## POLAND and CZECHOSLOVAKIA

## Convention for ensuring economic co-operation, with the following annexes:

- 1. Treaty of commerce;
- 2. Agreement on the exchange of goods;
- 3. Protocol concerning guaranteed supplies of coal, zinc and electric power by Poland to Czechoslovakia for a period of five years;
- 4. Agreement concerning deliveries of capital goods from Czechoslovakia to Poland;
- 5. Payments agreement;
- 6. Communications agreement;
- 7. Agreement concerning financial co-operation;
- 8. Agreement concerning industrial co-operation;
- 9. Agreement concerning co-operation in agriculture, forestry and food production;
- Agreement concerning scientific and technical co-operation;
- 11. Protocol concerning direct co-operation in the construction and expansion of certain economic enterprises;
- 12. Agreement concerning co-operation in economic planning and statistics;
- 13. Final Protocol to the Convention;
- 14. Statutes of Polish-Czechoslovak Economic Co-operation Council;
- 15. Protocol concerning mediation and arbitration procedure.

## Signed at Prague, on 4 July 1947

Official texts: Polish and Czech.

Registered by Poland on 9 April 1951.

## TRANSLATION - TRADUCTION

No. 1146. CONVENTION¹ BETWEEN THE POLISH REPUBLIC AND THE CZECHOSLOVAK REPUBLIC FOR ENSURING ECONOMIC CO-OPERATION. SIGNED AT PRAGUE, ON 4 JULY 1947

The President of the Polish Republic, of the one part, and the President of the Czechoslovak Republic, of the other part, being desirous of ensuring co-operation in the spirit of the Treaty of Friendship and Mutual Assistance between the Polish Republic and the Czechoslovak Republic and the Protocol annexed thereto, signed on 10 March 1947 in Warsaw<sup>2</sup>, and mindful:

That the past history of the peoples of both States has shown the need for close co-operation in all spheres;

That close co-operation will have a beneficial influence on the growth of the constructive forces of both States, and on the welfare of their peoples;

That such co-operation will increase the capacity of both States to develop economic relations with other States, and will thereby make a new and positive contribution to the international economy;

That lasting co-operation can be secured only on the basis of precise legal rules and a proper system of organization;

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

The President of the Polish Republic:

Dr. Hilary MINC, Minister of Industry;

Mr. Stefan Wierblowski, Ambassador of the Polish Republic in Prague;

Dr. Adam Rose, Minister Plenipotentiary;

The President of the Czechoslovak Republic:

Mr. Jan Masaryk, Minister of Foreign Affairs;

Dr. Hubert RIPKA, Minister of Foreign Trade;

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

<sup>&</sup>lt;sup>1</sup> The Convention and annexes, with the exception of annex No. 5, came into force on 7 December 1948, by the exchange of the instruments of ratification at Warsaw in accordance with article V of the Convention and relevant provisions of the Annexes. Annex No. 5 came into force on 4 July 1947, as from the date of signature, in accordance with article XVII thereof.

<sup>&</sup>lt;sup>2</sup> United Nations, Treaty Series, Vol. 25, p. 231.

#### Article I

THE PURPOSES OF POLISH-CZECHOSLOVAK ECONOMIC CO-OPERATION

The fundamental purposes of economic co-operation between Poland and Czechoslovakia are the following:

- (a) The maximum development of reciprocal exchanges of goods and services;
- (b) The maximum utilization of bilateral communication facilities in the matter of imports, exports and transit, by land, sea, river and air;
- (c) The establishment of close economic co-operation between the various sectors and branches of the Polish and Czechoslovak economies;
- (d) The establishment of close co-operation between the economic and technical institutes, and the scientific, research and experimental establishments of the two States, for the purpose both of mutual information and the fullest possible mutual access to results of work;
- (e) Consultation with regard to the economic policies of both States in international organization and institutes.

## Article II

## METHODS OF OPERATION

In order to secure the above aims, the two Governments hereby conclude the following agreements, which are annexed to the present Convention:

A. - In the matter of exchange of goods and services:

Annex No. 1: Treaty of commerce;1

Annex No. 2: Agreement on the exchange of goods;2

Annex No. 3: Protocol concerning guaranteed supplies of coal, zinc and electric power by Poland to Czechoslovakia for a period of five years;<sup>3</sup>

Annex No. 4: Agreement concerning deliveries of capital goods from Czechoslovakia to Poland;

Annex No. 5: Payments agreement;5

B. - In the matter of communications:

Annex No. 6: Communications agreement:6

<sup>&</sup>lt;sup>1</sup> See p. 212 of this volume.

<sup>\*</sup> See p. 238 of this volume.

<sup>\*</sup> See p. 246 of this volume.

<sup>•</sup> See p. 248 of this volume.

<sup>&</sup>lt;sup>8</sup> See p. 254 of this volume.

<sup>•</sup> See p. 262 of this volume.

C. - In the matter of the organization of economic co-operation:

Annex No. 7: Agreement concerning financial co-operation;1

Annex No. 8: Agreement concerning industrial co-operation;2

Annex No. 9: Agreement concerning co-operation in agriculture, forestry and food production;<sup>3</sup>

Annex No. 10: Agreement concerning scientific and technical co-operation;4

Annex No. 11: Protocol concerning direct co-operation in the construction and expansion of certain economic enterprises;<sup>5</sup>

D. - In the matter of general economic co-operation:

Annex No. 12: Agreement concerning co-operation in coonomic planning and statistics;<sup>6</sup>

Annex No. 13: Final protocol to the present Convention7.

The foregoing list of agreements may be supplemented by consent of both High Contracting Parties.

#### Article III

#### EXECUTIVE ORGANS

With a view to the co-ordination of all action directed towards the efficient and successful operation of this Convention and all agreements connected therewith, a Polish-Czechoslovak Economic Co-operation Council shall be established.

The statutes of the Council are annexed to this Convention and form an integral part thereof (annex No. 14).8

The executive organs shall be the Polish-Czechoslovak Commissions set up in conformity with the various agreements annexed to this Convention.

The statutes of the Council and of the Polish-Czechoslovak Commissions may be altered by agreement between the two Governments.

#### Article IV

#### MEDIATION AND ARBITRATION PROCEDURE

Any disputes which arise in the course of the execution of any agreements concluded in pursuance of this Convention shall be examined in the manner

<sup>&</sup>lt;sup>1</sup> See p. 304 of this volume.

<sup>&</sup>lt;sup>2</sup> See p. 308 of this volume.

<sup>&</sup>lt;sup>8</sup> See p. 314 of this volume.

<sup>4</sup> See p. 316 of this volume.

<sup>&</sup>lt;sup>5</sup> See p. 326 of this volume.

<sup>&</sup>lt;sup>6</sup> See p. 328 of this volume.

<sup>&</sup>lt;sup>7</sup> See p. 330 of this volume.

<sup>&</sup>lt;sup>8</sup> See p. 338 of this volume.

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prescribed in the Protocol concerning Mediation and Arbitration Procedure (annex No. 15).1

## Article V

## FINAL PROVISIONS

This Convention shall be subject to ratification, and the instruments of ratification shall be exchanged at Warsaw as soon as possible.

The Convention shall come into force on the day of the exchange of instruments of ratification. Nevertheless, the two Governments may agree to give effect to it at an earlier date, if their respective legislations authorize them to do so.

The present Convention shall remain in force for a period of five years from the day on which it comes into force, and shall be tacitly prolonged for a further five years, unless denounced by one of the High Contracting Parties at least one year before the expiry of the current five-year period.

The periods of validity of the agreements annexed to this Convention are defined by the provisions of those agreements.

Done in two copies, each in Polish and Czech, both texts being authentic.

In faith whereof the above-mentioned plenipotentiaries have signed the present Convention and have affixed thereto their seals.

Done at Prague, 4 July 1947.

For the Government of the Polish Republic:

(Signed) H. MINC

S. Wierbłowski

A. Rose

For the Government of the Czechoslovak Republic: (Signed) Hubert RIPKA

Jan Masaryk

<sup>&</sup>lt;sup>1</sup> See p. 346 of this volume.

## Annex No. 1

# TREATY OF COMMERCE BETWEEN THE POLISH REPUBLIC AND THE CZECHOSLOVAK REPUBLIC

The President of the Polish Republic and the President of the Czechoslovak Republic, being desirous of co-operating in a spirit of friendship with a view to the further development and strengthening of economic relations between their two States and of rendering mutual assistance in the reconstruction and development of the economies of both States on the basis of the Treaty of Friendship and Mutual Assistance between the Czechoslovak Republic and the Polish Republic of 10 March 1947, have decided to conclude a Treaty of commerce and have appointed for that purpose as their plenipotentiaries:

The President of the Polish Republic:

Dr. Hilary Minc, Minister of Industry and Commerce;

Mr. Stefan Wierbłowski, Ambassador of the Polish Republic in Prague;

Dr. Adam Rose, Minister Plenipotentiary;

The President of the Czechoslovak Republic:

Mr. Jan Masaryk, Minister of Foreign Affairs;

Dr. Hubert RIPKA, Minister of Foreign Trade.

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

#### Article I

Nationals of either High Contracting Party shall enjoy in every respect, and in particular in respect of establishment and the conduct of commerce and industry in the territory of the other High Contracting Party, all the privileges, immunities and favours granted to nationals of the most favoured State.

The provisions of this article shall in no way affect the laws and regulations of either High Contracting Party on the crossing of frontiers, or police regulations concerning aliens, or the right of expulsion from the State territory. The High Contracting Parties agree however that such laws and regulations shall not be applied so as to exclude entire categories of persons from the benefits of this Treaty. No person shall be expelled from the national territory because of a housing shortage or unemployment.

## Article II

Nationals of either High Contracting Party travelling to markets, fairs or exhibitions in the territory of the other High Contracting Party for the purpose

<sup>&</sup>lt;sup>1</sup> United Nations, Treaty Series, Vol. 25, p. 231.

of trading or participating in an exhibition there shall be treated in the same manner as nationals of that Party, if they can produce an identity card issued by the authorities of the State whose nationals they are.

## Article III

Nationals of either High Contracting Party shall be treated in the territory of the other High Contracting Party, as regards their legal status, movable and immovable property, rights and interests, as favourably as the nationals of any third State.

They shall be free to carry on their business in the territory of the other High Contracting Party, either personally or through agents of their own choice, without being subject in this respect to other restrictions than those provided for under the laws and regulations in force in the said territory.

They shall be entitled to appear either personally or through attorneys before the judicial and administrative authorities of the other High Contracting Party, and shall not be subject to any restrictions other than those which are provided for under the laws and regulations in force in the territory in question, and they shall be treated in every respect in the same manner as nationals of any other State.

Neither if the High Contracting Parties shall take any action violating the right of ownership or use of property, and the rights or interests of nationals of the other Party, unless it similarly subjects to the same restrictions the property, rights or interests of its own nationals.

#### Article IV

Nationals of one High Contracting Party shall not be compelled to perform military service in the territory of the other Party; on the contrary, they shall not be hindered in any way in the discharge of their military obligations in their own State.

They shall be exempt from all taxes whatsoever imposed in lieu of personal military service, and from all personal military contributions and requisitions, but they shall be subject, notwithstanding, in respect of such movable or immovable property as they possess in the country, to military requisitions and military billeting liabilities on the same conditions as nationals of the country itself.

#### Article V

Nationals of either High Contracting Party shall not, in the territory of the other High Contracting Party, be subject, in respect of their persons or property, or of the conduct of any commerce, industry, trade or profession, to any taxes, fees or contributions of any kind whatsoever, other or higher than those levied on nationals of the country itself.

These provisions shall not preclude the collection of residence taxes or charges connected with the completion of police formalities. The nationals of both High Contracting Parties shall enjoy in this respect the treatment accorded to nationals of the most favoured nation.

## Article VI

Nationalized enterprises and undertakings belonging to the State or to self-governing public agencies, limited companies and other commercial, industrial, financial or transport companies, and associations of an economic or profit-making nature (hereinafter referred to as "enterprises"), which have their head offices in the territory of one of the High Contracting Parties and are legally constituted therein according to its laws, shall be entitled to the full benefit of their rights in the territory of the other Party also, and in particular shall have the right to appear before the courts as plaintiffs or defendants.

The admission of such enterprises to carry on their commerce or industry in the territory of the other High Contracting Party shall be governed by the laws and regulations which are, or may hereafter be, in force in that territory.

The operations of such enterprises constituted in accordance with the legislation of one of the High Contracting Parties shall, so far as they are carried out in the territory of a Contracting Party, be subject to the laws and regulations of that Party, save as otherwise provided by special agreement. Once admitted to operate, the aforesaid enterprises shall in every respect enjoy the same rights as are, or may hereafter be, granted in such matters to similar enterprises of the most favoured nation; this, however, shall not apply to rights granted under a concession system or in the exercise of free discretion in administrative matters.

Such enterprises of either High Contracting Party shall not be liable in the territory of the other Contracting Party, for the conduct of their commerce or industry, to any duties, fees or contributions other or higher than those payable by national enterprises.

The legal status, movable and immovable property and rights and interests in the territory of the other Party of such enterprises shall be governed, *mutatis mutandis*, by the provisions of articles III and IV.

## Article VII

The most-favoured-nation provisions of articles I to VI shall not in any way affect such special laws, orders and regulations relating to production, commerce, industry, trades and their exercise, or to the police or public security

and health, as are now or hereafter may be in force in the territory of the High Contracting Parties in respect of all aliens generally.

## Article VIII

Agents and attorneys of the enterprises referred to in article VI, and merchants, manufacturers and other industrialists, who prove by the production of an identity card, issued by the competent authorities of their country, that they are authorized to carry on their trade or industry in that country, and that they pay therein the taxes and charges laid down by law, may, either personally or through their commercial travellers, make purchases in the territory of the other High Contracting Party and accept orders, on the basis of samples or otherwise, subject in all cases to such laws and regulations as are now, or hereafter may be, in force in the territory regarding the conclusion or transaction of business with foreign countries. They shall not be required by reason of such activities to pay any special taxes.

The above provisions shall not apply to itinerant traders, hawkers or persons soliciting orders from individuals not engaged in industry or trade, and in this respect each of the High Contracting Parties reserves full freedom for its legislation.

The agents and attorneys referred to in article VI, and merchants, manufacturers and commercial travellers in their employ, if duly provided with identity cards, shall have the right to carry with them samples or specimens, but not goods.

The High Contracting Parties shall inform each other which authorities are responsible for the issue of identity cards, and shall state the regulations with which the above-mentioned parties must comply in the conduct of their trade.

Identity cards shall be exempt from consular or other visas.

The provisions of the International Convention relating to the Simplification of Customs Formalities signed at Geneva on 3 November 1923<sup>1</sup> shall apply to the import and re-export of samples and specimens.

In this respect, as well as in all other matters provided for in this article, the High Contracting Parties shall accord one another most-favoured-nation treatment.

<sup>&</sup>lt;sup>1</sup> League of Nations, Treaty Series, Vol. XXX, p. 371; Vol. XXXV, p. 325; Vol. XXXIX, p. 208; Vol. XLV, p. 140; Vol. L, p. 161; Vol. LIV, p. 398; Vol. LIX, p. 365; Vol. LXIX, p. 79; Vol. LXXXIII, p. 394; Vol. LXXXVIII, p. 319; Vol. XCII, p. 370; Vol. CXI, p. 404; Vol. CXXXIV, p. 401; Vol. CXLVII, p. 322, and Vol. CXCVI, p. 410.

