

N° 2189.

ESTONIE ET HONGRIE

Convention de commerce et de navigation, avec protocole final. Signés à Tallinn, le 29 avril 1929.

ESTONIA AND HUNGARY

Convention of Commerce and Navigation, with Final Protocol. Signed at Tallinn, April 29, 1929.

¹ TRADUCTION. — TRANSLATION.No. 2189. — CONVENTION ² OF COMMERCE AND NAVIGATION BETWEEN ESTONIA AND HUNGARY. SIGNED AT TALLINN, APRIL 29, 1929.

French official text communicated by the Estonian Minister for Foreign Affairs. The registration of this Convention took place November 10, 1929.

THE HEAD OF THE REPUBLIC OF ESTONIA and HIS SERENE HIGHNESS THE REGENT OF THE KINGDOM OF HUNGARY, being desirous of strengthening the ties of friendship and encouraging economic relations between the two countries, have resolved to conclude a Convention of Commerce and Navigation and have for that purposes appointed as their Plenipotentiaries :

THE HEAD OF THE REPUBLIC OF ESTONIA :

M. Jaan LATTIK, Minister for Foreign Affairs ;

HIS SERENE HIGHNESS THE REGENT OF THE KINGDOM OF HUNGARY :

M. Michel JUNGERTH, Hungarian Chargé d'Affaires in Estonia ;

Who, having communicated their full powers, found in good and due form, have agreed on the following Articles :

Article 1.

The nationals of either Contracting Party shall have the right, upon the same conditions as nationals of the most favoured nation and subject to the laws of the country concerned, to proceed freely to the territory of the other Contracting Party, to establish themselves therein, to engage in trade, industry, manual labour or any other occupation, to acquire movable and immovable property by inheritance, gift, bequest, purchase, exchange or in any other lawful manner and to own, hold and dispose of such property.

Each of the Contracting Parties undertakes not to levy upon nationals of the other Party any taxes, dues or contributions whatsoever, higher or other than those which are or may in future be levied upon its own nationals or upon nationals of the most favoured nation.

Article 2.

The High Contracting Parties mutually agree that joint-stock companies and all commercial, industrial, financial and insurance companies or other associations constituted according to the special laws of one of the two countries shall have free and unhindered access to the courts of the other country, subject only to the condition that they observe the laws of the country in question.

The said joint-stock and other companies and associations of each of the High Contracting Parties may, if the laws and regulations of the other country allow and provided they comply with

¹ Traduit par le Secrétariat de la Société des Nations, à titre d'information.

¹ Translated by the Secretariat of the League of Nations, for information.

² The exchange of ratifications took place at Budapest, October 26, 1929.

all the formalities required by these laws and regulations, carry on their activities in the territory of the latter country and establish themselves therein ; they shall, from the point of view of establishment, enjoy the treatment reserved for the joint-stock and other companies and associations of the most favoured nation.

The above provision shall not affect the question whether any such company or association established in one of the two countries shall or shall not be entitled to trade, pursue an industry or carry on its activities in the other country, such right always remaining subject to the laws and decrees in force in the country in question.

In any case, the companies and associations of either country shall not be subject in the other country to charges, dues or taxes of any description whatsoever other or higher than those which are or may in future be levied on the companies and associations of the latter country, it being understood moreover that charges, dues and taxes may only be assessed on that part of the company's assets which are actually situated in the country in which they are levied and only on such transactions as take place or are registered in that country.

Article 3.

Nationals of either High Contracting Party shall, in the territory of the other Party, enjoy constant and complete protection and security for their persons and property, and they shall have free and unhindered access to the courts of justice for the purpose both of claiming and of defending their rights.

Article 4.

Nationals of either Contracting Party shall be exempt in the territory of the other from forced loans and from all military service in any branch whatsoever of the armed forces, and from all taxes in lieu of military service ; nor shall they be in any way prevented from discharging their military duties in their own country.

Further, they shall not be subject either in peace or war to any military contributions and requisitions except those imposed on nationals of the country ; these shall, in all cases, be imposed to the same extent and upon the same principles, but always subject to compensation or indemnity.

