

No. 10722

**FRANCE
and
IRAN**

**Convention on establishment and navigation. Signed at
Teheran on 24 June 1964**

Authentic texts: French and Persian.

Registered by France on 3 September 1970.

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[TRANSLATION — TRADUCTION]

CONVENTION¹ ON ESTABLISHMENT AND NAVIGATION
BETWEEN FRANCE AND IRAN

The President of the French Republic and His Imperial Majesty the Shahanshah of Iran, being equally desirous of further strengthening the traditional bonds of friendship between the two countries and developing economic and navigational relations between the two countries, have resolved to conclude a Treaty on Establishment and Navigation and have appointed for that purpose as their plenipotentiaries:

His Excellency the President of the French Republic:

His Excellency Mr. Renaud Sivan, Ambassador Extraordinary and Plenipotentiary;

His Imperial Majesty the Shahanshah of Iran:

His Excellency Mr. Abbas Aram, Minister for Foreign Affairs,

who, having exchanged their full powers, found in good and due form, have agreed on the following articles:

Article 1

Nationals of either High Contracting Party may freely enter and stay in the territory of the other Party and depart therefrom at any time, subject to the provisions of the police, public order, security and national defence laws which apply to all aliens. Subject to the same reservations, they may travel and establish themselves in that territory on the same conditions as nationals of the most favoured nation.

Nationals of each High Contracting Party shall enjoy in the territory of the other Party full protection for their persons, property and interests and in this regard shall be accorded the same rights and privileges as are or may be accorded to nationals of the most favoured nation.

¹ Came into force on 4 October 1969, i.e., thirty days after the exchange of the instruments of ratification, which took place at Paris on 4 September 1969, in accordance with article 15, paragraph 1.

Article 2

Nationals of each High Contracting Party shall enjoy in the territory of the other Party the same civil rights as nationals of the latter Party.

The applicable law shall be determined according to the rules of conflict of laws. In any event, the personal status of French nationals in the territory of the Empire of Iran shall be governed by French law and the personal status of Iranian nationals in the territory of the French Republic shall be governed by Iranian law.

In addition, subject to reciprocity, nationals of each High Contracting Party shall be accorded in the territory of the other Party most-favoured-nation treatment as regards the right to rent, acquire, possess or dispose of any movable or immovable property in accordance with the legislation in force.

Article 3

Rights and interests lawfully acquired by nationals and companies of one High Contracting Party shall not be jeopardized in the territory of the other High Contracting Party by measures of an arbitrary or discriminatory nature.

The property of nationals and companies of one High Contracting Party shall not be expropriated for public benefit or nationalized in the territory of the other High Contracting Party, except where the same measure is applicable, under the same conditions, to nationals of the latter Party and nationals of the most favoured nation.

Such measures shall require payment of just compensation. This compensation shall be determined and effectively realizable and transferable either in advance or within a reasonable period of time.

Article 4

Subject to reciprocity, nationals of each High Contracting Party shall be accorded in the territory of the other Contracting Party most-favoured-nation treatment in respect of engagement in commerce, industry, skilled crafts, the professions and wage-earning or other occupations.

This article shall not apply to activities relating to the exercise of public authority, even on an occasional basis, in either State.

Article 5

Natural or juridical persons of each High Contracting Party shall have in the territory of the other Party free access to the courts in all degrees of jurisdiction and to courts of arbitration, both in pursuit of and in defence of their rights and interests. They shall enjoy in that regard the same rights and advantages as nationals. They shall not be obliged to deposit security for payment under the judgement and shall be granted legal aid on the same terms as nationals.

The High Contracting Parties agree to apply between them chapters III and IV of the The Hague Convention relating to civil procedure, of 1 March 1954,¹ in the matters governed by those chapters.

Article 6

Nationals of each High Contracting Party shall be exempted in the territory of the other Party from all military service in the regular armed forces or in guards or militias; from all forms of personal military service; and from all contributions whether in money or in kind, levied as an equivalent for such service.

With regard to their property, nationals and companies of each High Contracting Party shall be subject, whether in time of peace or in time of war, only to such requisitions as are levied on nationals and shall be entitled to the compensation granted to the latter under the laws in force. Their treatment shall in no case be less favourable than that accorded to nationals of the most favoured nation.

Article 7

Nationals of one High Contracting Party shall not be subject in the territory of the other Party to duties, charges, taxes or contributions, levied under any denomination or on behalf of anybody, other or higher than those levied on nationals in identical situations. In particular, they shall be entitled, in the same conditions as nationals, to deductions or exemptions from taxes or charges and to all allowances, including allowances for dependants.

The Contracting States shall agree on measures for preventing tax evasion and avoiding double taxation.

¹ United Nations, *Treaty Series*, vol. 286, p. 265.

The above provisions shall not preclude the imposition, where necessary, of charges connected with the completion of police or other formalities, provided that such charges are also levied on other aliens. Such charges may not be higher than those levied on nationals of any other State.

Article 8

Civil and commercial companies and public establishments legally incorporated in the territory of one High Contracting Party and having their head office there shall be recognized by the other Party as duly constituted if their business in that territory is exclusively commercial.

Such companies and establishments may establish themselves, set up subsidiaries, branches and agencies and engage in any industrial or commercial activity in accordance with the conditions laid down in the laws in force applying to establishments and companies of any other country.

