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No. 7955

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BELGIUM
and
LUXEMBOURG

Protocol amending the Conventions instituting the Belgo-Luxembourg Economic Union;
Special Protocol relating to agriculture, and
Special Protocol relating to the system of monetary association. All three signed at Brussels, on 29 January 1963
Protocol of Application of the above-mentioned Special Protocol relating to the system of monetary association. Signed at Brussels, on 21 May 1965
Consolidated Convention instituting the Belgo-Luxembourg Economic Union. Initialled at Brussels, on 29 January 1963

Official texts: French and Dutch.

Registered by Belgium on 11 October 1965.

BELGIQUE
et
LUXEMBOURG

Protocole portant revision des Conventions instituant l'Union économique belgo-luxembourgeoise;
Protocole spécial relatif à l'agriculture, et
Protocole spécial relatif au régime d'association monétaire. Tous trois signés à Bruxelles, le 29 janvier 1963
Protocole d'exécution du Protocole spécial susmentionné relatif au régime d'association monétaire. Signé à Bruxelles, le 21 mai 1965
Convention coordonnée instituant l'Union économique belgo-luxembourgeoise. Paraphée à Bruxelles, le 29 janvier 1963

Textes officiels: français et néerlandais.

Enregistrés par la Belgique le 11 octobre 1965.

[TRANSLATION — TRADUCTION]

No. 7955. PROTOCOL¹ BETWEEN BELGIUM AND THE GRAND DUCHY OF LUXEMBOURG AMENDING THE CONVENTIONS INSTITUTING THE BELGO-LUXEMBOURG ECONOMIC UNION. SIGNED AT BRUSSELS, ON 29 JANUARY 1963

His Majesty the King of the Belgians and

Her Royal Highness the Grand Duchess of Luxembourg,

Desiring to strengthen the economic union which exists between their countries, at the same time introducing therein the adaptations rendered necessary by the existence of the Benelux Economic Union and of the European Communities, and bearing in mind also the result of acquired experience,

Having decided to make the appropriate amendments to the Convention of 25 July 1921² for the establishment of an Economic Union and to the Convention of 23 May 1935³ instituting a Common Regime for the Regulation of Imports, Exports and Transit,

Have to that end appointed their plenipotentiaries, who, having exchanged their full powers, found in good and due form, have agreed on the following provisions :

CHAPTER 1

AMENDMENTS TO THE CONVENTION OF 25 JULY 1921 FOR THE ESTABLISHMENT OF AN ECONOMIC UNION BETWEEN BELGIUM AND THE GRAND DUCHY OF LUXEMBOURG

Article I

Articles 1 and 2 shall be replaced by the following provisions :

Article 1. An economic union based on a customs union shall be instituted between the Kingdom of Belgium and the Grand Duchy of Luxembourg.

Article 2. The territories of the High Contracting Parties shall be considered to form one single territory as regards customs, common excise duties and common measures for the regulation of external economic transactions ; the customs boundaries between the two countries shall be abolished.

¹ Came into force on 1 August 1965, the first day of the third month following the exchange of the instruments of ratification which took place at Luxembourg on 28 May 1965, in accordance with article XXVI.

² League of Nations, *Treaty Series*, Vol. IX, p. 223 ; Vol. CXXXIV, p. 394, and Vol. CLX, p. 327.

³ League of Nations, *Treaty Series*, Vol. CLXI, p. 335.

Article II

Article 3 shall be amended as follows :

(a) The second and third sentences of the second paragraph, and the third and fifth paragraphs, shall be abrogated.

(b) The fourth paragraph shall be replaced by the following provision :

As regards the supply of fuel, power and raw materials, the two countries shall be placed on a footing of absolute equality.

(c) The sixth paragraph shall be replaced by the following provision :

As regards participation in the markets for supplies and work offered by the State, provinces, communes and, generally speaking, by public administrations and administrations and establishments controlled by the public authorities, nationals of one of the High Contracting Parties shall be subjected by the other Contracting Party to the same conditions as the nationals of the latter ; they shall enjoy the same rights, advantages and facilities, without any distinction in law or in fact.

Article III

Articles 4 and 5 shall be replaced by the following provisions :

Article 4. Legal provisions and regulations as regards customs shall be common to the whole of the union.

Article 5. 1. Treaties and agreements relating to tariffs and trade, and international payment agreements relating to external trade, shall be common.

They shall be concluded by Belgium on behalf of the union, subject to the right of the Luxembourg Government to sign such treaties or agreements jointly with the Belgian Government. No such treaty or agreement may be concluded, modified or denounced without the Luxembourg Government's having been consulted.

2. In the case of multilateral treaties and agreements relating to the subjects specified in paragraph 1, the two Governments shall agree, according to the circumstances, on the procedure to be followed.

The same provision shall apply to all other bilateral or multilateral treaties and agreements which are connected with the union or of which only certain clauses relate to the subjects specified in paragraph 1.

3. The two Governments shall take the necessary measures to ensure the uniform application, in the territory of the two countries, of all provisions of the treaties and agreements referred to in this article, relating to the subjects specified in paragraph 1, irrespective of the procedure applied in the conclusion of such treaties and agreements.

4. The two Governments shall consult together with a view to defending the interests of the union in relations with third States and in international organizations of an economic character of which both Contracting Parties are members. To that end, they shall endeavour so far as possible to arrive at a common position.

5. The Committee of Ministers shall determine the manner in which the preceding provisions are to be applied.

Article IV

The first and second paragraphs of article 6 shall be abrogated.

Article V

Article 7 shall be replaced by the following provision :

Article 7. 1. The Committee of Ministers shall discuss the institution, modification and abolition of common excise duties.

Any common excise duty shall be the subject of common legal provisions and regulations.

2. Goods subject to a common excise duty may be forwarded from the territory of one of the High Contracting Parties to the territory of the other without the imposition of, or the granting of any drawback or rebate on, excise duties in respect of import or export.

Article VI

The second paragraph of article 8 shall be replaced by the following provision :

The Governments of the High Contracting Parties shall pursue a co-ordinated price policy.

Article VII

(a) The first paragraph of article 9 shall be replaced by the following provision :

Each of the High Contracting Parties reserves the right to issue such decrees prohibiting traffic as it may deem necessary in the interests of law and order and national security or for sanitary reasons, more particularly to prevent the spread of epidemics and epizootic diseases or to protect agriculture from the introduction or propagation of noxious insects, provided always that such prohibitions do not affect traffic between the Contracting Parties in any other way, or more injuriously, than they affect the internal traffic of the Contracting Party which has resorted to them.

The High Contracting Parties undertake to harmonize the sanitary provisions referred to in the preceding paragraph, including the measures applied

at frontiers other than the common frontier, in such a manner that they shall cause a minimum of inconvenience to traffic within the union.

(b) The third paragraph of article 9 shall be abrogated.

Article VIII

Articles 10, 11 and 12 shall be replaced by the following provisions :

Article 10. Unless otherwise provided by the Board of Customs, each of the two Governments shall arrange for the administration and collection of customs and excise duties within its own territory in accordance with the laws and regulations of the customs union.

Article 11. 1. The proceeds of the following shall be regarded as common receipts :

- (a) Import duties ;
- (b) Common excise duties ;
- (c) Charges levied for special work performed in connexion with customs operations or operations relating to goods subject to a common excise duty ;
- (d) Interest charged by reason of late payment of import duties or common excise duties.

2. These common receipts, less repayments and expenses of collection and administration, shall be divided between the High Contracting Parties in proportion to the population of their territories.

For this purpose, a census of the population shall be taken every ten years in the whole territory of the union on the same day and in accordance with the same principles.

3. The Board of Customs shall, at the end of each quarter, draw up provisional accounts of the receipts in question and of the expenses to be deducted and shall, in accordance with the method of distribution indicated above, determine the share due to each of the High Contracting Parties, together with the sum to be repaid by the country whose receipts exceed this share.

The same procedure shall be followed with regard to the detailed accounts to be drawn up immediately after the final closure of each year.

Article 12. 1. The following shall be entered in the accounts as common expenses to be deducted from the common receipts :

- (a) The working expenses of the Board of Customs, such expenses to be advanced by the Belgian Government ;
- (b) The expenses of administration and collection, including those of the central administrations, in connexion with import duties and common excise duties on imported products ;

- (c) The expenses of administration and collection in connexion with common excise duties, other than excise duties on imported products ;
- (d) The expenses resulting from common measures decided upon by the Committee of Ministers under the terms of article 2 of the special Protocol relating to Agriculture.

