

No. 9561

ARGENTINA
and
HUNGARY

**Trade Agreement (with lists and exchange of letters). Signed
at Buenos Aires on 6 November 1967**

Authentic texts : Spanish, Hungarian and English.

Registered by Argentina on 14 May 1969.

ARGENTINE
et
HONGRIE

**Accord commercial (avec listes et échange de lettres). Signé à
Buenos Aires le 6 novembre 1967**

Textes authentiques : espagnol, hongrois et anglais.

Enregistré par l'Argentine le 14 mai 1969.

TRADE AGREEMENT¹ BETWEEN THE ARGENTINE REPUBLIC AND THE HUNGARIAN PEOPLE'S REPUBLIC

The Government of the Argentine Republic and the Government of the Hungarian People's Republic, moved by the common desire to strengthen economic relations and expand trade between the two countries in a spirit of reciprocity, have agreed to sign the present Trade Agreement, for which purpose they have designated their Plenipotentiaries, as follows :

His Excellency the President of the Argentine Republic has designated His Excellency the Minister of Foreign Affairs and Worship, Dr. Nicanor Costa Méndez ;

The Government of the Hungarian People's Republic has designated His Excellency the Minister of Domestic Trade and Chief of the Government Delegation, Mr. Istvan Szurdi ;

who, after having communicated their full powers, finding them to be in good and proper form, agreed the following :

Article 1

The Government of the Argentine Republic and the Government of the Hungarian People's Republic, subject to the laws and regulations in force in their respective countries, shall grant the maximum possible facilities for trade between the two countries, in all types of goods originating in their respective countries.

Article 2

The Government of the Argentine Republic and the Government of the Hungarian People's Republic shall grant to imported goods originating in the other country, or to goods exported to the other Party, the most favourable treatment they grant to goods from or for any country or group of countries, not only in regard to customs tariffs, duties of any kind, rates, taxes or fiscal charges, but also in regard to administrative formalities, to the system of granting licences or exemption therefrom, transfers and/or payments of foreign exchange, regulations governing the traffic, transport and distributions of goods.

¹ Came into force provisionally on 6 November 1967 by signature, and definitively on 10 March 1969 by the exchange of the instruments of ratification, which took place at Buenos Aires, in accordance with article 12.

Article 3

The vessels of each of the Parties shall enjoy, within the jurisdiction of the other Party, the most favourable treatment allowed by their respective legislation with regard to the system of ports, and to all operations performed therein, including payment of port charges.

Article 4

The provisions of articles 2 and 3 shall not apply to :

- a) The advantages and facilities granted or to be granted by any of the Parties to its neighbouring countries ;
- b) The advantages and facilities granted or to be granted by any of the Parties to a country or group of countries as a result of a tariff union ;
- c) The advantages and facilities that the Argentine Republic grants or may grant in the future to the Republic of Peru, as well as those which it grants or may grant to a Latin American country or group of Latin American countries as a result of free trade zone agreements, subregional, regional and inter-regional agreements ;
- d) The advantages and facilities designed to meet the needs of frontier traffic ;
- e) The concessions granted to vessels engaged in coastal trade and in inland waterway navigation.

Article 5

The goods so traded between the two countries shall be devoted to meet the domestic needs of the buying Party, unless the competent authorities agree otherwise.

Article 6

Exports of products of one of the Contracting Parties to the other shall be subject to the provisions of a general nature in force in the exporting country at the time of export. Imports to each of the Contracting Parties of products originating in the other shall be subject to the provisions of a general nature in force in the importing country at the time of their clearance through customs.

Article 7

The Governments of the Contracting Parties shall adopt the necessary measures, in accordance with their own laws and with the provisions of international agreements signed by both Parties, to protect in their respective territories any natural or manufactured products originating in the country of the other

Party from any form of disloyal competition in commercial transactions, and to this end shall prevent their importation and restrain the manufacture, circulation or sale of products bearing marks, names, inscriptions or any other similar signs constituting a false indication of the origin, source, kind, nature or quality of the product.

Article 8

The Government of the Argentine Republic reserves unto itself the right to require that insurance coverage on all kinds of goods exported to the Hungarian People's Republic and on imported goods originating therein shall be obtained from Argentine companies, when transport risks are fore account of the seller or buyer, respectively.

