

No. 3199

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**CANADA  
and  
ECUADOR**

**Exchange of notes constituting a Commercial *Modus Vivendi*.  
Quito, 10 November 1950**

*Official texts: English and Spanish.*

*Registered by Canada on 27 March 1956.*

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**CANADA  
et  
ÉQUATEUR**

**Échange de notes constituant un *modus vivendi* commercial.  
Quito, 10 novembre 1950**

*Textes officiels anglais et espagnol.*

*Enregistré par le Canada le 27 mars 1956.*

No. 3199. EXCHANGE OF NOTES CONSTITUTING A COMMERCIAL *MODUS VIVENDI*<sup>1</sup> BETWEEN CANADA AND ECUADOR. QUITO, 10 NOVEMBER 1950

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I

Quito, Ecuador, November 10, 1950

Mr. Minister :

In the desire to strengthen and knit more closely the traditional bonds of friendship which unite Canada and Ecuador, and to stimulate in every way the development of good commercial relations between our two countries, I have the honour to inform Your Excellency that I have been authorized by the Government of Canada to propose to the Government of Ecuador, through Your Excellency, the following Commercial *Modus Vivendi* :

*Article I*

1. The Government of Canada and the Government of Ecuador agree to grant each other, reciprocally unconditional and unrestricted most-favoured-nation treatment in all matters concerning customs duties on importation or exportation established in their respective jurisdictions, and as regards the method of levying such duties, and further, as regards the rules and formalities connected with importation or exportation.

2. Accordingly, articles the growth, produce or manufacture of either country imported into the other shall in no case be subject, in regard to the matters referred to above, to any duties or charges other or higher, or to any rules or formalities other or more burdensome, than those to which the like articles from any other foreign country are or may hereafter be subject.

3. Similarly, articles exported from Canada or Ecuador and consigned to the other country shall in no case be subject, with respect to exportation and in regard to the above-mentioned matters, to any duties or charges other or higher, or to any rules or formalities other or more burdensome than those to which the like articles, when consigned to any other foreign country, are or may hereafter be subject.

4. Any advantage, favour, privilege or immunity which has been or may hereafter be granted by Canada or Ecuador in regard to the above-mentioned matters, to any article originating in any other foreign country or consigned to any other foreign country shall be accorded immediately and without compensation to the like article originating in or consigned to Canada or Ecuador, respectively.

*Article II*

The provisions of this *Modus Vivendi* relating to most-favoured-nation treatment are not applicable to :

- (a) advantages that have been accorded or may in future be accorded by Canada or by Ecuador exclusively to contiguous countries or advantages that might result from a Customs Union of which either Canada or Ecuador is or may become a member.

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<sup>1</sup> Came into force on 1 December 1950, in accordance with the provisions of the said notes.

- (b) advantages that have been accorded or may in future be accorded by Canada exclusively to members of the British Commonwealth of Nations, including their dependent overseas territories, or to the Republic of Ireland.
- (c) advantages accorded by Ecuador under the Charter of Quito or under provisional agreements for the establishment of a Customs Union or of a free trade zone.
- (d) the special arrangements and concessions accorded by the Contracting Parties to their contiguous countries in matters concerning the control of means of international payment, of importation or of exportation.

### Article III

1. The present *Modus Vivendi* shall be applied only to merchandise transported from a port of Ecuador to a port of Canada directly or in transit through a country which enjoys the benefits of the British Preferential Tariff or the Most-Favoured-Nation Tariff of Canada, and likewise to merchandise transported from a port of Canada to a port of Ecuador directly or in transit through a country which enjoys most-favoured-nation treatment on the part of Ecuador.

2. In addition to the aforementioned conditions, in order to enjoy the advantages and concessions specified under Article I of this *Modus Vivendi*, it is an indispensable requirement that all documents covering the shipments concerned shall bear, in clear and unalterable form, indication that the merchandise is shipped from a port or city of Ecuador with final destination to a port or city of Canada or vice versa, as the case may be.

### Article IV

The Government of Canada and of Ecuador agree to stimulate, by all appropriate means consistent with their respective laws and obligations, purchases or sales between the two countries.

### Article V

In matters concerning the control of means of international payment, of importation or exportation, the Contracting Parties agree to grant each other reciprocal treatment no less favourable than that accorded under like conditions and circumstances to any other country.

### Article VI

Each Contracting Party agrees to grant the most ample facilities for the importation of commercial samples of merchandise originating in the other country. Consequently each Contracting Party agrees to accord to such samples, when imported temporarily, freedom from duties or drawback of duties, as the case may be, consistent with its own legislation, in as liberal a manner as extended to samples of similar merchandise originating in any other country.

### Article VII

In the event that one of the Contracting Parties should make representations to the other with regard to the application of the present *Modus Vivendi*, the latter will give friendly consideration to such representations, and if, within sixty days after the

formal delivery of the representations, a satisfactory adjustment should not have been made or an agreement reached, the Party making such representations, within thirty days after the expiration of the aforementioned period, may denounce this *Modus Vivendi* on giving the other Party not less than sixty day's notice prior to the date of termination.

#### Article VIII

The present *Modus Vivendi* shall remain in effect for one year, and shall continue automatically for annual periods unless denounced by one of the two Governments on prior notice of at least three months, or in accordance with the provisions of the previous Article.

This Note and the favourable reply of Your Excellency shall constitute a Commercial *Modus Vivendi* which shall enter into effect on the first day of December 1950.

I take this opportunity of renewing to Your Excellency the assurance of my highest and most distinguished consideration.

(Signed) Harry Leslie BROWN  
Chief of Canadian Commercial Delegation

## II

[SPANISH TEXT — TEXTE ESPAGNOL]

REPÚBLICA DEL ECUADOR  
MINISTERIO DE RELACIONES EXTERIORES

No. 2627-DCC. 2

Quito, a 10 de Noviembre de 1950

Señor Jefe de la Delegación :

En respuesta a la nota de usted, de fecha de hoy, tengo a honra llevar a su conocimiento que mi Gobierno acepta el *Modus Vivendi* Comercial entre el Ecuador y el Canadá, cuyo texto es el siguiente :

#### Artículo I

1. El Gobierno del Ecuador y el Gobierno del Canadá convienen en concederse reciprocamente el tratamiento incondicional e ilimitado de la nación más favorecida en todo lo que atañe a derechos arancelarios sobre la importación o la exportación que rigen en sus respectivas jurisdicciones, así como en lo referente al modo de percibir tales derechos y, además, en lo concerniente a los reglamentos y formalidades relacionados con la importación o exportación.

[TRANSLATION<sup>1</sup> — TRADUCTION<sup>2</sup>]

REPUBLIC OF ECUADOR  
DEPARTMENT OF EXTERNAL AFFAIRS

No. 2627-DCC.2

Quito, November 10, 1950

The Honorable H. Leslie Brown  
Chief of the Canadian Trade Delegation  
Quito

Mr. Chief Delegate :

In reply to your note of even date, I have the honour to inform you that my government accepts the commercial *Modus Vivendi* between Ecuador and Canada which reads as follows :

[See note I]

This note, in answer to yours of even date, completes the Commercial *Modus Vivendi* which shall enter into effect on the first day of December, 1950.

I take this opportunity of renewing to you the assurance of my highest and most distinguished consideration.

L. N. PONCE

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<sup>1</sup> Translation by the Government of Canada.

<sup>2</sup> Traduction du Gouvernement canadien.