2. The expenses referred to in paragraph 1 (b) shall include :

- (a) Salaries, including grants and allowances, of the staff of the Belgian customs administration and of the Luxembourg customs administration ; if the rate of salaries of the Luxembourg staff should be higher than that of the Belgian staff, this expense may only be charged to the union to an amount equal to the annual average expense for each class of employee of the Belgian administration ;
- (b) A lump sum of 15 per cent of the salaries of the staff specified above, for pensions to be paid to this staff by each of the High Contracting Parties ;
- (c) A lump sum for the hire, upkeep, furnishing, heating and lighting of premises, or portions of premises, set apart for the use of the administration, for office supplies and for the equipment of the staff ;
- (d) The cost of upkeep and operation of customs vehicles and vessels.

Article IX

Article 13, the third paragraph of article 15, and article 16 shall be abrogated.

Article X

Article 17 shall be replaced by the following provision :

Article 17. 1. The classification of ranks adopted in Belgium for the field services of the customs and excise administration shall be adopted in the Luxembourg customs administration.

2. The remuneration of the Luxembourg staff shall be fixed in accordance with the scales of salaries, grants and allowances prevailing in Belgium, provided that such remuneration shall not be less than that which officials of the same rank would receive in the Grand Duchy of Luxembourg.

Article XI

Article 18 shall be replaced by the following provision :

1. The Committee of Ministers shall establish the status, with respect to the union, of the Belgian Director-General of Customs and Excise and of the Luxembourg Director of Customs.

2. The customs and excise officials of the two countries shall be empowered to carry on direct correspondence with each other on all matters within their competence. Such correspondence shall be carried post-free.

Article XII

Articles 19 and 20 shall be replaced by the following provisions :

Article 19. 1. The Board of Customs shall consist of three members, as follows : the Belgian Director-General of Customs and Excise, who shall be Chairman, the Luxembourg Director of Customs, and one member appointed by the Belgian Government from among the officials of the customs and excise administration of the rank of Inspector-General.

2. The Board of Customs shall take decisions unanimously. In the event of disagreement among the members, the matter shall be submitted to the Committee of Ministers.

Article 20. 1. The Board of Customs shall be responsible for ensuring uniformity in the administration of the union as regards customs and common excise duties and for managing the common receipts of the union.

2. It shall also be vested with the following powers :

(a) It shall prepare the draft of the common legal provisions and regulations as regards customs and excise duties ;

(b) It shall furnish a reasoned statement of its opinions :

—On organizational changes, and in particular on any proposal either to increase or reduce the staff or to set up, abolish or relocate control stations or collecting offices. If it disapproves, expenditure resulting from such changes shall be entered in the accounts of the union only with the prior agreement of the Committee of Ministers. Failing such agreement, the measure may be carried out at the sole charge of the Government which orders it ;

—On reductions or remissions of, or drawbacks on, common duties which do not merely give effect to a legal provision ;

—On all such questions relating to customs and excise as the Governments or the Committee of Ministers may submit to it ;

(c) It shall consider questions relating to the application and interpretation of customs and excise laws, tariffs and regulations. Its reasoned opinion shall be transmitted to the respective administrations ; the latter shall take such decisions as may be deemed expedient ;

(d) It shall be entitled to make all the inquiries relevant to its work and to call upon the administrations of the two countries to lay before it all the papers which it may deem necessary to enable it to carry out its duties ;

- (e) It may authorize officials in the administrations of the two countries to make joint tours of inspection in the territory of the union.

Article XIII

Articles 21, 22, 23, 24 and 25 shall be abrogated.

Article XIV

Article 26 shall be replaced by the following provision :

Article 26. 1. In consular areas where the Grand Duchy of Luxembourg has no consulate, the protection of Luxembourg interests in the economic and commercial fields shall be entrusted to Belgian consulates ; members of Belgian diplomatic missions responsible for economic or commercial functions shall render assistance to the Grand Duchy of Luxembourg in the same fields.

2. Other consular functions shall be performed by the Belgian consular services, under the terms of a special convention to be concluded between the High Contracting Parties.

Article XV

Article 27 shall be abrogated.

Article XVI

Articles 28 and 29 shall be replaced by the following provisions :

Article 28. Disputes concerning the application or interpretation of the present Convention shall be settled in accordance with the terms of the Treaty of Conciliation, Arbitration and Judicial Settlement of 17 October 1927.¹

Article 29. The present Convention shall remain in force for a period of fifty years from the date of its ratification.

It shall thereafter remain in force for successive periods of ten years, provided that either of the High Contracting Parties may denounce it by means of a notification to the other Contracting Party not less than one year before the expiration of the period determined in the first paragraph or of any of the successive ten-year periods, as the case may be.

Article XVII

The rules of procedure of the Superior Council of the Belgo-Luxembourg Union annexed to the Convention of 25 July 1921 shall be abrogated.

¹ League of Nations, *Treaty Series*, Vol. CXXIV, p. 203.

CHAPTER 2

NEW PROVISIONS

Article XVIII

The following articles shall be added to the provisions of the Convention of 25 July 1921 referred to in chapter 1 of this Protocol :

Article 31. Nationals of each of the High Contracting Parties shall enjoy in the territory of the other Contracting Party the same treatment as is accorded to its own nationals with regard to freedom of movement and of sojourn, subject to such restrictions as may be determined by the Committee of Ministers in the interests of law and order, security, public health and morality.

Article 32. Nationals of each of the High Contracting Parties shall enjoy in the territory of the other Contracting Party the same treatment as is accorded to its own nationals with regard to the exercise of civil rights as well as legal and judicial protection of their person, individual rights and interests.

Article 33. 1. Nationals of each of the High Contracting Parties shall be subject in the territory of the other Contracting Party to the same treatment as its own nationals with regard to access to or exercise of independent economic activities.

2. With a view to ensuring in practice the equality of treatment provided for in paragraph 1, the Governments shall, if necessary, determine by agreement the conditions to be fulfilled and the formalities to be complied with by nationals of each of the two countries in order to exercise an independent economic activity in the other country, in so far as access to or exercise of such activity is subject to regulation. They shall specify, *inter alia*, the regulations applicable with respect to the recognition of the requisite qualifications. Such conditions and formalities may deviate from the national regulations.

3. Nationals of one of the High Contracting Parties who are established in the territory of the other Contracting Party shall, if they so desire, be placed on the same footing as nationals of the latter for the purpose of the application of paragraph 2.

Article 34. 1. The provisions of articles 32 and 33 shall apply to companies established under the legislation of one of the High Contracting Parties and having their principal establishment in the territory of the latter, whether they operate directly or through branches or agencies.

2. Companies within the meaning of this article are private companies according to civil and commercial law, including co-operative societies. However, legal persons in civil law not seeking profit are considered companies only with regard to their activities in the field of banking, insurance, capital formation

and mortgage loans. Luxembourg agricultural and viticultural associations shall also be considered companies.

3. Where, for the purpose of the enjoyment and exercise of the rights deriving from the present Convention, a type of company of one of the High Contracting Parties has no equivalent under the legislation of the other Contracting Party, the Governments shall determine by agreement the type of company with which it may be equated.

Article 35. 1. The treatment enjoyed by self-employed commercial travellers under the terms of article 33 shall be accorded also to salaried commercial travellers, whether of Belgian or Luxembourg nationality, where such persons represent nationals or companies of one of the High Contracting Parties engaged in a profit-making activity in the territory of the said Contracting Party.

2. The Committee of Ministers shall determine to what extent and under what conditions the provisions of paragraph 1 may be extended to other classes of commercial travellers, self-employed or salaried, who are nationals of third countries.

Article 36. 1. With a view to promoting the sound functioning of the union instituted by the present Convention, the High Contracting Parties shall :

- Pursue, in close consultation, a co-ordinated policy in the economic, financial and social fields ;
- Seek to reconcile the laws, regulations and administrative provisions which directly affect the functioning of the union ;
- Jointly ensure that no law, regulation or administrative provision shall unduly hinder trade between the two countries ;
- Endeavour to eliminate any disparities between laws, regulations and administrative provisions which might disturb competitive conditions in the markets of the two countries ;
- Render each other assistance with a view to ensuring the effectiveness of the economic policy measures taken in each of the two countries.

2. The Governments of the High Contracting Parties shall take in the Committee of Ministers such measures as are necessary to ensure the application of the preceding provisions.

Article 37. The Governments of the High Contracting Parties shall take such measures as may be necessary to eliminate, in the application of the laws relating to the turnover tax, the purchase tax or other similar taxes, restrictions on the free movement of goods and services, interference with normal competition, and cumulative effects of taxation as between the two countries.

Article 38. The High Contracting Parties shall adopt uniform legal provisions with respect to the wine trade and the protection of registered names.

Pending the entry into force of such provisions, the authorities of the two countries shall co-operate with a view to ensuring effective repression of offences against existing legislation on the subject.

Article 39. 1. The Governments of the High Contracting Parties shall agree, in the Committee of Ministers, on their transport policy, with a view to facilitating traffic between the two countries and ensuring equality of treatment both for transport enterprises and for the users thereof, in so far as such equality does not automatically result from the provisions of the present Convention.

