

N° 4504.

SUÈDE ET YOUGOSLAVIE

Traité de commerce et de navigation, et protocole final, signés à Stockholm, le 14 mai 1937, et échange de notes y relatif de la même date.

Texte officiel français du traité et du protocole final communiqué par le ministre des Affaires étrangères de Suède et le délégué permanent du Royaume de Yougoslavie près la Société des Nations.

Texte officiel français de l'échange de notes communiqué par le ministre des Affaires étrangères de Suède.

L'enregistrement de ces actes a eu lieu le 23 janvier 1939.

SWEDEN AND YUGOSLAVIA

Treaty of Commerce and Navigation, and Final Protocol, signed at Stockholm, May 14th, 1937, and Exchange of Notes relating thereto of the same Date.

French official text of the Treaty and of the Final Protocol communicated by the Swedish Minister for Foreign Affairs and by the Permanent Delegate of the Kingdom of Yugoslavia to the League of Nations.

French official text of the Exchange of Notes communicated by the Swedish Minister for Foreign Affairs.

The registration of these Acts took place January 23rd, 1939.

TRANSLATION. — TRANSLATION.

No. 4504. — TREATY¹ OF COMMERCE AND NAVIGATION BETWEEN SWEDEN AND YUGOSLAVIA. SIGNED AT STOCKHOLM, MAY 14TH, 1937.

HIS MAJESTY THE KING OF SWEDEN, of the one part, and, on behalf of HIS MAJESTY THE KING OF YUGOSLAVIA, THE ROYAL REGENTS, of the other part,

Being equally desirous of fostering the economic relations already so happily existing between their two countries,

Have resolved to conclude a Treaty of Commerce and Navigation and have to that end appointed as their Plenipotentiaries :

HIS MAJESTY THE KING OF SWEDEN :

Monsieur Rickard SANDLER, His Minister for Foreign Affairs ;

ON BEHALF OF HIS MAJESTY THE KING OF YUGOSLAVIA, THE ROYAL REGENTS :

Dr. Milorad STRAŽNICKI, Envoy Extraordinary and Minister Plenipotentiary ;

Monsieur Milivoj PILJA, Deputy Minister for Foreign Affairs ;

Who, having exchanged their full powers, found in good and due form, have agreed as follows :

Article I.

1. The nationals of each of the two contracting States shall be treated in the territory of the other State, in every respect and especially as regards conditions of residence and establishment in the country, the establishment and conduct of trade, navigation and industry, crafts and all other occupational activities, the right to acquire and possess movable or immovable property and to dispose thereof, as favourably as nationals of the most-favoured nation.

2. They shall, in the territory of the other State, 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. Exception shall nevertheless be made in respect of security for costs (*cautio judicatum solvi*) and free legal aid, which matters shall be regulated subsequently by a special agreement to be concluded between the two States.

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

Article II.

The nationals of each of the two contracting States shall be exempt, in the territory of the other State, from all compulsory national loans or donations and from 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.

Article III.

Registered joint stock companies and other companies having an economic object — including commercial, industrial, financial, transport and insurance companies — which have their registered

¹ The exchange of ratifications took place at Belgrade, November 23rd, 1938.
Came into force December 8th, 1938.

offices in the territory of one of the two contracting States and are legally constituted there, shall be recognised also in the territory of the other State and shall have the right to appear in the courts of that State 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 thereof and also as regards taxation, the same treatment as is accorded to similar companies belonging to the most-favoured nation.

The provisions of Articles I and II relating to nationals shall apply *mutatis mutandis* to the companies referred to in the present Article.

Article IV.

Subject to the exceptions expressly provided for in the present Treaty, the two contracting States 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 V.

The contracting States undertake not to establish or maintain any prohibitions or restrictions on imports or exports from one country to the other which do not apply in the same manner to imports or exports of like goods in the course of trade with any other country.

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 ;
- (d) In exceptional circumstances with regard to war supplies.

Article VI.

1. As regards import duties and any other duties or dues of any kind whatsoever which are levied on the importation of goods, each of the two contracting States undertakes to extend to the other, immediately and unconditionally, all privileges, abatements or exemptions which it grants or may hereafter grant to the most-favoured nation.

2. The two States shall grant each other most-favoured-nation treatment in regard also to export duties and all other duties or dues levied on the export of goods.

3. They also undertake to grant each other most-favoured-nation treatment in regard to the deposit of surety for Customs and other import duties, the manner in which such duties are levied, the rate of duty, drawbacks and other Customs formalities in connection with the import, export, transit and classification of goods, the interpretation of Customs tariffs, the re-export and trans-shipment of goods and their bonding and treatment in bond and the duties and dues attaching thereto.

Article VII.

