

No. 8572

**BELGIUM, LUXEMBOURG and NETHERLANDS
and
PARAGUAY**

**Agreement on trade and navigation. Signed at Asunción,
on 13 August 1963**

Official texts : French, Dutch and Spanish.

Registered by Belgium on 16 March 1967.

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et
PARAGUAY**

**Accord de commerce et de navigation. Signé à
Assomption, le 13 août 1963**

Textes officiels français, néerlandais et espagnol.

Enregistré par la Belgique le 16 mars 1967.

[TRANSLATION — TRADUCTION]

No. 8572. AGREEMENT ON TRADE AND NAVIGATION¹
BETWEEN THE BENELUX ECONOMIC UNION AND
THE REPUBLIC OF PARAGUAY. SIGNED AT ASUNCIÓN,
ON 13 AUGUST 1963

The Kingdom of Belgium, acting in its own name and on behalf of the Grand Duchy of Luxembourg according to existing agreements, and

The Kingdom of the Netherlands,

Acting together under the Treaty instituting the Benelux Economic Union, signed at The Hague, on 3 February 1958,² on the one hand, and

The Government of the Republic of Paraguay, on the other hand,

Recognizing that it is in their interest to develop and foster trade between them and to facilitate sea and river transport,

Inspired by the wish to strengthen their traditional bonds of friendship by according each other unconditional most-favoured-nation treatment as the basis for their trade and shipping relations,

Have resolved to conclude an Agreement on Trade and Navigation between the Benelux Economic Union and the Republic of Paraguay and have for this purpose appointed as their Plenipotentiaries :

His Majesty the King of the Belgians : Mr. Maurice Seynave, Chargé d'Affaires a. i. of Belgium in Paraguay ;

Her Majesty the Queen of the Netherlands : His Excellency Mr. Johannes Christoffel van Beusekom, Ambassador Extraordinary and Plenipotentiary of the Netherlands to the Government of the Republic of Paraguay, and

His Excellency the President of the Republic of Paraguay : His Excellency Mr. Raul Sapena Pastor, Minister for Foreign Affairs,

Who, having exchanged their respective full powers, found in good and due form,

Have agreed as follows :

¹ Came into force on 13 February 1967, the date of deposit of the last instrument of ratification, in accordance with article XXI. The instruments of ratification were deposited with the Paraguayan Government on the following dates

Netherlands (for the Kingdom in Europe,	Paraguay	25 August 1966
Surinam and the Netherlands Antilles)	Belgium, Luxembourg	13 February 1967
5 February 1966		

² United Nations, *Treaty Series*, Vol 381, p 165, Vol 480, p 432 and Vol 565, p. 312.

Article I

The Contracting Parties shall endeavour by every means to consolidate and expand their commercial relations to the greatest possible extent.

To this end, the Contracting Parties shall seek to diversify their trade with each other as far as possible, without prejudice to their traditional imports and exports.

Where import and export permits are required, they shall be issued in as liberal and expeditious a manner as possible, in the spirit of this Agreement and in accordance with the regulations in force in the countries of the Contracting Parties.

Article II

Any advantages, privileges or exemptions which one of the Contracting Parties grants or may grant to products originating in or destined for any third country shall be accorded immediately and unconditionally to similar products originating in or destined for the other Party. This provision concerns customs duties and charges of any kind imposed on or in connexion with the importation, exportation, transit and bonding of goods and the application of customs regulations and formalities

Products originating in one Contracting Party imported into the territory of the other shall not be liable, in the importing country, to higher duties or charges of any kind or to stricter customs regulations or formalities than those to which similar products originating in any third country are or may be liable.

Products originating in one Contracting Party exported to the territory of the other shall not be liable, in the exporting country, to higher duties or charges of any kind or to stricter customs regulations or formalities than those to which similar products destined for any third country are or may be liable.

Article III

Products originating in one Contracting Party imported into the territory of the other Party shall not be liable, in the importing country, to higher taxes or internal charges or to stricter formalities than those applicable to similar products originating in any third country, imported under equivalent conditions.