2. As regards transport by inland waterway, nationals of each of the High Contracting Parties shall enjoy in every respect the same treatment in the other country as its own nationals.

3. The Grand Duchy of Luxembourg shall be given free access to maritime transport through the Belgian ports on the same conditions as apply to Belgian transport enterprises and Belgian nationals.

Article 40. The High Contracting Parties undertake to encourage the harmonious development of their relations in the field of civil aviation by promoting, *inter alia*, active collaboration between the respective aeronautical authorities and between their national airlines.

In this field, nationals of each of the High Contracting Parties shall enjoy in the territory of the other Contracting Party the same treatment as its own nationals.

Article 41. The application of the provisions of the present Convention shall be ensured by the following institutions :

- A Committee of Ministers,
- An Administrative Commission,
- A Board of Customs.

Article 42. 1. The Committee of Ministers shall be composed of members of both Governments.

2. The functions of the Committee of Ministers shall be to take such decisions as are necessary for the sound functioning of the union, to agree on the common legal measures and regulations provided for in the present Convention, and to discuss questions pertaining to external economic relations.

3. The Committee of Ministers shall take decisions by agreement between the Belgian and Luxembourg ministers present.

4. The Committee of Ministers shall establish its own standing orders.

Article 43. 1. The Administrative Commission shall be composed of delegates of both Governments.

2. The functions of the Administrative Commission shall be to keep track of the application of the present Convention and, to that end, to ensure regular liaison between the two Governments.

It shall draft proposals which shall be submitted to the Committee of Ministers. The direct settlement of certain questions or certain classes of questions may be delegated to it by the Committee of Ministers.

3. The Administrative Commission shall take decisions by agreement between the two delegations. In the event of disagreement, the matter shall be submitted to the Committee of Ministers.

4. The organizational rules and standing orders of the Administrative Commission shall be established by the Committee of Ministers. Such rules and standing orders may contain provisions for the exercising of certain functions of the Commission by the Commission meeting in restricted composition.

Article 44. In all fields with respect to which common legislation or regulations are provided for in the present Convention, the High Contracting Parties shall be bound to take such steps as may be necessary to ensure the entry into force and the uniform application of such provisions, in accordance with agreements reached in the Committee of Ministers :

- Through the adoption of national legal measures or regulations identical in content ;
- Through the introduction in one of the countries of provisions in force in the other country ; or
- Through the promulgation in both countries of common provisions applying directly to the whole of the union.

CHAPTER 3

AMENDMENTS TO THE CONVENTION OF 23 MAY 1935 INSTITUTING A COMMON REGIME FOR THE REGULATION OF IMPORTS, EXPORTS AND TRANSIT

Article XIX

Articles 1 to 4 shall be replaced by the following provisions :

Article 1. 1. Any system of regulation of imports, exports, and transit, in particular by the establishment of economic restrictions and especially of licences, quotas, licence duties, administrative charges and any other levies, shall be common to the two countries of the union, as regards both laws and regulations and the conditions of their application.

2. The measures referred to in paragraph 1, taken within the framework of the general provisions of articles 42 to 44 of the Convention of 25 July 1921,

as amended and supplemented by this Protocol, shall be submitted beforehand, for its opinion, to the Administrative Commission.

The Committee of Ministers shall establish a procedure whereby, during the interval between its own meetings and those of the Administrative Commission, such urgent measures as may be necessary in the field of the regulation of imports, exports and transit can be taken.

Article 2. 1. The Administrative Commission shall be entrusted with the administration of the import, export and transit quotas established for the union ; in particular, it shall be responsible for allocating the quotas among the persons concerned.

It shall have sole power to issue import, export and transit licences to the persons concerned, under the same conditions for the whole of the union. It shall collect the duties, charges and levies referred to in article 1.

2. The Administrative Commission may, within the framework of the principles established by the Committee of Ministers, delegate its functions to offices set up by it or to governmental offices ; one such office shall be established at Luxembourg. It may also, on the same conditions, delegate certain of its functions to third Governments or to organizations or persons established either within the territory of the union or outside it.

Article 3. 1. The proceeds of the duties, charges and levies referred to in article 1 shall be regarded as common receipts which shall be shared between the High Contracting Parties in accordance with the provisions regarding common receipts as established by article 11, paragraph 2, of the Union Convention.

2. The Committee of Ministers shall determine what expenses of collection and administration in respect of the common regime for imports, exports and transit shall be covered out of the common receipts.

3. The Committee of Ministers shall make the necessary arrangements for the auditing of the accounts of the Administrative Commission.

Article 4. The rules laid down in articles 1, 2 and 3 shall not apply to those agricultural products with respect to which the High Contracting Parties apply an autonomous system.

Article XX

Articles 5, 6, 7, 8, 9, 11, 12, 13 and 15 shall be abrogated.

CHAPTER 4

PROVISIONS RELATING TO OTHER CONVENTIONS

Article XXI

In article 2 of the Convention of 23 May 1935 providing for Special Common Receipts in regard to Excise Duties levied on Alcohol, as amended by the Convention

of 12 September 1950,¹ the words "Mixed Administrative Council" shall be replaced by the words "Board of Customs".

Article XXII

The following shall be abrogated :

- (a) The Agreement between the Grand Duchy of Luxembourg and Belgium concerning the increase in the figure used as multiplier in computing the sum to be levied under the terms of article 13 of the Economic Union Convention of 25 July 1921, concluded by exchange of notes, on 2 February 1931 ;²
- (b) The Agreement between the Grand Duchy of Luxembourg and Belgium to enable the figure used as multiplier in computing the sum to be levied under the terms of article 13 of the Economic Union Convention of 25 July 1921 to be increased, concluded by exchange of notes, on 23 May 1935 ;³
- (c) The Protocol of 23 May 1935 relating to the exercise of trade and of commercial occupations ;
- (d) The Protocol of 27 September 1935 for the regulations of the organization and functioning of the Belgo-Luxembourg Administrative Commission ; this abrogation shall take effect upon the entry into force of the organizational rules and standing orders of the Administrative Commission provided for in article 43, paragraph 4, of the Convention of 25 July 1921, as amended and supplemented by this Protocol ;
- (e) The Agreement between the Grand Duchy of Luxembourg and Belgium concerning the amendment of article 7 of the Convention of 23 May 1935 instituting a Common Regime for the Regulation of Imports, Exports and Transit, concluded by exchange of notes, on 8 July 1937 ;
- (f) The Agreement for the application to the activities of the Belgium and Luxembourg iron and steel industries of the principles of the Economic Union, signed at Luxembourg, on 8 December 1947 ;
- (g) The exchange of letters of 8 December 1947 relating to the preceding Agreement.

CHAPTER 5

FINAL PROVISIONS

Article XXIII

The Governments of the High Contracting Parties shall draw up by agreement a consolidated text of all the provisions forming the economic union, under the title "Consolidated Convention instituting the Belgo-Luxembourg Economic Union",⁴

¹ United Nations, *Treaty Series*, Vol. 110, p. 21.

² League of Nations, *Treaty Series*, Vol. CXXXIV, p. 394.

³ League of Nations, *Treaty Series*, Vol. CLX, p. 327.

⁴ See p. 148 of this volume.

taking into account the amendments and additions introduced by this Protocol. They may make any changes of form in the texts which may be necessary for that purpose.

Immediately after the entry into force of this Protocol, the two Governments shall arrange for the official publication in both countries of the consolidated text, in French and Dutch, both versions being equally authentic.

Article XXIV

The common legal provisions and regulations now in force with respect to customs, common excise duties and the system of external trade, and the usual procedures for the execution of such legal provisions and regulations, shall continue to apply until otherwise decided by the Committee of Ministers.