#### Article IX

Internal duties which are, or may hereafter be, imposed on account of anyone whomsoever, on the production, manufacture, distribution or consumption of a particular category of products within the territory of one of the High Contracting Parties, shall on no pretext be levied on the products of the other Party at a higher rate or in a more burdensome manner than on similar goods of the country itself, or if there be no such goods, on those of the most favoured nation.

## Article X

Goods and natural and industrial products arriving from and likewise originating in the Customs territory of one of the High Contracting Parties shall not be subject, on importation into the Customs territory of the other Party, to any other or less favourable Customs treatment than the same goods arriving from and likewise originating in the most favoured nation, and in particular, shall not be subject to other or higher duties or charges, including all additional charges and surtaxes, than those which are, or may hereafter be, levied on similar goods of any third country.

The most-favoured-nation treatment provided for in the first paragraph shall also be applied to the export of the goods and natural and industrial products of one of the High Contracting Parties from its Customs territory to the Customs territory of the other Party.

The above provisions shall also apply to the enforcement of Customs regulations, the Customs treatment of merchandise, the method of testing and analysing imported goods, the conditions of payment of Customs duties and charges, and the classification of goods and the interpretation of the Customs tariff.

Goods manufactured in the Customs territory of one of the High Contracting Parties by processing foreign materials, even under the régime of temporary admission, shall also be regarded as the industrial products of that Party, provided that the goods have been substantially altered by this process. The extent of the alteration which would lead to an article produced from foreign materials being considered as a product of the Contracting Party shall be determined by the autonomous regulations generally in force in the Customs territory of the importing country, provided always that most-favoured-nation treatment is assured.

#### Article XI

Most-favoured-nation treatment as provided for in the foregoing articles shall not apply to:

- Privileges that have been, or may hereafter be, granted by one of the High Contracting Parties in order to facilitate frontier traffic with contiguous countries within a zone not exceeding fifteen kilometres on either side of the frontier;
- (2) Special advantages accruing from a Customs union;
- (3) Rights and privileges granted by one of the Contracting Parties to a third State under multilateral agreements to which the other Party has not acceded, if the said rights and privileges were granted in multilateral agreements concluded under the auspices of the United Nations and open to accession by all States. A Contracting Party may, however, apply to be admitted to such rights and privileges if the latter were granted also in other agreements which, though not multilateral, fulfil the above conditions, or if the Party applying for the benefits thereof is prepared reciprocally to grant equal treatment.

## Article XII

The most-favoured-nation clause shall not apply to the special provisions of agreements concluded between one of the High Contracting Parties and a third State with a view to equalizing domestic with foreign taxation, delimiting the sovereign powers of both States in the matter of taxation, and, more particularly, to avoiding double taxation.

## Article XIII

Until complete freedom of trade between the two High Contracting Parties can be introduced, the import or export prohibitions or restrictions, which are, or may hereafter be, in force in the Customs territory of one of the High Contracting Parties, may only be applied to the trade of the other Party if such prohibitions or restrictions affect all other States also.

## Article XIV

The undertakings stated in the foregoing article shall not apply to the following prohibitions or restrictions, always provided, however, that they are not applied in such a way as to constitute arbitrary discrimination between foreign States where the same conditions prevail, or in such a way as to constitute a veiled restriction on the mutual trade in goods:

- (1) Prohibitions or restrictions relating to public security;
- (2) Prohibitions or restrictions imposed on moral or humanitarian grounds;
- (3) Prohibitions or restrictions on the traffic in arms, ammunition and implements of war, or, in exceptional circumstances, all other war supplies;

- (4) Prohibitions or restrictions imposed on grounds of public health, that is, to protect the health of either persons or animals, or for the sake of protecting plants from diseases, insects and harmful parasites, provided such questions have not been regulated by special agreements;
- (5) Prohibitions or restrictions designed to protect national artistic, historical or archaeological treasures;
- (6) Prohibitions or restrictions applicable to gold, silver, coins, paper money and securities;
- (7) Prohibitions or restrictions designed to extend to foreign products the régime established within the country itself for the production of, trade in and transport and consumption of national goods of the same kind;
- (8) Prohibitions or restrictions applied to products which, as regards production, or trade, or may hereafter be, subject to State monopoly or to monopolies exercised under State control.

#### Article XV

It is understood that the provisions of articles XIII and XIV shall in no way affect the rights of both High Contracting Parties to take any steps necessary to safeguard the vital interests of the State in exceptional or extraordinary circumstances.

#### Article XVI

Subject to re-export or re-import and to the maintenance of the necessary supervision, to compliance with the provisions in force and to the deposit of a bond guaranteeing payment of any charges that may be payable, exemption shall be granted from all import and export charges within the limits of existing legislation in the case of:

- (1) Articles intended for repair;
- (2) Tools, instruments, and machine tools which an entrepreneur or firm of one of the High Contracting Parties exports to the territory of the other Party, in order to have fitting, testing or repair operations carried out by employees, where such articles are conveyed by a transport enterprise or by the employees themselves;
- (3) Articles sent from one State to the other for testing, experimentation or imitation;
- (4) Goods (except articles of consumption) which are sent to fairs, exhibitions or competitions;
- (5) Furniture (removal) vans which cross the frontier in order to transport articles from the territory of one of the High Contracting Parties to the territory of the other Party, even if they return with a fresh load, and

irrespective of where the freight was loaded, always provided, however, that they have not in the interval been used for purely local transport; it is agreed that such vehicles include the essential fittings utilized during transport, and that a six-month period is granted for re-export;

- (6) Samples and specimens, in accordance with the International Convention relating to the Simplification of Customs Formalities, signed at Geneva on 3 November 1923;<sup>1</sup> a period of six months is allowed for re-export, and it is agreed that such period may, at the request of the importer, be extended to twelve months;
- (7) Used containers of any kind, imported in order to be refilled and subsequently re-exported, and also used containers of any kind, provided that the containers returned formed part of consignments previously exported and that they are returned within a specified time-limit.

## Article XVII

If goods exported from one country to the other country are returned at the request of the original exporter, on the ground that the consignee has not accepted them, or for other reasons, no export duty or any additional charges shall be levied on re-exportation, any import duty or additional charges already paid shall be refunded, and no claim made for such duty or charges, provided that the goods remain until re-exportation under the control of the Customs office and that re-exportation is effected on the same waybill within three months from the date of import, and provided that the goods have undergone no change of any kind.

Duties or other additional import charges already paid shall likewise be refunded where goods placed on the market are returned by the consignee to the sender in their original state, or where goods are forwarded at the request and for the account of the sender, to another person in the country of despatch or in any other country, because the consignee refused delivery or because the goods did not meet his requirements; provided that the goods are re-exported through the same Customs office which effected Customs clearance on their importation, that they are returned not later than two months after Customs clearance, and that the reasons for re-exportation of the goods are duly proved and their identity established.

In other cases of the re-exportation of goods, not covered by this article, each Contracting Party shall extend the most favourable treatment, within the limits of the provisions in force, to the consignments of the other Contracting Party.

<sup>&</sup>lt;sup>1</sup> See note 1, p. 218 of this volume.

## Article XVIII

In order to ensure that trade between the two countries enjoys the advantages of treatment in accordance with the provisions of the present Treaty, and simultaneously to prevent any possible abuses, each of the High Contracting Parties may require that the goods and the natural or manufactured products of the other Party shall, on importation, be accompanied by certificates of origin.

Certificates of origin shall be issued by the Chamber of Commerce to which the exporter belongs, or by any other institution recognized by the country of destination.

The authorities of the country of destination shall have the right to require that the certificate of origin be certified by their diplomatic or consular representative, save where such certificates are issued by government bodies.

If either of the High Contracting Parties should later grant to a third State any exemptions or privileges in respect of certificates of origin, the benefits of such privileges shall forthwith be extended, subject to reciprocity, to imports from the Customs territory of the other Party.

## Article XIX

Each High Contracting Party shall, to the extent of the laws and regulations in force, effectively protect in its territory nationals of the other High Contracting Party against unfair competition and shall treat such nationals in this respect in the same way as its own.

Each High Contracting Party agrees in particular to take all necessary steps to prevent in its territory the improper use of regional appellations of origin, especially in the case of hops, products of the vine, beer, mineral waters and mineral water products, if the other Contracting Party protects such appellations by legislation and has notified them to the former Party.

Such notification must in particular specify the provisions of the relevant laws and regulations of that country establishing the right to the appellation of origin.

Regional appellations of origin of either country shall be regarded as fraudulently used when they are applied to products to which the legislation of that country does not permit them to be applied.

Hops may not be placed on the market in Poland as Český chmel (Žatecký chmel, Roudnický chmel, Ústěcký chmel, Dubský chmel), Moravský chmel (Tršický chmel) unless they are marked and accompanied by a verification certificate issued by a Czechoslovak public marking office in accordance with the legislative regulations in force in Czechoslovakia regarding appellations of origin for hops.

Further, such hops must be sold in their original packing, i.e., with certificate of origin, stamp and seal in conformity with the said Czechoslovak regulations.

The provisions of this article shall not apply to goods in transit.

## Article XX

The two High Contracting Parties agree that in their mutual relations they will be guided by the provisions of the International Convention relating to the Simplification of Customs Formalities, signed at Geneva on 3 November, 1923.<sup>1</sup>

## Article XXI

In all questions relating to communications by railway, inland waterway, sea, road, air and post, and to telecommunications, the High Contracting Parties shall, in their mutual relations, apply the provisions of the relevant Polish-Czechoslovak agreements and of any international conventions to which they have acceded or may hereafter accede.

## Article XXII

In all questions relating to international transit, the High Contracting Parties shall, in their mutual relations, apply the provisions of the Barcelona Convention and Statute concerning Freedom of Transit, dated 20 April 1921.<sup>2</sup>

## Article XXIII

The High Contracting Parties agree to apply in their mutual relations a tariff policy of the most benevolent character.

## Article XXIV

Both High Contracting Parties shall endeavour to simplify and expedite the discharge of Customs and passports formalities in traffic between their two countries and in transit traffic.

### Article XXV

As regards navigation by inland waterway and by sea, the mutual relations of the Contracting Parties shall be regulated by the relevant Polish-Czecho-slovak navigation agreements and any international conventions to which both High Contracting Parties have acceded or may hereafter accede.

<sup>&</sup>lt;sup>1</sup> See note 1, p. 218 of this volume.

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

## Article XXVI

The High Contracting Parties shall conclude at the earliest possible date a veterinary agreement which shall form an integral part of the present Treaty.

Pending the entry into force of a new veterinary agreement, the Veterinary Convention and the Final Protocol thereto, dated 10 February 1934, shall remain in force.

## Article XXVII

The High Contracting Parties undertake to conclude as soon as possible a special agreement regulating mutual assistance in Customs clearance matters and the prevention, prosecution and punishment of offences against Customs regulations, and also mutual judicial assistance in the matter of Customs offences.

## Article XXVIII

The present Treaty shall be ratified and the instruments of ratification shall be exchanged at Warsaw as soon as possible.

It shall come into force on the day of the exchange of instruments of ratification.

Nevertheless, the two Governments may agree to give effect to it at an earlier date, if their respective legislations authorize them to do so.

The present Treaty shall remain in force for a period of five years from the day on which it comes into force. On the expiry of this period it shall be tacitly prolonged for an indefinite period, but each of the High Contracting Parties shall be entitled to denounce it subject to six months' notice.

The Convention of Commerce and Navigation of 10 February 1934<sup>2</sup> shall cease to have effect as from the day of entry into force of the present Treaty.

Done in two copies, each in the Polish and Czech languages, both texts being authentic.

IN FAITH WHEREOF the above-mentioned plenipotentiaries have signed the present Treaty and have thereto affixed their seals.

Prague, 4 July 1947.

For the Government of the Polish Republic:

(Signed) H. MINC

S. Wierbłowski

A. Rose

For the Government of the Czechoslovak Republic:

(Signed) Hubert RIPKA Jan MASARYK

<sup>1</sup> League of Nations, Treaty Series, Vol. CLXXXIII, p. 427.

<sup>&</sup>lt;sup>2</sup> League of Nations, Treaty Series, Vol. CLXXXIII, p. 345.

## Annex No. 1a

## FINAL PROTOCOL

On proceeding to sign the Treaty of Commerce concluded this day, the undersigned plenipotentiaries have made the following reservations and declarations, which shall form an integral part of the present Treaty.

#### Α

## Ad Article II

The two High Contracting Parties agree that the provisions of article II shall not affect passport regulations.

## Ad Article III, paragraph 2

The provisions of this paragraph shall be interpreted to mean that they do not settle matters relating to cautio judicatum solvi and free legal aid. This question is regulated by a special agreement.

## Ad Article IV

The word "requisition" shall be interpreted to mean all material contributions for the benefit of the military authorities, provided they are not a substitute for contributions imposed in lieu of personal service.

## Ad Article XVI, paragraph 1

It is understood that additions made abroad shall be subject to import duty.

## Ad Article XIX

Being desirous of protecting, in accordance with its own internal legislation, the appellation *Plzneńské pivo* ("Pilsen beer"), the Polish Government declares that it considers the said appellation to be an appellation denoting local origin to which breweries in Pilsen are entitled, and undertakes to give this appellation the same protection as is generally accorded under its legislation to products entitled to an appellation denoting local origin.

This protection shall be granted solely on condition that the Czechoslavak Government supplies the Polish Government with a list of the breweries in Pilsen which, under Czechoslovak legislation, enjoy the said protection.

The Polish Government shall similarly extend its protection also to the appellations of Czechoslovak hops and Czechoslovak mineral waters and wincs which are communicated to it by the Czechoslovak Government.

A chemical preparation not manufactured from natural mineral water protected in accordance with article 19, paragraph 2, may not be described by the protected appellation of that water, unless the words "artificial" is added to the said appellation in a conspicuous and obvious manner and the place of manu-

facture is indicated on the label; such label, moreover, must be essentially different in form, print and colour from the labels used for the corresponding mineral waters.

The same protection will be extended to other categories of goods by mutual agreement between the Contracting Parties.

#### Ad Article XX

It is understood that the provisions of article XX, and also the provisions of articles VIII, paragraph 6, and XVI, item 6, shall in no way affect the reservations made by the Government of the Polish Republic on signing the Convention relating to the Simplification of Customs Formalities referred to therein.

В

The new Treaty of Commerce between Poland and Czechoslovakia is being concluded at a time when Poland has suspended the operation of the former Customs tariff, which is no longer suited to Polish-economic needs, and when, as a result, no import duties are in fact levied in Poland. This being so, detailed Customs schedules for the exchange of goods between the two countries cannot at the moment be compiled. Since, however, some duties are, on the other hand, levied in Czechoslovakia, and since Poland was granted under the Convention of Commerce and Navigation of 10 February 1934 a number of Customs rebates which would expire because of the 1934 Convention being replaced by the new Treaty of Commerce, the two High Contracting Parties have agreed on the following provisions:

- (1) Reductions in duty granted to Poland under the Convention of Commerce and Navigation of 10 February 1934 shall continue in force for the time being in respect of trade with Poland, subject to such general measures of revaluation as may be applied in Czechoslovakia. This provision with regard to the temporary continuance of Customs rebates shall not apply to No. 70 (duty on swine) and No. 467 (duty on carding machines, i.e., weavers' reeds, etc.) of the Czechoslovak Customs tariff.
- (2) If the Customs tariff in its former version should be introduced in Poland, subject only to the general principle of revaluation, Czechoslovakia shall be granted Customs rebates similar to those which it enjoyed under the Convention of Commerce and Navigation of 10 February 1934.
- (3) If a new Customs tariff should be introduced in Poland, which differs from the former tariff, the Czechoslovak Government shall be entitled to cancel in full or in part, at its discretion, the Customs rebates for Polish goods enumerated in the Convention of Commerce and Navigation of 10 February 1934.

