

N° 3722.

**BELGIQUE
ET GRAND-DUCHÉ DE
LUXEMBOURG**

Convention instituant un régime commun en matière de réglementation des importations, des exportations et du transit entre les deux pays. Signée à Bruxelles, le 23 mai 1935.

**BELGIUM
AND GRAND DUCHY OF
LUXEMBURG**

Convention instituting a Common Regime for the Regulation of Imports, Exports and Transit between the Two Countries. Signed at Brussels, May 23rd, 1935.

¹ TRADUCTION. — TRANSLATION.

No. 3722. — CONVENTION² INSTITUTING BETWEEN BELGIUM AND THE GRAND DUCHY OF LUXEMBURG A COMMON REGIME FOR THE REGULATION OF IMPORTS, EXPORTS AND TRANSIT. SIGNED AT BRUSSELS, MAY 23RD, 1935.

French official text communicated by the Belgian Minister for Foreign Affairs. The registration of this Convention took place August 29th, 1935.

HIS MAJESTY THE KING OF THE BELGIANS
and

HER ROYAL HIGHNESS THE GRAND DUCHESS OF LUXEMBURG,
Being desirous of pursuing a common economic policy,

Noting that the Convention³ for the Establishment of an Economic Union between Belgium and Luxemburg concluded on the twenty-fifth day of July, one thousand nine hundred and twenty-one, contains no stipulation explicitly contemplating the possibility of regulating, with or without accessory duties and charges, imports, exports, or transit, in particular by the establishment of economic restrictions and especially of licences, quotas, and special licence duties and administrative charges,

Being anxious to settle this matter by common agreement in the spirit and according to the provisions of the Convention establishing an Economic Union,

Have resolved to conclude a Convention for this purpose and to that end have appointed as their Plenipotentiaries :

HIS MAJESTY THE KING OF THE BELGIANS :

Monsieur Paul VAN ZEELAND, Prime Minister, Minister for Foreign Affairs and Foreign Trade; and

HER ROYAL HIGHNESS THE GRAND DUCHESS OF LUXEMBURG :

Monsieur Joseph BECH, Minister of State, Prime Minister;

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

Article I.

Except as otherwise provided in the present Convention, any system of regulation, with or without accessory duties and charges, of imports, exports, and transit, in particular by the establishment of economic restrictions and especially of licences, quotas, and special licence duties and administrative charges, shall be common to the two countries of the Economic Union, as

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 Brussels, August 6th, 1935. Came into force August 6th, 1935.

³ Vol. IX, page 223; Vol. CXXXIV, page 394; and Vol. CLX, page 327, of this Series.

regards both laws and regulations and the conditions of their application, and the High Contracting Parties shall take for this purpose all such steps as may be necessary to bring the present Convention into force.

A Joint Administrative Commission shall be set up to advise the two Governments on any measures which the Government of either country of the Economic Union may propose to take in the matters referred to in the first paragraph of this Article. The Commission shall sit at Brussels.

The measures referred to in the first paragraph of this Article shall be taken by the Belgian Government in execution and in accordance with the stipulations of the present Convention. They shall in every case be submitted beforehand, for its opinion, to the Joint Administrative Commission set up by the two Governments as stated above.

Article 2.

Except as otherwise provided in the present Convention, the Joint Administrative Commission referred to in Article 1 shall be entrusted with the administration of the import, export, and transit quotas established for the Economic Union, and in particular it shall be responsible for allocating the quotas among the persons concerned.

It shall have sole power to issue to the persons concerned, under the same conditions for the whole of the Economic Union, import, export, and transit licences, and to collect all duties and charges of whatsoever nature connected therewith; nevertheless, by agreement between the two Governments it may delegate the whole or part of the aforesaid functions to offices set up by it, one being in Luxemburg. It may also, by agreement between the two Governments, delegate the whole or part of the said functions to other Governments or to organisations or persons established either within the territory of the Economic Union or outside it.

Article 3.

Except as otherwise provided in the present Convention, the proceeds of the duties and charges of whatsoever nature levied in respect of licences shall be regarded as common receipts which shall be shared between the two countries of the Union, within the framework of the present Convention, in accordance with the provisions regarding common receipts as established by Article 11 of the Convention establishing an Economic Union.

