* Contracts which are being executed or have been concluded under the terms of the Agreement of 1961 shall benefit from the provisions of this Agreement.

#### *Article XXI*

Upon the expiry of this Agreement, the Accounts referred to in article XIV shall remain open for a further period of 180 days for the purpose of entering in them the amounts of payments arising out of transactions approved by the competent

authorities of the two countries during the period of validity of the Agreement and still outstanding.

*Paragraph 1.* The amounts of payments arising out of new transactions authorized with a view to liquidating the remaining balance shall also be entered in the Accounts during the said further period.

*Paragraph 2.* After the expiry of the further period of 180 days, reckoned from the date of expiry of this Agreement, the balance remaining in the Accounts shall be liquidated immediately by the debtor Bank at the request of the creditor Bank and in the freely convertible currency specified by it.

*Paragraph 3.* Subject to the provisions of article XXII, transactions approved by the competent authorities of the two countries, payments for which fall due after the period of 180 days referred to in this article, shall also be liquidated in a freely convertible currency chosen by the creditor Bank.

#### *Article XXII*

The following provisions shall apply to payments arising out of contracts relating to the supply by the Socialist Republic of Romania to the Federative Republic of Brazil of machines and equipment financed on a long-term basis, which have been duly approved and registered by the competent Brazilian authorities:

- (a) while this Agreement is in force, payments arising out of the said transactions shall be entered in the Accounts referred to in article XIV;
- (b) should there be payments arising out of transactions of this type outstanding when this Agreement and the further period of 180 days referred to in article XXI have expired and the compensatory measures mentioned in that article have been taken into consideration, the Central Bank of Brazil shall open an account, to be entitled "Special Account", in United States dollars in the name of the Romanian Foreign Trade Bank, in which the payments in question shall be entered and which shall remain open until such time as all such payments have been recorded; and
- (c) interest on the funds accruing to the "Special Account" referred to in subparagraph (b) of this article shall be payable at the rate stipulated by the Banks and shall be computed and entered in the Account biannually and, if applicable, upon closure of the Accounts.

*Sole paragraph.* The same procedure shall be applied with regard to Brazilian exports to Romania of machinery and equipment financed on a long-term basis.

#### *Article XXIII*

The competent authorities of the Contracting Parties reserve the right to require for imported goods certificates of origin issued by the competent authorities of the exporting country.

#### *Article XXIV*

Payment for goods originating in a third country and purchased by one of the two countries may not be made through the Accounts referred to in article XIV without the prior approval, in each case, of both Banks.

#### *Article XXV*

The expiry of this Agreement shall not affect the validity of export and import licences granted while it is in force by the competent authorities of the two Contracting Parties.

*Article XXVI*

Any dispute arising between the Contracting Parties with regard to the interpretation or implementation of this Agreement shall be resolved through direct negotiations between the authorities designated by the Parties.

*Article XXVII*

The Contracting Parties have decided to establish a Joint Commission to promote trade relations, to encourage new forms of co-operation between the two countries and to review periodically the functioning of this Agreement and of other agreements in force.

The said Commission shall meet annually, alternately in the respective capitals, and whenever so agreed upon by the Parties.

*Article XXVIII*

1. This Agreement shall be submitted for the approval of the competent authorities of each of the Contracting Parties in accordance with their respective legal provisions.

2. Each of the Contracting Parties shall notify the other of the completion of the necessary formalities for the entry into force of the Agreement, and it shall enter into force as from the date of the later of these notifications for a period of five years, which period shall be extended for successive periods of one year unless it is denounced in writing at least 180 days before the end of any period.

3. The entry into force of this Agreement shall abrogate the Agreement on trade, payment and economic co-operation signed on 5 May 1961.

DONE and signed at Brasília on 5 June 1975, in two original copies in the Portuguese and Romanian languages, both texts being equally authentic.

For the Government  
of the Federative Republic  
of Brazil:

ANTONIO F. AZEREDO DA SILVEIRA

For the Government  
of the Socialist Republic  
of Romania:

GHEORGE OPREA

## SCHEDULE A

SCHEDULE OF PRODUCTS WHICH MAY BE EXPORTED BY THE SOCIALIST  
REPUBLIC OF ROMANIA TO THE FEDERATIVE REPUBLIC OF BRAZIL

Oil drilling and production equipment	Installations and equipment for light industry
Oil refineries, refinery installations and equipment	Manufacturing plants for cement and building materials
Well-drilling equipment	Complete plants and equipment for machine production
Mining equipment	Refrigeration equipment
Complete chemical plants and parts	Plant for mills
Complete thermoelectric and hydroelectric power plants	Railway equipment (locomotives, freight and passenger cars)
Metallurgical and iron and steel industry equipment	Sea-going and river vessels
Food industry installations and equipment	Port installations

Farm tractors and other types of tractors  
 Combine harvesters  
 Excavators  
 Lorries and trailers  
 Four-wheel-drive cars  
 Cars  
 Buses and trolleybuses  
 Compressors  
 Centrifugal pumps  
 Roller bearings  
 Agricultural machinery and equipment  
 Machine tools  
 Laboratory apparatus  
 Medical apparatus  
 Aeroplanes, helicopters, gliders  
 Bicycles, motorcycles  
 Optical equipment  
 Light bulbs  
 Calculators and related equipment  
 Electrical and electronic products  
 Telephone switchboards and equipment  
 Measuring and inspection equipment  
 Remote-control plant and equipment  
 Electric motors  
 Transformers  
 Domestic appliances and articles

Metallurgical products  
 Cement  
 Glass  
 Rubber products  
 Chemical fertilizers  
 Chemical and petrochemical products  
 Petroleum products  
 Pharmaceuticals and cosmetics  
 Insecticides  
 Paper and cardboard  
 Wool, cotton and linen textiles  
 Clothing of all kinds  
 Footwear  
 Glassware and pottery  
 Rugs and handicraft articles  
 Tinned vegetables and fruit  
 Wines and other beverages  
 Food products  
 Meat and meat products  
 Fish and fish products  
 Milk products and derivatives  
 Mineral and vegetable oils  
 Furniture  
 Musical instruments  
 Other goods

## SCHEDULE B

### SCHEDULE OF PRODUCTS WHICH MAY BE EXPORTED BY THE FEDERATIVE REPUBLIC OF BRAZIL TO THE SOCIALIST REPUBLIC OF ROMANIA

Iron ore  
 Cotton yarn and fabric  
 Yarn, fabric and textile manufactures in  
 general, for clothing, domestic use and  
 industrial purposes  
 Textile machinery  
 Cocoa beans and derivatives  
 Coffee beans and soluble coffee  
 Soya: beans, flour, oil and cake  
 Laminated wood, plywood and chipboard;  
 wood manufactures  
 Leather articles  
 Maize  
 Natural silk yarn  
 Brazil nuts  
 Carnauba wax  
 Castor oil  
 Manioc flour  
 Beef, lamb and poultry meats  
 Citrus-fruit and other fruit-juice concentrates  
 Tropical fruit candies and preserves

Tinned vegetables  
 Modified Fuenzalida-type anti-rabies vaccine  
 for human use  
 Hardware  
 Machine tools  
 Electrical and electronic machine appliances  
 Diesel motors  
 Wagon brakes and other parts and spares for  
 rolling stock  
 Parts for motor vehicles  
 Optical and precision tooling equipment  
 Industrial diamonds  
 Iron and steel products  
 Tanning materials  
 Asbestos fibre  
 Cotton fibre  
 Sisal (agave) fibre  
 Essential oils  
 Cosmetics and perfumery  
 Other goods