The Government of the Hungarian People's Republic reserves unto itself the right to require that insurance coverage on all kinds of goods exported to the Argentine Republic and on imported goods originating therein shall be obtained from Hungarian companies, when transport risks are for account of the seller or buyer, respectively.

Article 9

Lists A and B of products originating in the Parties, appended to this Agreement, give a list of export and import goods. These lists are enuntiative and do not exclude the possibility of trading in goods that do not appear therein, and they shall be up-dated by means of the pertinent communications, when the respective Parties deem it necessary.

The Government of the Hungarian People's Republic shall endeavour that Hungarian purchases in the Argentine market be aimed toward a growing proportion of semimanufactured and manufactured Argentine goods.

Article 10

The provisions of this Agreement shall not be interpreted as an impediment to the adoption and enforcement of measures provided for :

- a) The protection of public morals;
- b) The application of safety laws and regulations;
- c) The regulation of imports or exports of arms, munitions and other strategic and war materials;
- d) The protection of the life and health of individuals, animals, and plant life;

- e) The protection of the national patrimony of artistic, historical or archaeological value; and
- f) The restriction of the export, use and consumption of nuclear materials radioactive products, or any other material that can be used in the development or utilization of nuclear energy.

Article 11

Both Contracting Parties shall supervise the enforcement of the provisions set forth in this Agreement, and shall consider measures to increase and diversify reciprocal trade and propose suitable measures to attain these aims.

Article 12

This Agreement shall be ratified, and shall enter into force provisionally on the date on which it is signed, and effectively on the date of the exchange of the instruments of ratification, which shall take place in Buenos Aires.

Article 13

This Agreement shall be valid for one year from the date of its provisional entry into force. It shall be extended automatically for additional periods of one year each, unless one of the Contracting Parties notifies the other in writing sixty days in advance of the expiry of any one year period of its intention to terminate the Agreement.

IN WITNESS WHEREOF the respective Plenipotentiaries have signed the present Agreement and set their seals thereto.

DONE in two original copies each in the Spanish, Hungarian and English languages, all equally valid, in Buenos Aires on the sixth day of November in the year one thousand nine hundred and sixty-seven. In the event of any divergence arising from the interpretation hereof, the English text shall prevail.

For the Government
of the Hungarian People's Republic :

Istvan SZURDI
Minister of Domestic Trade
and Chief of the Government
Delegation

For the Government
of the Argentine Republic :

Nicanor COSTA MÉNDEZ
Minister of Foreign Affairs
and Worship

LIST A

ARGENTINE PRODUCTS FOR POSSIBLE EXPORT TO HUNGARY

- Livestock for breeding purposes ;
- Meat and offals in their various forms ;
- Meat extracts in different prepared forms ;
- Hides and skins unprocessed and/or processed ;
- Bristles and hairs of different species of animals ;
- Wool in its various forms ;
- Dairy products, eggs and honey ;
- Cattle by products ;
- Cereals and their residues ;
- Oilseeds and their oils ;
- Processed grains, fresh and canned vegetables ;
- Fresh, dried and canned fruits ;
- Forestry products ;
- Fishery products ;
- Manufactured and semimanufactured products such as :
 - Foodstuffs ;
 - Beverages and tobacco ;
 - Textiles and their manufactures (yarns, and wool and cotton fabrics; synthetic fibers and other manufactured textile goods) ;
 - Textile wastes ;
 - Perfumes and toilet articles ;
 - Manufactured leather goods ;
 - Chemicals, chemical and pharmaceutical products ;
 - Articles for photography and motion pictures ;
 - Agricultural machinery ; machinery for the plastic industry ;
 - automatic and semiautomatic machines for bakeries, breadmaking and related products ;
 - bottlers, bottle-washing, filling and crowning machines, labellers ;
 - lifting, loading and unloading machines ; winches ; hoists ; bridge and gantry cranes ; elevators, and freight elevators, etc.)
- Beams, presses, planers, lathes ;
- Household appliances ;
- Miscellaneous articles : tiles, fireproof material, kitchen utensils, iron or steel pipes, seamed or seamless, weighing machines, shaving machines, etc.