They shall likewise be exempt from all compulsory official duties of a judicial, administrative, or municipal nature, except the obligation to undertake the guardianship of their fellow countrymen.

Article 5.

Merchants, manufacturers and other traders, being nationals of one Contracting Party, who can produce a trading identity card issued by the competent authorities of their country, showing that they are authorised to carry on their trade or industry in that country, and that they pay therein the dues and taxes required by law, shall be entitled, provided that they observe the regulations in force in both countries, to effect purchases in the territory of the other Contracting Party, either personally or through travellers in their employ, from merchants or producers or in places of public sale. They may accept orders, even by means of models and samples, from merchants or other persons who make use, in their trade or industry, of goods similar to those offered.

If either Contracting Party should impose special dues or trading licence fees, the other Party shall be entitled to adopt similar measures in order to re-establish reciprocity.

Estonian and Hungarian commercial travellers holding trading identity cards in conformity with the specimen subjoined to the present Treaty (Annex A) shall be reciprocally entitled, as commercial travellers, to import samples or models, but not goods.

The two Governments shall communicate to each other the names of the authorities qualified to issue trading identity cards, and the regulations which commercial travellers must observe in transacting their business.

Articles liable to Customs duty or any other similar tax which are imported as samples or models by commercial travellers shall be admitted by each country free of all Customs duties or other import and export taxes, etc., provided that the said articles are re-exported within the regulation period and that the articles imported and re-exported are clearly identified; the above clause is irrespective of the Customs office through which they are exported, provided always that such office is competent under the laws and regulations in force in the country.

The above provisions shall not affect the import and export restrictions which are in force in the two countries.

The re-exportation of samples or models must be guaranteed, on their entry into either country, by the deposit of the amount of the duties chargeable or by any other means approved by the competent authorities of the importing country.

If the samples or models are presented for re-exportation before the expiry of the regulation period to a Customs office which is competent to deal with them, the said office shall satisfy itself that the articles presented are the same as those for which the permit granting exemption from import duty was issued. If there is no doubt on this point, the office shall register the goods as re-exported and shall refund the amount of the duties deposited.

If it is found that the samples or models have not been re-exported before the expiration of the regulation period, the amount of the duties shall accrue to the Treasury.

The Customs officials of the importing country may, if they think fit, affix supplementary marks in addition to those officially affixed in the exporting country, to identify the samples or models.

No charges or dues shall be imposed by the State for affixing these marks.

The above provisions shall not apply to hawkers or other itinerant traders, or to the soliciting of orders from persons who are not engaged in trade or industry.

Article 6.

Should either Contracting Party establish prohibitions or restrictions on the import or export of goods, it shall grant to the other Party the same treatment as has been or may subsequently be granted to goods imported from or exported to any third country.

If any import or export prohibition or restriction has been, or shall hereafter be, removed or relaxed, even temporarily, by either Contracting Party in favour of a third Power, the benefits of such removal or relaxation shall be extended immediately and unconditionally to the same or similar goods coming from or consigned to the territory of the other State.

The provisions of this Article shall not apply to import or export prohibitions or restrictions imposed or maintained. :

- (1) For the public security of the country or when considered necessary by the country concerned owing to a state of war ;
- (2) As sanitary measures or measures for the prevention of epizooties and epiphytes ;
- (3) On seeds which, in view of their origin, may reasonably be considered unsuitable in the importing country ;
- (4) On goods which constitute a State monopoly.

Article 7.

Should either Contracting Party make the importation or exportation of certain goods dependent upon prices or conditions of purchase or sale controlled by the Government or by any organisation authorised by the Government, the general conditions applicable to the other Party shall be the most favourable conditions that are or may hereafter be applied to any third Power.

Article 8.

As regards import duties and charges and any additional charges, coefficients or increases in connection therewith which are or may hereafter be levied on the importation of goods, the two Contracting Parties undertake to grant to each other, without reservation and automatically, any privilege, reduction or exemption which they have granted or may hereafter grant to any third Power.