It is understood that the expenses which are or may be entailed by the operation of the Administrative Commission and its subordinate offices shall be deducted from the common receipts collected in execution of the present Convention.

Article 4.

The rules laid down in Articles 1, 2 and 3 shall not apply to the exceptional cases provided for by the present Convention.

Article 5.

As an exception to the general rules laid down in the present Convention, and for the purpose of protecting the Luxemburg agricultural market for the products hereinafter specified, the Luxemburg Government shall have the right to regulate unilaterally at all the frontiers of the Grand Duchy of Luxemburg, including the common frontier with Belgium, the importation of potatoes, eggs, and apples.

Nevertheless, the Luxemburg Government may only avail itself of this right during the periods of the year hereinafter specified in respect of each of the products mentioned:

- (a) Potatoes, from September 1st to March 1st;
- (b) Eggs, from March 1st to September 1st;
- (c) Apples, from September 1st to January 1st.

Article 6.

The Luxemburg Government may only make use of the right accorded to it under Article 5 in respect of each of the specified products taken separately, when the protection of the said products by Belgium remains inadequate after notice has been given by the Luxemburg Government to the Belgian Government, that is to say, when the Belgian Government refuses to restrict imports of the product in question at the frontiers of the Economic Union to the figures or to fix the rate of special licence duties at the level demanded by the Luxemburg Government.

Article 7.

As an exception to the general rules laid down in the present Convention, and for the purpose of protecting the Luxemburg agricultural market for the products hereinafter specified, the Luxemburg Government shall have the right to regulate unilaterally at all the frontiers of the Grand Duchy of Luxemburg, including the common frontier with Belgium, the importation of :

(1) Butter, whenever the Belgian Government, availing itself of the right accorded to it under Article 1 of the present Convention, and in accordance with the procedure laid down in the said Article 1, reduces the special licence duty on butter to less than Fr. 7.50 per kilogramme, or fixes the aggregate quota for the Economic Union at a higher figure than that fixed for the corresponding calendar month of 1934 ;

(2) Live pigs and fresh pork, whenever the average price of live pigs in the Cureghem market is less than Fr. 5.50 per kilogramme ;

(3) Neat cattle and fresh beef, whenever the average price of neat cattle in the Cureghem market is less than Fr. 5.50 per kilogramme.

Article 8.

As regards the importation of the products enumerated in Articles 5 and 7, the Luxemburg market shall in all circumstances be reserved for Belgian producers, that is to say, that in so far as, although exercising the right of regulation provided for in Articles 5 and 7, the Luxemburg Government grants import licences for all or any of the products enumerated in Articles 5 and 7, it undertakes to grant them for products of Belgian origin and provenance.

It is understood that traders and other persons of Belgian nationality will obtain licences from the Grand Duchy under the same conditions as traders and other persons of Luxemburg nationality, and *vice versa*.

Article 9.

As an exception to the general rules laid down in the present Convention, the Government of each of the two countries of the Economic Union shall have the right :

(1) To regulate unilaterally, at the frontiers of its country other than the common frontier with the other country of the Economic Union, the importation of cereals forming the subject in either or both countries of the Economic Union of internal measures of any kind and of valorisation in particular ;

(2) To regulate, at the frontier common to the two countries of the Economic Union, the importation of cereals forming the subject, in either or both countries of the Economic Union, of internal measures of any kind and of valorisation in particular, whenever the conditions of production or sale of the said cereals are or will be made unequal between the two countries of the Economic Union as the result of the said internal measures and of the said valorisation or valorisations in particular. It is understood that the above-

mentioned right of regulation at the common frontier may be exercised solely by the Government of that country of the Economic Union whose home producers of the said cereals are or will be exposed to competition as a result of the internal measures of any kind and valorisation or valorisations in particular which have been or are to be applied in either or both countries of the Economic Union ;

(3) To regulate unilaterally at all the frontiers of its country, including the common frontier with the other country, the importation of foodstuffs, the conditions of production of which are or will be directly affected by the conditions under which cereals are supplied, whenever those conditions are or will be less favourable in the country in question than in the other country as a result of the internal measures of any kind and valorisation in particular introduced by either or both countries of the Economic Union.