(4) In view of the substantial change in the structure of trade between their two countries, both Parties reserve the right to request the opening of consultations on Customs rebates and each Party undertakes to begin such consultations at the request of the other Party.

The foregoing provision likewise applies to the second part of Paragraph 1 of this Protocol.

Prague, 4 July 1947.

For the Government of the Polish Republic:

(Signed) H. MINC

S. Wierbłowski

A. Rose

For the Government of the Czechoslovak Republic:

(Signed) Hubert Ripka Jan Masaryk Josef Janda

Evžen Löbl

Annex No. 2

# AGREEMENT BETWEEN THE POLISH REPUBLIC AND THE CZECHOSLOVAK REPUBLIC ON THE EXCHANGE OF GOODS

In pursuance of the Convention between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation, the two High Contracting Parties hereby conclude the following agreement on the exchange of goods:

#### Article I

Reciprocal exchanges of goods between Poland and Czechoslovakia shall in principle be effected within the framework of agreed schedules of commodities and on the basis of import and export permits issued by both Governments.

#### Article II

Both Governments shall make every effort to facilitate and expedite deliveries of the goods enumerated in the schedules of commodities, and to expand reciprocal exchanges of goods as much as possible.

<sup>&</sup>lt;sup>1</sup> See p. 204 of this volume.

#### . Article III

The Czechoslovak Government shall issue permits for the exportation to Poland, and the Polish Government shall issue permits for the importation from Czechoslovakia, of the goods enumerated in schedule A up to the quantity or value, as the case may be, specified in the said schedule in respect of each commodity or group of commodities.

## Article IV

The Polish Government shall issue permits for the exportation to Czechoslovakia, and the Czechoslovak Government shall issue permits for the importation from Poland, of the goods enumerated in schedule B, up to the quantity or value, as the case may be, specified in the said schedule in respect of each commodity or group of commodities.

## Article V

Commodity schedules A and B, which are annexed to the present Agreement and form an integral part thereof, comprise the goods which the two Parties propose to deliver to each other in the twelve-month period following the date of entry into force of the present Agreement (annexes Nos. 2a and 2b).

## Article VI

Commodity schedules for subsequent twelve-month periods shall be compiled in due course before the beginning of each such period by the Trade Commission provided for in article XVII of the present Agreement.

Such schedules shall likewise form an integral part of this Agreement.

## Article VII

The commodity schedules, or either one of them, may, while they are in force, be amended both as regards the nature and the quantities of goods.

Such amendments of schedules shall be the function of the Trade Commission.

## Article VIII

The competent authorities of both High Contracting Parties may in exceptional circumstances issue the requisite import and export permits for deliveries of goods not included in the quota schedules A and B on a barter (compensation) basis.

Import or export permits for the barter exchange of goods included in schedules A and B shall be issued only after the quotas fixed for such goods have been exhausted.

Other transactions shall be authorized in each individual case by agreement between the competent authorities of both High Contracting Parties.

## Article IX

Goods imported under this Agreement may not be re-exported without the consent of the competent authorities of the two States.

## Article X

Trade in the goods included in schedules A and B shall be conducted, in accordance with the legislation in force in the respective States, on the basis of sales contracts concluded between Polish and Czechoslovak parties.

## Article XI

Unless otherwise provided in the contract, prices of goods shall be understood to be quoted free frontier of the exporting State.

If the quota for a particular commodity should not be used up because buyers and sellers fail to agree on prices, the matter shall, at the request of either Party, be referred to the Trade Commission.

It shall be the Commission's duty, within a period of thirty days after the application is submitted to its Chairman, to try to find means whereby the quota can be utilized.

Should the Commission be unable to devise such means, either Party may submit to the Commission a proposal either to alter the quota or to supplement the schedule in such a way as to adjust the value of the quotas to the payments plan.

## Article XII

Payments due in respect of contracts concluded under this Agreement shall be settled in the manner prescribed in the Payments Agreement.<sup>1</sup>

## Article XIII

The Trade Commission shall supervise and regulate current trade and see that it conforms to the planned exchange of goods provided for in schedules A and B.

The Trade Commission shall, in agreement with the Financial Commission, fix the volume of trade so as to adapt its value to the payments plan.

## Article XIV

The Protocol signed by both Governments at Prague on 2 May 1947 for facilitating immediately, on a provisional basis, trade between the Polish

<sup>&</sup>lt;sup>1</sup> See p. 254 of this volume.

Republic and the Czechoslovak Republic, shall cease to have effect as from the entry into force of this Agreement.

Contracts concluded under the terms of the said Protocol of 2 May 1947 and not yet executed on the day of its expiration shall continue in effect and shall be governed by the provisions of this Agreement. Any requisite import or export permits shall be issued for goods covered by such contracts.

Goods and services covered by contracts concluded under the aforesaid Protocol and delivered or performed, as the case may be, after the entry into force of this Agreement, shall not be reckoned as part of the quotas specified in the annexed commodity schedules A and B. Payments due for such contracts shall, however, be settled in accordance with the provisions of the Payments Agreement.

## Article XV

During the validity of this Agreement, goods covered by a sales contract executed after the expiry of the trade period during which it was concluded, shall not be reckoned as part of the quotas specified in the commodity schedules in respect of the trade period during which the contract was executed.

#### Article XVI

The provisions of this Agreement shall apply also to sales contracts or contracts for services other than those specified in article XIV, concluded between 5 May 1945 and the date of entry into force of this Agreement, which have not yet been executed by that date. Foods and services covered by such contracts shall, however, be included in the trade between the two States, which shall issue the requisite import or export permits, although they have not been covered by the commodity schedules annexed to this treaty.

Such goods and services shall not be reckoned as part of the quotas specified in the commodity schedules.

## Article XVII

For the purpose of supervising trade between Poland and Czechoslovakia in general, and, in particular, the application of the provisions of this Agreement, a Polish-Czechoslovak Trade Commission shall be established. The organization, objectives, powers and procedure of the Commission are defined in the statutes annexed to this Agreement (Annex No. 2c).

## Article XVIII

This Agreement shall come into force on the date of entry into force of the Convention between the Polish Republic and the Czechoslovak Republic for

ensuring economic co-operation.¹ It shall remain in force for a term of five years, and its effects shall be considered as tacitly prolonged for further five-year periods unless one of the High Contracting Parties gives notice of denunciation not less than one year before the expiry of the current five-year period.

Done in two copies, each in Polish and Czech, both texts being authentic.

Prague, 4 July 1947.

For the Government of the Polish Republic:

(Signed) H. MINC

S. Wierbłowsky

A. Rose

For the Government of the Czechoslovak Republic:

(Signed) Hubert Ripka Jan Masaryk

Evžen Löbl

Josef Janda

Annex No. 3

## PROTOCOL CONCERNING GUARANTEED SUPPLIES OF COAL, ZINC AND ELECTRIC POWER BY POLAND TO CZECHOSLOVAKIA FOR A PERIOD OF FIVE YEARS

The Government of the Polish Republic and the Government of the Czechoslovak Republic, being desirous of facilitating economic co-operation between the two countries and of ensuring a steady supply of capital goods, have jointly decided that they will conclude, not later than fourteen days after the entry into force of the Convention between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation, an appropriate agreement, which shall form an integral part of this Protocol, in pursuance of which the Polish Government, of the one part, shall undertake, to issue export permits for the exportation from Poland to Czechoslovakia of suitable quantities of coal, zinc and electric power between 1 July 1947 and 30 June 1952, and the Czechoslovak

<sup>&</sup>lt;sup>1</sup> See p. 204 of this volume.

Republic, of the other part, shall likewise undertake to issue permits for the importation into Czechoslovakia from Poland of the said quantities of coal, zinc and electric power between 1 July 1947 and 30 June 1952, and to ensure that the requisite contracts are concluded by Czechoslovak buyers.

The said undertaking to issue import or export permits shall be conditional on the Parties agreeing annually on prices, grades, means of transport and other conditions of delivery.

Any disputes which may arise in connexion with the application of this Protocol shall be dealt with in conformity with the provisions of article IV of the Convention between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation.

Prague, 4 July 1947.

For the Government of the Polish Republic:

(Signed) H. MINC

S. Wierbłowski

A. Rose

For the Government of the Czechoslovak Republic:

(Signed) Jan Masaryk

Hubert RIPKA

Josef JANDA

Evžen Löbl

#### Annex No. 4

## AGREEMENT BETWEEN THE POLISH REPUBLIC AND THE CZECHO-SLOVAK REPUBLIC CONCERNING DELIVERIES OF CAPITAL GOODS

In pursuance of the Convention between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation, the High Contracting Parties hereby conclude the following Agreement on deliveries of capital goods:

<sup>&</sup>lt;sup>1</sup> See p. 204 of this volume.

## Article I

The Polish Government shall cause Polish enterprises and institutions to order and purchase from Czechoslovak industry over a period of five years from the date of signature of this Agreement capital goods to an amount not exceeding seven and a half thousand million Czechoslovak crowns.

## Article II

The Government of Czechoslovak Republic shall, over a period of five years from the date of signature of this Agreement, extend facilities to Polish enterprises and institutions for the ordering and purchase, and likewise the delivery, of capital goods from Czechoslovak industry, to an amount not exceeding seven and a half thousand million Czechoslovak crowns.

## Article III

The schedule of goods to be supplied under this Agreement also includes a staggered deliveries programme. The said schedule is annexed to this Agreement (annex No. 4a) and forms an integral part thereof.

The programme of staggered deliveries for each year laid down in the schedule has been drafted on the basis of delivery dates and tentative prices submitted to Poland at the latter's request. The said programme of deliveries has been calculated on the assumption that orders will be placed within six months from the date of signature of the Agreement. The exact dates of delivery shall be fixed in the various contracts, which should aim at ensuring that they conform to the staggered deliveries programme (schedule, annex No. 4a).

Poland shall purchase, and Czechoslovakia shall deliver, under this Agreement machinery and capital equipment as specified in the schedule (annex No. 4a) up to a value of seven and one half thousand million Czechoslovak crowns over a period of five years, it being agreed that the value of deliveries of the heavy industrial goods specified in items 2 to 8 of the schedule (annex No. 4a) shall not exceed a total of 4,750 million Czechoslovak crowns.

Deliveries of capital goods by Czechoslovak industry shall be facilitated by partial deliveries of raw materials from Poland (annexes Nos. 4d and 4e).

## Article IV

With a view to executing the programme of deliveries of capital goods, a Polish-Czechoslovak Capital Goods Commission shall be set up. The commission shall draft a detailed plan of deliveries, shall approve individual contracts for deliveries up to the total amount specified in articles I and II, shall supervise

the progress of execution of orders and deliveries and shall submit to both Governments progress reports on the operation of the capital goods plan.

The statutes of the Commission are annexed to this Agreement as annex No. 4b and form an integral part thereof.

## Article V

Contracts for deliveries shall be concluded direct between buyers and suppliers, subject however in all cases to the provisions of the "general conditions of delivery of capital goods" which are annexed to this Agreement as annex No. 4c and form an integral part thereof.

### Article VI

The two Governments shall notify the Capital Goods Commission which enterprises and institutions will be entitled to conclude contracts for deliveries of capital goods.

## Article VII

Payments in settlement of amounts due to and claims by Czechoslovakia in respect of delivery contracts concluded under the terms of this Agreement shall be effected in conformity with the agreement concluded this day between the Bank Gospodarstwa Krajowego, Warsaw, and the Živnostenská Banka, a nationalized enterprise, Prague, which have been entrusted by the Contracting Parties with the technical arrangements for effecting payments.

For the purpose specified in the foregoing paragraph an account shall be opened in the Zivnostenská Banka and kept supplied by transfers from the account in Czechoslovak crowns maintained by the Narodowy Bank Polski with the Národní Banka Československá, in conformity with the Payments Agreement¹ between the Polish Republic and the Czechoslovak Republic.

If such transfers from the account maintained in the Národní Banka Československá are insufficient to keep in funds the account opened in the Živnostenská Banka for the purpose specified in paragraph l of this article, the Narodowy Bank Polski shall acquire Czechoslovak crowns either in exchange for free currency or gold in accordance with article IX of the Payments Agreement, or, with the consent of the Národní Banka Československá, by other means.

## Article VIII

The Polish-Czechoslovak Financial Commission set up under article V of the Agreement on Financial co-operation<sup>2</sup> shall supervise the correct application

<sup>&</sup>lt;sup>1</sup> See p. 254 of this volume.

<sup>&</sup>lt;sup>8</sup> See p. 304 of this volume.

of the financial provisions of this Agreement, and shall report thereon to both Governments in conformity with article I of the Agreement on financial co-operation.

## Article IX

Any disputes which may arise between the two Contracting Parties in carrying out this Agreement shall be settled in the manner prescribed in article IV of the Convention between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation.

## Article X

This Agreement shall come into force on the date of the entry into force of the Convention between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation, and shall be valid until 30 June 1952. It may not be denounced unilaterally by either High Contracting Party before the expiry of the above period, but may at any time be replaced by a new agreement.

Done in two copies, each in Polish and Czech, both texts, being authentic.

Prague, 4 July 1947.

For the Government of the Polish Republic:

(Signed) H. MINC

S. Wierbłowski

A. Rose

For the Government of the Czechoslovak Republic:

(Signed) Jan Masaryk Hubert Ripka Josef Janda Eyžen Löbl

Annex No. 5

# PAYMENTS AGREEMENT BETWEEN THE POLISH REPUBLIC AND THE CZECHOSLOVAK REPUBLIC

In pursuance of the Convention between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation, the two High Contracting Parties hereby conclude the following Payments Agreement:

<sup>&</sup>lt;sup>1</sup> See p. 204 of this volume.

#### Article I

Payments between Poland and Czechoslovakia shall be settled in Czechoslovak crowns in accordance with the provisions of this Agreement.

## Article II

The provisions of this Agreement shall apply to payments in respect of:

- (a) Deliveries of goods from Poland to Czecholovakia and from Czechoslovakia to Poland, including subsidiary costs such as insurance, indemnities, brokerage fees, commissions, trans-shipment charges, warehousing fees, Customs clearance fees, etc.;
- (b) Costs of processing, finishing, assembly or repair;
- (c) emoluments, remunerations, pensions, compensations, maintenance, wages, etc.;
- (d) protection of industrial, commercial and intellectual property rights (licences, patents, trade-marks, copyrights, etc.);
- (e) Settlements relating to railway charges, post office, telegraph, telephone and other telecommunications services;
- (f) River freight charges for transport by Polish or Czechoslovak vessels;
- (g) Clearing accounts relating to air communications;
- (h) Tourist traffic and travel;
- (i) Maintenance of diplomatic and consular missions and trade agencies;
- (j) Any other payments, subject to agreement between the competent authorities of the two High Contracting Parties.

