

N° 3674.

LETTONIE ET LITHUANIE

**Accord commercial, signé à Kaunas,
le 10 avril 1935, avec listes et
protocole.**

LATVIA AND LITHUANIA

**Commercial Agreement, signed at
Kaunas, April 10th, 1935, with
Lists and Protocol.**

¹ TRADUCTION. — TRANSLATION.No. 3674. — COMMERCIAL AGREEMENT² BETWEEN LATVIA AND LITHUANIA. SIGNED AT KAUNAS, APRIL 10TH, 1935.

French official text communicated by the Latvian Minister for Foreign Affairs. The registration of this Agreement took place June 20th, 1935.

THE PRESIDENT OF THE REPUBLIC OF LATVIA, of the one part, and THE PRESIDENT OF THE REPUBLIC OF LITHUANIA, of the other part, being equally desirous of promoting and extending the economic relations between the two countries, have decided to conclude an Agreement and for this purpose have appointed as their Plenipotentiaries :

THE PRESIDENT OF THE REPUBLIC OF LATVIA :

His Excellency Monsieur Ludvigs SĒJA, Envoy Extraordinary and Minister Plenipotentiary of Latvia at Kaunas ;

THE PRESIDENT OF THE REPUBLIC OF LITHUANIA :

His Excellency Monsieur Stasys LOZORAİTIS, Minister for Foreign Affairs of Lithuania ;

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

Article 1.

Nationals of one of the High Contracting Parties admitted to the territory of the other High Contracting Party shall enjoy therein, provided they observe the laws and regulations of that Party, the same right to travel, sojourn, settle, choose their place of residence and move from place to place as its own nationals and shall not be subject to any conditions or regulations other than those to which the latter are subject in respect of each of the said rights, without prejudice, however, to the police regulations concerning aliens and the provisions relating to the national labour market.

Such nationals shall, provided they observe the laws and regulations of the country, be on an equal footing with its nationals as regards the exercise of all commercial and industrial activities.

Nationals of each of the High Contracting Parties shall enjoy, in the territory of the other High Contracting Party, the same treatment as the nationals of that Party as regards the legal and judicial protection of their persons, property, rights and interests.

Nationals of each of the High Contracting Parties shall receive the same treatment as nationals of the other Party as regards the right to own immovable property, and shall be entitled to dispose of such property on the same conditions as the latter.

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 Riga, April 27th, 1935.

With regard to the right to acquire immovable property, the High Contracting Parties reciprocally guarantee most-favoured-nation treatment.

Article 2.

In the matter of taxes and duties of every kind and any other charges of a fiscal nature, no matter on whose behalf they are levied, the nationals of each of the High Contracting Parties shall enjoy in every respect, in the territory of the other Contracting Party, the same treatment and the same protection by the fiscal authorities and courts dealing with fiscal matters as the nationals of that Party, both for their persons and their property, rights and interests, including their trade and industry.

Article 3.

Nationals of each of the High Contracting Parties shall enjoy, in the territory of the other High Contracting Party, the same treatment as nationals of that Party as regards the laws and regulations relating to the protection of labour and social insurance. Nationals of the High Contracting Parties, and their families when affected, shall be entitled to benefits, compensation for industrial accidents and insurance in respect of disablement, old age and death, irrespective of the country to which the victim of the accident (the insured person) emigrated after having acquired the right to such benefit and of the place of residence of his family.

Article 4.

Joint-stock companies and other commercial, industrial or financial companies properly constituted in conformity with the legislation of one of the High Contracting Parties and having their head offices in the territory of that Party, shall be recognised by the other High Contracting Party as being properly constituted.

The recognition of the above-mentioned companies of one of the High Contracting Parties shall not imply a right for such companies to establish themselves or operate in the territory of the other High Contracting Party or, in general, to carry out the transactions provided for in their articles of association.

After admission, the above-mentioned companies shall enjoy the same rights as are or may in future be accorded to similar companies of the most-favoured nation.

With regard to legal protection and taxes and other duties of whatever nature, national treatment shall be applied reciprocally to such companies.

Article 5.

The products originating in and coming from Latvia enumerated in List "A" annexed hereto shall, on their importation into Lithuania, enjoy the benefit of the percentage reductions, consolidated Customs duties and import quotas indicated in the said list.

The products originating in and coming from Lithuania enumerated in List "B" annexed hereto shall, on their importation into Latvia, enjoy the benefit of the percentage reductions, consolidated Customs duties and import quotas indicated in the said list.

