



**Trade Agreement
between
The Government of the Federal Democratic
Republic of Ethiopia
and
The Government of the Islamic Republic of Iran**

The Government of the Federal Democratic Republic of Ethiopia and the Government of the Islamic Republic of Iran, hereinafter referred to as "the Contracting Parties";

Considering their mutual interest in strengthening and developing of trade ties and expanding and diversifying of commercial exchanges and enhancing the level of trade cooperation based on equality, non-discrimination and maintenance of mutual interests;

Have Agreed as follows;

Article One

Commercial exchanges between the Contracting Parties and contracts concluded between natural and juridical persons of the two countries shall be carried out within the framework of the present agreement and in conformity with the governing laws and regulations of each Contracting Party.

Article Two

The commodities/goods exchanged under the present agreement between the Contracting Parties might be re-exported to the third country in conformity with the laws and regulations of the exporting party.

Article Three

Each Contracting Party shall, in accordance with its laws and regulations, take proper measures to issue certificates of origin for commodities/goods exported to the other Contracting Party. For this purpose, the commodities/goods entirely produced or manufactured in Iran or those 50 percent or more of their total value produced and manufactured in Iran with their last stage of manufacturing process in Iran shall be regarded as Iranian products and the commodities/goods entirely produced and manufactured in Ethiopia or 50 percent or more of their total value produced or manufactured in Ethiopia with their last stage of manufacturing process in Ethiopia shall be regarded as Ethiopian products.



Article Four

The exchange of commodities/goods and services under the present Agreement shall be made in conformity with the standards of the importing country. However, the said commodities/goods shall not be sub-standard comparing with the standards of the country of origin.

Article Five

Custom duties levied by either Contracting Party on the export products of the other contracting party, shall not be in excess of the amount applied to similar products of other countries.

The provision of this article shall not apply to advantages, concessions and exemptions, which either contracting party has granted or may grant:

- a) to contiguous and neighboring countries in order to facilitate frontier traffic.
- b) to countries who are members of customs union or free trade zones that either of the contracting parties has joined or may join,
- c) as a result of participation in multilateral arrangements aiming at economic integration and,
- d) under global system of trade preferences or any preferences that may be accorded under internationally accepted agreement.



Article Six

The Contracting Parties have agreed to reduce or eliminate the non-tariff obstacles or to grant non-tariff preferences reciprocally within the framework of such subsidiary contracts as might be required to be concluded between the executive organizations of the two parties.

Article Seven

All payments between the two countries shall be effected in freely convertible currencies in accordance with the foreign exchange laws, rules and regulation in force in each country.

Article Eight

Each Contracting Party shall encourage its commercial companies and institutions to participate in international or specific trade fairs and exhibitions held in the territory of the other Party and, shall as far as possible, provide the commercial companies and institutions of the other party with the necessary facilities.

Any enactment and collection or exemption of customs duties and other owing dues regarding the exports of either Contracting Party entered into the territory of the other Contracting Party for exhibition or fair-related purposes shall be effected in accordance with the laws, rules and regulations of the Contracting Party where such fairs or exhibitions are held.



Article Nine

Each Contracting Party shall permit the merchants and commercial companies or institutions of the other Party to hold an annual sale permitted exhibition or fair for displaying their home-made products provided that:

- a) the duration of the fair does not exceed 15 days,
- b) merchants and commercial companies or institutions shall pay customs duties and other charges according to the laws, rules and regulations of the host country.
- c) the Contracting Parties shall agree on the type and quantity of goods to be displayed.

The provisions of this article shall not prevent the Contracting Parties to agree otherwise on the dates and duration of the sale permitted exhibition or fair.

Article Ten

The Contracting Parties shall provide consular facilities such as the grant of commercial visa and certification of commercial documents in accordance with the laws and regulations in each country.

Article Eleven

Each Contracting Party shall permit the other party to establish a trade office or center in its territory in accordance with the laws and regulations in force in each country. The number of employees and the equipment and branches of the said office or center shall be determined through the future agreement of the Contracting Parties.