Article XXV

The common system as regards excise duties shall be maintained between the High Contracting Parties with respect to the following goods :

- A. Products manufactured or obtained in Belgium or in the Grand Duchy of Luxembourg :
1. Beer ;
 2. Beverages obtained from fermentation of fruit juice or must ;
 3. Sparkling fermented beverages (excluding beer) ;
 4. Petroleum gases and other gaseous hydrocarbons, liquefied ;
 5. Glucose, maltose and other non-crystallizable sugars ;
 6. Oils and isolated aromatic hydrocarbons obtained from the processing of coal or its derivatives, such as light oil, benzole, toluole, xylole, solvent naphtha, benzene, toluene, xylene, and mixtures of two or more of the preceding products distilling 90 per cent and more of their volume at temperatures up to 200° C ;
 7. Mineral oils obtained from the processing of petroleum oils, lignite, peat, shale, etc., and similar products, provided that the weight of the non-aromatic constituents exceeds that of the aromatic constituents ;
 8. Sugars of all kinds obtained from cane or beet, and refinery syrups ;
 9. Manufactured tobacco.
- B. Imported products :
1. Alcohol, spirits, liqueurs and all other products containing ethyl alcohol ;
 2. Beer ;
 3. Sparkling fermented beverages (excluding beer) ;
 4. Petroleum gases and other gaseous hydrocarbons, liquefied ;

5. Oils and isolated aromatic hydrocarbons obtained from the processing of coal or its derivatives, such as light oil, benzole, toluole, xylole, solvent naphtha, benzene, toluene, xylene, and mixtures of two or more of the preceding products distilling 90 per cent and more of their volume at temperatures up to 200° C ;
6. (a) Mineral oils obtained from the processing of petroleum oils, lignite, peat, shale, etc., and similar products, provided that the weight of the non-aromatic constituents exceeds that of the aromatic constituents ;
(b) Products containing mineral oils ;
7. (a) Sugars of all kinds ;
(b) Products containing added sugar ;
8. Manufactured tobacco ;
9. Wine of fresh grapes, grape must in fermentation and grape must with fermentation arrested by the addition of alcohol (including mistelle), non-sparkling ;
10. Vermouths, and other wines of fresh grapes flavoured with aromatic extracts.

Article XXVI

This Protocol shall be ratified.

It shall enter into force on the first day of the third month following the exchange of the instruments of ratification, which shall take place at Luxembourg.

IN WITNESS WHEREOF the plenipotentiaries, being duly authorized, have signed this Protocol and have thereto affixed their seals.

DONE at Brussels, on 29 January 1963, in duplicate, in French and Dutch, both texts being equally authentic.

For the Kingdom of Belgium :

Th. LEFÈVRE
P.-H. SPAAK

For the Grand Duchy of Luxembourg :

P. WERNER
E. SCHAUS

SPECIAL PROTOCOL¹ BETWEEN BELGIUM AND THE GRAND DUCHY OF LUXEMBOURG RELATING TO AGRICULTURE. SIGNED AT BRUSSELS, ON 29 JANUARY 1963

The High Contracting Parties to the Protocol amending the Conventions instituting the ~~Belgo-Luxembourg Economic Union~~;²

Considering that the principle of freedom of trade constitutes the basis of all the economic relations between their countries ;

Noting the difficulties of achieving complete freedom of trade between their countries in the field of agriculture ;

Desiring to create such conditions as will make it possible to apply, in the field of agriculture, the general principle of economic union, which is affirmed in the Convention of 25 July 1921,³ bearing in mind the special problems resulting from the difference in structure of the two economies concerned ;

Have agreed on the following :

Article 1

Trade in agricultural products, in relations between Belgium and Luxembourg, shall be subject to the rules laid down in the Economic Union Convention of 25 July 1921, as amended by the Protocol of today's date, subject to such measures as may be taken within the framework of the Benelux Economic Union or the European Economic Community, as the case may be.

Article 2

The Committee of Ministers of the Belgo-Luxembourg Economic Union shall have the power to take any measures, general or specific, for the progressive attainment, in the field of agricultural trade between the two countries, of a common system conforming to the principles of the Economic Union Convention and ensuring that the vital agricultural interests of both countries are safeguarded, bearing in mind the special situation of Luxembourg agriculture.

¹ Came into force on 1 August 1965, the date of entry into force of the Protocol amending the Conventions instituting the Belgo-Luxembourg Economic Union (see p. 124 of this volume), in accordance with article 4 of the Special Protocol.

² See p. 124 of this volume.

³ See footnote 2, p. 124 of this volume.

Article 3

The expenses resulting from common measures decided upon by the Committee of Ministers under the terms of article 2 shall be considered common expenses deductible from the proceeds of the common receipts in respect of import duties and excise duties.

Article 4

This Protocol shall form an integral part of the Convention for the establishment of an Economic Union between the Kingdom of Belgium and the Grand Duchy of Luxembourg, as amended by the Protocol of today's date.

DONE at Brussels, on 29 January 1963, in duplicate, in French and Dutch, both texts being equally authentic.

For the Kingdom of Belgium :

Th. LEFÈVRE
P.-H. SPAAK

For the Grand Duchy of Luxembourg :

P. WERNER
E. SCHAUS

SPECIAL PROTOCOL¹ BETWEEN BELGIUM AND THE GRAND DUCHY OF LUXEMBOURG RELATING TO THE SYSTEM OF MONETARY ASSOCIATION. SIGNED AT BRUSSELS, ON 29 JANUARY 1963

The High Contracting Parties to the Protocol amending the Conventions instituting the Belgo-Luxembourg Economic Union ;²

Desiring to supplement the economic union between their two countries with a system of monetary association, by giving final form to the monetary agreements established pursuant to the Convention of 25 July 1921 ;³

Have agreed as follows :

Article 1

1. Notes of the Luxembourg State, notes of the Banque Nationale de Belgique, notes of the Belgian State and notes of the Banque Internationale at Luxembourg shall be legal tender for payments up to any amount in the Grand Duchy of Luxembourg.

Coins of every kind minted by the Luxembourg State or by the Belgian State shall also be legal tender in the Grand Duchy of Luxembourg for payments up to amounts to be determined by agreement between the two Governments.

2. The face value of the various types of currency notes or coins issued or minted in the Grand Duchy of Luxembourg and the upper limit on the issue of such notes and coins shall be determined by agreement between the two Governments.

Article 2

The rate of exchange between the Belgian and Luxembourg currencies and the exchange rates in relation to the currencies of third countries shall be determined in accordance with article 12 of the Treaty instituting the Benelux Economic Union, signed at The Hague, on 3 February 1958,⁴ and in accordance with the procedure adopted for the implementation of that article.

If the Benelux Treaty should expire before this Protocol or should cease to contain any provisions relating to the rate of exchange between the Belgian and Luxembourg

¹ Came into force on 1 August 1965, the date of entry into force of the Protocol amending the Conventions instituting the Belgo-Luxembourg Economic Union (see p. 124 of this volume), in accordance with article 9 of the Special Protocol.

² See p. 124 of this volume.

³ See footnote 2, p. 124 of this volume.

⁴ United Nations, *Treaty Series*, Vol. 381, p. 165, and Vol. 480, p. 432.

currencies and the exchange rates in relation to the currencies of third countries, the provisions referred to in the preceding paragraph shall continue to apply as between the Parties to this Protocol.

Article 3

On the understanding that the Luxembourg Government shall, so far as possible, align its monetary policy with that pursued by the Belgian Government, the Luxembourg Government reserves the right, within the framework of that policy, to resort to its own methods of application, which may differ from those adopted by the Belgian Government.

The two Governments shall communicate to each other the texts of such legal provisions as they may adopt in this field.

Article 4

The Luxembourg Government shall introduce and apply the same legislation as Belgium with respect to exchange control.

Such control shall be entrusted to a single body whose decisions shall be binding throughout the territory of the Economic Union. The Grand Duchy of Luxembourg shall be represented in that body.

Article 5

1. The Luxembourg State shall share, in a proportion to be determined by agreement between the two Governments, the various advantages and profits which the Belgian State, in its capacity as sovereign State, derives from the operations of the Banque Nationale de Belgique and which are owing to it from the latter.

It shall share, in the same proportion, such income and disbursements as may be receivable or payable by the Belgian State as the result of a change in the book value of the gold and foreign currency holdings of the Banque Nationale de Belgique caused by a change in the gold parity of the Belgian monetary unit or in the prevailing rates of exchange.

2. The two Governments shall determine by agreement the amounts receivable or payable in accordance with the principles set forth in this article.

Article 6

1. The Belgian State shall establish the necessary contacts and agreements with the Banque Nationale de Belgique with a view to facilitating access by the Luxembourg State and the Luxembourg economy to such credits as can be granted by the Banque Nationale de Belgique and, in particular, with a view to the establishment and maintenance at Luxembourg of an office of the Banque Nationale de Belgique with a discount department attached.

2. The necessary agreements shall be established between the Belgian State and the Banque Nationale de Belgique with a view to enabling Luxembourg notes to be

changed for Belgian notes, free of charges or commissions to the holder, at all the offices and agencies of the Banque Nationale de Belgique, both in Belgium and in the Grand Duchy of Luxembourg.

Article 7

1. Within the framework of the conventions between Belgium and Germany regarding the marks withdrawn from circulation after the 1914-1918 war, the Belgian Government shall guarantee to the Luxembourg Government the same treatment in respect of the marks held by it as it obtains for the whole of the marks which the Belgian Government itself possesses.

