

No. 5331

**CZECHOSLOVAKIA
and
GERMAN DEMOCRATIC REPUBLIC**

**Treaty of Trade and Navigation. Signed at Berlin, on
25 November 1959**

Official texts : Czech and German.

Registered by Czechoslovakia on 7 September 1960.

**TCHÉCOSLOVAQUIE
et
RÉPUBLIQUE DÉMOCRATIQUE ALLEMANDE**

**Traité de commerce et de navigation. Signé à Berlin, le
25 novembre 1959**

Textes officiels tchèque et allemand.

Enregistré par la Tchécoslovaquie le 7 septembre 1960.

[TRANSLATION — TRADUCTION]

No. 5331. TREATY¹ OF TRADE AND NAVIGATION BETWEEN THE CZECHOSLOVAK REPUBLIC AND THE GERMAN DEMOCRATIC REPUBLIC. SIGNED AT BERLIN, ON 25 NOVEMBER 1959

The President of the Czechoslovak Republic and the President of the German Democratic Republic,

Desiring to develop further and to strengthen economic relations between the two friendly States and to determine by treaty the basic conditions governing such relations,

Have resolved to conclude a Treaty of Trade and Navigation. For this purpose they have appointed as their plenipotentiaries :

The President of the Czechoslovak Republic :

Mr. Otakar Šimunek, Deputy Chairman of the Government and Chairman of the State Planning Commission ;

The President of the German Democratic Republic :

Mr. Heinrich Rau, Deputy Chairman of the Council of Ministers and Minister for Foreign and Intra-German Trade,

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

Article 1

The Contracting Parties shall continue to take all necessary measures to develop and strengthen trade relations between the two States in a spirit of friendly co-operation and mutual assistance and on a basis of equality and mutual benefit.

To this end the Governments of the Contracting Parties shall conclude agreements, including long-term agreements, concerning reciprocal deliveries of goods and other conditions whereby the development of trade in accordance with the economic requirements of both States will be ensured.

Article 2

The Contracting Parties shall grant each other unconditional most-favoured-nation treatment in all matters relating to trade, navigation and all other economic relations between the two States.

¹ Came into force on 15 June 1960, the date of the exchange of the instruments of ratification at Prague, in accordance with article 19.

Article 3

In accordance with the provisions of article 2, the Contracting Parties shall grant each other most-favoured-nation treatment in all customs matters, in particular as regards duties, taxes or other charges, the warehousing of goods under customs control, and the regulations and formalities applied in the customs clearance of goods.

Article 4

In accordance with the provisions of article 2, natural and manufactured products imported from the territory of one Contracting Party into the territory of the other Contracting Party shall not be liable to any duties, taxes or similar charges other or higher, or to regulations other or formalities more burdensome, than those imposed on similar natural and manufactured products of any third State.

Similarly, natural and manufactured products of one Contracting Party exported to the territory of the other Contracting Party shall not be liable to any duties, taxes or similar charges other or higher, or to regulations other or formalities more burdensome, than those imposed on similar natural and manufactured products on exportation to the territory of any third State.

Article 5

Natural and manufactured products of one Contracting Party imported into the territory of the other Contracting Party through the territory of one or more third States shall not be liable, on importation, to any duties, taxes or similar charges other or higher, or to regulations other or formalities more burdensome, than those to which they would have been liable if they had been imported directly from the country of origin.

This provision shall likewise apply to natural and manufactured products which, while in transit through the territory of one or more third States, have been subjected to trans-shipment, repacking or warehousing.

Article 6

Duty on natural and manufactured products imported from the territory of one Contracting Party into the territory of the other Contracting Party shall ordinarily be computed from the price shown in the invoice.

Article 7

Subject to their being re-exported or reimported within a time-limit fixed by the customs authorities and to the production of proof of identity, the following articles in particular shall be exempt from duties, taxes or other charges on importation and exportation :

- (a) Articles intended for fairs, exhibitions, parades or competitions ;
- (b) Articles intended for experiments or tests ;
- (c) Articles imported for repair and re-exported in their repaired form ;
- (d) Natural and manufactured products imported for transformation or processing and re-exported in their transformed or processed form ;
- (e) Fitting equipment and instruments imported or exported by fitters or sent to them ;
- (f) Marked containers imported in order to be filled, and containers which are used for the transport of imported articles and are re-exported at the end of a specified period.

Merchandise samples used only as such and exported to the territory of the other Contracting Party in quantities normal in the trade, and catalogues, price-lists, prospectuses and advertising material, including advertising films, shall be automatically exempt in the territory of the other Contracting Party from duties, taxes or other charges on import and re-export.

Article 8

In accordance with the provisions of article 2, internal charges imposed in the territory of one Contracting Party, for whosoever benefit and on whosoever behalf, on the production, processing, distribution or consumption of any natural or manufactured product shall in no event be levied on the natural or manufactured products of the other Contracting Party at a higher rate than on similar products of any third State.

