

No. 5632

**CANADA
and
SPAIN**

**Trade Agreement (with schedule and exchange of notes).
Signed at Madrid, on 26 May 1954**

Official texts: English and Spanish.

Registered by Canada on 21 March 1961.

**CANADA
et
ESPAGNE**

**Accord de commerce (avec tableau et échange de notes).
Signé à Madrid, le 26 mai 1954**

Textes officiels anglais et espagnol.

Enregistré par le Canada le 21 mars 1961.

No. 5632. TRADE AGREEMENT¹ BETWEEN CANADA AND SPAIN. SIGNED AT MADRID, ON 26 MAY 1954

The Government of Canada and the Government of Spain, hereinafter called the Contracting Parties, wishing to facilitate and extend the existing trade relations between both countries, and having resolved to conclude an Agreement to supplement and amend the commercial arrangements made applicable to Canada as from August 1, 1928, by virtue of the Exchange of Notes between both Governments,² through their respective Plenipotentiaries appointed for this purpose, have agreed upon the following Articles :

Article I

For the purposes of the present Agreement, Spain shall be understood to mean Spanish territory on the Peninsula, the Balearic and Canary Islands, those places in Morocco under Spanish Sovereignty, the Spanish Colonies and Territories in Africa, the Spanish Protectorate Zone in Morocco, and the Spanish Territories in the Gulf of Guinea.

For the purposes of the present Agreement, Canada shall be understood to mean the territories of that State.

For the purposes of the present Agreement, Spanish products and Canadian products shall be understood to mean all those products originating in the above mentioned territories respectively.

Article II

Canada shall grant to the importation of Spanish products unconditional Most-Favoured-Nation treatment with respect to customs duties and charges of any kind imposed on or in connection with importation, with respect to the method of levying such duties and charges, and with respect to the rules and formalities connected with importation.

Goods, the produce or manufacture of Spain, enumerated and described in Schedule A³ annexed to this Agreement, shall on importation into Canada be exempt from ordinary customs duties in excess of those set forth in the

¹ Applied provisionally as from 1 July 1954 and came into force definitively on 30 June 1955, the date of the exchange of the instruments of ratification at Ottawa, in accordance with article X.

² *Canadian Treaty Series*, 1928, No. 7.

³ See p. 282 of this volume.

said Schedule. Schedule A shall have full force and effect as an integral part of this Agreement.

Spain, while this Agreement remains in force, shall continue applying to the importation of Canadian products the customs treatment stipulated in Article 2 of the Convention in force between Spain and the United Kingdom, signed in London on April 5, 1927,¹ revising Articles 5 and 6 of the Treaty of Commerce and Navigation between Spain and the United Kingdom, signed at Madrid on October 31, 1922.²

Article III

Canada shall accord to the exportation, warehousing and transit of Canadian products destined to Spain unconditional Most-Favoured-Nation treatment, in all matters with respect to customs duties and charges of any kind imposed on or in connection with exportation, with respect to the method of levying such duties and charges, and with respect to the rules and formalities connected with such operations.

Spain, while the present Agreement is in force, shall continue applying to the exportation, warehousing and transit of Spanish products destined to Canada the treatment stipulated in Articles 8 and 13 of the Treaty of Commerce and Navigation between Spain and the United Kingdom of October 31, 1922.

Article IV

The products of either of the Contracting Parties which are imported into the territory of the other Contracting Party, shall not be subject, directly or indirectly, to internal taxes or other charges of any kind, other or higher than those which are applied directly or indirectly to similar national products.

Article V

(a) The present Agreement shall terminate and replace, in respect of their application by Canada, the provisions of Articles, 5, 6, 7, 8, 10, 13 and 24 of the Treaty of Commerce and Navigation between the United Kingdom and Spain, signed at Madrid on October 31, 1922, as modified by Articles 2 and 4 of the Convention signed at London on April 5, 1927. The other provisions of the aforementioned Treaty and Convention shall remain in force pending the conclusion of a new Agreement covering all the matters included therein.

¹ League of Nations, *Treaty Series*, Vol. XXVIII, p. 339; Vol. LIV, p. 391; Vol. LXIII, p. 189; Vol. LXXVIII, p. 504; Vol. LXXXIII, p. 432; Vol. LXXXVIII, p. 360, and Vol. CXVII, p. 184.

² League of Nations, *Treaty Series*, Vol. XXVIII, p. 339; Vol. LIV, p. 391; Vol. LXXVIII, p. 457; Vol. LXXXVIII, p. 314, and Vol. CXVII, p. 56.

(b) Spain shall continue to apply to Canada the treatment specified in Articles II and III of the present Agreement as well as the remaining provisions of the Treaty of Commerce and Navigation of October 31, 1922, and the Convention of April 5, 1927, insofar as they do not conflict with the provisions contained in the present Agreement.