#### Article III

The provisions of this Agreement apply to payments in respect of goods of Polish and Czechoslovak origin within the meaning of the statutory regulations in force in the particular country.

The provisions of this Agreement do not however apply to goods of Polish or Czechoslovak origin carried in transit through the territory of the other State but consigned to a third State, or to compensation for damages suffered by such goods.

## Article IV

The competent authorities of the two States shall issue the permits required for the payments mentioned in article II of this Agreement, in accordance with the foreign exchange regulations in force in their respective territories.

## Article V

Payments from Czechoslovakia to Poland shall be paid to the credit of the Narodowy Bank Polski account maintained in Czechoslovak crowns in the Národní Banka Československá.

## Article VI

Payments from Poland to Czechoslovakia shall be paid to the credit of the Národní Banka Československá account maintained at the Narodowy Bank Polski, likewise in Czechoslovak crowns.

## Article VII

The accounts mentioned in articles V and VI shall not bear interest and shall be free of charges for both banks of issue.

## Article VIII

Payments in and out of the accounts mentioned in articles V and VI arising from claims in currencies other than Czechoslovak crowns shall be reckoned at the average rate of exchange of the currency in question in Prague on the day preceding the payment.

#### Article IX

In order to ensure the efficient working to the accounts mentioned in articles V and VI, the Národní Banka Československá shall execute orders to pay from the Narodowy Bank Polski to an amount of 400 million Czechoslovak crowns in excess of the funds available in its account.

The Narodowy Bank Polski shall cover requirements in Czechoslovak crowns in excess of such funds by ceding free currency or gold to the Národní Banka Československá, the currency to be agreed between both banks of issue.

## Article X

Any balance exceeding the sum of 400 million Czechoslovak crowns to the credit of the Narodowy Bank Polski in its account with the Narodowy Banka Československá shall be exchangeable at the request of the Narodowy Bank Polski for free currency or gold, the currency to be agreed between the two banks of issue.

## Article XI

The sum mentioned in articles IX and X may be altered by the Polish-Czechoslovak Financial Commission referred to in article XV of this Agreement which shall be set up in pursuance of the provisions of article V of the Agreement on financial co-operation (annex No. 7).<sup>1</sup>

## Article XII

In addition to the accounts mentioned in articles V and VI, both banks of issue may open special accounts, if this should be jointly deemed to be desirable.

The two banks of issue shall also agree on the technical procedure for the efficient operating of this Agreement, and shall settle all questions relating to settlements for the period preceding its signature.

## Article XIII

Barter transactions shall be permitted only subject to the prior authorization of the competent authorities of the two High Contracting Parties.

## Article XIV

If the Polish Republic fixes the parity of its currency unit during the validity of this Agreement, the two High Contracting Parties may by mutual agreement adjust the provisions of this Agreement to the new situation.

#### Article XV

The operation of this Agreement shall be supervised by the Polish-Czechoslovak Financial Commission.

#### Article XVI

Any balance to the credit of either High Contracting Party outstanding on the date of expiry of this Agreement shall be settled in a free currency to be agreed on by the two banks of issue, or in gold. Such balance shall be reckoned at the average official rate of exchange of the currency in question in Prague on the day of settlement.

## Article XVII

This Agreement shall come into force on the day of signature and shall be valid for five years. It shall in all cases continue in effect for a further period of one year unless denounced by one of the High Contracting Parties six months before the expiry of the aforesaid five-year period or of any later one-year period.

<sup>&</sup>lt;sup>1</sup> See p. 304 of this volume.

## Article XVIII

DONE in Prague, 4 July 1947, in Polish and Czech, both texts being authentic.

For the Government of the Polish Republic:

(Signed) H. MINC

S. Wierbłowski

A. Rose

For the Government of the Czechoslovak Republic:

(Signed) Hubert Ripka Jan Masaryk Evžen Löbl

Josef Janda

Annex No. 6

# COMMUNICATIONS AGREEMENT BETWEEN THE POLISH REPUBLIC AND THE CZECHOSLOVAK REPUBLIC

In pursuance of the Convention between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation, the two High Contracting Parties, desirous of guaranteeing one another the most advantageous conditions with regard to communications by rail, sea, inland waterway, road, air, post and telecommunications, or any combination thereof, in the work of ports and communications enterprises, and desirous also of maintaining lasting co-operation in the above fields, have concluded a Communications Agreement containing the following provisions:

## SECTION A. — THE POLISH-CZECHOSLOVAK COMMUNICATIONS COMMISSION

#### Article I

1. In conformity with article III of the Convention between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation, a Polish-Czechoslovak Communications Commission shall be established to ensure and intensify co-operation between the two States with regard to com-

<sup>&</sup>lt;sup>1</sup> See p. 204 of this volume.

munications by rail, road, inland waterway, sea, air, post and telecommunications, in the work of ports and communications enterprises.

2. The Polish-Czechoslovak Communications Commission shall operate on the basis of the statute embodied in annex No. 6a to the present Agreement, and, in particular, shall discharge the functions assigned to it under the present Agreement.

## Section B. — Transit, carriage and rates

## Article II

1. On any questions relating to rail communications, the High Contracting Parties shall, in their mutual relations, apply the provisions of the International Convention concerning the Transport of Passengers and Baggage by Rail (C.I.V.)¹ and the International Convention Concerning the Transport of Goods by Rail (C.I.M.)², signed at Rome on 23 November 1933, and the provisions of any other international convention which may replace the abovementioned Conventions and to which the two Contracting Parties may accede.

Any departures from the above-mentioned Conventions which in post-war conditions have been or may be agreed upon for the purposes of international communications on the continent of Europe shall also be applied.

Any departures therefrom essential for rail communications only between the two High Contracting Parties shall be determined by agreement between the two Contracting Parties or their railway administrations.

- 2. On any question relating to communications by inland waterway, sea, road, air post, or telecommunications, the two High Contracting Parties shall at all times apply, in their mutual relations, the provisions of valid bilateral and multilateral conventions to which they have acceded or may in future accede.
- 3. Furthermore, in international transit communications, the provisions of the Convention and Statute on Freedom of Transit, signed at Barcelona on 20 April 1921<sup>3</sup> shall be applied.

#### Article III

The competent communications authorities of the two High Contracting Parties shall establish through tariffs for as many categories of goods and connexions as possible in their mutual transit communications, both by rail alone and in combinations.

<sup>&</sup>lt;sup>1</sup> League of Nations, Treaty Series, Vol. CXCII, p. 327.

<sup>&</sup>lt;sup>2</sup> League of Nations, Treaty Series, Vol. CXCII, p. 389.

<sup>&</sup>lt;sup>3</sup> See note 2, p. 230 of this volume.

## Article IV

- 1. With a view to regulating transit traffic in goods of all kinds, the two High Contracting Parties shall arrange for the conclusion as soon as possible of the requisite agreements concerning through tariffs and shall participate in through tariffs with other States in transit through Poland or Czechoslovakia, and between other States in transit through Poland and Czechoslovakia.
- 2. The two High Contracting Parties shall do their utmost to ensure that through railway tariffs, or rail-river tariffs between Poland and the Danubian States, as well as between Czechoslovakia and the Scandinavian States and the Union of Soviet Socialist Republics, in transit through Poland, shall come into effect as soon as possible.
- 3. The railway administrations of the two High Contracting Parties shall immediately after the signature of the present Agreement proceed to establish through Polish-Czechoslovak goods tariffs to be put into effect within, if possible, three months of the signature of the present Agreement.

#### Article V

In the transport of passengers, luggage and express freight, no distinction whatever shall be made between the nationals of the High Contracting Parties, provided that the same conditions are fulfilled, in respect of the clearing or forwarding, transport, application of tariffs and duties and the public charges connected with such transport.

#### Article VI

- 1. Goods consigned for transport between the territory of one of the High Contracting Parties and the territory of the other Contracting Party or of a third State, and goods forwarded in transit through the territory of either Contracting Party to that of the other Contracting Party shall, provided that the same conditions are fulfilled, receive the same treatment in the territory of the transit or importing Party, as regards clearing or forwarding, transport, the calculation of freight under the internal tariffs (local or combined) and the public charges and duties connected with such transport, as similar goods consigned in the latter's own territory and dispatched in the same direction and on the same route.
- 2. The two High Contracting Parties agree, however, that in the case of the above-mentioned transports of goods of the same kind, the following conditions for the application of transport tariffs, reduced rates or other facilities shall be admissible:
  - (a) The condition that a certain minimum or maximum quantity of goods shall be presented for transport within a specified period;

- (b) The condition that goods shall be simultaneously consigned for transport in sufficient quantity to form a complete trainload or at least a specified number of wagons;
- (c) The condition that goods shall be simultaneously consigned for transport in sufficient quantity to form a complete shipload;
- (d) The condition that the goods must be for domestic use or consumption;
- (e) The condition that the goods have previously been or are subsequently to be conveyed by water or air.

Any other condition which excludes the application of internal preferential tariffs shall be deemed non-existent in the case of the consignments above mentioned.

## Article VII

The provisions of article V and article VI shall not apply to reductions of tariffs granted:

- (a) With respect to the carriage of public officials, employees of transport and State undertakings, members of the armed forces, commercial travellers and members of the families of the above-mentioned persons, as well as to the carriage of their luggage;
- (b) With respect to the transport of cases with samples or specimens;
- (c) With respect to the carriage of freight for the requirements of communications undertakings or official civil or military authorities;
- (d) In favour of charitable institutions, national and foreign exhibitions, public education or in the event of public calamities.

#### Article VIII

In establishing through tariffs the following principles shall apply:

- (1) In the case of goods consigned in the territory of either High Contracting Party for transport to the territory of the other High Contracting Party, tariffs rates on the internal railways of the two Parties shall be reduced by half the amount of handling (station) charges.
- (2) In the case of goods consigned for transport in the territory of either High Contracting Party in transit through the territory of the other High Contracting Party to a third State, or in the opposite direction, tariffs rates on the internal transit railways shall be reduced by the whole amount of handling (station) charges, and the rates on the railways of the importing or exporting Party shall be reduced by half the amount of handling (station) charges.

- (3) Should a real need arise, special tariffs rates shall be established. Such rates, computed in conformity with the principles of sound economic calculation, shall be designed to obtain the greatest possible volume of traffic for the transport routes of the two High Contracting Parties.
- (4) The communications authorities of the two High Contracting Parties undertake not to reduce their handling (station) charges without simultaneously reducing the appropriate schedule of rates.

## Article IX

- 1. The communications authorities of the two High Contracting Parties shall guarantee one another in their mutual and transit communications suitable connexions with their means of communication. They shall also endeavour to simplify and expedite transport formalities and to ensure the rapid and regular transport of both passengers and goods.
- 2. They shall also endeavour to see that their mutual and transit communications are effected without delay and that their communications facilities are operated to the greatest economic advantage of the two High Contracting Parties.

## Article X

The two High Contracting Parties undertake to conclude as soon as possible an agreement designed to establish conditions for the carriage of certain articles not accepted for transport by rail, or to establish more favourable conditions for articles accepted for transport under certain conditions, as defined in article 4, paragraph 2, of the International Convention Concerning the Transport of Goods by Rail, dated 23 November 1933.1

## Article XI

The two railway administrations shall fix the number of routes and the relevant time-tables of journeys through the most suitable frontier crossings with a view to effecting the mutual and transit transport operations of interest to both High Contracting Parties by the most convenient route.

## Article XII

The rail and water transport authorities of the two High Contracting Parties shall proceed forthwith to conclude the necessary agreements for the earliest possible introduction of transit traffic by water, or by rail and water, which is of importance to both Parties.

<sup>&</sup>lt;sup>1</sup> League of Nations, Treaty Series, Vol. CXCII, p. 389.

## Article XIII

The two High Contracting Parties agree that in the case also of passenger traffic of importance to both countries the competent communications authorities of the two Contracting Parties, and in particular the railway and airline authorities, shall make every effort to regulate such traffic in a manner similar to that defined above for the transport of goods.

## Article XIV

- 1. Financial settlements in respect of communications shall be adapted to the principles laid down in Polish-Czechoslovak financial agreements.
- 2. In the case of settlements in respect of communications with third States, if they are connected with transit through the territory of either High Contracting Party, account shall be taken of any payments agreements concluded by all of the States concerned.

## Article XV

- 1. The Polish-Czechoslovak Communications Commission shall draw up for each half-year a programme of transit traffic between Polish ports and Czechoslovakia, and between the Union of Soviet Socialist Republics and Czechoslovakia. This programme shall determine the quantitative volume of traffic and the individual categories of freight, provision being made for a suitable distribution, as between bulky commodities, such as ore, pyrites and the like, and valuable raw materials from overseas, such as cotton, and manufactured goods. The programme shall take into consideration, on the one hand, the structure of Czechoslovak foreign trade, and, on the other hand, the transshipment capacity of Polish seaports, the state of their shipping connexions and the transport capacity of Polish railways and waterways.
- 2. Similarly, in conformity with the principles laid down in paragraph 1 hereof, the Commission shall draw up a programme of transit traffic between Poland and Czechoslovak inland ports and between Poland and third States in transit through Czechoslovakia, provision being made for a suitable distribution as between bulky commodities, such as coal, coke and the like, and other commodities.
- 3. The above programmes shall be designated to ensure, to the greatest possible extent, in conformity with the principles of sound economic calculation, the maximum volume of traffic through Polish seaports and through Czechoslovak inland ports on the Danube. If, in drawing up these programmes, it appears that actual traffic conditions are not suitable for this purpose, the Commission shall advise the other Polish-Czechoslovak Commissions and, if

necessary, the Polish-Czechoslovak Economic Co-operation Council, accordingly.

- 4. The above-mentioned programmes shall, moreover, provide effective measures, to be applied by both High Contracting Parties, for their exact execution, for supplying, *inter alia*, the number of wagons necessary to conduct the above-mentioned transit traffic.
- 5. Should any difficulty arise in drawing up or carrying out the programme in the Polish-Czechoslovak Communications Commission, the matter shall be referred at the request of any department of the Commission to the Polish-Czechoslovak Economic Co-operation Council to be dealt with in accordance with its statute.<sup>1</sup>

#### SECTION C. — SEAPORTS

#### Article XVI

- 1. The shipping firms of the two High Contracting Parties shall, when using seaports or separate port areas situated in the territory of the High Contracting Parties or owned by them in the territory of third States where the treaties with such States permit be bound primarily by the provisions of the present Agreement.
- 2. The provisions of any valid international agreements to which both the High Contracting Parties have acceded or may in future accede, on matters relating to this Agreement, shall also apply, as well as the provisions of agreements between the Contracting Parties concerning similar matters, and, lastly, the laws of each Contracting Party within its territory, in the absence of any provision to the contrary in this Agreement.

#### Article XVII

- 1. As regards the use of harbour installations of all kinds and port services, each of the High Contracting Parties shall accord to the shipping firms of the other Contracting Party, and their employees, vessels and cargoes, treatment not less favourable than that granted to others, and, in any event, the same treatment as that accorded to its national shipping firms, their employees, vessels and cargoes.
- 2. The provisions of the above paragraph shall also apply to any charges levied in the ports of the two High Contracting Parties. Charges shall be levied solely for the actual use of the port, its installations or services.