Article 9

Neither Contracting Party shall impose on imports from or exports to the territory of the other Contracting Party any restrictions or prohibitions which are not applicable to all other States.

The Contracting Parties nevertheless reserve the right to impose prohibitions or restrictions on imports or exports for reasons of State security, the maintenance of law and order or of public health, the protection of animal and plant life, or the preservation of works of art or archaeological and historical treasures, where such prohibitions or restrictions are applied in like circumstances to all other States.

Article 10

Natural and manufactured products of one Contracting Party in transit through the territory of the other Contracting Party from or to the territory of a third State shall not be liable to any duties, taxes or other charges.

With respect to transit regulations and formalities, the treatment accorded to such products shall not be less favourable than that accorded to the transit consignments of any third State.

Article 11

Czechoslovak merchant vessels and their cargoes shall be accorded most-favoured-nation treatment on entering and leaving, and while lying in, the ports of the German Democratic Republic. Such treatment shall be accorded in particular with regard to :

- (a) Dues and charges of every kind levied on behalf or for the benefit of the State, authorities or other organizations ;
- (b) The mooring, loading and unloading of vessels in ports and roadsteads ;
- (c) The services of pilots and the use of canals, locks, bridges, signals and fairway lighting ;
- (d) The use of cranes, weighbridges, warehouses, dockyards, drydocks and repair shops ;
- (e) Supplies of fuel, lubricating oils, water and food ;
- (f) The application of all regulations, including health and quarantine provisions.

The provisions of this article shall not extend to the performance of harbour services, including pilotage by escort, organized rescue and emergency service and towage, or to coastal shipping (cabotage). Nevertheless, Czechoslovak merchant vessels proceeding from one port of the German Democratic Republic to another for the purpose of landing cargo brought from a third State, or of taking on board cargo destined for a third State, shall not be regarded as engaged in coastal shipping.

Article 12

If a Czechoslovak vessel is wrecked or in distress on the coast of the German Democratic Republic, such vessel and its cargo shall enjoy the same advantages and rights as are granted under the laws of the German Democratic Republic to its own vessels in similar circumstances. The necessary aid and co-operation shall be afforded at all times to the master, crew and passengers and to the vessel and its cargo in the same measure as in the case of vessels of the home nationality in similar circumstances.

Article 13

The nationality of Czechoslovak vessels shall be recognized by the authorities of the German Democratic Republic on the basis of the papers carried on board the vessel and issued by the competent Czechoslovak authorities in accordance with the laws and regulations of the Czechoslovak Republic.

Tonnage certificates and other ship's papers carried on board the vessel and issued by the competent Czechoslovak authorities shall be recognized by the authorities of the German Democratic Republic. In accordance with this provision, any Czechoslovak vessel carrying a valid tonnage certificate shall be exempt from remeasurement in the ports of the German Democratic Republic, and the net capacity of the vessels as entered in the certificate shall be taken as the basis for computing harbour dues.

Article 14

The competent organizations of either Contracting Party whose operations relate to navigation may maintain agencies in the territory of the other Contracting Party. Such agencies shall enjoy the same rights and advantages as are granted to similar agencies of the organizations of any third State.

Article 15

With regard to the transport of goods, passengers and baggage by domestic roads and waterways and by rail, the Contracting Parties shall grant each other most-favoured-nation treatment in all matters relating to the acceptance of consignments for transport, to the type and means of transport, and to transport costs and charges.

Article 16

Corporate bodies having their head office in the territory of one Contracting Party and established in accordance with that Party's laws shall be recognized as corporate bodies also in the territory of the other Contracting Party; they may carry on business in the territory of the other Contracting Party in accordance with its laws.

Article 17

Save as otherwise provided in other agreements, corporate bodies of one Contracting Party shall enjoy in the territory of the other Contracting Party, in matters provided for in this Treaty, the same rights and advantages as are accorded to the corporate bodies of any third State.

Article 18

The provisions of this Treaty shall not extend to such rights and advantages as either Contracting Party may have granted or may in future grant to other neighbouring States, in the interest of facilitating frontier relations.

Article 19

This Treaty shall be ratified as soon as possible and shall enter into force on the date of the exchange of the instruments of ratification, which shall take place at Prague.

This Treaty shall remain in force until the expiry of a period of six months from the date on which either Contracting Party notifies the other Party in writing of its intention to terminate the Treaty.

DONE at Berlin, on 25 November 1959, in duplicate in the Czech and German languages, both texts being equally authentic.

IN WITNESS WHEREOF the plenipotentiaries of the two Contracting Parties have signed this Treaty and have thereto affixed their seals.

For the Czechoslovak
Republic :

O. ŠIMUNEK

For the German Democratic
Republic :

RAU