These companies and establishments shall not have to pay for engaging in their commercial or industrial activity in the territory of the other Party any taxes, duties or charges that are higher than or different from those paid by national enterprises.

Article 9

1. As used in the present Convention, the term “vessels” includes all categories of sea-going vessels, whether publicly owned or operated, or privately owned or operated. It does not include vessels of war.

2. Vessels flying the flag of either Contracting Party and carrying the papers required by its laws in proof of nationality, shall be deemed to be vessels of that Party.

3. Tonnage certificates issued by the competent authorities shall be recognized by both Parties. Navigation dues and charges shall be calculated and paid on the basis of these tonnage certificates, without remeasurement in accordance with the rules applying in the territory of the other Party, provided, however, that the said certificates do, indeed, apply to the vessels at the time of clearance inwards.

4. Each Contracting Party shall recognize the laws and regulations of the other Party concerning the crews, equipment, fittings and maintenance of passenger and cargo vessels and the safety of life at sea. Certificates issued

under these laws and regulations shall also be recognized. Any vessel of one Contracting Party holding the above certificates shall be subject, in the ports of the other Party, to inspection by a duly authorized officer of that Party, in so far as the purpose of such inspection is to verify that valid certificates are carried on board. These certificates shall be deemed sufficient unless, in the opinion of the inspecting officer, the vessel's seaworthiness fails substantially to conform to the particulars set forth in the certificates and the vessel is unable to sail without danger to passengers or crew. The inspecting officer shall, in that case, take all appropriate steps to prevent the vessel's departure and shall immediately notify the Consul of the other Party, in writing, of the decision taken and the grounds for it.

Article 10

1. Each Contracting Party shall ensure to vessels flying the flag of the other Contracting Party the same treatment in its ports that it accords to its own vessels in respect of customs formalities, the collection of port charges and dues, free access to and use of ports and all facilities accorded for navigation and for commercial activities relating to vessels and their crew, passengers and cargo. This provision shall apply, in particular, to the allocation of quayside berths and loading and unloading facilities.

2. The provisions of the preceding paragraph shall not apply to shipping, activities and transport legally reserved by each Contracting Party and, in particular, to port services, towage, pilotage, national cabotage and sea fishing.

Article 11

1. If the vessel of one Contracting Party runs aground or is wrecked off the coast of the other Party or is in distress and must put into a port of the other Party, the latter shall extend to the vessel and to the persons and property on board the same protection and assistance it would extend to a vessel flying its own flag. It shall also authorize the vessel to continue its journey after repairs have been made.

2. Articles salvaged from a vessel that runs aground or is wrecked and from its cargo shall be returned to the owner or his representative, provided he proves his claim within the period laid down by the law. If the said articles have been sold, the net proceeds of the sale, after deduction of any customs

duties and charges that may be payable shall, on the above-mentioned conditions of proof, be made available to the owner or his representative. Salvage fees and other expenses arising from the salvage shall be calculated according to the same rules as those applicable to nationals.

3. Subject to the provisions of the laws and regulations concerning wreckages and shipwrecked goods, salvaged vessels and articles shall be exempt from all customs duties and charges, provided they are not intended for internal use or consumption; however, in this case, they shall be subject to customs measures security until they are re-exported.

Article 12

Subject to the applicable laws and regulations, in particular those concerning the nationality of crews, the masters of vessels flying the flag of one Contracting Party whose crews, owing to illness or for any other reason, are not fully constituted shall be authorized to engage in the ports of the other Party such seamen as may be necessary for the continuation of the voyage. Seamen thus engaged shall be entitled, after fulfilment of their contract, to repatriation at the shipowner's expense.

Article 13

The most-favoured treatment which the High Contracting Parties shall accord to one another under this Convention shall not extend to:

(a) Advantages stemming from a customs or monetary union, the existence of a free-trade area, or regional agreements that have been or may subsequently be concluded by either High Contracting Party;

(b) Privileges and advantages that either High Contracting Party grants or may grant to other States because of specific relations it has with them as a result of their all belonging or having belonged to a community which jointly organizes one or more sectors of production, trade or the security services.

Article 14

Any dispute concerning the interpretation or application of this Convention which cannot be settled through the diplomatic channel shall be submitted, at the request of either High Contracting Party, to an arbitral tribunal constituted as follows:

Each High Contracting Party shall designate its representative within a period of one month from the date of receipt of the request for arbitration.

The two arbitrators thus appointed shall, within a period of two months from the date on which the last Party to appoint its arbitrator gives notice of the appointment, choose a third arbitrator, who shall be a national of a third State.

If one Party has not designated an arbitrator, the other Party may request his designation by the President of the International Court of Justice. The same course shall be adopted, upon the request of either Party, if the first two arbitrators fail to choose a third.

The High Contracting Parties may agree in advance to designate, for a specific period, the person who, in the event of a dispute, shall act as third arbitrator. The arbitrators' decision shall be final and binding.

Article 15

1. This Convention shall be ratified. It shall enter into force 30 days after the exchange of the instruments of ratification.

2. This Convention is concluded for a term of five years and shall thereafter remain in force until one High Contracting Party gives six months' notice of its intention to terminate it.

IN WITNESS WHEREOF the respective plenipotentiaries have signed this Convention and have thereto affixed their seals.

DONE in duplicate in the French and Persian languages, both texts being equally authentic.

DONE at Teheran, on 24 June 1964.

Renaud SIVAN

Abbas ARAM

[SEAL]