As regards certificates of origin, the two contracting States undertake to apply in their mutual commercial relations the provisions of the International Convention¹ for the Simplification of Customs Formalities, signed at Geneva on November 3rd, 1923.

¹ Vol. XXX, page 371 ; Vol. XXXV, page 325 ; 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 ; Vol. LXXXVIII, page 319 ; Vol. XCII, page 370 ; Vol. CXI, page 404 ; Vol. CXXXIV, page 401 ; and Vol. CXLVII, page 322, of this Series.

Where certificates of origin are required by one of the two contracting countries they may, if they relate to goods originating in the territory of the other contracting country, be issued either by the Customs authorities or by the competent Chambers of Commerce or Industry of the latter country, or by any other authority or institution thereof approved for the purpose by the Government of the country of destination. The said certificates of origin shall be recognised by the authorities of the country of destination. If they are not issued by a State authority or a competent Chamber of Commerce or Industry, the Government of the country of destination may require them to be legalised by its diplomatic or consular representative at the place of despatch. No charge shall be made for such legalisation.

The authorities of the country of destination shall be entitled to demand a translation into French of certificates of origin.

Article VIII.

Internal duties or dues of any kind whatsoever which are or may hereafter be levied within the territory of either contracting State, for the benefit of the State, provinces, communes or corporations, on the manufacture, preparation, transport, purchase, sale or consumption of any article shall not, on any ground whatsoever, be higher or more burdensome or be levied in any way more onerous in the case of articles originating in the other State than in the case of like articles of native origin or of the most-favoured nation.

Article IX.

1. Merchants, manufacturers and other business men established in the territory of one of the two contracting States who show proof, by the production of an identity card issued by a competent authority in that territory, that they are authorised to carry on their trade or industry therein, and that they pay therein the taxes prescribed for that purpose by law, shall be entitled, within the territory of the other State and subject to compliance with the prescribed formalities, to make purchases, either personally or through commercial travellers in their employ, from merchants or producers or in the public market. They may also take orders from merchants and other persons who, for the purpose of their commerce or industry, make use of goods of the same kind as those offered. They shall receive in this respect, as also in everything relating to duties and dues and in every other way, treatment equally favourable with that received by the merchants, business men and commercial travellers of the most-favoured nation.

The said merchants, business men and commercial travellers, being in possession of identity cards, shall be entitled to have with them samples or specimens but not merchandise.

2. The identity cards shall be drawn up in accordance with the specimen given in the International Convention for the Simplification of Customs Formalities, signed at Geneva on November 3rd, 1923. The visa of a consular or other authority shall not be required.

3. The provisions of the said International Convention shall apply also in respect of the importation and re-exportation of samples and specimens.

The two States shall further grant each other most-favoured-nation treatment in all matters concerning the importation and re-exportation of samples and specimens.

Article X.

As regards the transport by rail of passengers, baggage and goods, the two contracting States undertake to grant each other most-favoured-nation treatment in the matter of forwarding, transport rates and public charges in respect of transport.

Article XI.

In the matter of transit, the two contracting States shall in their mutual relations apply to each other the provisions of the Convention¹ and Statute on Freedom of Transit, signed at Barcelona on April 20th, 1921.

¹ Vol. VII, page 11 ; Vol. XI, page 407 ; Vol. XV, page 305 ; Vol. XIX, page 279 ; Vol. XXIV, page 155 ; Vol. XXXI, page 245 ; Vol. XXXV, page 299 ; Vol. XXXIX, page 166 ; Vol. LIX, page 344 ; Vol. LXIX, page 70 ; Vol. LXXXIII, page 373 ; Vol. XCII, page 363 ; Vol. XCVI, page 181 ; Vol. CIV, page 495 ; Vol. CXXXIV, page 393 ; and Vol. CXLII, page 340, of this Series.

Article XII.

1. Swedish vessels and boats and their cargoes shall receive in Yugoslavia, and Yugoslav vessels and boats and their cargoes shall receive in Sweden, the same treatment in every respect as national vessels and boats and their cargoes, whatever the place from which such vessels and boats come or to which they are proceeding, and whatever the place from or to which their cargoes are consigned.

2. The vessels and boats of one of the two contracting States shall not be subject in the territory of the other to tonnage dues, port dues, pilotage, lighting, buoyage or quarantine dues, nor to any other dues or charges whatsoever, higher than those which are or may hereafter be applicable in the same conditions to national vessels and boats.

3. The vessels and boats of each of the two contracting States shall enjoy any privilege or favour which is or may hereafter be granted to national vessels or boats in respect of their berthing, loading or unloading in the ports, and generally in respect of all formalities and provisions whatsoever which are or may hereafter be applicable to vessels, boats, their crews and cargoes.

4. Any privilege or exemption which either of the contracting States has accorded or may hereafter accord to any third Power in regard to any of the above matters shall be granted simultaneously and unconditionally to the other contracting State.