Article 6.

Without prejudice to the provisions of Article 5, the High Contracting Parties agree to grant each other unconditional and unlimited most-favoured-nation treatment in respect of all matters

relating to Customs duties and all accessory duties, and the method of collecting the duties, and also in respect of the rules, formalities and charges to which Customs clearing operations may be subjected.

Accordingly, natural or manufactured products originating in the territory of either High Contracting Party shall in no case be subject, in the above-mentioned respects, to other or higher duties, dues or charges, or to other or more burdensome rules and formalities, than those which are or may in future be applied to products of the same kind originating in any third country whatsoever.

Similarly, natural or manufactured products exported from the territory of either High Contracting Party to the territory of the other High Contracting Party shall in no case be subject, in the same respects, to other or higher duties, dues or charges, or to more burdensome rules and formalities, than those which are or may in future be applied to the same products consigned to the territory of any other country whatsoever.

Any advantages, favours, privileges and immunities which either High Contracting Party has granted or may in future grant in the aforesaid respects to natural or manufactured products originating in any other country or consigned to the territory of any other country shall be extended immediately and without compensation to products of the same kind originating in the territory of the other Contracting Party or consigned to the territory of that Party.

The following shall, however, be excepted from the engagements laid down in the present Article :

- (1) Favours which are or may hereafter be granted to other contiguous States with the object of facilitating frontier traffic ;
- (2) Favours in virtue of a Customs union already existing or concluded hereafter by one of the High Contracting Parties ;
- (3) Favours which are or may hereafter be granted by Latvia to Estonia, Finland and the Union of Soviet Socialist Republics ;
- (4) Favours which are or may hereafter be granted by Lithuania to Estonia.

Article 7.

Internal taxes which are or may in future be levied on goods — no matter on whose behalf they are collected — in the territory of one of the High Contracting Parties, may not on any grounds be so levied on the products of the other High Contracting Party as to involve fiscal charges more burdensome than those imposed on similar national products.

Article 8.

The High Contracting Parties agree to grant each other unconditional and unlimited most-favoured-nation treatment in respect of commercial travellers and samples.

Article 9.

The High Contracting Parties undertake not to hamper trade between the two countries by any import or export prohibition or restriction.

The following prohibitions or restrictions shall be excepted from this rule, so far as they are applicable to all countries or to countries in an identical situation :

- (1) Prohibitions or restrictions relating to public security ;
- (2) Prohibitions or restrictions regarding traffic in arms, ammunition and implements of war, or, in exceptional circumstances, any other military supplies ;

(3) Prohibitions or restrictions imposed for the protection of public health or for the protection of animals or plants against disease, insects and harmful parasites ;

(4) Prohibitions or restrictions designed to extend to foreign products the regime established within the country in respect of the production of, trade in and transport and consumption of similar national products ;

(5) Prohibitions or restrictions applied to products which, as regards production or trade, are or may in future be subject within the country to State monopolies or monopolies exercised under State control.

Article 10.

Ships flying the flag of one of the High Contracting Parties and their cargoes shall in all respects enjoy the same treatment as national vessels and their cargoes in the territorial waters and territory of the other High Contracting Party, whatever their origin or destination.

Fishing, the coasting trade, pilotage and the internal services of ports, navigation on inland waterways, and facilities, rebates or reductions which the High Contracting Parties may grant to their nationals by way of bounty for national shipbuilding shall, however, be excepted from the provisions of the present Article.

Article 11.

The frontier traffic between Latvia and Lithuania shall be governed by a special agreement.

Article 12.

The present Agreement shall be ratified and the ratifications shall be exchanged at Riga as soon as possible.

It shall come into force on the day of the exchange of ratifications.

The present Agreement is concluded for a period of one year from the date on which it is put into force. It shall be prolonged by tacit consent for an indefinite period, unless it is denounced by one of the High Contracting Parties at least three months before the expiry of the one-year period. In the event of the Agreement's being prolonged by tacit consent, each of the High Contracting Parties reserves the right to denounce it at any time with effect as from three months after the date of denunciation.

In faith whereof the Plenipotentiaries have signed the present Agreement.

Done at Kaunas, in duplicate, this 10th day of April, 1935.

(L. S.) (Signed) L. SĒJA.

(L. S.) (Signed) S. LOZORAITIS.

LIST " A ".
LATVIAN PRODUCTS.

