

December 14, 1972

**AGREEMENT BETWEEN THE GOVERNMENT OF INDIA AND
THE GOVERNMENT OF SPAIN ON TRADE AND ECONOMIC COOPERATION**

New Delhi

The Government of INDIA and The Government of SPAIN

MOVED by the desire of expanding and strengthening the trade and economic relations between the two countries on the basis of equality and mutual interest,

HAVE AGREED upon as follows:

Article I

Both Contracting Parties, consistent with their obligations under the GATT, have on the basis of reciprocity, agreed to grant the most favoured nation treatment to their mutual trade. The said treatment shall apply to all matters pertaining to customs duties, import and export charges and taxes, administrative formalities, granting of import and export licences and transfer of payments relating to commercial exchanges.

Article II

The Contracting Parties have also agreed that the exceptions if any, to the most favoured nation treatment referred to in Article I above, will be in consonance and in accordance with the rules of GATT and the decisions of the Contracting Parties to the GATT.

Article III

The Government of India and the Government of Spain shall endeavour to the maximum extent possible within their respective laws and regulations to increase the volume of trade between the two countries generally and in particular with regard to the goods and commodities mentioned in Lists 'A' and 'B' annexed hereto, which form part of the Agreement. The Contracting Parties shall periodically review these Lists and give wide publicity to the items included therein. These Lists are indicative in nature and shall not be construed as excluding goods and commodities not enumerated therein.

Both Parties being desirous of expanding the volume of two way mutual trade exchanges will explore the most appropriate ways and means of achieving that objective.

Article IV

With the object of fostering increase in mutual trade flows, both Parties will, inter alia,

1. Encourage and promote visits of commercial delegations to each other's country.
2. Encourage and promote establishment of direct and closer contacts between the businessmen and public and private enterprises of the two countries.
3. Grant all possible facilities to the businessmen and commercial enterprises for carrying on legitimate and permissible commercial operations.
4. Facilitate exchange of commercial information on mutually beneficial basis.

Article V

Both Contracting Parties agree that there are considerable possibilities of economic co-operation between the two countries in fields, such as,

1. Establishment of joint ventures in India and Spain.
2. Supply of engineering and other services, plants, machinery and equipment of each other and to third country.
3. Joint execution of contracts, provision of services and establishment of Joint ventures in third countries.

Both parties agree to explore the possibilities of co-operating with each other in above and any other fields to the mutual advantage of both sides within the framework of their respective rules, laws and regulations.

Article VI

Each party shall allow the holding of permanent or temporary fairs or exhibitions by the other and shall extend to the other Party subject to its laws and regulations applicable generally all facilities for holding such fairs and exhibitions.

Article VII

All payments between the two countries shall be made in freely convertible currency in accordance with the laws and regulations in force in each country.

All documents relating to trade and economic relations between India and Spain, such as, contracts, invoices, letters of credit payments and so forth will be expressed in any convertible currency.

Article VIII

Subject to laws and regulations in force in both countries, the merchant ships belonging to either of the two Contracting Parties shall enjoy, in respect of all matters relating to navigation, free entry into ports open to foreign trade, use of port facilities, loading and unloading dues, taxes and other facilities, a treatment in no way less favourable than the treatment accorded to ships of any other foreign country. This however, shall not apply to ships engaged in the coastal trade of either Party.

Article IX

Nationals and Companies of either party shall be accorded treatment no less favourable than that accorded to nationals and companies of any third country in respect of payments and transfer of funds and of financial instruments concerning direct or indirect payments between the territories of both Contracting Parties in accordance with laws and regulations in force in each of the two countries.

Article X

For expanding mutual trade, to establish closer economic and industrial cooperation and to facilitate the implementation of the present agreement, a Joint Committee consisting of the representatives of the two Governments will be established. To this end, the Joint Committee will meet alternatively in Madrid and New Delhi once a year or oftener at the request of either Contracting Party.

Article XI

This Agreement shall remain in force for a period of two years and shall be automatically extended for periods of two years unless notice of termination is given by either Contracting Party four months prior to expiry date of the Agreement.

The terms of the validity of the present Agreement will not affect or prejudice in any manner the contracts already concluded before the termination of the above nor the payments arrangements due in respect thereof within the framework of this Agreement and which are still in force when the notice of termination of the Agreement is given.

Article XII

The present Agreement done in duplicate in Hindi, Spanish and English languages, shall come into force from the date of its signature. The three texts will be equally authentic. In case of doubt, the English text will be taken for reference.

