

No. 4411

**CANADA
and
HONDURAS**

**Exchange of notes for the establishment of a commercial
modus vivendi. Tegucigalpa, 11 July 1956**

Official text: English and Spanish.

Registered by Canada on 11 July 1958.

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et
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**Échange de notes constituant un *modus vivendi* commer-
cial. Tegucigalpa, 11 juillet 1956**

Textes officiels anglais et espagnol.

Enregistré par le Canada le 11 juillet 1958.

No. 4411. EXCHANGE OF NOTES FOR THE ESTABLISHMENT OF A COMMERCIAL *MODUS VIVENDI*¹ BETWEEN CANADA AND HONDURAS. TEGUCIGALPA, 11 JULY 1956

I

The Ambassador of Canada to the Secretary of State for Economy and Finance of Honduras

Tegucigalpa, Honduras, July 11, 1956

Mr. Secretary :

I have the honour to inform Your Excellency that the Government of Canada, desiring to strengthen the traditional bonds of friendship and the good commercial relations which unite Canada and Honduras, has authorized me to propose to the Government of Honduras, through Your Excellency, the following Commercial *Modus Vivendi* :

Article I

a) The Government of Canada and Honduras agree to grant each other, reciprocally, unconditional and unrestricted most-favoured-nation treatment in all matters referring to duties and other charges of every kind 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, and with respect to all laws and regulations affecting the taxation, sale, distribution or use of imported goods within the country.

b) 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, taxes 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.

c) Similarly, articles exported from Canada or Honduras 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, taxes 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.

d) Any favour, privilege or immunity which has been or may hereafter be granted by Canada or Honduras in regard to the above-mentioned matters, to any article originating in, 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 Honduras respectively.

¹ Came into force on 18 July 1956 by publication in the Official Gazette of Honduras, in accordance with article VIII.

Article II

The present Agreement shall be applied only to merchandise transported from a port of Honduras 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 Honduras, directly or in transit through countries indicated above.

Article III

Each of the Contracting Parties shall accord to the other treatment no less favourable than that accorded to any other foreign country in all matters relating to the allocation of foreign exchange for commercial transactions and to the assignment of quotas for the quantitative control of imports or exchange respectively.

Article IV

The provisions of this Agreement relating to most-favoured-nation treatment shall not be applicable to :

- a) Advantages that have been accorded or may in future be accorded by Canada or by Honduras exclusively to contiguous countries to facilitate frontier traffic, or to advantages accorded solely to members of any future Customs Union in which Canada or Honduras may take part.
- b) Advantages that have been accorded or may in future be accorded by Honduras to other Central American countries.
- c) 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.

Article V

Provided that, under like circumstances and conditions, there shall be no arbitrary discrimination on the part of either country in favour of any other foreign nation, and without prejudice to the provisions of paragraphs (a) and (b) of Article VII, the provisions of this Agreement shall not be applicable to prohibitions or restrictions relating :

- (a) to public security;
- (b) to the protection of public health or on moral or humanitarian grounds;
- (c) to the protection of animal or vegetable life or health, including any measures of protection against diseases, degeneration or extinction, as well as measures taken against harmful seeds, plants or animals;
- (d) to articles made in prisons;
- (e) to the enforcement of police laws or regulations;
- (f) to the protection of the national artistic, historic or archaeological heritage;
- (g) to the import or export of gold or silver;
- (h) to the control of the import, export or sale for export of arms, munitions, or instruments of war and, in exceptional circumstances, of any other military supplies.

Article VI

Articles the growth, produce or manufacture of Canada or Honduras shall, after importation into the other country, be exempt from all internal taxes, fees, charges or exactions other or higher than those payable on like articles of any other foreign origin.

Article VII

a) In the event that the Government of either country ceases to grant most-favoured-nation treatment to a third country through which merchandise proceeding from Canada to Honduras, or vice versa, moves in transit, or adopts any measure which even though it does not conflict with the terms of this Agreement, is considered by the Government of the other country as tending to nullify or impair any of its objects, the Government which has adopted such a measure shall consider such representations and proposals as the other Government may make and shall afford adequate opportunity for consultation with a view to reaching a mutually satisfactory agreement.

b) The Government of each country shall accord friendly consideration to such representations as the other Government may make with respect to the operation of customs regulations, control of foreign exchange, quantitative restrictions or the administration thereof, the observance of customs formalities, the application of sanitary laws and regulations for the protection of human, animal or plant health or life, or any other matter related to the application of this Agreement. Each Government, when requested, shall afford adequate opportunity for consultation regarding such representations.

c) If agreement is not reached after due consultation, as described above, either Government shall be at liberty to denounce this Agreement in whole or in part and the termination shall take effect upon the expiration of a period of three months reckoned from the day on which such denunciation is received by the other Government.

Article VIII

The present Commercial *Modus Vivendi* shall remain in effect for one year, and thereafter shall be automatically renewed so long as it is not denounced by one or the other Government. Such denunciation shall be subject to the expiration of a period of three months reckoned from the day on which the said denunciation is received by the other Government.

The present Agreement shall go into effect as soon as it is ratified by the Republic of Honduras and published in the Official Gazette.

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

Harry A. SCOTT
Ambassador of Canada

Señor Pedro Pineda Madrid
Secretary for Economy and Finance
Government of Honduras

Hago válida esta oportunidad para expresar a Su Excelencia las seguridades de mi más alta y distinguida consideración.

Pedro PINEDA M.
Subsecretario de Estado
Encargado del Despacho de Economía y Hacienda

Excmo. Señor Harry A. Scott
Embajador del Canadá, en Misión Especial
Ciudad

[TRANSLATION¹ — TRADUCTION²]

SECRETARIAT OF ECONOMY AND FINANCE
REPUBLIC OF HONDURAS

No. 1456-L

Tegucigalpa, D. C., July 11, 1956

Mr. Ambassador,

I have the honour to advise Your Excellency of the receipt of your Note of today's date in which the Government of Canada states, through the intermediary of Your Excellency that, desirous of strengthening the traditional bonds of friendship and the good commercial relations which unite Honduras and Canada, it proposes to my Government, through Your Excellency's intermediary, the conclusion of the Commercial *Modus Vivendi* detailed in the Note at issue.

To that end, I am pleased to inform the Government of Canada through your excellent intermediary that the Government of Honduras has authorized me to act with Full Power, as stated under the terms of Resolution 52 dated the tenth of the current month, issued by the Chief of State through the offices of the Department of External Affairs and as stated in covering Credential, to accept the Commercial *Modus Vivendi* proposed and reading as follows :

[See note I]

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

Pedro PINEDA M.
Under Secretary of State for Economy and Finance

His Excellency Harry A. Scott
Ambassador of Canada on Special Mission
City

¹ Translation by the Government of Canada.

² Traduction du Gouvernement canadien.