

TRADE AGREEMENT

BETWEEN

THE GOVERNMENT OF INDIA

AND

THE GOVERNMENT OF THE REPUBLIC  
OF PERU

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The Government of India and the Government of  
the Republic of Peru,

Reaffirming the traditional ties of friendship  
existing between their peoples;

Actuated by the common desire to develop and  
strengthen the commercial and cooperative relations  
between the two countries in a spirit of reciprocity and  
mutual benefit;

Have agreed as follows:-

#### ARTICLE I

The Contracting Parties shall ensure the maximum  
facilities and most favoured nation treatment to increase  
trade between both countries in accordance with their  
respective laws and regulations on the subject.

#### ARTICLE II

The Contracting Parties agree to grant to each  
other the maximum facilities possible for the import into  
their respective territories of the natural and manufactured  
products originating in the territory of the other party,  
and for the export of their own products to the territory  
of the other party.

#### ARTICLE III

The maximum facilities referred to in Article II  
will be applied in all matters relating to customs duties  
and taxes, internal taxation and any other taxes on the  
transformation, circulation and consumption of imported  
goods. It will also be applied to administrative proceedings,  
rights of any kind, appraisement, systems of grant of  
treatment, concessions or payments of foreign exchange,  
regulation of traffic, transportation and distribution.

ARTICLE IV

The provisions of Article II and III shall not apply:

- a) to the advantages and facilities resulting from a customs union or a free trade area which any of the Contracting Parties has joined or may join;
- b) to the advantages and facilities that the Republic of Peru grants or may grant in the future to its bordering countries as well as those which are being granted or may be granted in the future to a country or a group of countries as a result of regional and subregional economic arrangements;
- c) to the advantages and facilities accorded by India to certain countries until the date of this Agreement;
- d) to the advantages and facilities that India grants or may grant in the future to an adjoining country for the importation in its territory of agricultural and industrial commodities as well as for the exportation of agricultural and industrial products originating in the territories of the Parties in favour of those adjoining countries as well as those which are being granted or may be granted in the future to a country or group of countries as a result of regional or subregional economic arrangements; and
- e) to the advantages and facilities that one of the Contracting Parties grants or may grant in the future by virtue of multilateral economic arrangements designed to liberalise conditions of international commerce.

The exceptions provided for in this Article shall be governed by the obligations undertaken by either Contracting Party under the General Agreement on Tariffs and Trade (GATT) to which both India and Peru are parties.

ARTICLE V

The Contracting Parties will not take any discriminatory measures which result in an increase in the prices of goods traded between two countries.

ARTICLE VI

The trade between the two countries shall be governed by the respective import-export and foreign exchange regulations of the Contracting Parties.

All payment between the Contracting Parties will be made in freely convertible currency.

ARTICLE VII

The conclusion of commercial contracts drawn up in accordance with the ~~disposition~~ disposition of this Agreement shall not involve the responsibility of either Government or of other persons, physical or juridical, except when they are parties to such contracts.

ARTICLE VIII

In accordance with the legislation of the Contracting Parties, the citizens and juridical persons of each party will enjoy on the territory of the other, the same treatment with regard to the protection of their persons and their goods in the exercise of their commercial activities which they carry out either directly or through intermediary of authorised representatives, which is given to laws and regulations of the two countries to the citizens and juridical persons of any other country.

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ARTICLE IX

Subject to laws and regulations in force in both countries, the merchant ships belonging to either of the two Contracting Parties shall enjoy the maximum facilities in respect of free entry into the ports open to foreign trade, use of port facilities, loading and unloading dues and taxes. In general they will receive a treatment in no way less favourable than the treatment accorded to ships of any other foreign country except that any concessions accorded to ships engaged in the internal coastal trade of either party shall not be available under this Article to the other party.

ARTICLE X

With regard to Maritime Transportation, the Contracting Parties will grant to each other the maximum facilities and will promote agreements between their Merchant Marine for the establishment of services between their ports, with the objective of 50 per cent of cargoes being carried by the respective national carriers.

ARTICLE XI

So as to promote the growth of commercial exchanges under the protection of the present Agreement, the Contracting Parties agree to exchange annually informative lists of goods in which they are specially interested with the object that both parties may give suitable publicity to this in their respective territories.

In the same way, the Contracting Parties will periodically hold consultations and study all suggestions for the harmonious development, diversification and expansion of trade between the two countries.

ARTICLE XII


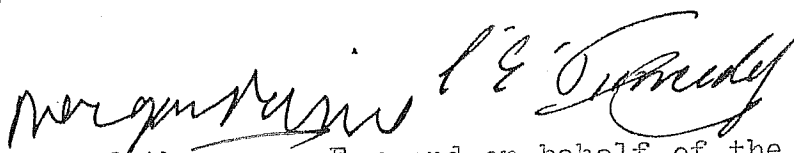
This agreement will enter into force on the date of exchange of Instrument of Ratification which shall take place in the City of New Delhi.

ARTICLE XIII

The present Agreement shall remain in force for a period of three years. In case neither Government has given to the other Government at least ninety (90) days' notice of its intention to terminate the Agreement before the expiry of the aforesaid three-year period, it shall continue in force for successive periods of one year at a time. The Government of either Contracting Party may give to the other at least ninety (90) days before the expiration of the aforesaid periods, notice of intention to terminate the Agreement.

In testimony whereof the Minister of Foreign Trade of India, Shri Lalit Narayan Mishra and the Minister of External Relations of Peru, Lt. General Edgardo Mercado Jarrin, have signed the present Agreement in four (4) original copies, two (2) in Spanish and two (2) in English. (A version in Hindi will be authenticated subsequently in New Delhi by the Ministry of Foreign Trade of India and the Embassy of Peru). All the texts being equally authentic and valid.

Done in LIMA on the Fourth Day of the month of November 1971.

   
For and on behalf of the Government of India. For and on behalf of the Government of Peru.