2. The share of the interest payable by the Luxembourg Government for the period 1 June 1927 to 1 June 1937 on the Currency Loan of 175 million francs issued in the Belgian market on 1 June 1922 pursuant to article 22 of the Convention of 25 July 1921, the amount of the Belgian notes which the Belgian Government placed at the disposal of the Luxembourg Government with a view to the withdrawal of the marks circulating in Luxembourg territory after the liberation in 1944, and the Luxembourg share in the net financial liability assumed by the Belgian State in respect of advances, loans and supplies by both countries to the Allied Expeditionary Forces during the same period, shall be represented by a Treasury Bond for an initial amount of 1,672,703,538 (one thousand six hundred and seventy-two million seven hundred and three thousand five hundred and thirty-eight) Belgian francs bearing no interest, for the duration of the economic union, and repayable at the termination thereof.

The Luxembourg Government shall apply to the amortization of the aforementioned Treasury Bond the share payable to the Grand Duchy of Luxembourg of the advantages and profits which the Belgian State derives from the Banque Nationale de Belgique in its capacity as sovereign State and whatever share might be payable to it in the event of revaluation of the gold and foreign currency holdings of the Banque Nationale de Belgique.

Article 8

The Convention of 23 May 1935¹ regarding Financial and Monetary Questions shall be abrogated.

Article 9

This Protocol shall form an integral part of the Convention for the establishment of an Economic Union between the Kingdom of Belgium and the Grand Duchy of Luxembourg, as amended by the Protocol of today's date.

DONE at Brussels, on 29 January 1963, in duplicate, in French and Dutch, both texts being equally authentic.

For the Kingdom of Belgium :

Th. LEFÈVRE

P.-H. SPAAK

For the Grand Duchy of Luxembourg :

P. WERNER

E. SCHAUS

¹ League of Nations, *Treaty Series*, Vol. CLXI, p. 327.

PROTOCOL OF APPLICATION¹ OF THE SPECIAL PROTOCOL
RELATING TO THE SYSTEM OF MONETARY ASSOCIATION,
SIGNED AT BRUSSELS, ON 29 JANUARY 1963,
BETWEEN BELGIUM AND THE GRAND DUCHY OF
LUXEMBOURG. SIGNED AT BRUSSELS, ON 21 MAY 1965

The Government of the Kingdom of Belgium and

The Government of the Grand Duchy of Luxembourg,

Considering the Protocol, signed on 29 January 1963,² relating to the system of monetary association between the Kingdom of Belgium and the Grand Duchy of Luxembourg,

Have agreed as follows :

Article 1

In the territory of the Grand Duchy of Luxembourg, coins minted by the Luxembourg State or by the Belgian State shall be legal tender for payments between private persons up to the same amounts as apply in Belgium in the case of coins minted by the Belgian State.

The commemorative piece to be issued by the Grand Duchy of Luxembourg on the occasion of the millennium of its capital city shall, provided that its face value is not less than 100 francs, be legal tender for payments up to any amount.

Article 2

1. The face value of the different types of currency notes issued or coins minted in the Grand Duchy of Luxembourg shall be established as follows :

Notes : 100 francs, 50 francs, 20 francs, 10 francs.

Coins : 100 francs, 50 francs, 20 francs, 5 francs, 1 franc, 25 centimes, 20 centimes.

Commemorative piece for the millennium, referred to in article 1 : not more than 500 francs.

2. The amount of the notes and coins referred to in paragraph 1 of this article which is issued may not exceed, in relation to the maximum issues of ordinary currency authorized by Belgian law, a limit corresponding to the relation between the respective populations of the two countries plus an absolute amount of one hundred and fifty million francs.

¹ Came into force on 1 August 1965, in accordance with article 5.

² See p. 141 of this volume.

3. In so far as the information referred to in this paragraph is not the subject of a monthly official publication, the two Governments shall provide one another each month with statistical information, by category of coins and of notes, on the issue and circulation of coins minted and notes issued by each State and of notes issued by the Banque Internationale at Luxembourg.

The information supplied by the Luxembourg Government shall be presented in conformity with the rules followed by the Belgian State with respect to its own circulation.

Article 3

1. The following shall be calculated according to the relation between the respective populations of the two countries, the rules with regard to the allocation of the common receipts for which article 8, paragraph 2, of the consolidated text¹ of the Economic Union Convention, as amended by the Protocol of 29 January 1963, provides being applied for the purpose of determining that relation :

(a) The Luxembourg State's share of the various advantages and profits which the Belgian State, in its capacity as sovereign State, derives from the operations of the Banque Nationale de Belgique.

(b) The Luxembourg State's share of such income and disbursements as may be receivable or payable by the Belgian State as the result of a change in the book value of the gold and foreign currency holdings of the Banque Nationale de Belgique caused by a change in the gold parity of the Belgian monetary unit or in the prevailing rates of exchange.

2. The schedule of items which, in the present circumstances, are to be shared between the two countries in accordance with paragraph 1 (a) of this article is as follows :

(a) One fifth of the reserve fund which would revert to the Belgian State upon expiration of the right of issue of the Banque Nationale de Belgique in accordance with article 6 of the Statutes of the Banque (Royal Decree No. 29 of 24 August 1939, as amended by Legislative Decree No. 5 of 1 May 1944, by Legislative Decree of 5 September 1944, and by Acts of 28 July 1948, 12 April 1957 and 19 June 1959).

(b) The amounts payable to the Belgian State after a specified period of time whenever the Banque Nationale replaces or withdraws a type of note (article 9, first paragraph, of the Statutes).

The Grand Duchy of Luxembourg shall, however, share the liability of the Belgian State resulting from the subsequent reimbursement of holders of notes the equivalent value of which has been paid to it (article 9, second paragraph, of the Statutes).

(c) The profit payable to the Belgian State as a result of the difference between interest of 3 per cent and the rate of interest charged by the Banque on operations relating to discounts, advances and loans (article 20 of the Statutes).

¹ See p. 148 of this volume.

(d) One fifth of the surplus annual profits of the Banque, which is paid to the State after the allocation of an initial dividend to shareholders and of a part of the remainder to reserves and to staff (article 21 (3 (a)) of the Statutes).

3. For the period 1 January 1927 to 31 December 1951, the net amount due to Luxembourg in respect of the shares referred to in paragraph 1 of this article shall be set at a lump sum of two hundred and twenty million four hundred and twelve thousand francs, as follows :

Proceeds of discount operations in excess of 3.5 per cent	fr. 7,307,000
Share in annual profits	16,511,000
Notes withdrawn from circulation	5,676,000
Stamp duties	21,212,000
Proceeds of the 1944 revaluation	8,261,000
Proceeds of the 1949 revaluation	141,445,000
Share in the amount received by the Belgian Treasury in respect of notes not declared or exchanged on the terms prescribed in the Belgian Legislative Decree of 6 October 1944 relating to notes of the Banque Nationale de Belgique	20,000,000
	fr. 220,412,000

Article 4

The following conventions and protocols, the provisions of which have been replaced by new texts or have become otiose, shall be abrogated with effect from the entry into force of this Protocol :

1. Additional Agreement to the Convention regarding Financial and Monetary Questions concluded on 23 May 1935¹ between the Grand Duchy of Luxembourg and Belgium, signed at London, on 31 August 1944.

2. Additional Protocol to the Additional Agreement concluded at London on 31 August 1944 between Belgium and Luxembourg, signed at London, on 31 August 1944.

3. Exchange of correspondence of 20-21 April 1945, amending article 6 of the Additional Protocol to the Belgo-Luxembourg Additional Agreement of 31 August 1944.

4. Second Additional Protocol to the Additional Agreement concluded at London on 31 August 1944 between Belgium and the Grand Duchy of Luxembourg, signed at Luxembourg, on 29 December 1947.

5. Additional Agreement to the Convention regarding Financial and Monetary Questions signed at Brussels on 23 May 1935 between the Grand Duchy of Luxembourg and Belgium, signed at Brussels, on 15 April 1952.

¹ League of Nations, *Treaty Series*, Vol. CLXI, p. 327.

6. Additional Agreement to the Convention regarding Financial and Monetary Questions concluded at Brussels on 23 May 1935 between the Grand Duchy of Luxembourg and Belgium, signed at Luxembourg, on 6 July 1953.

Article 5

This Protocol shall enter into force simultaneously with the Special Protocol between Belgium and the Grand Duchy of Luxembourg relating to the System of Monetary Association, signed at Brussels on 29 January 1963.

DONE at Brussels, on 21 May 1965, in duplicate, in French and Dutch, both texts being equally authentic.

For the Government of the Kingdom of Belgium :

P.-H. SPAAK

For the Government of the Grand Duchy of Luxembourg :

Roger HASTERT

CONSOLIDATED CONVENTION BETWEEN BELGIUM AND
THE GRAND DUCHY OF LUXEMBOURG INSTITUTING
THE BELGO-LUXEMBOURG ECONOMIC UNION. INI-
TIALLED AT BRUSSELS, ON 29 JANUARY 1963¹

CHAPTER I

BASIC PROVISIONS

Article 1

An economic union based on a customs union shall be instituted between the Kingdom of Belgium and the Grand Duchy of Luxembourg.