Number in the Lithuanian Customs Tariff	Designation of goods	Annual quotas	Rebates	Consolidated Customs duties
Ex 37 p. 4	Baltic herrings, salted and smoked. (The note relating to paragraph 37, p. 4, of the Lithuanian Tariff remains valid.)	150 t.		Lt. 0.50
Ex 61	Chair seats of veneered wood	3 t.		Lt. 0.75
Ex 65	Cement	1,000 t.		exempt
77 p. 6 (a)	Window glass up to 3.5 mm. in thickness	500 t.	50 %	exempt
77 p. 6 (b)	Window glass over 3.5 mm. in thickness		25 %	
Ex 153	Springs for motor-cars	10 t.	50 %	
156 p. 3 (c)	Electric cables	8 t.	75 %	
157	Needles	5 t.	75 %	
Ex 160	Pitchforks	15 t.		
169 p. 2	Wireless apparatus and parts thereof	15 t.	50 %	
169 p. 5 (a)	Incandescent lamps	3 t.	50 %	
Ex 173 p. 5	Motor-car axles	1.5 t.	50 %	
Ex 173 p. 5 (a)	Patent axles	2 t.	50 %	
Ex 177 p. 2 (d)	Tissue and cigarette paper	70 t.	50 %	
Ex 177 p. 2 (a)	Blotting paper	18 t.	50 %	
177 p. 2 (c)	Wallpaper	60 t.	50 %	
183 pp. 1 and 2	Cotton thread, whether twisted or not	50 t.	30 %	
186 pp. 2 (b), 3 (b)	Woollen thread	10 t.	75 %	

LIST " B ".
LITHUANIAN PRODUCTS.

Number in the Latvian Customs Tariff	Designation of goods	Annual quotas	Rebates	Consolidated Customs duties
Ex 40 p. 1	Horses, over one year old	2,500 head		Ls. 30.— per head
	<i>Note:</i> It is understood that as regards this item the general tariff duty will be fixed at not less than Ls. 60.— per head.			
Ex 40 p. 8	Geese	15,000 head		exempt
Ex 149	Screws		75 %	
Ex 151	Rivets		75 %	
Ex 153 p. 3	Screws, bolts, nuts		75 %	
Ex 156 p. 1	Rivets		75 %	
Ex 156	Copper screws		75 %	
Ex 161 pp. 1, 2	Smoothing irons		75 %	
Ex 58 p. 1	Oak in beams, planks and boards	450 t.		exempt
Ex 58 p. 1	Framing strips (for parquet flooring)			

PROTOCOL.

I.

It is understood that the present Agreement in no way affects any conventional obligations existing between the two States which may guarantee treatment more favourable than that provided in the Articles of this Agreement.

II.

The provisions of the present Agreement which expressly provide for the granting of national treatment imply the unconditional granting of most-favoured-nation treatment.

III.

The question of transit, as well as that of transit rates, shall be settled by a special agreement between the two High Contracting Parties.

IV.

The reciprocal reductions and consolidations of Customs tariffs in respect of those products enumerated in Lists " A. " and " B. " annexed to the present Agreement, which have fixed quotas, can only be applied within the limits of the said quotas.

V. *Ad Articles 5 and 6.*

In order to reserve to the products originating in their respective countries the benefits of the provisions of Articles 5 and 6, the High Contracting Parties may require the products and goods imported into their territory to be accompanied by a certificate of origin.

VI. *Ad Articles 5 and 12.*

The lists of goods " A " and " B ", to which Article 5 of the Agreement relates, may be revised or denounced separately without affecting the present Agreement, in accordance with the provisions of Article 12.

VII.

Latvia declares that for the duration of the present Agreement she has no intention of granting to any third State (including Estonia, Finland and the Union of Soviet Socialist Republics), in respect of the items of her Customs tariff enumerated in List " C " below, reductions on the tariff rates which would not be extended to Lithuania.

List " C ". — Sections of the Latvian Tariff:

1	36, 5
3	37, 1
4	40
5, I, 4	43
6, I, 5, 6	62, 3
13	153, 2, 3
14, I, 2	161
32	177, 1
34	

Lithuania declares that for the duration of the present Agreement she has no intention of granting to any third State (including Estonia), in respect of the items of her Customs tariff enumerated in list " D " below, reductions on the tariff rates which would not be extended to Latvia.

List " D ". — Sections of the Lithuanian Tariff:

§ 55, 3, 4, 5, 6	§ 183
§ 57, 1, 2	§ 186
§ 61, 2	§ 187
§ 65, 3	§ 188
§ 169, 2, 5	and
§ 177, 2	§ 199