Article Twelve

Each Contracting Party under its laws and regulations in order to attain a balance trend in mutual trade exchanges shall make its utmost effort as far as possible to satisfy its trade needs with the preferences provided from the other Contracting Party.

Article Thirteen

The Contracting Parties shall encourage their chambers of commerce to maintain close and effective cooperation and exchange of commercial delegations, and organization of specialized seminars and conferences in order to become familiar with each other's products and markets and provide the required facilities to this end.

Article Fourteen

The Contracting Parties shall encourage their natural and juridical persons to implement international trade methods, and establish trade partnerships/ joint ventures and long term commercial cooperation in accordance with the laws, rules and regulations in force in each country.



Article Fifteen

The Contracting Parties shall endeavor to facilitate the transit traffic of commercial goods and agree to:

- a) facilitate freedom of transit of goods originating from the countries of either Contracting Party destined to the country of a third party.
- b) facilitate freedom of transit of goods originating from the country of a third party destined to the country of either of the Contracting Party.

Article Sixteen

The Contracting Parties shall agree, within the framework of this Agreement, to make adequate compensation for the losses to the assets and properties of the nationals of the other Party attributable to the act of the government concerned, in accordance with the relevant rules and regulations in force in each country.

Article Seventeen

Nationals of the Contracting Parties shall enjoy equal treatment with regard to access to judicial authorities within their territories and be exempted from payment of security due to their foreign nationality in accordance with the relevant laws and regulations in force in each country.



Article Eighteen

The Contracting Parties shall establish a joint trade committee consisting of their representatives of both parties.

The duties of the committee shall be as follows:

- a) revision and supervision the implementation and good performance of this Agreement,
- b) proposing solutions for elimination of difficulties which might arise from implementation and performance of this Agreement,
- c) studying ways and means to increase and diversify mutual trade and proposing recommendations in this connection to the contracting parties.

The joint committee shall meet alternately in each country at the request of either Contracting Party.

Article Nineteen

In case of any dispute that may arise from the interpretation or implementation of this Agreement, each Contracting Party may, in accordance with its law and regulations, agree on the procedure of resolving disputes.



Article Twenty

The provision of this agreement shall not confine the rights of either Contracting Parties to adopt or execute measures:

- a) for reasons of public health, public morals and security,
- b) for the protection of plants and animals against pest and diseases,
- c) to safeguard its external financial position and balance of payments; and,
- d) to protect national treasures of artistic, historical or archeological values.

Article Twenty One

The present Agreement shall come into force from the date of the last notification by one of the Contracting Parties to the other indicating that the agreement is ratified in compliance with its constitutional requirements for entry into force of the present Agreement, and shall remain in force for period of three years. After the expiration of this period, the present Agreement shall be extended for three year periods unless either Contracting Party notifies the other in writing, six months prior to termination of relevant period, that it does not intend to extend the Agreement.



Article Twenty Two

The provisions of this Agreement shall apply, even after its termination, to all contracts entered into during the period of the validity of this Agreement but not fully consummated on the day of the termination of this Agreement.

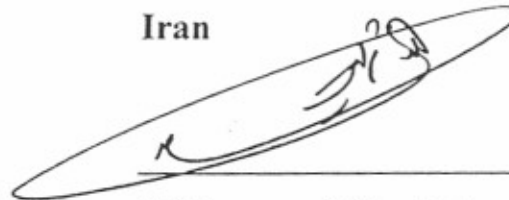
Done and signed in Tehran in one preamble and 22 Articles on this 21st day of July 2002 (corresponding to 30th of Tir 1381) in two original copies, in English and Persian languages, both texts being equally authentic.

**Fof the Government of
the Federal Democratic
Republic of Ethiopia**



**Girma Birru
Minister of Trade and
Industry**

**For the Government of
the Islamic Republic of
Iran**



**Mohammad Shariatmadari
Minister of Commerce**