5. The provisions of the present Article shall, however, not apply to the coasting trade, to port services and favours which, in either of the two countries, have been or may hereafter be granted to national fisheries and their products.

It is further agreed that the national treatment of vessels in the ports of the contracting States shall not extend to privileges granted to yacht clubs.

The provisions of the present Treaty concerning navigation shall apply only to maritime navigation.

Navigation on international rivers shall continue to be regulated by the international treaties relating thereto.

Article XIII.

The documents and certificates issued for the purpose by the competent authorities of the respective States in accordance with the laws and regulations of the country concerned shall be recognised by both Parties as establishing the nationality of vessels and boats.

Tonnage measurement certificates and other documents regarding tonnage measurement issued by one of the two contracting States shall be recognised by the other State in conformity with such special arrangements as may hereafter be concluded between the two States.

Article XIV.

Swedish vessels and boats entering a Yugoslav port and Yugoslav vessels and boats entering a Swedish port with the sole object of completing their cargoes for a foreign destination or unloading a part thereof conveyed from a foreign port shall be entitled, provided they conform to the laws and regulations of the State concerned, to retain on board any part of the cargo consigned to another port or to another country and to re-export it without being obliged to pay any duties or charges thereon other than the supervision dues which, moreover, may be levied only at the lowest rate fixed for national vessels and boats or for those of the most-favoured nation.

Article XV.

1. If a vessel or boat of one of the contracting States has run aground or been wrecked on the coast of the other, the vessel or boat and its cargo shall enjoy the same favours and immunities as are granted by the laws and regulations of the respective countries in similar circumstances to national vessels and boats or to vessels and boats of the most-favoured nation. Assistance and relief shall be given to the master and the crew, both for themselves and for the vessel or boat and its cargo, to the same extent as would be afforded to nationals.

2. Goods salvaged from a vessel or boat which has run aground or been wrecked, or from its cargo, shall be restored to the owner or his representative, provided that the owner or his

representative establishes his right within the period laid down by the law. If the said goods have been sold, the proceeds of the sale shall, subject to the same conditions, be placed at the disposal of the owner or his representative. The salvage dues and other expenses incurred in the salvage shall be calculated according to the same rules as are applicable to nationals.

3. It is also agreed that goods salvaged from a vessel or boat which has run aground or been wrecked shall not be liable to any Customs duties unless admitted for consumption within the country.

Article XVI.

1. Each of the two contracting States shall grant the other the right to appoint consular representatives in all ports and places of the other State in regard to which the right to appoint consular representatives is granted to any third Power.

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

Article XVII.

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

(a) To favours which one of the two contracting States has granted or may hereafter grant to contiguous States with the object of facilitating frontier traffic within a zone not as a general rule exceeding 15 kilometres in depth on either side of the frontier ;

(b) To favours which are or may hereafter be granted by Sweden to Denmark or Norway, or to both those countries, so long as such favours have not been granted to any other State ;

(c) To favours which are or may hereafter be granted by Yugoslavia in virtue of a regional agreement with contiguous countries ;

(d) To special favours accorded in virtue of a Customs union.

Article XVIII.

Any dispute concerning the interpretation, application or execution of the present Treaty which the two contracting States have not been able to settle by diplomatic means shall be submitted to the Permanent Court of International Justice.

Article XIX.

The present Treaty shall be ratified.

It shall come into force fifteen days after the exchange of ratifications, which shall take place as soon as possible at Belgrade, and it may be denounced by either of the contracting States at six months' notice.

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

Done in duplicate at Stockholm, this 14th day of May, 1937.

(L. S.) Rickard SANDLER, *m. p.*

(L. S.) Milorad STRAŽNICKI, *m. p.*

(L. S.) M. PILJA, *m. p.*

FINAL PROTOCOL.

At the time of signing the present Treaty of Commerce and Navigation, the Plenipotentiaries of the two contracting States have in addition agreed on the following provisions, which shall form an integral part of the Treaty.

Ad Article I.

1. The stipulations of the present Treaty shall not affect in any way the provisions which have been or may hereafter be put into force in either of the two countries regarding passports, nor the general regulations which have been or may hereafter be issued by the contracting States regarding the right of foreigners to accept employment in their respective territories.

2. The two contracting States agree that the grant of equality of treatment with nationals under Article I, paragraph 3, does not preclude the application to Yugoslav nationals of the Swedish Ordinance of October 23rd, 1908, regarding the dues payable for privileges and special rights or that of December 31st, 1913, regarding the right of foreigners and Swedish nationals domiciled abroad to give public performances, etc., in Sweden or to take part in such performances in so far as the said Ordinances provide for the payment of dues.