<sup>&</sup>lt;sup>1</sup> See p. 338 of this volume.

3. The two High Contracting Parties agree that, if it is needed in order to increase the turn-over of goods in ports or for any other good reason, special rates for trans-shipment and warehousing charges, or conditions for free warehousing in seaports may be introduced, in conformity with the principles of sound economic calculation. Such rates, charges and free warehousing conditions may vary with the quantity and type of cargo and the time of year.

### Article XVIII

- 1. The Polish Republic shall permit the use by the Czechoslovak Republic of the seaports of Stettin and Gdynia-Gdansk as technical shipping bases for Czechoslovak merchant vessels.
- 2. For this purpose, the competent port authorities shall make available, on the widest possible basis, to Czechoslovak shipping firms or Czechoslovak merchant vessels, as the case may be:
  - (a) Suitable space for mooring, anchoring or for storing the necessary materials for their operation and maintenance;
  - (b) Supplies of all necessary materials for their operation, such as fuel, lubricating oils, ships' stores, food, water for drinking and other purposes, and the like;
  - (c) Facilities of all kinds, such as the right to use dockyards and to effect repairs of all kinds, and facilities for classification, fitting out telecommunications and the like.
- 3. The use of marine bases in accordance with the provisions of the above paragraphs shall be effected in the conditions best suited to the requirements of the Czechoslovak Republic and, at the very least, under the normal conditions for the operation of Polish merchant vessels.
- 4. Detailed rules for the securing of marine bases shall be laid down in special agreements to be concluded between the competent port authorities and the Czechoslovak authorities or Czechoslovak shipping firms.

#### Article XIX

1. The agency designated by the Polish Government shall lease to the agency designated by the Czechoslovak Government sectors of the Customs-free zone in the port of Stettin. The location and size of such sectors of the Customs-free zone shall be adapted to the needs and the volume of Czechoslovak goods traffic through the port of Stettin, and to the general plans for the construction

and operation of that port. The term of the lease shall be not less than thirty years.

The leased areas of the port shall include existing port installations, such as quays, railway lines, warehouses, buildings, and so forth. If such installations require repair or further capital expenditure in order to be fully exploitable by the lessee, the latter shall carry out the repairs and expenditure necessary for the exploitation of the leased area in a manner conforming to sound port management and adapted to the general plans for the port's construction and extension.

2. Not later than six months after the entry into force of the present Agreement and subject to the requisite technical data being supplied, the port authorities at Stettin and the agencies designated by the Czechoslovak Government shall conclude a model agreement specifying what areas are to be leased to Czechoslovakia at particular times, and on what terms.

The transfer of the first leased area shall be effected not later than six months after the conclusion of the model agreement. The capital investment plans to be carried out by the lessee in that area and the dates for beginning and completing the work shall be specified in separate lease agreements.

The time-limits for the conclusion of the agreements may be altered by agreement with the Polish-Czechoslovak Communications Commission.

- 3. Pending the completion of the work in the first leased areas, the Czechoslovak lessee may, if necessary, make use of areas, warehouses and installations in another part of the port of Stettin suitable for exploitation, and shall be entitled to utilize such temporary space and installations free of duty.
- 4. Undertakings designated by the Czechoslovak Government, may, under special agreements, be admitted as shareholders to Polish industrial undertakings, such as docks, elevators, cold storage plants, and the like, situated in the Customs-free zone of the port of Stettin.
- 5. With a view to putting the port of Stettin into operation as quickly and as fully as possible, and, in particular, to completing and expanding the capital equipment already existing there, the two High Contracting Parties shall promote the conclusion of detailed agreements between the Stettin port authorities and the competent Czechoslovak firms for the supply of transshipment and communication installations, and other port equipment.
- 6. The two High Contracting Parties agree that the Polish-Czechoslovak Communications Commission shall supervise the application of the present article within the time-limits and in the manner specified therein. The Commission

sion shall also consider any questions connected with the use of Polish seaports by Czechoslovak shipping firms.

#### Article XX

Each High Contracting Party shall provide the other Party or its designated undertakings with facilities in Polish seaports or Czechoslovak ports on the Danube, as the case may be, for the trans-shipment of goods in the quantities determined on the basis of article XV and, if necessary, for the possible temporary storage of such goods.

#### Article XXI

1. The Czechoslovak agencies referred to in article XIX shall have the right in Polish seaports to the exclusive use under lease of strictly delimited stretches of water adjacent to the port areas or warehouses leased to them. This right shall also extend to the vessels of other undertakings operating on behalf of the Czechoslovak Republic.

If the quays leased to the above-mentioned Czechoslovak agencies are temporarily not being used, the port authorities may, in case of need, use them for the general purposes of the port by agreement with the lessees. In such case, the charges levied by the port authority may be applied.

- 2. In case of need Czechoslovak shipping firms may occupy, at current rates, a larger area of water than as specified above, with the agreement of the port authority, which shall take Czechoslovak traffic requirements into consideration to the greatest possible extent.
- 3. The port authority shall at its own expense maintain the leased stretches of water and the approaches thereto in a proper navigable condition.

#### Article XXII

If the leased areas, the warehouses with the equipment thereof, or any particular installations are inadequate for the reception and clearance of Czechoslovak consignments, the port authority shall, on application, endeavour to ensure the trans-shipment and storage of the goods in other suitable areas in the port of Stettin, or in other Polish seaports, up to the quantity fixed on the basis of article XV, or in excess thereof, so far as the trans-shipment and economic possibilities of Polish seaports allow.

#### Article XXIII

1. The Czechoslovak agencies referred to in article XIX shall be entitled to build and maintain in the areas leased in Polish seaports buildings and in-

stallations of all kinds necessary for trans-shipment and for their regular operations provided the plan is approved by the port authority and is in conformity with the legislation in force.

- 2. The buildings and installations referred to in the above paragraph shall, for the entire duration of the relevant lease agreement, remain the exclusive property of the Czechoslovak agencies referred to in article XIX. Such agencies may at any time remove them, unless otherwise provided in the lease agreement. The latter shall also specify who is to own the buildings and installations on the expiry of the agreement.
- 3. Materials, tools, instruments and other equipment for the erection and maintenance of buildings and installations of all kinds in the port's Customsfree zone may be imported without payment of Customs or other charges; details shall be agreed upon between the competent authorities of the two High Contracting Parties.

#### Article XXIV

- 1. The Czechoslovak agencies referred to in article XIX shall be entitled to use the leased areas and installations independently and in accordance with their needs. In particular, they shall be authorized, in connexion with the trans-shipment and storage of goods, to carry out any normal commercial operations in accordance with the regulations in force for the port concerned or part thereof.
- 2. The Czechoslovak agencies referred to in article XIX shall be entitled to fix and levy, at their discretion, charges for the use of the areas and installations by third parties, and to effect any operations permitted under the provisions of the foregoing paragraph.
- 3. The inscriptions and notices of the Czechoslovak agencies referred to in article XIX, which do not relate to their internal operations, shall be written in the official languages of the two High Contracting Parties.

### Article XXV

Where the wage rates of port workers are fixed under generally applicable tariff regulations or collective agreements, such rates shall also be applied by the Czechoslovak agencies referred to in article XIX.

### Article XXVI

Should the Polish Government request the right to use free areas which are or will be held by Czechoslovakia in the seaports of third States, Polish shipping firms shall, if the agreements with such third States allow, be granted under appropriate agreements rights in such free areas similar to those granted in Polish ports under the present Agreement to the Czechoslovak agencies referred to in article XIX.

# SECTION D. — SHIPPING Article XXVII

Each of the High Contracting Parties undertakes to ensure to the shipping firms of the other Party, in the seaports under its sovereignty or administration or in the harbour areas allocated to it in the territory of third States, if the agreements with such States allow treatment equal to that accorded to its own shipping firms, as regards free access to and use of ports and unrestricted enjoyment of the facilities granted to shipping firms, the commercial operations of vessels, their crews, cargoes and passengers, as regards facilities for loading and discharging, and also as regards charges and dues of all kinds levied by or on behalf of the Government, public authorities, concessionnaires or institutions of any kind.

#### Article XXVIII

- 1. The two High Contracting Parties agree that the shipping firms of both Parties shall, while retaining their juridical and economic independence, and having in mind the special economic and general interest of their respective States, effect the transport of goods, as far as possible, in the closest economic co-operation, on the scale and under the conditions to be defined in the agreement to be concluded between the above-mentioned firms; this agreement shall come into force on ratification by the Governments of the two Contracting Parties.
- 2. The co-operation referred to in paragraph 1 shall relate, inter alia, to the following questions:
  - (a) The establishment of uniform transport tariffs (rates) and conditions;
  - (b) The introduction of through transport documents, in agreement with the rail and inland water transport administrations of the two High Contracting Parties;
  - (c) The introduction of through tariffs for combined rail-water transport;
  - (d) Mutual assistance and co-operation in other technical transport operations, such as the repair of vessels, storage of cargoes, accidents, telecommunications, replacement of crew shortages, port services, supply of fuel, and the like.
- 3. With a view to increasing co-operation between shipping firms, joint meetings of their administrations shall be held as required.

#### Article XXIX

Ships' managers, consigners of goods, and owners or charterers of vessels, who are nationals of either High Contracting Party, and their representatives and agents, shall be entitled in the territory of the other Party to use all port installations and facilities and their auxiliary equipment, in so far as these are intended for public use, under the same conditions and at the same rates as the nationals of that Party.

#### Article XXX

Neither of the High Contracting Parties shall hinder the firms referred to in article XXVIII in installing and maintaining, in the territory of the other Contracting Party, their representatives' offices, agencies, branches, operational services (e.g., ship repair yards) and other installations necessary for their operation, provided they comply with the legislation of the State in which they are established.

#### Article XXXI

- 1. The firms referred to in article XXVIII shall be authorized to employ nationals of either Contracting Party in their agencies in the territory of the other Party and, subject to the agreement of the competent authorities of the latter, persons who are not nationals of either Party.
- 2. In issuing residence permits to persons employed in the service and operational agencies referred to in article XXX, the two Contracting Parties shall grant each other favourable treatment in the application of their current regulations.

#### Article XXXII

- 1. The nationality of a vessel shall be determined in accordance with the laws of the State to which the vessel belongs. The certificates and documents on board the vessel issued to the shipping firm by the competent authorities of the State concerned shall constitute proof of nationality.
- 2. National legislative provisions regarding the fitting-out, installation, rescue equipment, markings and seaworthiness of seagoing vessels operated by the firms referred to in article XXVIII, shall, if they do not conflict with international regulations, be recognized in the seaports and coastal waters of the other Contracting Party.
- 3. Pending the conclusion of an agreement on the recognition of measurement certificates, the vessels of either Contracting Party shall not be subject in the seaports of the other Party to any new measurement requirements. The

amounts of port charges and services shall be determined on the basis of the measurement certificates issued by the competent authorities of the State under whose flag the vessels are flying.

#### Article XXXIII

- 1. Seagoing vessels of all kinds, provided that they enter the Customs zone of either of the High Contracting Parties as conveyances for the carriage of goods or passengers, and leave again either with or without a cargo shall, together with their normal equipment and fittings found on board, their dispensaries, spare parts and instruments, be exempt from Customs duties and all import and export charges.
- 2. Fuel carried on board seagoing vessels in quantities corresponding to normal requirements shall be exempt from Customs duties and import and export charges. Exemption from Customs duties and import and export charges shall also be granted in respect of clothing, footwear and other articles for personal use, carried with them by members of ships' crews or members of their families travelling with them or living with them on board, for their personal or professional use, or sent in advance of, or after, them for that purpose, provided such articles correspond in quantity and quality to normal supply requirements; also in respect of food and medicaments carried by such persons in the quantities corresponding to the requirements of the journey, and, lastly, articles manufactured by State monopolies, in the quantities permitted under the regulations of the State into whose territory they are introduced.
- 3. Articles and materials carried on board a seagoing vessel must be entered in the inventory of the said vessel or in a special list. The inventory and the said list must be produced on request to the Customs and frontier authorities.
- 4. The two Contracting Parties agree, in so far as existing legislation permits, to grant the firms referred to in article XXVIII, every facility with a view to expediting the Customs and other formalities connected with the carriage of goods and passengers.

#### Article XXXIV

1. The two High Contracting Parties shall grant each other exemption from Customs duties and all charges in respect of fuel, lubricating oils, spare parts, instruments and any materials and articles whatsoever introduced by the shipping firms of either Contracting Party into the territory of the other Contracting Party and required for transport operations, repair or construction work, or building installations of all kinds. This shall also apply to tools, instruments and machinery required for the above mentioned operations, and, in particular, for the equipment of shipbuilding and repair yards, subject to the

condition that such repairs, construction and the like shall be effected in the Customs-free area of the port.

- 2. The two High Contracting Parties shall grant each other every possible facility with respect to the importation or temporary storage of the articles referred to in the preceding paragraph, provided supervision within the limits of existing Customs regulations is organized.
- 3. The competent authorities of the two Contracting Parties shall concert detailed provisions concerning the Customs facilities provided for in this article.

#### Article XXXV

For purposes of taxation, the firms referred to in article XXVIII shall be treated as shipping firms of the most-favoured nation.

#### Article XXXVI

- 1. The two High Contracting Parties agree that the members of the crews of their seagoing vessels shall be entitled, on the basis of their special identity cards issued by the competent authorities, to cross the common frontier at the places designated for that purpose and to travel through their territory to their destination. Nevertheless, for the purpose of permanent residence in the territory of the other Contracting Party, such persons shall be required to be in possession of a regular passport.
- 2. Detailed regulations shall be set forth in a special agreement to be concluded by the competent central authorities of the two Contracting Parties.

#### Article XXXVII

The treatment of the vessels of the other High Contracting Party on the same basis as national or most-favoured-nation vessels, shall not extend to:

- (a) Fishing in territorial waters;
- (b) The application of special provisions for the expansion of the national merchant fleet, shipbuilding and navigation;
- (c) Direct benefits granted by the State to vessels sailing under its flag;
- (d) Privileges granted to yacht clubs;
- (e) The performance of maritime services, including piloting, towing, salvage and subsidiary services, in ports and roadsteads, and on beaches;
- (f) Emigration and the carriage of emigrants.

#### Article XXXVIII

The provisions of this section shall in no case apply to coastal shipping between Polish ports.

# SECTION E. — INLAND NAVIGATION AND INLAND PORTS Article XXXIX

- 1. The Government of each High Contracting Party shall grant the legal or natural persons designated by the Government of the other Party the right to establish undertakings which shall be permitted to navigate on its inland waterways.
- 2. The two Contracting Parties, having primarily in mind their own requirements, shall harmonize their intentions with regard to navigation installations of all kinds and the number of vessels to be used by the above-mentioned undertakings, with a view to adapting the total tonnage on the various inland waterways, as far as possible, to the anticipated total traffic thereon.
- 3. The provisions adopted in pursuance of the present Agreement shall apply to the undertakings referred to in paragraph 1. Moreover, such undertakings shall have the same rights and duties as shipping firms belonging to nationals of the Party granting the concession.
- 4. Any special advantages, benefits or privileges granted by either Contracting Party to any third State or to the shipping firms thereof shall also apply to the shipping firms of the other Contracting Party, and to their executive organs, employees, vessels and cargoes.
- 5. Annex No. 6b to the present Agreement, which constitutes an integral part thereof, sets forth the principles governing a concession to establish and operate an inland navigation undertaking on the river Oder to be granted by the Polish Government to the agency designated by the Czechoslovak Government.