LIST B

HUNGARIAN PRODUCTS FOR POSSIBLE EXPORT TO ARGENTINA

- Rolling stock for railroads ;
- Water and steam power plants ;
- Complete factory plant and installations ;
- Meat packing and slaughtering equipment ;
- Plant and installations for small industries ;

Port facilities ;
Dockside and floating cranes ;
Machines for mining industry ;
Machines for food industry ;
Mills ;
Agricultural Machinery ;
Machinery and equipment for chemical industry ;
Machine-tools ;
Ships and ferry-boats ;
Busses and trucks, dumpers ;
Diesel engines ;
Irrigation installations ;
Pumps and compressors ;
Electric motors ;
Transformers ;
Telecommunications installations ; telephone exchanges and apparatuses ;
Electrical metres ;
Electric signs for sports fields ;
Parts and pieces for assembling radio and television receivers ;

Electrical material for installations ;
Incandescent lamps, lamps for motor vehicles, bulbs and fluorescent tubes ;

Electrical, electronic and measuring instruments and apparatuses ;
Instruments for textile industry and for geodesy ;
Laboratory and scientific instruments and apparatuses ;
Medical instruments ;
X-Ray apparatuses ;
Installations and instruments for hospitals and clinics ;
Electrical household appliances ;
Photographic and optical products ;
Agricultural and pneumatic tools ;
Locks and hardware ;
Industrial sewing machines ;
Plumbing fixtures ;
Ball and roller bearings ;
Aluminium in billets or processed ;
Chemical and pharmaceutical products ;
Clothing.

EXCHANGE OF LETTERS

I

Buenos Aires, 6th November 1967

Mr. Minister,

I have the honour to address Your Excellency with reference to the conversations held between representatives of our countries which led to the signing of the Trade Agreement concluded today.

In this regard, and for the purpose of promoting imports into the Argentine Republic of capital goods produced in the Hungarian People's Republic, I have to inform you that my Government will make it possible for Hungarian companies to grant credits up to a total sum of 30 million United States dollars (thirty million United States dollars). Such credits may be used by the public sector of the Argentine Republic for the purchase of rolling stock, railway material, telecommunications material, port installations, equipment and machinery of Hungarian origin, subject, as a minimum, to the provisions governing terms and conditions of payment established in the regulations in force in the Hungarian People's Republic and in the Argentine Republic at the time of each transaction. The specific conditions shall be established by the buying and selling companies of each country in the respective purchase and sale contracts.

The credits offered herein may be used by the public sector of the Argentine Republic until 31st December, 1970. Should the Trade Agreement signed today by our two Governments terminate before that date, insofar as the transactions concluded for the utilization of the said credits are concerned, my Government propose to agree that the provisions of the aforesaid Trade Agreement should remain in force until the said transactions are fully completed.

As to the application of the available funds arising in favour of the Hungarian People's Republic as a result of the utilization of the said credits, the provisions of Article 9 of the Trade Agreement signed today by our two Governments will be taken into account.

Very truly yours,

Istvan SZURDI
Minister of Domestic Trade
and Chief of the Government Delegation

To His Excellency the Minister of Foreign Affairs
and Worship
Dr. Nicanor Costa Méndez
Buenos Aires

II

Buenos Aires, 6th November 1967

Mr. Minister,

I take pleasure in addressing Your Excellency to acknowledge receipt of your favour of today's date wherein you inform me that your Government will make it possible for Hungarian companies to grant credits up to a total amount of 30 million United States dollars (thirty million United States dollars) for the purchase of capital goods of Hungarian origin by the public sector of Argentina.

I wish to advise Your Excellency that for the purpose of utilizing the said credits, I shall be gratified to transmit this offer to the Ministry of Economy and Labour and the Central Bank of my country.

As to the validity of the provisions laid down in the Trade Agreement signed today, regarding the operations which will be transacted until the 31st December, 1970, by utilizing the said credits, even though the Agreement should terminate before that date, my Government agrees with your Excellency's suggestion set forth in the third paragraph of your note under reply.

Very truly yours,

Nicanor COSTA MÉNDEZ
Minister of Foreign Affairs
and Worship

To His Excellency the Minister of Domestic Trade
and Head of the Delegation of the Government
of the Hungarian People's Republic
Mr. Istvan Szurdi
Buenos Aires