3. It is further understood that the stipulations of the present Treaty in no way limit the right of each of the two contracting States, in particular cases, to refuse nationals of the other State authorisation to reside in the country either by virtue of a judicial decision or in the interest of the internal or external security of the State or of public order, or for reasons of social policy, and especially for considerations relating to public assistance or for reasons connected with the regulations applicable to health or public morals.

Ad Articles I and III.

It is understood that the stipulations of the present Treaty relating to most-favoured-nation treatment may not be invoked by either of the two contracting States for the purpose of claiming the benefit of any treatment applied, in respect of taxation, by the other contracting State, with a view to avoiding double taxation, in its relations with a third State, in virtue of a special Treaty for the purpose of apportioning the right of taxation in respect of particular taxable material.

Ad Article III.

It is understood that the granting of equality of treatment with nationals, in accordance with Article III, paragraph 2, in respect of taxes shall be subject to the existence of analogous fiscal conditions in regard to the companies referred to in that Article.

Ad Article VIII.

1. The stipulations of this Article shall not affect any present or future provisions of Swedish laws under which special taxation is imposed upon alcohols and starches manufactured from foreign raw materials or upon tobacco imported from abroad.

2. It is understood that the tax on business turnover belongs to the category of internal taxes, within the meaning of Article VIII, but not to that of the taxes mentioned in paragraph 1 above.

In faith whereof the Plenipotentiaries have signed the present Protocol, which shall form an integral part of the Treaty of Commerce and Navigation of this day's date.

Done in duplicate at Stockholm, this 14th day of May, 1937.

Rickard SANDLER, *m. p.*

Milorad STRAŽNICKI, *m. p.*

M. PILJA, *m. p.*

ÉCHANGE DE NOTES

I. LE PRÉSIDENT DE LA DÉLÉGATION YOUGOSLAVE AU PRÉSIDENT DE LA DÉLÉGATION SUÉDOISE.

STOCKHOLM, le 14 mai 1937.

MONSIEUR LE PRÉSIDENT,

En me référant à l'article XII du Traité de commerce et de navigation signé en date de ce jour entre la Yougoslavie et la Suède, j'ai l'honneur de porter à votre connaissance que, d'après l'interprétation donnée audit article par le Gouvernement yougoslave, le traitement national y stipulé ne pourra pas être invoqué lorsqu'il s'agira de mesures spéciales ayant pour but d'encourager la construction de navires sur les chantiers nationaux ou d'accorder un appui aux entreprises nationales de navigation maritime.

J'ai l'honneur de vous prier de vouloir bien me faire connaître si le Gouvernement suédois est d'accord avec l'interprétation susmentionnée.

Veuillez agréer, Monsieur le Président, les assurances de ma haute considération.

M. PILJA.

II. LE PRÉSIDENT DE LA DÉLÉGATION SUÉDOISE AU PRÉSIDENT DE LA DÉLÉGATION YOUGOSLAVE.

STOCKHOLM, le 14 mai 1937.

MONSIEUR LE PRÉSIDENT,

Vous avez bien voulu, en date de ce jour, m'adresser une note de la teneur suivante :

« En me référant à
..... l'interprétation susmentionnée. »

En réponse à cette note, j'ai l'honneur de vous informer que le Gouvernement suédois est d'accord avec l'interprétation y mentionnée.

Veuillez agréer, Monsieur le Président, les assurances de ma haute considération.

Christian GÜNTHER.

Certifiée pour copie conforme :

Stockholm,
au Ministère royal des Affaires étrangères,
le 19 janvier 1939.
Le Chef des Archives,
Torsten Gihl.

TRADUCTION. — TRANSLATION.

EXCHANGE OF NOTES.

I. THE PRESIDENT OF THE YUGOSLAV DELEGATION TO THE PRESIDENT OF THE SWEDISH DELEGATION.

STOCKHOLM, May 14th, 1937.

SIR,

With reference to Article XII of the Treaty of Commerce and Navigation signed to-day between Yugoslavia and Sweden, I have the honour to inform you that, according to the interpretation given to that Article by the Yugoslav Government, the national treatment stipulated therein may not be claimed in the case of special measures the object of which is to encourage the building of vessels in the national dockyards or to grant assistance to national maritime navigation undertakings.

I would ask you to be good enough to inform me whether the Swedish Government agrees with the above-mentioned interpretation.

I have the honour to be, etc.

M. PILJA.

II. THE PRESIDENT OF THE SWEDISH DELEGATION TO THE PRESIDENT OF THE YUGOSLAV DELEGATION.

STOCKHOLM, May 14th, 1937.

SIR,

You were good enough to send me, under to-day's date, a note reading as follows :

“ With reference to
... the above-mentioned interpretation. ”

In reply to that note, I have the honour to inform you that the Swedish Government agrees with the interpretation mentioned therein.

I have the honour to be, etc.

Christian GÜNTHER.