Conversely, products originating in one Contracting Party exported to the territory of the other Party shall not be liable, in the exporting country, to higher taxes or internal charges or to stricter formalities than those applicable when they are exported to any third country.

Article IV

Payments relating to commercial transactions and payments of any other kind between the countries of the Contracting Parties shall be effected in accordance with the regulations in force in each of the countries of the Contracting Parties concerning payments abroad.

The Contracting Parties shall accord each other treatment at least as favourable as that accorded to any third country to which the same payments system is applied

Article V

The most-favoured-nation treatment mentioned in articles I, II, III and IV of this Agreement shall not extend to :

- (a) Advantages, privileges or exemptions which the Benelux countries grant or may grant for the importation of products originating in the Republic of the Congo (Léopoldville), in the countries of Rwanda and Burundi and in the parts of the Kingdom of the Netherlands situated outside Europe ;
- (b) Advantages, privileges or exemptions which the Republic of Paraguay grants or may grant to adjoining countries and to the Eastern Republic of Uruguay ;
- (c) Advantages, privileges or exemptions which one of the Governments of the Contracting Parties grants or may grant to adjoining countries, in connexion with frontier traffic ;
- (d) The products of national fisheries.

Article VI

The Benelux countries and the Republic of Paraguay note that customs unions and free trade areas and agreements concluded with a view to the establishment of a customs union or free trade area shall as of right constitute exceptions to the most-favoured-nation clause.

Consequently, the commitments assumed under this Agreement by the Benelux countries, on the one hand, and the Republic of Paraguay, on the other hand, may not be interpreted as entailing an obligation to extend to each other the advantages which those countries grant or may grant in pursuance of the Treaties and Conventions instituting the European Communities, signed in Paris on 18 April 1951 and at Rome on 25 March 1957, on the one hand, and the Treaty instituting the Latin American Free-Trade Association, signed at Montevideo on 18 February 1960, on the other hand.

Article VII

Nothing in this Agreement shall be construed as preventing the adoption or enforcement of measures :

- (a) Necessary for the protection of public morals ,
- (b) Necessary for the enforcement of the laws and regulations concerning public security ,
- (c) Necessary for the protection of human, animal or plant life or health ;
- (d) Relating to the importation or exportation of gold or silver ,
- (e) Intended for the protection of national treasures having an artistic, historical or archeological value ;
- (f) Relating to the control of the importation or exportation of arms ; implements of war and military supplies.

Article VIII

Any commercial transaction between the Contracting Parties may be conducted either directly between their residents or locally established enterprises or indirectly through the intermediary of a resident or an enterprise of any other country.

Any commercial transaction between one of the Contracting Parties and any other country may be conducted through the intermediary of a resident of the other Party.

Article IX

With respect to the computation and payment of charges, taxes and dues and other formalities and requirements applicable to transit, the Contracting Parties shall accord to transit traffic originating in or destined for the territory of the other Party treatment no less favourable than that which is or may be accorded to transit traffic originating in or destined for the territory of any third country.

Article X

With respect to the registration, extension, duration or validity, renewal, transfer and legal protection of patents of invention, trade marks and trade names, each Government of the Contracting Parties shall accord to nationals of the other Party and to enterprises established in its territory treatment equal to that enjoyed by its own nationals

Article XI

Belgian, Luxembourg and Netherlands specialists and technicians sent to Paraguay for varying periods so that they may, in optimum conditions and with the approval of the Government of Paraguay, study important

economic projects, supply capital equipment or invest Belgian, Luxembourg or Netherlands capital, shall be given the necessary facilities by the Government of Paraguay as regards authorizations for entry and sojourn in the country and the importation of any work instruments they may require for their specific tasks

Article XII

With a view to developing their economic relations, the Governments of the Contracting Parties consider that it is in their mutual interest to promote the importation into Paraguay of capital equipment originating in Belgium, Luxembourg and the Netherlands and destined for the processing of Paraguayan raw materials, for the production of energy and for the improvement of the transport system. To this end, the Governments of the Contracting Parties shall use the administrative means at their command to provide such capital equipment, to be paid for in instalments over a reasonable period.

