

TRADE AGREEMENT BETWEEN THE GOVERNMENT
OF THE REPUBLIC OF INDIA AND THE GOVERNMENT
OF THE REPUBLIC OF GUATEMALA

The Government of the Republic of India and
The Government of the Republic of Guatemala,
DESIROUS of expanding and strengthening trade
relations between the two countries in a spirit of
equality, reciprocity and mutual benefit,

Have agreed as follows:

ARTICLE - I

Each Contracting Party shall, within the
framework of its rules and regulations, facilitate
to the maximum extent possible, the export of goods
to and import of goods from the territories of the
other Contracting Party.

ARTICLE - II

The two Governments shall also endeavour to
avoid trade between the two countries through a third
country.

ARTICLE - III

- (a) 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.

- (b) The Contracting Parties shall grant each other in respect of import and export licences or permissions where such licences/permissions are prescribed under their regulations, treatment no less favourable than that granted to any other country.
- (c) The Contracting Parties shall grant each other the MFN treatment in respect of :
- (i) all internal taxes or other internal charges of any kind imposed on/or in connection with imports and exports, and
 - (ii) laws regulations and requirements affecting internal sale of such imported or exported commodities.
- (d) Any advantages, favours, privileges or immunities granted by either of the Contracting Parties to any product originating in the territory of a third country and destined for its territory shall be granted immediately and unconditionally, to the like product originating in the territory of the other Contracting Party and destined to be imported into its territory.

ARTICLE - IV

The provisions of Article III above shall not apply to the following advantages and privileges:

- (a) Advantages accorded by either Contracting Party to contiguous countries for the purpose

of facilitating frontier traffic including border trade.

- (b) Preferences, or advantages, accorded by either Contracting Party to any country, as existing on the date of conclusion of this Agreement or in replacement of such preferences or advantages that existed prior to the 15th August, 1947.
- (c) Any advantages or preferences accorded under any scheme, including economic agreements valid within the geographic area of each country, for expansion of trade and economic cooperation among developing countries which is open for participation by developing countries and to which either of the Contracting Parties is/or may become a party.
- (d) Advantages and preferences resulting from a Customs Union and/or Free Trade Area of which either Contracting Party is/or may become a member.

ARTICLE - V

With the object of promoting a growing trade in accordance with this Agreement, the Contracting Parties agree to exchange every year indicative and not restrictive lists of goods and services of export interest to them. The Contracting Parties shall give wide publicity to these lists.

ARTICLE - VI

All payments and charges in connection with the Commercial transactions between the two countries shall be made in freely convertible currency acceptable to both the Governments in accordance with the foreign exchange regulations in force in their respective countries.

ARTICLE - VII

Import and export of goods and commodities from either country to the other shall be carried out on the basis of contracts entered into between juridical or natural persons who engage in foreign trade in their respective countries and will be done in conformity with the import and export rules and regulations in force in each of the countries.

ARTICLE - VIII

The goods meant for exchange between the Contracting Parties, in conformity with this Agreement, will be destined for internal consumption or for transformation in the importing country.

The re-export of these goods will be subject to the previous approval of the exporting Contracting Party.

ARTICLE - IX

The Contracting Parties shall exchange information in regard to their development programmes in order to identify suitable fields in which industrial and commercial cooperation can be organised effectively for their mutual benefit.

ARTICLE - X

In order to facilitate the implementation of this Agreement and to develop and promote the economic and commercial relations, the Contracting Parties have agreed to establish a Joint Committee. The Committee shall meet alternately in the capitals of both countries periodically. The Committee shall be responsible for the following:-

- (i) To exchange lists of goods and services which they are interested in exporting to the other country and to review these lists;
- (ii) To review the commercial trade flows between the two countries and to formulate recommendations, procedures and suggestions necessary for promotion of such flows;
- (iii) To identify appropriate areas of industrial cooperation between the two countries;
- (iv) To find amicable solutions for the difficulties which may arise during the implementation of this Agreement.

ARTICLE - XI

In order to further the objectives of this Agreement, each Government shall, in accordance with the laws and regulations and the observance of customs and other administrative formalities of its country, facilitate to the maximum extent possible:-

- (a) The inter-change of commercial and technical representatives or delegations between the two countries.

- (b) The holding, within its country, of trade fairs, trade exhibitions and other trade promotion activities by foreign trade enterprises and organisations of the other country.
- (c) The importation from the other country of articles required for display at fairs, exhibitions or similar events, as well as samples of goods for advertising purposes that are not subjected to customs duties or taxes established in accordance with the laws and regulations in force in both the countries as long as these goods are not meant for sale.
- (d) The use of free trade zone by the organisations of the other Contracting Party.

ARTICLE - XII

The Contracting Parties shall make utmost efforts in order to adopt the necessary measures for strengthening and developing economic and technical cooperation between the two countries within the frame-work of their laws and regulations in force.

ARTICLE - XIII

The Contracting Parties agree that provisions of this Agreement shall be valid after its expiration for the performance of the Commercial transactions formalised according to its clauses and during its validity, until such transactions are entirely executed.

ARTICLE - XIV

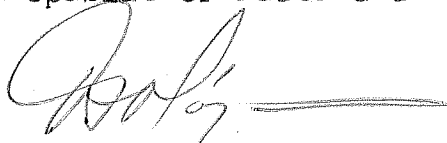
This Agreement shall be in force from the date of the exchange of notes confirming ratifications by both Governments according to the constitutional procedures of each country.

ARTICLE - XV

This Agreement shall remain valid for three years. Thereafter, it shall be automatically renewed each year, unless either Contracting Party notifies the other in writing of its intention to terminate the Agreement at least three months prior to the date of its expiration.

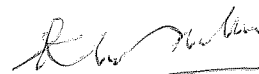
Done at New Delhi on the 23rd April, 1981 in triplicate, in the Hindi, Spanish and English languages, all the three texts being equally authentic, provided that in case of discrepancy, the English text shall prevail.

For the Government of the
Republic of Guatemala



(VALENTIN SOLORZANO)
Minister of Economy

For the Government of the
Republic of India



(KHURSHID ALAM KHAN)
Minister of State for Commerce