

N° 2023.

HONGRIE ET SUÈDE

Convention de commerce et de navigation. Signée à Budapest, le 8 novembre 1928.

HUNGARY AND SWEDEN

Convention of Commerce and Navigation. Signed at Budapest, November 8, 1928.

¹ TRADUCTION. — TRANSLATION.No. 2023. — CONVENTION ² OF COMMERCE AND NAVIGATION BETWEEN HUNGARY AND SWEDEN. SIGNED AT BUDAPEST, NOVEMBER 8, 1928.

French official text communicated by the Swedish Minister for Foreign Affairs. The registration of this Convention took place May 24, 1929.

HIS MAJESTY THE KING OF SWEDEN and of THE GOTHS AND THE VANDALS and HIS SERENE HIGHNESS THE REGENT OF THE KINGDOM OF HUNGARY, equally desirous of furthering the economic relations already happily existing between their two countries, have decided to conclude a Convention of Commerce and Navigation, and have for that purpose appointed as their Plenipotentiaries :

HIS MAJESTY THE KING OF SWEDEN AND OF THE GOTHS AND THE VANDALS :

His Excellency Torsten UNDÉN, Envoy Extraordinary and Minister Plenipotentiary of Sweden at Budapest ;

HIS SERENE HIGHNESS THE REGENT OF THE KINGDOM OF HUNGARY :

His Excellency Louis WALKÓ, Royal Hungarian Minister for Foreign Affairs ;

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

Article 1.

1. The nationals of each of the Contracting Parties shall be treated in the territory of the other Party, in every respect and especially as regards conditions of residence and establishment in the country, the establishment and conduct of trade, industry, crafts and all other occupational activities, the right to acquire and possess movable or immovable property and to dispose of the same, on at least as favourable terms as nationals of the most favoured nation.

2. They shall, in the territory of the other Party, have free and ready access to the Courts and all other authorities, and shall receive in this matter, in relation to dues, and in every other respect, the same treatment as nationals of the country. With regard to security for costs (*cautio judicatum solvi*), and free legal aid, however, special provisions on which the two Contracting Parties have agreed or may in future agree shall be applied.

3. Neither of the two Contracting Parties shall subject the nationals of the other Party to any taxes, dues or charges whatsoever, other or higher than those which are or may in future be levied upon their nationals or on nationals of the most favoured nation.

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 Stockholm, May 8, 1929.

Article 2.

The nationals of each of the Contracting Parties shall be exempt, in the territory of the other Party, from all compulsory national loans or donations or any other contributions whatsoever which may be imposed to meet war requirements or by reason of other exceptional circumstances.

They shall also be exempt from all compulsory personal military service and from any due or charge collected in lieu of such service. As regards requisitions and all other similar charges to meet the requirements of the armed forces, they shall in no respect be treated less favourably than the nationals of the country or the nationals of the most favoured nation. Furthermore, they shall not be in any way prevented from fulfilling their military duties in their own country.

Article 3.

Registered joint stock companies and other companies having an economic or financial object — including commercial, industrial, financial, transport and insurance companies — which have their registered offices in the territory of one of the Contracting Parties and are legally constituted there, shall also be recognised in the territory of the other Party and shall have the right to appear in the Courts either as plaintiffs or as defendants. They shall enjoy in every respect, and especially as regards the right to carry on their business, to acquire and possess movable or immovable property and to dispose of the same, and also as regards taxation, the same treatment as is accorded to similar companies belonging to the most favoured nation.

The provisions of Articles 1 and 2 relating to nationals of the Contracting Parties shall apply *mutatis mutandis* to the companies referred to in this Article.

Article 4.

Subject to the exceptions expressly provided for in the present Convention, the two Contracting Parties shall grant each other in all matters connected with trade between the two countries, the same privileges, facilities and favours of all kinds as apply or may in future apply to trade with any other country.

Article 5.

Until the coming into force, between the two Contracting Parties, of the International Convention for the Abolition of Import and Export Prohibitions and Restrictions, signed at Geneva on November 8, 1927, the Parties undertake to impede trade between the two countries as little as possible by import or export prohibitions or restrictions.

The Contracting Parties further undertake reciprocally to apply the principle of most-favoured-nation treatment in this matter also.

Nevertheless, prohibitions or restrictions shall not be deemed to infringe the principle of most-favoured-nation treatment if they are established or maintained :

- (a) For reasons of public order or the internal or external security of the State ;
- (b) For reasons relating to public health or the protection of animals or useful plants from disease or from noxious insects or parasites, or the protection of useful plants from deterioration or extinction ;
- (c) In regard to articles which form or may in future form the subject of a State monopoly.

Article 6.

1. As regards import duties and any other duties and charges of any kind whatsoever levied on goods imported, each of the Contracting Parties undertakes to accord to the other Party, imme-

diately and unconditionally, every favour, abatement or exemption which it accords or may in the future accord to the most favoured nation.

2. The two Parties shall also grant each other most-favoured-nation treatment as regards export duties and any other duties or charges levied upon goods exported.

3. They further undertake to grant each other most-favoured-nation treatment as regards Customs administration and formalities, drawbacks, the placing of goods in bond, their treatment in bonded warehouses, and the duties or charges relating thereto.

Article 7.