Article XIII

If, during the period of validity of this Agreement, there is any basic change in the regulations applicable to import and export in the territory of one of the Parties, either Party may request immediate negotiations with a view to adjusting existing commitments to the new conditions.

In the event that one of the Governments of the Contracting Parties adopts a measure which, without being contrary to the terms of this Agreement, could nevertheless be considered by the other Party as likely to nullify or limit its application, the Government of the Contracting Party which adopted the measure shall take into consideration any objections raised by the other Party and shall afford it an opportunity to hold an exchange of views, for the purpose of finding a mutually satisfactory solution.

Article XIV

The Contracting Parties agree to promote the development of international shipping, with due respect for the conditions of free and normal competition. They agree to refrain from adopting discriminatory measures which might restrict the free participation of vessels of any nationality in international maritime traffic

An exception to this rule shall be constituted by coastal shipping in the parts of the Kingdom of the Netherlands situated outside Europe, whose own laws shall alone be applicable in the matter.

The Contracting Parties may reserve rights and privileges for their own vessels only for inland shipping and domestic fishing.

Article XV

When deciding on requests for licences to institute regular civilian air services, the Governments of the Contracting Parties shall bear in mind the desirability of having the greatest possible freedom of air traffic.

Article XVI

Any dispute between the Government of the Republic of Paraguay and one of the Governments of the Benelux countries concerning the interpretation or application of this Agreement, not satisfactorily solved by diplomacy, shall be submitted, at the request of one of the parties to the dispute, to the judgement of the International Court of Justice, unless the Governments concerned agree to solve the dispute by any other peaceful means.

Article XVII

When this is required by the obligations deriving from the Treaty establishing the European Economic Community concerning the gradual introduction of a common commercial policy, negotiations shall be opened as soon as possible with a view to making the necessary changes in this Agreement.

Article XVIII

This Agreement shall annul and supersede the Agreement on Trade and Navigation and the Payments Agreement between the Kingdom of the Netherlands and the Republic of Paraguay, both signed at Asunción, on 13 April 1957.

Article XIX

This Agreement shall be ratified and the instruments of ratification shall be deposited with the Government of the Republic of Paraguay as soon as possible.

Article XX

As regards the Kingdom of the Netherlands, this Agreement shall apply to all its various parts, unless reference is made in the instrument of ratification to one or more parts of the Kingdom situated outside Europe.

Article XXI

This Agreement shall come into force on the date on which the last instrument of ratification has been deposited.

It shall remain in force for a period of one year from the date of its entry into force and shall be considered to be renewed from year to year, by tacit consent, if neither of the Contracting Parties denounces it in writing no later than three months before the expiry of the period of validity.

Denunciation of the Agreement by the Government of Paraguay must be notified at the same time to the Belgian and Netherlands Governments. Denunciation of the Agreement by the Benelux Economic Union must be notified to the Government of the Republic of Paraguay by the Belgian and Netherlands Governments at the same time.

Subject to the time-limits mentioned in the second paragraph of this article, the Government of the Kingdom of the Netherlands may separately terminate the application of this Agreement to Surinam or the Netherlands Antilles.

Denunciation and expiration of this Agreement shall have no effect on the validity of any import or export licences granted or on the normal settlement of accounts for capital equipment supplied, taking into account the time needed for manufacture, delivery and payment.

IN WITNESS WHEREOF the undersigned, duly authorized for this purpose, have signed this Agreement, in triplicate, in the French, Dutch and Spanish languages, the three texts being equally authentic, and have affixed hereunto their respective seals, in the city of Asunción, capital of the Republic of Paraguay, this thirteenth day of August, one thousand nine hundred and sixty-three.

Maurice SEYNAVE

J. C. VAN BEUSEKOM

Raul SAPENA PASTOR