Similarly, the Contracting Parties guarantee to each other most-favoured-nation treatment as regards duties and all charges levied on exportation, irrespective of their kind or denomination.

Each of the Contracting Parties guarantees to the other most-favoured-nation treatment in all matters connected with the fulfilment of Customs formalities.

Article 9.

✠ In all matters relating to taxes on consumption, production, transactions, monopolies and excise, and all other internal taxes, goods originating in or imported from either country shall enjoy in the other country treatment as favourable as that granted to the goods of the most favoured nation.

Article 10.

As regards transit through their territories, the two Contracting Parties agree to apply reciprocally, in their relations, the provisions of the Convention and Statute on the Freedom of Transit, signed at Barcelona on April 20, 1921¹.

Article 11.

Goods of any origin conveyed in transit across one of the two countries, being consigned to or despatched from the other country, shall not be subject in the country of transit to any Customs import or export duty or tax or any similar impost or to any internal duty other than the charges levied solely to cover the cost of supervision and transit formalities.

Goods of any origin conveyed in transit across one of the two countries, whether warehoused or not in free ports, bonded stores, transit warehouses or other Customs establishments, shall enjoy, on importation into the other country, treatment at least as favourable, in regard to duties and other charges and in all other respects, as they would enjoy if they were imported direct from the country of origin.

Article 12.

Natural or manufactured products of either Contracting Party shall enjoy the same treatment in all respects, as regards railway transport in the territory of the other Party — all the conditions being the same — as the like products of the latter country or those of the most favoured nation consigned in the same direction and on the same lines.

The same principle shall apply to other public transportation if managed by the State.

¹ Vol. VII, page 11; Vol. XI, page 406; Vol. XV, page 304; Vol. XIX, page 278; Vol. XXIV, page 154; Vol. XXXI, page 244; Vol. XXXV, page 298; Vol. XXXIX, page 166; Vol. LIX, page 344; Vol. LXIX, page 70; Vol. LXXXIII, page 373; and Vol. XCII, page 363, of this Series.

Article 13.

In order to reserve the benefits of the above provisions for products originating in their respective countries and to prevent irregularities through the transport of goods by circuitous routes, the Contracting Parties may require that products and goods imported into their territories be accompanied by certificates of origin. It is understood that the two Governments will, in this respect, be guided by the principle of reciprocity.

The Contracting Parties guarantee to each other most-favoured-nation treatment as regards the form, contents and employment of these certificates.

Article 14.

Each of the Contracting Parties undertakes to adopt all the necessary measures to protect natural or manufactured products originating in the territory of the other Contracting Party from any form of unfair competition in commercial transactions, to repress and prohibit by seizures and all other appropriate remedies the importation, warehousing, exportation, manufacture, sale or offering for sale within its territory of all products bearing upon themselves or their usual get-up or wrappings any marks, names, devices or descriptions whatsoever which are calculated to convey directly or indirectly a false indication of the origin, type, nature or special characteristics of such products or goods.

Article 15.

In the ports and territorial waters of both countries, Estonian and Hungarian vessels, their crews, passengers and cargoes, shall enjoy most-favoured-nation treatment as regards both general and special dues and the classification of the vessels, facilities for their loading and unloading and, in general, for all formalities and measures to which merchant vessels, their crews, passengers and cargoes may be subject.

The tonnage measurement certificates of seagoing vessels issued by either Contracting Party shall be accepted by the other Party if the measurements have been carried out according to the Moorsom system.

Article 16.

The two Contracting Parties grant each other the right to appoint consular representatives in all ports, towns and places in the territory of the other Party to which the consular representatives of any third country are admitted.

When they have received the exequatur from the Government of the country in which they reside, the consular representatives of each Contracting Party shall enjoy in the territory of the other all the privileges, immunities, and powers, which are or may in future be granted to the consular representatives of any third Power. Nevertheless, the privileges, immunities and powers thus granted to the consular representatives of either country in the territory of the other shall not be more extensive than those granted to the consular representatives of the latter country in the territory of the former.

Article 17.