Article 10.

As an exception to the general rules laid down in the present Convention, the Luxemburg Government shall have the right not to associate itself with any measures for the regulation of imports of crude or carbonised coal and agglomerates of coal or lignite which the Belgian Government may have adopted or may propose to adopt¹ at the Belgian frontiers. Reciprocally, should the Luxemburg Government avail itself of the said right, the Belgian Government shall be entitled to regulate the importation of the said goods at the common frontier of Belgium and the Grand Duchy of Luxemburg.

Article 11.

Should the Luxemburg Government, in the course of the execution of the present Convention, urge the necessity of safeguarding vital interests which it alleges not to be reasonably safeguarded by the provisions of the present Convention or by the manner in which it is applied by the Belgian Government, the two Governments shall devise means of safeguarding, in the spirit of the present Convention and the Convention establishing an Economic Union, the said vital interests of the Grand Duchy of Luxemburg.

Disputes arising in this connection between the two Governments may be referred by the Luxemburg Government to a Permanent Board of Arbitration, the competence of which the Belgian Government recognises as compulsory within the limits defined below.

For this purpose, and for the execution of the present Convention, the Permanent Conciliation Commission set up by the Treaty¹ of Conciliation, Arbitration, and Judicial Settlement of October 17th, 1927, shall be converted into a Permanent Board of Arbitration.

The competence of the said Permanent Board of Arbitration shall be confined to disputes concerned, within the framework of the present Article, with :

- (1) The vital nature of the Luxemburg interests involved ;
- (2) The efficacy of the measures which the Belgian Government may have adopted or may propose to adopt to safeguard the Luxemburg interests involved ;
- (3) The necessity of safeguarding, by means of derogations of the general rules of the present Convention, the Luxemburg interests involved.

It is understood that, within the foregoing limits, the Permanent Board of Arbitration shall itself decide whether it is competent to deal with any matter.

The awards of the Permanent Board of Arbitration shall be rendered by a majority vote on each separate question. The High Contracting Parties agree to accept the said awards as final. Unless otherwise agreed between the Parties, the awards of the Permanent Board of Arbitration shall be rendered within a maximum period of thirty days.

¹ Vol. CXXIV, page 203, of this Series.

Except as otherwise provided in the present Convention, the procedure of the Permanent Board of Arbitration shall be the same as that of the Permanent Conciliation Commission, as laid down in the Treaty of Conciliation, Arbitration, and Judicial Settlement of October 17th, 1927.

It is understood that this latter Treaty shall remain applicable to the present Convention in all cases where no express stipulation to the contrary is embodied in the present Convention.

Article 12.

The High Contracting Parties mutually undertake forthwith to endeavour, with a view to substituting it for the system of derogations laid down in the present Convention for the protection of the Luxemburg agricultural market, to find a formula such as will provide equivalent safeguards for Luxemburg agriculture without infringing the rule of free and unrestricted commerce between the two countries of the Economic Union, laid down in Article 3 of the Convention establishing the Union.

In any case, the High Contracting Parties mutually agree to undertake in this spirit a general examination, every three months at least, of the system of derogations established by the present Convention for the purpose of protecting the Luxemburg agricultural market.

Article 13.

Each of the High Contracting Parties undertakes to apply at all the frontiers of its country other than the frontier common to the two countries of the Economic Union, in the same manner and under the same conditions, all prohibitions relating to traffic and circulation which the other Party may have deemed or may in future deem it necessary to establish for reasons of public health, especially in order to prevent the spread of epidemics or epizootics or to protect crops from the importation and propagation of noxious insects.

Article 14.

The duration of the present Convention shall be the same as that of the Convention establishing an Economic Union.

Article 15.

Whenever the terms "regulation" and "regulate" are employed in the present Convention with reference to economic measures taken at any frontier, they must be understood to mean the regulation, with or without accessory duties and charges, of imports, exports, or transit, as the case may be, as by the establishment of economic restrictions and especially of licences, quotas, special licence duties, and administrative charges.

Article 16.

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

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

Done in two authentic copies at Brussels, the 23rd day of May, 1935.

(Signed) BECH.

(Signed) P. VAN ZEELAND.