Article 2

The territories of the High Contracting Parties shall be considered to form one single territory as regards customs, common excise duties and common measures for the regulation of external economic transactions ; the customs boundaries between the two countries shall be abolished.

Article 3

Except as otherwise provided in the present Convention, commerce between the countries of the union shall be entirely free and unrestricted and subject to no import, transit or export limitations or prohibitions nor to duties or charges of any kind.

Article 4

The application of the provisions of the present Convention shall be ensured by the following institutions :

- A Committee of Ministers,
- An Administrative Commission,
- A Board of Customs.

¹ Text established by agreement between the Belgian Government and the Government of Luxembourg, in accordance with article XXIII of the Protocol of 29 January 1963 revising the Conventions for the establishment of the Belgo-Luxembourg Economic Union (see p. 124 of this volume).

CHAPTER 2

PROVISIONS RELATING TO CUSTOMS AND EXCISE

Article 5

Legal provisions and regulations as regards customs shall be common to the whole of the union.

Article 6

1. The Committee of Ministers shall discuss the institution, modification and abolition of common excise duties.

Any common excise duty shall be the subject of common legal provisions and regulations.

2. Goods subject to a common excise duty may be forwarded from the territory of one of the High Contracting Parties to the territory of the other without the imposition of, or the granting of any drawback or rebate on, excise duties in respect of import or export.

3. No excise duty may be imposed upon natural still wines of native origin manufactured from fresh grapes.

For the purpose of the present Convention, wines manufactured from the vintages of the Grand Duchy of Luxembourg and dealt with in accordance with the laws of Luxembourg shall be held to be natural wines of native origin.

Article 7

Unless otherwise provided by the Board of Customs, each of the two Governments shall arrange for the administration and collection of customs and excise duties within its own territory in accordance with the laws and regulations of the customs union.

Article 8

1. The proceeds of the following shall be regarded as common receipts :

- (a) Import duties ;
- (b) Common excise duties ;
- (c) Charges levied for special work performed in connexion with customs operations or operations relating to goods subject to a common excise duty ;
- (d) Interest charged by reason of late payment of import duties or common excise duty ;

2. These common receipts, less repayments and expenses of collection and administration, shall be divided between the High Contracting Parties in proportion to the population of their territories.

For this purpose, a census of the population shall be taken every ten years in the whole territory of the union on the same day and in accordance with the same principles.

3. The Board of Customs shall, at the end of each quarter, draw up provisional accounts of the receipts in question and of the expenses to be deducted and shall, in accordance with the method of distribution indicated above, determine the share due to each of the High Contracting Parties, together with the sum to be repaid by the country whose receipts exceed this share.

The same procedure shall be followed with regard to the detailed accounts to be drawn up immediately after the final closure of each year.

Article 9

1. The following shall be entered in the accounts as common expenses to be deducted from the common receipts :

- (a) The working expenses of the Board of Customs, such expenses to be advanced by the Belgian Government ;
- (b) The expenses of administration and collection, including those of the central administrations, in connexion with import duties and common excise duties on imported products ;
- (c) The expenses of administration and collection in connexion with common excise duties, other than excise duties on imported products ;
- (d) The expenses resulting from common measures decided upon by the Committee of Ministers under the terms of article 2 of the Special Protocol relating to Agriculture.

2. The expenses referred to in paragraph 1 (b) shall include ;

- (a) Salaries, including grants and allowances, of the staff of the Belgian customs administration and of the Luxembourg customs administration ; if the rate of salaries of the Luxembourg staff should be higher than that of the Belgian staff, this expense may only be charged to the union to an amount equal to the annual average expense for each class of employee of the Belgian administration ;
- (b) A lump sum of 15 per cent of the salaries of the staff specified above, for pensions to be paid to this staff by each of the High Contracting Parties ;
- (c) A lump sum for the hire, upkeep, furnishing, heating and lighting of premises, or portions of premises, set apart for the use of the administration, for office supplies and for the equipment of the staff ;
- (d) The cost of upkeep and operation of customs vehicles and vessels.

Article 10

Each Government in the union shall be responsible for the whole of such sums as are not collected or are lost or abstracted in its territory, even if the loss is due to accident, negligence or criminal act.

In exceptional cases the Board of Customs may, if such a course appears equitable, place such losses as a charge on the union if it is satisfied that all measures calculated to avoid such loss had been enacted and carried out by the Government responsible.

Article 11

1. Each State of the union shall appoint the customs and excise staff exclusively from among its own nationals.

2. The Luxembourg customs staff shall adopt the uniform, with the exception of the cockade, and the arms and equipment of the Belgian customs staff.

Article 12

1. The classification of ranks adopted in Belgium for the field services of the customs and excise administration shall be adopted in the Luxembourg customs administration.

2. The remuneration of the Luxembourg staff shall be fixed in accordance with the scales of salaries, grants and allowances prevailing in Belgium, provided that such remuneration shall not be less than that which officials of the same rank would receive in the Grand Duchy of Luxembourg.

Article 13

1. The Committee of Ministers shall establish the status, with respect to the union, of the Belgian Director-General of Customs and Excise and of the Luxembourg Director of Customs.

2. The customs and excise officials of the two countries shall be empowered to carry on direct correspondence with each other on all matters within their competence. Such correspondence shall be carried post-free.

Article 14

1. The Board of Customs shall consist of three members, as follows : the Belgian Director-General of Customs and Excise, who shall be Chairman, the Luxembourg Director of Customs, and one member appointed by the Belgian Government from among the officials of the customs and excise administration of the rank of Inspector-General.

2. The Board of Customs shall take decisions unanimously. In the event of disagreement among the members, the matter shall be submitted to the Committee of Ministers.

Article 15

1. The Board of Customs shall be responsible for ensuring uniformity in the administration of the union as regards customs and common excise duties and for managing the common receipts of the union.

2. It shall also be vested with the following powers :

- (a) It shall prepare the draft of the common legal provisions and regulations as regards customs and excise duties ;
- (b) It shall furnish a reasoned statement of its opinions :
 - On organizational changes, and in particular on any proposal either to increase or reduce the staff or to set up, abolish or relocate control stations or collecting offices. If it disapproves, expenditure resulting from such changes shall be entered in the accounts of the union only with the prior agreement of the Committee of Ministers. Failing such agreement, the measure may be carried out at the sole charge of the Government which orders it ;
 - On reductions or remissions of, or drawbacks on, common duties which do not merely give effect to a legal provision ;
 - On all such questions relating to customs and excise as the Governments or the Committee of Ministers may submit to it ;
- (c) It shall consider questions relating to the application and interpretation of customs and excise laws, tariffs and regulations. Its reasoned opinion shall be transmitted to the respective administrations ; the latter shall take such decisions as may be deemed expedient ;
- (d) It shall be entitled to make all the inquiries relevant to its work and to call upon the administrations of the two countries to lay before it all the papers which it may deem necessary to enable it to carry out its duties ;
- (e) It may authorize officials in the administrations of the two countries to make joint tours of inspection in the territory of the union.

CHAPTER 3

SOJOURN, ESTABLISHMENT AND EXERCISE OF PROFESSIONS

Article 16

Nationals of each of the High Contracting Parties shall enjoy in the territory of the other Contracting Party the same treatment as is accorded to its own nationals with regard to freedom of movement and of sojourn, subject to such restrictions as

may be determined by the Committee of Ministers in the interests of law and order, security, public health and morality.

Article 17

Nationals of each of the High Contracting Parties shall enjoy in the territory of the other Contracting Party the same treatment as is accorded to its own nationals with regard to the exercise of civil rights as well as legal and judicial protection of their person, individual rights and interests.

Article 18

1. Nationals of each of the High Contracting Parties shall be subject in the territory of the other Contracting Party to the same treatment as its own nationals with regard to access to or exercise of independent economic activities.

2. With a view to ensuring in practice the equality of treatment provided for in paragraph 1, the Governments shall, if necessary, determine by agreement the conditions to be fulfilled and the formalities to be complied with by nationals of each of the two countries in order to exercise an independent economic activity in the other country, in so far as access to or exercise of such activity is subject to regulation. They shall specify, *inter alia*, the regulations applicable with respect to the recognition of the requisite qualifications. Such conditions and formalities may deviate from the national regulations.

3. Nationals of one of the High Contracting Parties who are established in the territory of the other Contracting Party shall, if they so desire, be placed on the same footing as nationals of the latter for the purpose of the application of paragraph 2.

Article 19

1. The provisions of articles 17 and 18 shall apply to companies established under the legislation of one of the High Contracting Parties and having their principal establishment in the territory of the latter, whether they operate directly or through branches or agencies.