The two Contracting Parties agree to apply in their trade with each other, as regards certificates of origin, the provisions of the International Convention¹ relating to the Simplification of Customs Formalities, signed at Geneva on November 3, 1923.

The authorities of the country of destination may demand the translation of such certificates into French.

Article 8.

Internal taxes or charges which are now or may hereafter be imposed, in the territory of one of the Contracting Parties, for the benefit of the State, provinces, communes or corporations, on the manufacture, preparation, transport, or consumption of any article, shall not, on any ground whatsoever, be more burdensome in the case of articles originating in the other country than in the case of similar articles of native origin or of the most favoured nation.

Article 9.

1. Merchants, manufacturers and other industrialists of one of the Contracting Parties, who prove by the production of an identity card issued by a competent authority of their country that they are entitled to carry on their trade or industry in their country and pay their legal contributions there for that purpose, shall have the right, in the territory of the other Party (subject to compliance with the formalities laid down), to make purchases, either personally or through commercial travellers in their employ, from merchants or producers or in the public market. They may also solicit orders, even on samples, from merchants or other persons who, in their trade or industry, use goods of the same kind as those offered. They shall enjoy, in these respects and also as regards taxes and charges and in all other matters, at least as favourable treatment as merchants, industrialists and commercial travellers of the most favoured nation.

The said industrialists and commercial travellers shall, if in possession of an identity-card, be entitled to carry with them samples and patterns, but not goods.

2. The identity-cards must conform to the model given in the International Convention relating to the Simplification of Customs Formalities, signed at Geneva on Novembre 3, 1923. No consular or other visa shall be required.

3. The provisions of the said International Convention shall also apply to the importation and re-exportation of samples and patterns. The time-limit for re-exportation is fixed at not less than six months.

In all matters relating to the importation and re-exportation of samples and patterns, the Contracting Parties shall further grant each other most-favoured-nation treatment.

¹ Vol. XXX, page 371; Vol. XXXV, page 324; Vol. XXXIX, page 208; Vol. XLV, page 140; Vol. L, page 161; Vol. LIV, page 398; Vol. LIX, page 365; Vol. LXIX, page 79; Vol. LXXXIII, page 394; and Vol. LXXXVIII, page 319, of this Series.

Article 10.

As regards the transport by rail of passengers, baggage and goods, the two Contracting Parties undertake to grant each other most-favoured-nation treatment under the same conditions in the matter of forwarding, transport, rates and public charges in respect of transport in the same direction and on the same line.

Article 11.

As regards transit, the Contracting Parties shall apply to each other, in their mutual relations, the provisions of the Convention and Statute on Freedom of Transit¹, signed at Barcelona on April 20, 1921.

Article 12.

1. Ships and boats flying the flag of one of the Contracting Parties, their crews and their cargoes, shall enjoy in all respects, in the territory of the other Party, the same treatment as is enjoyed by ships and boats of the country or those of the most favoured nation, and their crews and cargoes. Exceptions are made to this provision, however, as regards coastwise trade and the favours which are or may in future be accorded in either of the two countries to the national fisheries and their produce.

2. The nationality of ships and boats shall be recognised by both Parties on the basis of the documents and certificates issued for that purpose by the competent authorities of the respective countries in accordance with the laws and regulations of each country.

Article 13.

1. Each Contracting Party recognises the other's right to appoint consular representatives in all those ports and places of commerce of that Party in which the right to appoint consular representatives is granted to any third Power.

2. The consular representatives appointed by either Contracting Party shall enjoy, in the territory of the other Party, all such privileges, exemptions, immunities and rights as are or may hereafter be granted to the consular representative of any third Power. These privileges, exemptions, immunities and rights cannot, however, be claimed by either Contracting Party in a larger measure than that in which they are enjoyed by the consular representatives of the other Contracting Party in the territory of the former.

Article 14.

So far as the provisions of the present Treaty relate to most-favoured-nation treatment, they shall not apply :

(a) To favours granted now or in the future by one of the Contracting Parties to neighbouring States for the purpose of facilitating frontier traffic within a zone not exceeding, as a rule, fifteen kilometres in depth on either side of the frontier;

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 ; and Vol. LXXXIII, page 373, of this Series.

(b) To favours granted now or in the future by Sweden to Denmark or Norway or to both countries, so far as the same favours are not granted to a third State ;

(c) To special favours accorded in virtue of a Customs Union.

Article 15.

Any dispute with regard to the interpretation, application or execution of the present Convention which the Contracting Parties have not been able to settle through the diplomatic channel shall be submitted to the Permanent Court of International Justice.

Article 16.

The present Convention shall be ratified by His Majesty the King of Sweden subject to the approval of the Riksdag, and by His Serene Highness the Regent of the Kingdom of Hungary.

It shall come into force fifteen days after the exchange of ratifications (which shall take place as soon as possible at Stockholm), and shall remain in force for three years.

If neither of the Contracting Parties has advised the other Party, six months before the expiry of the said period, of its intention to terminate the Convention, it shall remain in force until the expiry of a period of six months from the date of its denunciation by one of the Parties.

In faith whereof, the Plenipotentiaries have signed the present Convention and have affixed their seals thereto.

Done in duplicate at Budapest on November 8, 1928.

(Signed) UNDÉN.

(Signed) WALKO.