#### Article XL

- 1. The shipping firms of the two High Contracting Parties operating on the same inland waterway shall conclude special agreements providing for full co-operation, subject to the maintenance of their legal and economic independence and having regard to their special tasks.
- 2. The co-operation referred to in paragraph 1 shall relate, inter alia, to the following tasks:
  - (a) The most extensive use of the river fleet;
  - (b) The establishment of uniform transport conditions and transport and trans-shipment tariffs;

- (c) The introduction of through transport documents and combined transport tariffs, by agreement with the railways and shipping firms of the two Contracting Parties;
- (d) Mutual assistance and co-operation in other technical transport operations, such as the repair of vessels, storage of cargoes, accidents, telecommunications, replacement of crew shortages, port services, the supply of fuel, and the like;
- (e) The establishment and application of uniform labour conditions and rates of pay, bonuses and the like, for their employees.
- 3. With a view to increasing co-operation between the shipping firms, their administrations shall hold joint meetings as required.

#### Article XLI

- 1. The two High Contracting Parties agree that the shipping firms referred to in article XXXIX, and, in particular, their executive organs, employees, vessels and cargoes shall receive in the territory of the other Contracting Party treatment as favourable as that accorded to the latter's national shipping firms.
- 2. The transport of goods effected by the firms or undertakings referred to in article XXXIX shall be subject only to the restrictions arising out of regulations in force in the given territory relating to customs, police, armed forces, public health, veterinary services and emigration, other regulations relating to public order and security, and regulations in force in that territory governing commercial policy. Such regulations shall be applied only in so far as this is essential and they may not hamper freedom of navigation; moreover, the principle of equal treatment for all shipping firms shall be observed.

# Article XLII

No hindrances shall be put in the way of the firms referred to in article XXXIX in installing and maintaining their operational services (such as representatives' offices, agencies and branches) and technical services (such as ship repair yards) or other installations necessary for carrying out the normal shipping operations, subject to compliance with existing legislation.

#### Article XLIII

1. Ship's documents relating to the construction, markings, equipment, safety installations and seaworthiness of vessels, and boiler inspection certificates, issued by the competent authorities of either High Contracting Party, shall be recognized on the inland waterways and in the ports of the other Party,

provided that they are presented to the competent local authorities and certified by them as valid. In the same way, technical inspection of such vessels carried out by the authorities of the other Contracting Party shall be recognized in accordance with the same principles.

- 2. Certificates and navigation documents issued by the competent authorities of either Contracting Party shall be recognized on the inland waterways of the other Contracting Party, provided that the persons applying for such recognition demonstrate a knowledge of local navigation regulations and of technical navigation conditions on the waterways concerned.
- 3. The two Contracting Parties undertake to ensure the application of the most favourable regulations to the firms referred to in article XXXIX, when applying for the authorization referred to in the above paragraphs.

#### Article XLIV

- 1. Vessels of all kinds used by the firms referred to in article XXXIX, together with their regular equipment and spare parts, instruments, and fuel carried on board in quantities corresponding to traffic requirements, shall be exempt from import and export duties. The above-mentioned articles carried on board vessels must be entered in the appropriate books or registers which must be presented on request to the Customs and frontier guard authorities.
- 2. Exemption from import and export duties shall also be granted in respect of fuel, lubricating oils, spare parts, instruments, tools and machinery required for operational or constructional purposes, and, in general, any articles imported on behalf of the undertakings referred to in article XXXIX for the repair or construction of vessels, trans-shipment and other installations, as well as clothing, food and other articles intended for the current needs of crews and their families, but such articles may not be sold and they shall be subject to control by the competent revenue authorities. On the proposal of the Polish-Czechoslovak Communications Commission, the competent authorities shall from time to time draw up schedules of the individual items to which this regulation applies.
- 3. The two Contracting Parties undertake to ensure to the firms referred to in article XXXIX the application of the most favourable regulations, with a view to expediting Customs procedures and formalities relating to the transport of the articles referred to in the preceding paragraphs.

#### Article XLV

The firms referred to in article XXXIX shall be liable to taxes and fiscal charges in accordance with the regulations in force in their sphere of activity.

The method of payment of such taxes and charges shall be defined in the concession documents.

#### Article XLVI

- 1. Each of the High Contracting Parties agrees that nationals of the other Contracting Party may be employed in its territory by the firms referred to in article XXXIX. They shall be given permits to cross the common State frontier and to reside in the territory of the other Contracting Party to the extent required by their official duties.
- 2. Residence permits shall also be issued to the families of persons employed in the territory of the other State.
- 3. Each Party reserves the right to refuse such permits in individual cases in accordance with the regulations generally in force.

#### Article XLVII

- 1. Poland shall, if requested by Czechoslovakia, lease to the firms referred to in article XXXIX, having regard to their requirements and to the cooperation provided for in article XL, such suitable areas or sites in ports or quays on the Oder, including the river port at Stettin, as are needed for transshipping and warehousing goods and supplying vessels with essential operational requirements, together with docks and repair shops on the Oder or areas suitable for their installation.
- 2. Czechoslovakia shall, if requested by Poland, lease to the firms referred to in article XXXIX, having regard to their requirements and to the co-operation provided for in article XL, sectors of the ports of Bratislava and Komarno, together with the auxiliary installations.
- 3. Exact definitions of such facilities and detailed conditions for their lease shall be laid down in agreements between the firms referred to in article XXXIX and the competent port or inland waterway authorities.

### Article XLVIII

The provisions of article XXI and article XXIII, paragraphs 1 and 2, of the present Agreement shall also govern questions relating to the erection and use of buildings and installations necessary for the operation of inland navigation in the areas leased in accordance with article XLVII.

#### Article XLIX

Should a connexion be made between the inland waterways systems of the two High Contracting Parties, a new agreement shall be concluded adapting the provisions of the present Agreement to the new circumstances.

### SECTION F. - CONSTRUCTION OF INLAND WATERWAYS

#### Arlicle L

- 1. The two High Contracting Parties agree on the need to carry out studies concerning the Oder-Danube waterway and the technical, organizational and economic problems connected therewith. Work on such projects must be planned in such a way that their first stages afford the two High Contracting Parties direct and real benefits.
- 2. There shall be set up for this purpose a Polish-Czechoslovak Committee of Studies for Oder-Danube Waterway Problems, which shall be an organ of the Polish-Czechoslovak Communications Commission. The Statute of the said Committee shall constitute annex No. 6c to the present Agreement.
- 3. The members, experts and auxiliary staff of the said Committee shall, in the performance of their official duties, be accorded the most favourable treatment within the limits of the regulations in force when crossing the common frontier of the two Contracting Parties.

#### Article LI

The High Contracting Parties shall in their common interest afford one another all possible assistance in improving and perfecting their inland waterways and related installations.

#### Article LII

With regard to the Oder-Danube waterway, each of the Contracting Parties shall in its own territory construct reservoirs designed to improve navigation conditions on the river Oder. The programme for the construction, financing and operation of such reservoirs shall be prepared by the Polish-Czechoslovak Communications Commission, consideration being given to the effect of such works in increasing the efficiency and earning capacity of shipping and shall be adjusted to the requirements of navigation on the Oder, without prejudice to other sectors of the water economy.

#### Article LIII

The two Parties recognize as a particularly important section of the Oder-Danube Canal the section between Kozle and Ostrawa, and, in connexion therewith, the Polish-Czechoslovak Communications Commission shall prepare joint technical and financial plans for the completion of that sector during the first stage of the construction of the Oder-Danube Canal.

# Section G. — Final provisions Article LIV

If at any time during the validity of the present Agreement either of the High Contracting Parties asks for a revision of all or any of the provisions thereof, the other Contracting Party shall be bound to open negotiations not later than two months from the date of submission of a proposal for revision accompanied by a statement of reasons.

#### Article LV

The present Agreement shall come into force on the date of the entry into force of the Convention between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation, shall remain in force for five years, and shall be renewed by tacit consent for further periods of five years unless it is denounced by one of the High Contracting Parties not less than one year prior to the expiry of the current five-year period.

Done in duplicate, in the Polish and Czechoslovak languages, both texts being authentic.

Prague, 4 July 1947.

For the Government of the Polish Republic:

(Signed) H. MINC

S. Wierbłowski

O. Rose

For the Government of the Czechoslovak Republic;

(Signed) Jan Masaryk

Hubert RIPKA

Josef Janda

Evžen Löbl

#### Annex No. 7

# AGREEMENT BETWEEN THE POLISH REPUBLIC AND THE CZECHOSLOVAK REPUBLIC CONCERNING FINANCIAL CO-OPERATION

In pursuance of the Convention between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation, the two High Contracting Parties have concluded an Agreement concerning financial co-operation, containing the following provisions.

# A. — THE OBJECTIVES OF FINANCIAL CO-OPERATION Article I

The objectives of Polish-Czechoslovak financial co-operation shall be:

- 1. Supervision of the proper execution of the Payments Agreement<sup>2</sup> and of the plan for payments arising out of the Agreement concerning deliveries of capital goods<sup>3</sup> and the Agreement concerning the exchange of goods;<sup>4</sup>
- 2. The promotion of contacts between the banks, savings banks and insurance institutions of the two States, with regard to:
  - (a) The establishment of the principles of professional co-operation;
  - (b) The scientific organization of labour;
  - (c) The exchange of professional information and practical experiments;
  - (d) The training and exchange of workers;
- 3. The familiarization of the above-mentioned institutions with each other's organization and methods of work;
- 4. The identification and co-ordination of all matters of common interest to such institutions:
- 5. The exchange of views and the co-ordination of procedures with regard to problems affecting foreign financial markets which might interest the two States, and the preparation of materials and proposals concerning such problems.

# B. — Means of achieving the objectives

#### Article II

The above-mentioned objectives shall be achieved through the agency of the Polish-Czechoslovak committees established for that purpose by the two Governments concerned.

<sup>&</sup>lt;sup>1</sup> See p. 204 of this volume.

<sup>&</sup>lt;sup>2</sup> See p. 254 of this volume.

<sup>&</sup>lt;sup>8</sup> See p. 248 of this volume.

<sup>4</sup> See p. 238 of this volume.

#### Article III

The following Polish-Czechoslovak committees shall be established in the first place:

- (a) A committee on banking co-operation;
- (b) A committee on co-operation in the matter of savings;
- (c) A committee on co-operation in insurance matters.

Other committees may be established as required.

### Article IV

The committees shall function in accordance with statutes to be ratified by both Governments.

#### Article V

A Polish-Czechoslovak Financial Commission shall be set up to supervise the application of the present Agreement. The organization, purposes, scope and functions of this Commission are defined in a statute annexed to the present Agreement and constituting an integral part thereof (annex No. 7a).

#### Article VI

This Agreement shall come into force on the date of the entry into force of the Convention between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation, shall remain in force for five years and shall be renewed by tacit consent for further periods of five years, unless it is denounced by one of the High Contracting Parties not less than one year prior to the expiry of the current five-year period.

Done in duplicate, in the Polish and Czechoslovak languages, both texts being authentic.

Prague, 4 July 1947.

For the Government of the Polish Republic:

(Signed) H. MINC

S. Wierbłowski

A. Rose

For the Government of the Czechoslovak Republic:

(Signed) Hubert RIPKA

Jan Masaryk

Evžen Löbl

Josef JANDA

#### Annex No. 8

# AGREEMENT BETWEEN THE POLISH REPUBLIC AND THE CHECHOSLOVAK REPUBLIC CONCERNING INDUSTRIAL CO-OPERATION

In pursuance of the Convention between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation, the High Contracting Parties have concluded an Agreement concerning industrial co-operation containing the following provisions:

#### Article I

The purpose of industrial co-operation between the two States is mutual assistance with a view to the full utilization of industry, and to its development and technical progress, which the industrial authorities of both States wish to accelerate to the best of their ability, so as to raise the standard of living of their nationals, intensify economic activity and thus strengthen economic ties with other countries.

Industrial co-operation between the two countries shall be developed gradually and systematically.

#### Article II

The methods of achieving industrial co-operation are the following:

- 1. The reciprocal study of the production programmes of individual sectors of industry, with a view to their mutual supplementation and, if necessary, co-ordination;
  - 2. The joint reconstruction or establishment of industrial installations;
- 3. The investigation of the possibility of commercial co-operation between sectors of industry of the two countries, and, in certain cases, its practical implementation;
- 4. The exploration of the possibility of co-operation, and its implementation, with regard to:
  - (a) Normalization and standardization;
  - (b) Scientific and research work;
  - (c) The scientific organization of labour;
  - (d) The training of industrial personnel;
  - (e) The modernization of technological and construction methods;

<sup>&</sup>lt;sup>1</sup> See p. 204 of this volume.

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- (f) Patents, licences and other scientific and technical matters;
- 5. Other methods of co-operation which in particular sectors would further the common interests of the industries of the two countries.

#### Article III

The industrial co-operation programme defined above shall be fulfilled within the framework of individual sectors of industry; Polish-Czechoslovak Sector Committees shall be set up for this purpose.

# Article IV

With a view to the continuous co-ordination of the work of the Sector Committees, the Polish-Czechoslovak Industrial Commission, which is referred to in article 5 of the statutes of the Polish-Czechoslovak Economic Co-operation Council, shall be set up.

In order to fulfil its functions, the Industrial Commission shall supervise the activities of the Sector Committees, examine and appraise their reports, co-ordinate the related work of the individual Committees in matters which do not fall within the competence of other commissions, advise the Committees with a view to facilitating their co-operation, and settle any disputes referred to it by the individual Committees.

### Article V

The chairmen and members of the Industrial Commission and of each of the Sector Committees shall be appointed and removed by the Governments of the two States.

#### Article VI

The statutes of the Industrial Commission shall constitute an annex to this Agreement (annex No. 8a).

### Article VII

The Industrial Commission shall approve the statutes of the individual Sector Committees and any amendments thereto. The statutes shall in each case be based on the following principles:

- 1. The Sector Committee shall consist of a Polish section and a Czecho-slovak section.
- 2. The chairmen and members of the two sections shall be appointed and removed by their own Governments.
- 3. No decision may be taken by the Committee except on the basis of a declaration by the chairmen of both sections that the two Parties are in agreement on the matter in question.

<sup>&</sup>lt;sup>1</sup> See p. 338 of this volume.

4. The statutes of the Sector Committee may provide for the establishment of sub-committees to study specific aspects of the sector of industry concerned, or of other temporary or permanent bodies to carry out special tasks.

#### Article VIII

For the purposes of this Agreement, the term "industry" shall be deemed to mean industrial and artisan production as a whole.

#### Article IX

This Agreement shall come into force on the date of the entry into force of the Convention between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation, shall remain in force for five years and shall be renewed by tacit consent for further periods of five years, unless it is denounced by one of the High Contracting Parties not less than one year prior to the expiry of the current five-year period.

Done in duplicate, in the Polish and Czechoslovak languages, both texts being authentic.

Prague, 4 July 1947.