2. Companies within the meaning of this article are private companies according to civil and commercial law, including co-operative societies. However, legal persons in civil law not seeking profit are considered companies only with regard to their activities in the field of banking, insurance, capital formation and mortgage loans. Luxembourg agricultural and viticultural associations shall also be considered companies.

3. Where, for the purpose of the enjoyment and exercise of the rights deriving from the present Convention, a type of company of one of the High Contracting Parties has no equivalent under the legislation of the other Contracting Party, the Governments shall determine by agreement the type of company with which it may be equated.

Article 20

1. The treatment enjoyed by self-employed commercial travellers under the terms of article 18 shall be accorded also to salaried commercial travellers, whether of Belgian or Luxembourg nationality, where such persons represent nationals or companies of one of the High Contracting Parties engaged in a profit-making activity in the territory of the said Contracting Party.

2. The Committee of Ministers shall determine to what extent and under what conditions the provisions of paragraph 1 may be extended to other classes of commercial travellers, self-employed or salaried, who are nationals of third countries.

Article 21

As regards participation in the markets for supplies and work offered by the State provinces, communes and, generally speaking, by public administrations and administrations and establishments controlled by the public authorities, nationals of one of the High Contracting Parties shall be subjected by the other Contracting Party to the same conditions as the nationals of the latter ; they shall enjoy the same rights, advantages and facilities, without any distinction in law or in fact.

Article 22

Nationals of one of the High Contracting Parties who are settled or reside temporarily in the territory of the other Contracting Party, or make use of its territory or its land, water or air transport installations, may not be subjected in the territory of the latter Contracting Party, either in respect of the produce of their agriculture, trade, industry, capital or labour, or in respect of the agricultural, commercial, industrial or financial operations or the trades and professions which they practise in that territory, or in respect of the transport of their merchandise, persons or property, to methods of taxation, traffic regulations, duties, charges, tariffs, taxes or licences, under whatever name they may be described, other than those which may be applied to its own nationals ; the privileges, immunities or benefits of any description whatever which would be enjoyed by the nationals of one of the Parties as regards trade or industry shall be shared by the nationals of the other.

CHAPTER 4

ECONOMIC PROVISIONS

Article 23

1. With a view to promoting the sound functioning of the union instituted by the present Convention, the High Contracting Parties shall

—Pursue, in close consultation, a co-ordinated policy in the economic, financial and social fields ;

- Seek to reconcile the laws, regulations and administrative provisions which directly affect the functioning of the union ;
- Jointly ensure that no law, regulation or administrative provision shall unduly hinder trade between the two countries ;
- Endeavour to eliminate any disparities between laws, regulations and administrative provisions which might disturb competitive conditions in the markets of the two countries ;
- Render each other assistance with a view to ensuring the effectiveness of the economic policy measures taken in each of the two countries.

2. The Governments of the High Contracting Parties shall take in the Committee of Ministers such measures as are necessary to ensure the application of the preceding provisions.

Article 24

As regards the supply of fuel, power and raw materials, the two countries shall be placed on a footing of absolute equality.

Article 25

1. The Governments of the High Contracting Parties shall pursue a co-ordinated price policy.

This provision, however, shall not apply to slag obtained from the Thomas process which is to be supplied, under mining concessions, for agricultural purposes in Luxembourg.

2. No export bounty, direct or indirect, may be granted on produce and goods of any kind passing from the territory of one of the Parties to the territory of the other.

Article 26

The Governments of the High Contracting Parties shall take such measures as may be necessary to eliminate, in the application of the laws relating to the turnover tax, the purchase tax or other similar taxes, restrictions on the free movement of goods and services, interference with normal competition, and cumulative effects of taxation as between the two countries.

Article 27

1. The High Contracting Parties shall adopt uniform legal provisions with respect to the wine trade and the protection of registered names.

Pending the entry into force of such provisions, the authorities of the two countries shall co-operate with a view to ensuring effective repression of offences against existing legislation on the subject.

2. Artificial wines, i.e., those which are not produced by the fermentation of the juice or must of fresh grapes, may not be transported or exposed for sale unless the vessels which contain them are clearly marked with a name leaving no doubt as to the nature of the product.

Article 28

1. The Governments of the High Contracting Parties shall agree, in the Committee of Ministers, on their transport policy, with a view to facilitating traffic between the two countries and ensuring equality of treatment both for transport enterprises and for the users thereof, in so far as such equality does not automatically result from the provisions of the present Convention.

2. As regards transport by inland waterway, nationals of each of the High Contracting Parties shall enjoy in every respect the same treatment in the other country as its own nationals.

3. The Grand Duchy of Luxembourg shall be given free access to maritime transport through the Belgian ports on the same conditions as apply to Belgian transport enterprises and Belgian nationals.

Article 29

The High Contracting Parties undertake to encourage the harmonious development of their relations in the field of civil aviation by promoting, *inter alia*, active collaboration between the respective aeronautical authorities and between their national airlines.

In this field, nationals of each of the High Contracting Parties shall enjoy in the territory of the other Contracting Party the same treatment as its own nationals.

Article 30

1. Each of the High Contracting Parties reserves the right to issue such decrees prohibiting traffic as it may deem necessary in the interests of law and order and national security or for sanitary reasons, more particularly to prevent the spread of epidemics and epizootic diseases or to protect agriculture from the introduction or propagation of noxious insects, provided always that such prohibitions do not affect traffic between the Contracting Parties in any other way, or more injuriously, than they affect the internal traffic of the Contracting Party which has resorted to them.

2. The High Contracting Parties undertake to harmonize the sanitary provisions referred to in paragraph 1, including the measures applied at frontiers other than the common frontier, in such a manner that they shall cause a minimum of inconvenience to traffic within the union.

3. Licences or permits for the transport of dangerous goods, such as explosives, which have been issued by the competent authorities in Belgium shall be valid for the Grand Duchy of Luxembourg and vice versa.

CHAPTER 5

EXTERNAL TRADE

Article 31

1. Treaties and agreements relating to tariffs and trade, and international payment agreements relating to external trade, shall be common.

They shall be concluded by Belgium on behalf of the union, subject to the right of the Luxembourg Government to sign such treaties or agreements jointly with the Belgian Government. No such treaty or agreement may be concluded, modified or denounced without the Luxembourg Government's having been consulted.

2. In the case of multilateral treaties and agreements relating to the subjects specified in paragraph 1, the two Governments shall agree, according to the circumstances, on the procedure to be followed.

The same provision shall apply to all other bilateral or multilateral treaties and agreements which are connected with the union or of which only certain clauses relate to the subjects specified in paragraph 1.

3. The two Governments shall take the necessary measures to ensure the uniform application, in the territory of the two countries, of all provisions of the treaties and agreements referred to in this article, relating to the subjects specified in paragraph 1, irrespective of the procedure applied in the conclusion of such treaties and agreements.

4. The two Governments shall consult together with a view to defending the interests of the union in relations with third States and in international organizations of an economic character of which both Contracting Parties are members. To that end, they shall endeavour so far as possible to arrive at a common position.

5. The Committee of Ministers shall determine the manner in which the preceding provisions are to be applied.

Article 32

1. Any system of regulation of imports, exports, and transit, in particular by the establishment of economic restrictions and especially of licences, quotas, licence duties, administrative charges and any other levies, shall be common to the two countries of the union, as regards both laws and regulations and the conditions of their application.

2. The measures referred to in paragraph 1, taken within the framework of the general provisions of articles 36 to 38, shall be submitted beforehand, for its opinion, to the Administrative Commission.

The Committee of Ministers shall establish a procedure whereby, during the interval between its own meetings and those of the Administrative Commission, such urgent measures as may be necessary in the field of the regulation of imports, exports and transit can be taken.

Article 33

1. The Administrative Commission shall be entrusted with the administration of the import, export and transit quotas established for the union ; in particular, it shall be responsible for allocating the quotas among the persons concerned.

It shall have sole power to issue import, export and transit licences to the persons concerned, under the same conditions for the whole of the union. It shall collect the duties, charges and levies referred to in article 32.

2. The Administrative Commission may, within the framework of the principles established by the Committee of Ministers, delegate its functions to offices set up by it or to governmental offices ; one such office shall be established at Luxembourg. It may also, on the same conditions, delegate certain of its functions to third Governments or to organizations or persons established either within the territory of the union or outside it.

Article 34

1. The proceeds of the duties, charges and levies referred to in article 32 shall be regarded as common receipts which shall be shared between the High Contracting Parties in accordance with the provisions regarding common receipts as established by article 8, paragraph 2.

2. The Committee of Ministers shall determine what expenses of collection and administration in respect of the common regime for imports, exports and transit shall be covered out of the common receipts.

3. The Committee of Ministers shall make the necessary arrangements for the auditing of the accounts of the Administrative Commission.