Article VI

Each Contracting Party shall accord to the products of the other Contracting Party which have been in transit through the territory of any third country receiving Most-Favoured-Nation treatment, preferential treatment, or through trade agreement countries, treatment no less favourable than that which would have been accorded to such products had they been transported from their place of origin to their destination without going through the territory of such third country. Nonetheless, either Contracting Party shall be free to maintain its requirements of direct consignment existing on the date of the present Agreement in respect of any goods in regard to which such direct consignment has relation to the Contracting Party's prescribed method of valuation for duty purposes.

Article VII

Each Contracting Party undertakes not to establish discriminatory practices with respect to the products of the other Contracting Party in the application of any import or exchange restrictions which it may impose, except for the purpose of safeguarding its external financial position and balance of payments.

Should either Contracting Party, under the exception provided above, impose discriminatory import or exchange restrictions, such restrictions shall be applied in such a way

- (a) as to avoid unnecessary damage to the commercial or economic interests of the other Contracting Party
- (b) as not to result, directly or indirectly, in discriminations as between countries whose currencies are or become convertible into dollars.

Article VIII

Each of the Contracting Parties undertakes to make available to the other, without charge, the benefits provided by its national legislation pertaining to the protection within its territorial limits, of the natural or manufactured products of the other party particularly in matters relating to trade marks,

marks of origin, and to co-operate with the other Contracting Party with a view to preventing any practices which might prejudicially affect the commerce between the two countries.

With respect to the Spanish wines known as Jerez, Xeres, Sherry, Canada undertakes to make available the protection provided by her national legislation concerning false, misleading and deceptive labelling and advertising.

Article IX

The Government of either Contracting Party shall give sympathetic consideration to any representations which the Government of the other Contracting Party may make in respect of the implementation of the present Agreement.

Article X

1. The present Agreement shall be ratified by both Contracting Parties in accordance with their constitutional procedures and shall enter into force on the date of the exchange of instruments of ratification which shall take place as soon as possible.

2. The present Agreement shall remain in force for a period of three years from the date of its definitive coming into force and thereafter until three months from the date on which either Contracting Party shall have given notice to the other Contracting Party of an intention to terminate the Agreement.

3. Pending the definitive coming into force of the present Agreement its provisions shall be applied provisionally by both Contracting Parties as from July 1, 1954. Either Contracting Party may, however, prior to the exchange of instruments of ratification, terminate the provisional application of the Agreement by giving three months' notice to the other Contracting Party.

IN WITNESS WHEREOF the respective representatives of the two Governments, duly authorized for the purpose, have signed and sealed the present Agreement.

DONE in duplicate at the City of Madrid, this 26th day of May, 1954, in duplicate in the English and Spanish languages, both equally authentic.

For the Government of Canada :

Robert H. WINTERS

For the Government of Spain :

Alberto Martin ARTAJO

SCHEDULE A

<i>Canadian Tariff Item</i>		<i>Tariff on goods the production or manufacture of Spain</i>
105 C	Olives, sulphured or in brine, not bottled . .	Free
Ex. 109	Almonds, shelled or not	Free
Ex. 31	Chilli pepper, ground	Free
Ex. 30e	Chilli pepper, unground	Free
276e (5)	Olive oil, n.o.p.	5%

EXCHANGE OF NOTES

I

Madrid, 26th May 1954

Excellency,

With reference to the Trade Agreement between Spain and Canada which was signed today,¹ I have the honour to state that pending the application of unconditional non-discriminatory treatment with respect to trade and exchange restrictions affecting imports, and notwithstanding the provisions of Article VII, the Government of Spain, recognizing Canada's position as a traditional supplier of salted codfish and related species to Spain, undertakes to authorize import licenses for a minimum of 2,000 metric tons of salted codfish and related species, the produce of dollar countries or countries whose currencies are or become convertible into dollars, throughout each period of one year, commencing from July 1st, 1954, and to make available exchange, convertible into dollars, to pay for such fish.

If the Canadian Government agrees with this proposal, I suggest that this Note and your reply shall constitute an integral part of the Trade Agreement between Spain and Canada signed this day.

Accept, Excellency, the renewed assurances of my highest consideration.

Alberto Martin ARTAJO
Minister of Foreign Affairs

The Hon. Robert H. Winters, P.C., M.P.
Minister of the Canadian Government

¹ See p. 274 of this volume.

II

Madrid, 26th May 1954

Excellency,

I have the honour to refer to your Note of today's date in which you state as follows :

[See note I]

The Government of Canada agrees with this proposal and with your suggestion that your Note and this reply shall constitute an integral part of the Trade Agreement between Spain and Canada signed this day.

Accept, Excellency, the renewed assurances of my highest consideration.

Robert H. WINTERS
Minister of the Canadian Government

His Excellency Sr. D. Alberto Martin Artajo
Minister of Foreign Affairs