For the Government of the Polish Republic:

(Signed) H. MINC

S. Wierbłowski

A. Rose

For the Government of the Czechoslovak Republic:

(Signed) Hubert RIPKA

Jan Masaryk

Josef Janda

Evžen Löbl.

#### Annex No. 9

# AGREEMENT BETWEEN THE POLISH REPUBLIC AND THE CZECHOSLOVAK REPUBLIC CONCERNING CO-OPERATION IN AGRICULTURE, FORESTRY AND FOOD PRODUCTION

In pursuance of the Convention between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation, the High Contracting Parties have concluded an Agreement concerning co-operation in agriculture, forestry and food production, containing the following provisions:

#### Article I

The purposes of Polish-Czechoslovak co-operation in agriculture, forestry and food production are the following:

- 1. The reciprocal study of the natural, social, economic and technical conditions of agriculture, forestry and food production and the organization of agricultural society and rural life in the two Contracting States;
- 2. Mutual assistance in the reconstruction and development of agriculture, forestry and food production;
- 3. The establishment of directives for the reciprocal exchange of agricultural, forestry and food products;
- 4. A joint survey of the possibility of combined efforts in the production of certain agricultural articles, means of agricultural production and the output of the agricultural consumer industries, and the organization of the joint production of such articles and means of production;
- 5. Consultation concerning participation in international organizations, institutions and economic conferences, with a view to adapting joint production programmes to the requirements of the world market;
- 6. The development of reciprocal scientific, cultural and educational relations with respect to agriculture, forestry and food production.

#### Article II

With a view to achieving the aims set forth in article I, a Polish-Czechoslovak Agricultural Commission shall be set up. The organization, scope and procedure of the Commission are defined in the Statutes which constitute annex No. 9a to this Agreement and form an integral part thereof.

<sup>&</sup>lt;sup>1</sup> See p. 204 of this volume.

The principles by which the Agricultural Commission shall be guided in its work are defined in annex No. 9b, which constitutes an integral part of this Agreement.

#### Article III

This Agreement shall come into force on the date of the entry into force of the Convention between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation, shall remain in force for five years and shall be renewed by tacit consent for further periods of five years, unless it is denounced by one of the High Contracting Parties not less than one year prior to the expiry of the current five-year period.

DONE in duplicate, in the Polish and Czechoslovak languages, both texts being authentic.

Prague, 4 July 1947.

For the Government of the Polish Republic:

(Signed) H. MINC

S. Wierbłowski

A. Rose

For the Government of the Czechoslovak Republic:

(Signed) Hubert Ripka Jan Masaryk Evžen Löbl Josef Janda

Annex No. 10

# AGREEMENT BETWEEN THE POLISH REPUBLIC AND THE CZECHOSLOVAK REPUBLIC CONCERNING SCIENTIFIC AND TECHNICAL CO-OPERATION

In pursuance of the Convention between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation, the High Contracting Parties have concluded an Agreement concerning scientific and technical co-operation, containing the following provisions:

<sup>&</sup>lt;sup>1</sup> See p. 204 of this volume.

#### Article I

The purposes of Polish-Czechoslovak scientific and technical co-operation are the following:

- A. With regard to co-operation between scientific and research institutes:
- The familiarization of the scientific and research institutes of each Party with the problems and work programmes of the corresponding institutes of the other Party.;
- The concerting of plans for scientific research, the introduction as far as
  possible, of uniform types of documentation in defining the activities of
  institutes, and the co-ordination of work programmes with the economic
  plans of the two States;
- 3. The exchange of scientific personnel, information and documents;
- 4. Joint consultation at international congresses and, if necessary, the representation thereat of both Parties by the delegation of one of the two States;
- 5. The organization of meetings between the scientific and research institutes of the two States;
- 6. In particular, with a view to facilitating co-operation between scientific and research institutes the preparation for their respective Governments of draft regulations designed to:
  - (a) Co-ordinate the provisions of patent law;
  - (b) Enable scientific research workers of each State to carry on scientific activities in the territory of the other State, in accordance with their scientific degrees and qualifications;
  - (c) guarantee the necessary funds for the effective development of the proposed scientific and research co-operation between the two States.
  - B. With regard to co-operation in the matter of standardization:

Drawing up a work programme for the establishment of standards, deciding which standards should be common to both States, and apportioning the work among the appropriate sub-sections including, in particular:

- 1. The exchange of standards, projects and other similar material;
- 2. The standardization of designs and the selection of a number of the preferred limits and fits of the ISA, which are applied in the two States.

C. With regard to the scientific organization of labour:

Study of problems relating to the organization of labour in undertakings of all types and to labour legislation, especially in connexion with the rationalization of labour, manpower norms and workshop administration and accounting. These purposes shall be achieved, in particular, by means of:

- 1. The exchange of professional literature, instructions and printed matter;
- 2. The drawing up of short-term and long-term programmes, the work being divided between the two States;
- 3. The reciprocal adjustment of internal organizational methods in industrial undertakings, especially with regard to scientific organization, the economic use of manpower, power, raw materials, and the like;
- 4. The standardization of labour methods in the territory of the two States;
- 5. The exchange of workers and experience in the field of organisation;
- 6. The solution of labour problems in individual sectors, including the organization of direct relations between them.
  - D. With regard to the training of technical and economic workers:

The institution of co-operation between the two States in the exchange of experience in training industrial, commercial, agricultural, construction and transport workers and workers in other sectors of the economy, the training of young people, the preparation of workers to qualify as skilled workers, technicians or instructors in various branches of the economy and, in particular:

- 1. The exchange of professors and instructors of polytechnical institutes, technical schools and factory courses;
- 2. The exchange of students and probationers;
- The exchange of experience in training methods, and of instructions, publications, scientific aids and training programmes;
- 4. The preparation of Polish-Czechoslovak technical and economic dictionaries by Polish and Czechoslovak economic experts;
- 5. The organization of special libraries in the two States for the dissemination of specialized literature.

E. With regard to the modernization of technological methods, co-operation in respect of manufacturing rights, and co-operation between planning offices:

The promotion, in the various sectors of economy, of measures to introduce into the territory of the two States the latest technical advances, designed to simplify and improve technological processes, lower production costs, economize in the use of materials and means of production, and utilize substitute materials, and measures of all kinds for the modernization of production methods;

The co-ordination of general and fundamental problems relating to cooperation between sectors of the economy in the two States with regard to manufacturing rights;

As regards co-operation between planning offices, the co-ordination of the work of the sector planning offices concerned in the two States with planning for industry, building, transport and other sectors of economy.

Work in connexion with planning offices shall be carried out on the Sector Committee level and shall comprise, in particular:

- The exchange of nomenclature, projects and plans drawn up by planning offices of the two States in connexion with the economic plans of those States;
- 2. The co-ordination of work programmes and the allocation of tasks among the various offices engaged in the two countries of related problems;
- 3. The exchange of designs, instructions, documentary and other planning material, and the exchange of planning technicians.

#### Article II

A Polish-Czechoslovak Commission on Scientific and Technical Co-operation shall be set up to achieve the purposes of scientific and technical co-operation defined above.

#### Article III

The Commission on Scientific and Technical Co-operation may set up subcommissions to effect scientific and technical co-operation in particular fields. These sub-commissions shall include, in particular:

- 1. A Sub-Commission on Scientific and Research Institutes;
- 2. A Sub-Commission on Standardization;
- 3. A Sub-Commission on the Scientific Organization of Labour;

- 4. A Training Sub-Commission;
- 5. A Sub-Commission on Matters relating to Technology, Manufacturing Rights and Planning Offices.

#### Article IV

The statutes of the Commission on Scientific and Technical Co-operation shall be attached to this Agreement in the form of an annex.

#### Article V

The Commission on Scientific and Technical Co-operation shall assume its functions not later than fourteen days from the date of the entry into force of this Agreement.

### Article VI

This Agreement shall come into force on the date of the entry into force of the Convention between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation, shall remain in force for five years and shall be renewed by tacit consent for further periods of five years unless it is denounced by one of the High Contracting Parties not less than one year prior to the expiry of the current five-year period.

Done in duplicate, in the Polish and Czechoslovak languages, both texts being authentic.

Prague, 4 July 1947.

For the Government of the Polish Republic:

(Signed) H. MINC

S. Wierbłowski

A. Rose

For the Government of the Czechoslovak Republic:

(Signed) Hubert Ripka Jan Masaryk Evžen Löbl

Josef Janda

## Annex No. 11

# PROTOCOL CONCERNING CO-OPERATION IN THE REPAIR AND CONSTRUCTION OF CERTAIN ECONOMIC ENTERPRISES

- 1. The Polish Government and the Czechoslovak Government, attaching the highest importance to that form of economic co-operation which consists in the joint repair and construction of such economic enterprises as are or may in the future be of particular importance in raising the level of economic life in both countries, call upon the competent Sector Committees or other organs concerned to maintain constant supervision of the proper application of this form of co-operation.
- 2. The two Governments note with great satisfaction that agreement has been reached in principle between the Central Power Administration and the Czechoslovak Power Stations to prepare for the joint and rapid reconstruction of the first-stage of the electric power station at Dwory, near Oswiecim, with a capacity of 120,000 kilowatts, to supply electricity to the two countries.
- 3. The Governments of the two States confirm that, on the basis of preliminary conversations held by the industrial sectors concerned, primary consideration must be given to the possibility of the joint reconstruction of the following economic enterprises:
  - (a) The chemical plant at Dwory, near Oswiecim, together with the collieries at Ziemowit and Wesola;
  - (b) The Rokita chemical plant at Brzeg Dolny;
  - (c) The synthetic fibres factory at Gorgowie;
  - (d) The iron foundry near Gliwice, on the Klodnicki Canal;
  - (e) The dockyards on the Oder.
- 4. Co-operation in the repair and construction of certain economic enterprises shall be effected on a basis of equal profits, in so far as the construction of such enterprises in the territory of the High Contracting Parties is concerned, and in such a manner as to obviate the need for unilateral long-term credits.

Prague, 4 July 1947.

For the Government of the Polish Republic:

(Signed) H. MINC

S. Wierbłowski

A. Rose

For the Government of the Czechoslovak Republic:

(Signed) Hubert RIPKA Jan MASARYK Evžen LÖBL

Josef JANDA

### Annex No. 12

# AGREEMENT BETWEEN THE POLISH REPUBLIC AND THE CZECHO-SLOVAK REPUBLIC CONCERNING CO-OPERATION IN ECONOMIC PLANNING AND STATISTICS

In pursuance of the Convention between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation, the High Contracting Parties have concluded an Agreement concerning co-operation in economic planning and statistics, containing the following provisions:

#### Article I

The purposes of co-operation between Poland and Czechoslovakia with regard to economic planning and statistics are the following:

- 1. Joint consultation concerning the organization of planning, planning and statistical methods, and methods of work of planning and statistical organs and related agencies, of institutes for scientific research on economic subjects, and the like:
- 2. Exchange of information and mutual consultation with regard to the whole range of economic planning in the two States, special attention being paid, at the request of either Party, to the portions of such plans which are closely connected with economic co-operation between the two States;
- 3. Determining whether decisions of the Polish-Czechoslovak Commissions or their organs on questions of economic planning, such as the sharing of production programmes, and the like, shall be co-ordinated with the general economic plans of the two States;
- 4. Co-ordination of the economic statistics of the two States, with a view to achieving a wide measure of uniformity;
  - 5. Maintenance of regular contact between planning agencies by:
  - (a) The exchange of drafts, instructions, lists and other documents relating to methods and techniques to be used in planning, and in reporting on and supervising plan implementations;
  - (b) The exchange of official and other publications in the field of planning;
  - (c) The exchange of experience and information concerning the results of the methods of work and organization employed;
  - (d) The exchange of personnel employed in planning agencies, of reports, and of lecturers on planning;
  - (s) The organization of special courses for planning workers, with the participation of experts and lecturers from both States.

<sup>&</sup>lt;sup>1</sup> See p. 204 of this volume.

#### Article II

With a view to achieving the aims set forth in article I, a Polish-Czechoslovak Commission for Co-operation in Economic Planning and Statistics shall be set up. The organization, scope and procedure of the Commission are defined in the Statutes, which constitute an annex to this Agreement (annex No. 12a).

#### Article III

This Agreement shall come into force on the date of the entry into force of the Convention between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation, shall remain in force for five years and shall be renewed by tacit consent for further periods of five years, unless it is denounced by one of the High Contracting Parties not less than one year prior to the expiry of the current five-year period.

Done in duplicate, in the Polish and Czechoslovak languages, both texts being authentic.

Prague, 4 July 1947.

For the Government of the Polish Republic:

(Signed) H. MINC

S. Wierbłowski

A, Rose

For the Government of the Czechoslovak Republic:

(Signed) Hubert RIPKA Jan Masaryk Evžen Löbl Josef Janda

Annex No. 13

## FINAL PROTOCOL

On proceeding to sign the Convention concluded between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation, the undersigned plenipotentiaries have made the following declarations, which shall constitute an integral part of the present Convention:

<sup>&</sup>lt;sup>1</sup> See p. 204 of this volume.

I. On signing the Convention, the Treaty, the Agreements and the Protocols, which are to place future economic relations between the two States on a new basis, the two Governments confirm their concurrence in the view that all the above-mentioned instruments are closely inter-related. Hence, the plan for co-operation provided for in the agreements cannot function harmoniously unless not only the two Governments, but also the economic circles concerned take the necessary measures, in all sectors, to ensure that the proposed co-operation is developed to the fullest possible extent.

In this connexion, it is especially important that the prices and other delivery conditions under which the goods which may be exchanged are offered to the other Party should be such as to promote the conclusion of concrete transactions within the period provided for in the agreements; many quotas would otherwise not be taken up, and this might lead to an undesirable reduction of trade between the two countries.

This question is of particular importance for the Polish Government, in connexion with the practical implementation of the programme of deliveries of capital goods to Poland laid down in the Agreement concerning deliveries of capital goods from Czechoslovakia. The guarantee given to Poland that capital goods will be delivered in the quantities specified in the agreements represents the equivalent of the Polish Government's guarantee to deliver coal to Czechoslovakia in the quantities specified in the agreements and protocols, both in the first year in which the Agreement is in force and in the four years thereafter. Since Czechoslovak prices and other delivery terms will not be finally determined until the agreements are signed, whereas the terms for the delivery of the principal Polish export goods, and of coal in particular, have already been established, the fixing by Czechoslovakia of prices and other delivery terms such as to render the conclusion of transactions impossible would wholly disrupt the entire programme of economic and financial co-operation. The two Governments therefore agree to instruct their representatives in the Economic Cooperation Council, the Special Commissions and, in particular, the Trade Commission, the Capital Goods Commission and the Financial Commission to do everything possible to promote the effective implementation of the deliveries programme. Where the above-mentioned Polish-Czechoslovak organs fail to achieve the proper results, the two Governments undertake to open negotiations, at the request of either Party, with a view to restoring the balance of mutual advantage laid down in the agreements that have been concluded. The Governments also agree that such negotiations shall in no event take place before the expiry of six months from the date of the entry into force of the legal instruments signed this day.

<sup>&</sup>lt;sup>1</sup> See p. 248 of this volume.