Article 35

1. The rules laid down in articles 32, 33 and 34 shall not apply to those agricultural products with respect to which the High Contracting Parties apply an autonomous system.

2. As an exception to the general rules laid down in articles 32, 33 and 34, the Luxembourg Government shall have the right not to associate itself with any measures for the regulation of imports of crude or carbonized coal and agglomerates of coal or lignite which the Belgian Government may have adopted or may propose to adopt. Should the Luxembourg Government avail itself of this right, the Belgian Government shall be entitled to regulate the importation of the said goods at the common frontier.

CHAPTER 6

INSTITUTIONAL AND GENERAL PROVISIONS

Article 36

1. The Committee of Ministers shall be composed of members of both Governments.
2. The functions of the Committee of Ministers shall be to take such decisions as are necessary for the sound functioning of the union, to agree on the common legal measures and regulations provided for in the present Convention, and to discuss questions pertaining to external economic relations.
3. The Committee of Ministers shall take decisions by agreement between the Belgian and Luxembourg ministers present.
4. The Committee of Ministers shall establish its own standing orders.

Article 37

1. The Administrative Commission shall be composed of delegates of both Governments.
2. The functions of the Administrative Commission shall be to keep track of the application of the present Convention and, to that end, to ensure regular liaison between the two Governments.

It shall draft proposals which shall be submitted to the Committee of Ministers. The direct settlement of certain questions or certain classes of questions may be delegated to it by the Committee of Ministers.

3. The Administrative Commission shall take decisions by agreement between the two delegations. In the event of disagreement, the matter shall be submitted to the Committee of Ministers.
4. The organizational rules and standing orders of the Administrative Commission shall be established by the Committee of Ministers. Such rules and standing orders may contain provisions for the exercising of certain functions of the Commission by the Commission meeting in restricted composition.

Article 38

In all fields with respect to which common legislation or regulations are provided for in the present Convention, the High Contracting Parties shall be bound to take such steps as may be necessary to ensure the entry into force and the uniform application of such provisions, in accordance with agreements reached in the Committee of Ministers,

—Through the adoption of national legal measures or regulations identical in content ;

- Through the introduction in one of the countries of provisions in force in the other country ; or
- Through the promulgation in both countries of common provisions applying directly to the whole of the union.

Article 39

1. In consular areas where the Grand Duchy of Luxembourg has no consulate, the protection of Luxembourg interests in the economic and commercial fields shall be entrusted to Belgian consulates ; members of Belgian diplomatic missions responsible for economic or commercial functions shall render assistance to the Grand Duchy of Luxembourg in the same fields.

2. Other consular functions shall be performed by the Belgian consular services, under the terms of a special convention to be concluded between the High Contracting Parties.

Article 40

Disputes concerning the application or interpretation of the present Convention shall be settled in accordance with the terms of the Treaty of Conciliation, Arbitration and Judicial Settlement of 17 October 1927.¹

CHAPTER 7

FINAL PROVISIONS

Article 41

The common legal provisions and regulations now in force with respect to customs, common excise duties and the system of external trade, and the usual procedures for the execution of such legal provisions and regulations, shall continue to apply until otherwise decided by the Committee of Ministers.

Article 42

The common system as regards excise duties shall be maintained between the High Contracting Parties with respect to the following goods :

- A. Products manufactured or obtained in Belgium or in the Grand Duchy of Luxembourg :

¹ League of Nations, *Treaty Series*, Vol. CXXIV, p. 203.

1. Beer ;
2. Beverages obtained from fermentation of fruit juice or must ;
3. Sparkling fermented beverages (excluding beer) ;
4. Petroleum gases and other gaseous hydrocarbons, liquefied ;
5. Glucose, maltose and other non-crystallizable sugars ;
6. Oils and isolated aromatic hydrocarbons obtained from the processing of coal or its derivatives, such as light oil, benzole, toluole, xylole, solvent naphtha, benzene, toluene, xylene, and mixtures of two or more of the preceding products distilling 90 per cent and more of their volume at temperatures up to 200° C ;
7. Mineral oils obtained from the processing of petroleum oils, lignite, peat, shale, etc., and similar products, provided that the weight of the non-aromatic constituents exceeds that of the aromatic constituents ;
8. Sugars of all kinds obtained from cane or beet, and refinery syrups ;
9. Manufactures tobacco.

B. Imported products :

1. Alcohol, spirits, liqueurs and all other products containing ethyl alcohol ;
2. Beer ;
3. Sparkling fermented beverages (excluding beer) ;
4. Petroleum gases and other gaseous hydrocarbons, liquefied ;
5. Oils and isolated aromatic hydrocarbons obtained from the processing of coal or its derivatives, such as light oil, benzole, toluole, xylole, solvent naphtha, benzene, toluene, xylene, and mixtures of two or more of the preceding products distilling 90 per cent and more of their volume at temperatures up to 200° C ;
6. (a) Mineral oils obtained from the processing of petroleum oils, lignite, peat, shale, etc., and similar products, provided that the weight of the non-aromatic constituents exceeds that of the aromatic constituents ;
(b) Products containing mineral oils ;
7. (a) Sugars of all kinds ;
(b) Products containing added sugar ;
8. Manufactured tobacco ;
9. Wine of fresh grapes, grape must in fermentation and grape must with fermentation arrested by the addition of alcohol (including mistelle), non-sparkling ;
10. Vermouths, and other wines of fresh grapes flavoured with aromatic extracts.

Article 43

The present Convention shall remain in force for a period of fifty years from 6 March 1922.

It shall thereafter remain in force for successive periods of ten years, provided that either of the High Contracting Parties may denounce it by means of a notification to the other Contracting Party not less than one year before the expiration of the period determined in the first paragraph or of any of the successive ten-year periods, as the case may be.

CONCORDANCE TABLE

<i>Consolidated Convention</i>	<i>Amending Protocol</i>	<i>1921 Convention</i>	<i>1935 Convention</i>
art. 1	art. I, art. 1	art. 1	
art. 2	art. I, art. 2	art. 2	
art. 3		art. 3, first para.	
art. 4	art. XVIII, art. 41		(1)
art. 5	art. III, art. 4	art. 4, first para.	
art. 6, paras. 1 and 2	art. V, art. 7		(1)
para. 2	art. V, art. 7	art. 7, first para.	
para. 3	art. V, art. 7	art. 6, third and fifth paras.	
art. 7	art. VIII, art. 10	art. 10	
art. 8	art. VIII, art. 11	art. 11	
art. 9	art. VIII, art. 12	art. 12	
art. 10		art. 14	
art. 11		art. 15, first and second paras.	
art. 12	art. X, art. 17	art. 17	
art. 13	art. XI, art. 18	art. 18	
art. 14	art. XII, art. 19	art. 19, first para.	
art. 15	art. XII, art. 20	art. 19, first para., art. 20 and art. 15, third para.	
art. 16	art. XVIII, art. 31		(1)
art. 17	art. XVIII, art. 32		(1)
art. 18	art. XVIII, art. 33		(1)
art. 19	art. XVIII, art. 34		(1)
art. 20	art. XVIII, art. 35	cf. art. 3, fifth para.	(1)
art. 21	art. II, art. 3, sixth para.	art. 3, sixth para.	

<i>Consolidated Convention</i>	<i>Amending Protocol</i>	<i>1921 Convention</i>	<i>1935 Convention</i>	
art. 22		art. 3, second para., first sentence		
art. 23	art. XVIII, art. 36			(1)
art. 24	art. II, art. 3, fourth para.	art. 3, fourth para.		
art. 25	art. VI, art. 8, second para.	art. 8		
art. 26	art. XVIII, art. 37			(1)
art. 27, para. 1 para. 2	art. XVIII, art. 38	art. 6, fourth para.		(1)
art. 28	art. XVIII, art. 39			(1)
art. 29	art. XVIII, art. 40			(1)
art. 30, para. 1	art. VII, art. 9, first para.	art. 9, first para.		
para. 2			cf. art. 13	(1)
para. 3		art. 9, second para.		
art. 31	art. III, art. 5	art. 5		
art. 32	art. XIX, art. 1		art. 1	
art. 33	art. XIX, art. 2		art. 2	
art. 34, para. 1	art. XIX, art. 3		art. 3	
paras. 2 and 3	art. XIX, art. 3			(1)
art. 35, para. 1	art. XIX, art. 4		art. 4	
para. 2			art. 10	
art. 36	art. XVIII, art. 42			(1)
art. 37	art. XVIII, art. 43	cf. art. 27		(1)
art. 38	art. XVIII, art. 44			(1)
art. 39	art. XIV, art. 26	art. 26		
art. 40	art. XVI, art. 28	art. 28		
art. 41	art. XXIV			(1)
art. 42	art. XXV			(1)
art. 43	art. XVI, art. 29	art. 29		

1 New provision.