The following exemptions, immunities and privileges shall not be regarded as inconsistent with the principle of most-favoured-nation treatment, on which the present Treaty is based :

- (a) Privileges which have been or may in future be accorded to adjacent States with a view to facilitating local traffic in a zone which may not exceed fifteen kilometres in depth on either side of the common frontier ;

(b) Privileges which have been or may in future be accorded by either High Contracting Party to a third State in virtue of a Customs or economic union already in existence or which may be concluded in future ;

(c) Exemptions, immunities and privileges which Estonia may grant to any of the Baltic States (Finland, Latvia and Lithuania) under special agreements. This also applies to privileges which Estonia may accord to the Union of Socialist Soviet Republics under special Customs conventions or agreements.

It is, however, understood that Hungary shall immediately receive the same benefits if these benefits are granted by Estonia to any third State not mentioned above.

Article 18.

Disputes between the two High Contracting Parties regarding the application and interpretation of the present Treaty shall be settled by a mixed arbitral tribunal. The arbitral tribunal shall be constituted *ad hoc* and shall consist of an equal number of representatives of the two Parties. If these representatives are unable to agree, they shall appeal to a neutral umpire whom the President of the Permanent Court of International Justice will, if necessary, be asked to appoint.

Article 19.

The present Convention shall be ratified and the ratifications shall be exchanged at Budapest as soon as possible.

It shall come into force fifteen days after the exchange of ratifications. On that date it shall replace the Commercial Treaty of October 19, 1922, and shall remain in force until the expiration of a period of three months from the date on which it is denounced by either Contracting Party.

In faith whereof the Plenipotentiaries, duly authorised for this purpose, have signed the present Convention and have thereto affixed their seals.

Done at Tallinn, in duplicate, on April twenty-nine, one thousand nine hundred and twenty-nine.

J. LATIK.

M. JUNGERTH.

ANNEX A.

(Specimen)

NAME OF STATE

(Issuing Office)

IDENTITY CARD FOR COMMERCIAL TRAVELLERS.

Valid for twelve months including the day of issue.

Good for No. of identity card

It is hereby certified that the bearer of this card M.....
born at living at
No. Street
is the owner of
at
trading under the name
(or) is a commercial traveller employed by { the firm of
at { the firms of
with { possesses
{ possess
trading under the name.....

The bearer of this card intends to solicit orders in the above-mentioned countries and to make purchases for the firm(s) referred to. It is hereby certified that the said firm(s) is (are) authorised to carry out its (their) business and trade at..... and that it pays (they pay) the taxes, as provided by law, for that purpose.

..... the 19..

Signature of the head of the firm(s).

.....

Description of the bearer.

Age
Height
Hair
Special Marks



Signature of the bearer

.....

FINAL PROTOCOL.

On proceeding to sign the Convention of Commerce and Navigation concluded this day, the undersigned Plenipotentiaries have made the following declarations, which shall form an integral part of the Convention :

Ad Article 1.

The provisions of the first paragraph of Article 1 shall not affect the laws, decrees and special rules regarding trade, industry, police and general security which are in force or may come into force in the territories of the Contracting Parties and are applicable to all foreigners alike.

Ad Article 3.

It is understood that the provisions of Article 3, whereby nationals of the two Contracting Parties are entitled to appear in Court shall not apply to free legal aid, exemption from security for costs (*cautio judicatum solvi*), the administration of the movable estate of deceased persons and the position of creditors in bankruptcy, seeing that these questions will be settled on a basis of reciprocity or in a special treaty concerning free legal aid.

Ad Articles 1 and 4.

The Contracting Parties undertake to proceed as soon as possible to the conclusion of a Convention for the avoidance of double taxation in the matter of direct taxes and with regard to tax evasion and forced loans.

The present Protocol, which shall be held to have been approved and confirmed by the two Contracting Parties without other special ratification by the mere fact of the ratification of the Convention to which it relates has been drawn up in duplicate.

Done at Tallinn, April the twenty-ninth, one thousand nine hundred and twenty-nine.

M. JUNGERTH.

J. LATTIK.