- II. In view of the fact that not all the contracts for the purchase and sale of the goods destined for export from Czechoslovakia to Poland under the agreement embodied in the Protocol of 2 May 1947 and the letter of 6 June 1947 have yet been concluded, the Polish Government and the Czechoslovak Government agree that the quotas not yet purchased by Poland may be utilized after the expiry of the agreement embodied in the Protocol of 2 May 1947 and the letter of 6 June 1947.
- III. The agreements signed on this day's date do not include a special agreement to determine the method of consultation with regard to the activities of the two States in international economic organizations and institutes, provided for in article 1 (\$\epsilon\$) of the Convention concluded between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation. The two Governments have proceeded on the principle that the scope of such coordination may be defined in each individual case by the Polish-Czechoslovak organs established in accordance with the agreements signed this day.
- IV. The two Governments jointly declare that the Treaty for the facilitating of frontier traffic of 14 November 1935 requires fundamental revision owing to changed circumstances and that they are prepared to reach agreement on such revision at the proper time.
- V. The two Governments jointly declare that among the factors that may strengthen economic and cultural ties between Poland and Czechoslovakia, tourist traffic can undoubtedly play an important part. The organization of tourist traffic between the two countries may give rise to a number of problems, such as methods of facilitating the issue of visas, currency, improvement of the means of communication, propaganda, and the like.

The two States are prepared to entrust the preparation of a concrete plan of action in this matter to one of the Polish-Czechoslovak organs to be set up under the agreements signed this day, or to a special conference of experts convened for the purpose. Work in this connexion shall be begun as soon as possible after the appropriate request has been made by one of the Parties.

VI. The two Governments agree that it is desirable and essential to conclude a special agreement concerning social insurance as soon as possible.

The purpose of such an agreement would be:

The regulation, on the broadest possible basis and in a spirit of good neighbourly co-operation, of mutual relations in the field of social insurance and the solution of any problems which may arise between the two States in matters of insurance.

Proposals concerning the opening of negotiations for the conclusion of such an agreement shall be communicated within three months from the date of signature of this Protocol, with a view to the earliest possible exchange of preliminary drafts of the agreement and of any technical agreements, relating, inter alia, to insurance payments and their transfer from one State to the other, and co-operation between insurance agencies.

Pending the conclusion of this agreement, matters relating to the employment of Czechoslovak workers in the concessionary shipping firm on the Oder shall be regulated in accordance with paragraph 14 of annex No. 6b to the Communications Agreement<sup>1</sup> signed this day.

- VII. (a) With regard to article XV of the Communications Agreement, the two Parties agree that the volume of transit traffic laid down in the programmes prepared by the Polish-Czechoslovak Communications Commission shall relate to the goods of or consigned to each party, and not to goods having any other origin or destination.
- (b) With regard to articles XXI and XXIV of the Communications Agreement, it is the agreed intention of the two Parties that, in principle, Czechoslovak goods or goods consigned to Czechoslovakia shall be trans-shipped in the areas of the port of Stettin leased to the Czechoslovak agencies concerned. Should it become necessary to depart from this principle for practical reasons and if goods having a different origin or destination are unloaded, such goods shall not be included in the transit programmes referred to in the foregoing paragraph. Furthermore, Czechoslovakia shall make every effort to ensure that the charges levied in connexion with the trans-shipment of goods not originating in or consigned to Czechoslovakia shall be the same as those applied by the port authority, and, in any event, that the trans-shipment of such goods effected in the areas of the ports leased to the Czechoslovak agencies concerned shall in no case give rise to competition between those areas and other areas of the port.

With a view to the proper observance of the above principles, the Czechoslovak agencies leasing areas of the port of Stettin shall reach an understanding with the port authority and shall comply with its wishes. Any disputes that may arise shall be referred to the Polish-Czechoslovak Communications Commission for settlement in accordance with its statutes.

(c) With regard to article XXXIX of the Communications Agreement, the two Parties agree that they do not intend to seek on behalf of their nationals a concession to establish inland navigation undertakings on inland waterways not

<sup>&</sup>lt;sup>1</sup> See p. 262 of this volume.

required for their transport needs. This provision shall apply in particular to navigation on the river Vistula. It is understood that it shall in no way prejudice the special provisions relating to the sphere of operations of the shipping firm on the river Oder.

Prague, 4 July 1947.

For the Government of the Polish Republic:

(Signed) H. MINC

S. Wierbłowski

A. Rose

For the Government of the Czechoslovak Republic:

(Signed) Hubert Ripka Jan Masaryk Evžen Löbl Josef Janda

#### Annex No. 14

# STATUTES OF POLISH-CZECHOSLOVAK ECONOMIC CO-OPERATION COUNCIL

#### PART I. - PURPOSES AND FUNCTIONS

#### Article 1

The purpose of the Polish-Czechoslovak Economic Co-operation Council, hereinafter called the "Council", shall be to co-ordinate all activities directed towards the effective and successful application of the Convention between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation, and of all the agreements relating thereto. The Council shall be the organ for co-ordinating the work of the Polish-Czechoslovak Commissions set up under the separate agreements annexed to the aforesaid Convention; it shall supervise their activities, facilitate co-operation between them, review and appraise their reports, give them directions and examine any disputes submitted to it by the individual Commissions.

<sup>&</sup>lt;sup>1</sup> See p. 204 of this volume.

# PART II. - COMPOSITION OF THE COUNCIL

#### Article 2

The Council shall consist of a Polish section and a Czechoslovak section. Each section shall be composed of five members appointed and removed by the Government concerned. Each Government shall appoint a chairman and a vice-chairman from among the members of its section.

The members of the Council shall continue in office until they are removed.

#### Article 3

The section chairmen of the Polish-Czechoslovak Commissions, the secretaries-general of the two sections of the Council, and experts may, with the consent of the two Presidents of the Council, take part in meetings of the Council, in each case in an advisory capacity, unless they are at the same time members of the Council.

#### Article 4

The Council shall be presided over alternately by the chairman of the Polish section and the chairman of the Czechoslovak section. The term of office of the president shall be one calendar year. During the year when the chairman of one section presides over the Council, the chairman of the other section shall be his deputy. The president of the Council for the first term of office shall be chosen by lot.

# PART III. — THE POLISH-CZECHOSLOVAK COMMISSIONS Article 5

The following are the Polish-Czechoslovak Commissions referred to in article 1:

- (a) The Trade Commission,
- (b) The Capital Goods Commission,
- (c) The Financial Commission,
- (d) The Communications Commission,
- (e) The Industrial Commission,
- (f) The Agricultural Commission,
- (g) The Scientific and Technical Commission,
- (h) The Planning and Statistical Commission.

In addition to the above, other Polish-Czechoslovak Commissions may be set up by agreement between the two Governments.

The statutes of the Polish-Czechoslovak Commissions shall constitute annexes to the individual agreements between the two Governments.

# PART IV. — OFFICES OF THE COUNCIL Article 6

Each of the two sections of the Council shall set up its own office, which shall perform the functions assigned to it by the chairman of the section concerned.

Each of the two offices shall be directed by a secretary-general, who may also be one of the members of the Council.

The Council may set up joint organs with carefully defined functions to deal with particular technical problems.

# PART V. - MEETINGS OF THE COUNCIL

# Article 7

The meetings of the Council shall be ordinary and extraordinary.

Ordinary meetings shall be held regularly in March and September of each year. Extraordinary meetings may be convened at any time as required.

Both ordinary and extraordinary meetings shall be convened by the president of the Council. He shall convene ordinary meetings in accordance with the provisions of this article, and shall convene extraordinary meetings either on his own initiative or at the request of one of the sections, not later than thirty days from the date of the receipt of such proposal or request.

The place of each meetings of the Council shall be determined by its president, on the understanding that meetings shall, as far as possible, be held alternately in the territory of each State.

The procedure for convening meetings of the Council shall be defined in greater detail in the Council's rules of procedure.

#### Article 8

The agenda of ordinary meetings shall be drawn up by the president of the Council in consultation with the chairman of the other section. The agenda of extraordinary meetings shall be that proposed by the chairman of the section which requested that the meeting should be convened. Such agenda may be supplemented at the proposal of the chairman of the other section.

Requests made by the Commissions to the president of the Council for the submission of questions to the Council shall be placed on the agenda of the next ordinary of extraordinary meeting of the Council, unless the president of the Council deems it necessary to convene a special extraordinary meeting of the Council to deal with such matters.

The Council shall fix the dates for the submission of the Commission's reports and shall determine what periods they are to cover. These reports shall

be placed on the agenda of the next ordinary meeting of the Council, which may, however, defer discussion thereof until the next ordinary or extraordinary meeting.

The procedures for the submission by the sections and Commissions of items to be placed on the Council's agenda, for the drawing up of the Council's agenda by the president in consultation with the chairman of the other section, and for communicating the agenda to members of the Council shall be defined in detail in the Council's rules of procedure.

#### Article 9

The president of the Council shall preside over meetings of the Council.

The Council shall take its decisions on the basis of a declaration by the chairmen of both sections that the two Parties are in agreement on the question at issue.

The decisions taken at each meeting of the Council shall be communicated to each Government by the chairman of the section concerned.

Any decisions of the Council which may impose obligations upon either Government shall become legally binding only after their confirmation by the two Governments and shall be communicated to them for that purpose, unless the chairmen of both sections are in possession of full powers from their Governments to take decisions of this kind. Such full powers shall, on adoption of the decisions, be attached to the minutes of the meeting. Where decisions are communicated to the Governments for confirmation, the two Governments shall exchange views with regard thereto through the diplomatic channel.

The Council shall decide at its first meeting on its detailed rules of procedure and on the method and order of its work.

#### Article 10

The official languages of the Council shall be Polish and Czech or Slovak.

The minutes of the Council's meetings shall be drawn up in each case in the native language of the president.

#### Article 11

Any disputes which arise in the Council with regard to questions within its jurisdiction shall be dealt with in accordance with the procedure prescribed in article IV of the Convention between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation.

# PART VI. — BUDGETARY MATTERS Article 12

Each of the High Contracting Parties shall defray all expenditure entailed by the work of its section, whereas joint expenditure in connexion with the work of the Council shall be shared equally, unless the Council makes an alternative proposal.

PART VII. — FINAL PROVISIONS

Article 13

These statutes may be altered by decisions of the Council confirmed by the two Governments.

Prague, 4 July 1947.

For the Government of the Polish Republic:

(Signed) H. MINC

S. Wierbłowski

A. Rose

For the Government of the Czechoslovak Republic:

(Signed) Hubert RIPKA Jan Masaryk Evžen Löbl Josef Janda

Annex No. 15

# PROTOCOL CONCERNING MEDIATION AND ARBITRATION PROCEDURE

I. - GENERAL PROVISIONS

§ 1

Disputes relating to the treaties, agreements or protocols referred to in article II of the Convention between the Polish Republic and the Czechoslovak Republic for ensuring economic co-operation shall be settled on the basis of article IV of that Convention, by mediation or arbitration, in accordance with this Protocol.

<sup>&</sup>lt;sup>1</sup> See p. 204 of this volume.

# II. — MEDIATION PROCEDURE IN THE POLISH-CZECHOSLOVAK COMMISSIONS AND IN THE POLISH-CZECHOSLOVAK ECONOMIC CO-OPERATION COUNCIL

§ 2

A dispute which arises in any Committee shall, at the request of one of the sections of that Committee, be submitted immediately to the Polish-Czecho-slovak Commission concerned for settlement by mediation.

# § 3

Should an extraordinary meeting of the Commission not be convened for its settlement, the dispute shall be placed on the agenda of the next regular meeting.

The Commission shall take action not later than thirty days from the date of the meeting on the agenda of which the disputed matter has been placed.

The thirty-day time limit may, by written consent of the two sections of the Commission, be extended for a further period not exceeding thirty days.

# § 4

Any dispute which is not settled by mediation in the Commission, or which arises in one of the Commissions, shall be submitted:

- (a) By consent of both sections of the Commission concerned, to arbitration in accordance with sections 5 to 12 of this Protocol;
- (b) To the Polish-Czechoslovak Economic Co-operation Council for settlement by mediation, in the absence of agreement to submit the dispute to arbitration.

As regards the time-limits for the settlement of a dispute by the Polish-Czechoslovak Economic Co-operation Council, the provisions of section 3 shall also apply.

# III. - ARBITRATION PROCEDURE

§ 5

Arbitration procedure shall be applied by a board of arbitrators, consisting of six members appointed in equal numbers by each Government from among nationals of the High Contracting Parties. At least one of the arbitrators appointed by each Government shall be a person with a knowledge of law.

The board of arbitrators shall elect a chairman from among its members. In the event of an equality of votes, the chairman shall be selected by lot.

### **§** 6

The decisions of the board of arbitrators shall be taken by a majority vote of all its members.

If agreement cannot be reached because of an equality of votes, another member shall be appointed to the board as referee and chairman.

If the board is unable to agree unanimously on the person of the referee, the method of his appointment shall be determined by agreement between the Governments of the two High Contracting Parties, each Government being entitled to request that the referee shall be neither a national of either of the Contracting Parties nor a person who is resident in their territories or is in their service.

# § 7

The Contracting Parties may be represented before the board of arbitrators by their plenipotentiaries.

The board of arbitrators shall arrange its proceedings as it sees fit.

The board of arbitrators shall call for any evidence that may be necessary and any expert opinion it may require.

The decisions of the board of arbitrators shall be given in writing and shall be accompanied by a statement of reasons.

# § 8

At each stage of its proceedings, the board of arbitrators shall endeavour to bring about an amicable settlement of the dispute between the two Parties.

# § 9

The members of the board of arbitrators shall be completely independent in the exercise of their functions and neither Party may give them any instructions whatsoever.

The board of arbitrators shall give its decisions ex acquo et bono.

# § 10

The two High Contracting Parties undertake to give the board of arbitrators every assistance.

# § 11

Decisions of the board of arbitrators shall be final, shall be binding upon both Contracting Parties and shall be executed by them in good faith.

# § 12

Each High Contracting Party shall bear half the costs of the proceedings. Each Contracting Party shall bear the costs of its own representation.

# IV. — Procedure in cases which are not settled by the Polish-Czechoslovak Economic Co-operation Council

# § 13

In the case of a dispute which is not settled amicably by the Polish-Czechoslovak Economic Co-operation Council, the minutes of the Council meeting, at which it was confirmed that no amicable settlement of the dispute could be reached, shall be communicated to the Governments of the two High Contracting Parties.

The Government of each High Contracting Party is entitled to request that a dispute which is not settled by the Polish-Czechoslovak Economic Co-operation Council, shall be examined:

- (a) In accordance with the arbitration procedure prescribed in sections 5 to 12 of this Protocol; or
- (b) In accordance with general arbitration procedure, if such exists, in virtue either of other Polish-Czechoslovak agreements, or of multilateral international agreements which are binding upon the two High Contracting Parties.

A request by the Government of either Contracting Party that the dispute be examined in accordance with the general arbitration procedure referred to in sub-paragraph (b) above, shall exclude the possibility of applying the arbitration procedure described in sections 5 to 12 of this Protocol.

Prague, 4 July 1947.

For the Government of the Polish Republic:

(Signed) H. MINC

S. Wierbłowski

A. Rose

For the Government of the Czechoslovak Republic:

(Signed) Jan Masaryk Hubert Ripka Evžen Löbl Josef Janda