DONE and signed in New Delhi on 14.12.1972

For the Government of India
Sd/-
MINISTER (FT)

For the Government of Spain
Sd/-
Minister of Foreign Affairs

LIST 'A'

LIST OF ITEMS AVAILABLE FOR EXPORT FROM INDIA

S.No. Description

1. Human hair
2. Bristles
3. Cashew Kernels
4. Tamarind
5. Coffee
6. Tea in bulk and in packages
7. Pepper black
8. Cardamoms, unground
9. Curry paste and powder
10. Lacs (all sorts)
11. Natural gums and resins
12. Palm fibre
13. Castor oil, crude, refined or purified
14. linseed oil, crude, refined or purified
15. Groundnut oil, crude, refined or purified
16. Hydrogenated oil and fats of groundnuts
17. Animal casings, n.e.s.
18. Canned prawns
19. Pickles, chutneys, condiments, etc.
20. Vegetable oil cakes and meals mainly of groundnuts
21. Kyanite ore
22. Mica unmanufactured
23. Steatite powder and block
24. Iron ore concentrates

25. Chromium ore and concentrates
26. Manganese ore and concentrates
27. Iron and Steel Scrap
28. Dyestuff intermediates
29. Synthetic organic dyestuffs-bleaching agents
30. Varnishes and lacquers
31. Essential oils
 - I. Lemongrass oil
 - II. Palma rose oil
 - III. Sandalwood oil
32. Talcum powder
33. Natural resins modified by fusion, derivatives of natural rubber
34. Plastic manufactures
35. Conveyor or elevator belts
36. Sheep and lamb skins, undressed
37. Goat and kid skin leather
38. Other kinds of leather
39. Travel goods of leather
40. Leather gloves, including sports gloves
41. Leather belts and beltings
42. Other leather articles
43. Rosewood
44. Veneer sheets
45. Plywood including wood faced with veneer sheets
46. Raw silk
47. Wood and other animal hair
48. Cotton waste
49. True hemp
50. Jute fabrics (hessian cloth and sacking cloth)
51. Carpets, carpetings, floor rugs, mats and mattings of wood and fine hair
52. Mats and mattings, Carpets and floor rugs of jute, coir and other vegetable plaiting materials
53. Namdah

54. Coir cordage and ropes and jute rope and twines
55. Jute bags and sacks (new)
56. Tarpaulins of jute
57. Manufactures of Mica
58. Magnesite bricks and shapes
59. Sinks, wash basins, bidetes, urinals, baths and other sanitary fittings
60. Safety glass - laminated glass shapped or not
61. Precious, semi-precious stones, including synthetics - cut but not set
62. Ferro alloys :
 - I. Ferro manganese
 - II. Ferro Chrome
63. Puddled bars and pillings, blocks lumps, ingots
64. Blooms, billets, slabs, sheet bars, roughly, forged pieces
65. Bars and rods of stell structural rails, etc. of steel
66. Joists, grinders, angles, shapes, sections, bars and tubes rounds of iron and steel
67. Railway and Tramway track construction material
68. Tubes and pipes of cast iron
69. Tubes and pipes of other than cast iron
70. Conduit pipes
71. Structures complete or incomplete steel fabrications, transmission line towers
72. Drums, cans boxes and similar container like buckets, and domestic hardwares
73. Bolts and nuts and screws
74. Builders' sanitary ware for indoor use
75. Locks and padlocks
76. Internal combustion diesel engines, semi-diesel engines except aircraft engines
77. Lamps and lighting fittings
78. Centrifuges - filtering and purifying machinery
79. Textile machinery and accessories (parts)
80. Machine tools for working wood, plastics etc.
81. Machine tools for working minerals
82. Pneumatic tools (hammers)
83. Calculating machines and data processing machines

84. Statistical machines
85. Electric generators and alternators, motors and Convertors
86. Electric storage batteries (primary)
87. Electric heaters
88. Telephone and transmission equipments
89. Radio receivers
90. Parts and accessories of motor vehicles
91. Survey instruments - scientific instruments
92. Measuring, controlling and scientific instruments
93. Surgical and medical instruments
94. Steel furniture
95. Ivory manufactures as artware
96. Sports goods

LIST 'B'

LIST OF PRODUCTS AVAILABLE FOR EXPORT FROM SPAIN

S.No. Description of goods

1. Agar-agar
2. Inorganic chemical products (in particular oxides and halogens)
3. Mercury
4. organic chemicals
5. Tartaric acid
6. Pharmaceutical products
7. Mineral or chemical fertilizers, nitrogenous
8. Mineral or chemical fertilizers, phosphatic
9. Mineral or chemical fertilizers, potassic (salts of potassium chlorate of potassium)
10. Synthetic tanning dyestuffs
11. Essential oils (terpeneless or not) and resinoids (of lavender or esptaego, etc)
12. Organic surface - active agents; surface active preparations and washing preparations
13. Matches (excluding Bengal matches)
14. Photographic and cinematographic goods (Photo films etc.)
15. Films cinematographic, exposed and developed

16. Manufactures of vulcanised rubber (especially 40.09 - piping and tubing 40.10-Transmission, conveyor or elevator belts or belting; and 40.11 rubber tyres, tyre cases, inner tubes and typeflaps)
17. Cork and articles of cork
18. Printed books and other products of the printing industry
19. Knitted and crocheted goods
20. Articles of apparel and clothing accessories of textiles fabrics (out garments, under garments etc.)
21. Glazed sets, flags and paving, hearth and wall tiles
22. Glass and glassware
23. Iron and steel and articles thereof (especially 73.07 blooms, slabs, 73.08 coils 73.09- Universal plates of iron or steel and 73.10- Bars and rods of iron or steel)
24. Copper and articles thereof (especially 74.04 - Wrought plates, sheets and strips and
25. 10 cables cordage)
26. Aluminium
27. Lead
28. Wrought plates, sheets and strip of zinc
29. Tools, implements, cutlery, spoons and forks of base metal
30. Miscellaneous articles of base metal
31. Steam and other vapour generating boilers
32. Steam engines
33. Internal combustion piston engines
34. Air pumps, including motor pumps and turbo pumps
35. Industrial and laboratory furnaces
36. Refrigerators and refrigerating equipment
37. Machinery, plant and similar laboratory equipment whether or not electrically heated
38. Weighing machinery (excluding balances of a sensitivity of five centigrams or better) including weight operated, counting and checking machines, weighing machines, weights of all kinds
39. Lifting, handling, loading or unloading machinery talphers and conveyors (for example - lifts, hoists, winches, cranes, transporter, cranes, jacks, pulley tackle, belt-conveyors and telegerics) not being machinery falling within heading No. 84.23
40. Machines for extruding man-made textiles, machines of a kind used for processing natural or man-made textile fibres, textile spinning and twisting machines, textile doubling, throwing and reeling (including weft-winding machines)
41. Weaving machines, knitting machines and machines for making gimped yarn, lace etc. machine for preparing yarns for use on such machines
42. Machines for washing, cleaning, etc. of textile yarn, fabrics, made-up articles

43. Sewing machines
44. Machinery for sorting, screening, separating, etc. earth stone, ores, other mineral substances, in solid form
45. Moulding boxes for metal foundry, moulds of a type used for metal
46. Electrical goods of the following descriptions; generators motors, converters, etc.
47. Electric accumulators
48. Electro-mechanical domestic appliances with self contained electric motor
49. Electric instantaneous or storage water heaters and immersion heaters
50. Electrical line telephonic and telegraphic apparatus
51. Radio telegraphic and radio telephonic transmission and reception apparatus
52. Electrical apparatus for making and breaking electrical circuits for the protection of electrical circuits
53. Insulators electric wire, cable, bars, strips and the like
54. Insulators of nay material
55. Electric rail locomotives, other than self-generating
56. Other rail locomotives
57. Mechanically propelled railway and tramway coaches vans, trucks, etc.
58. Railway and tramway passenger coaches and luggage vans
59. Road-rail and similar containers
60. Tractors
61. Motor vehicles for the transport of persons, goods or materials
62. Chassis fitted with engines
63. Motor cycles, auto-cycles and cycles fitted with an auxiliary motor
64. Ships and boats
65. Frames and mountings and parts thereof for spectacle pince-nez, etc.
66. Spectacles, pince-nez goggles
67. Photographic cameras, photographic camera apparatus
68. Apparatus based on the use of X-rays or of the radiation from radio-active substances
69. Hydrometers and similar instruments barometers, pyrometers, thermometers
70. Gas, liquid and electricity supply or production meters
71. Revolution counters, production counters, taximeters
72. Revolvers and pistols, being firearms

73. Other firearms including very light pistols, pistols and revolvers for firing blank ammunition only, line throwing guns and the like
74. Wheeled toys designed to be ridden by children
75. Dolls
76. Other toys working models of a kind used for recreational purposes
77. Appliances, apparatus, accessories and requisites for gymnastics or athletics.