

No. 15024

**NETHERLANDS
and
HUNGARY**

**Agreement on the development of economic, industrial and
technical co-operation (with exchange of letters).
Signed at Budapest on 18 July 1975**

Authentic text: French.

Registered by the Netherlands on 24 September 1976.

**PAYS-BAS
et
HONGRIE**

**Accord sur le développement de la coopération économi-
que, industrielle et technique (avec échange de lettres).
Signé à Budapest le 18 juillet 1975**

Texte authentique : français.

Enregistré par les Pays-Bas le 24 septembre 1976.

[TRANSLATION — TRADUCTION]

AGREEMENT¹ ON THE DEVELOPMENT OF ECONOMIC, INDUSTRIAL AND TECHNICAL CO-OPERATION BETWEEN THE GOVERNMENT OF THE KINGDOM OF THE NETHERLANDS AND THE GOVERNMENT OF THE HUNGARIAN PEOPLE'S REPUBLIC

The Government of the Kingdom of the Netherlands and the Government of the Hungarian People's Republic,

Referring to the Agreement on economic, industrial and technical co-operation of 14 February 1968² between the Kingdom of the Netherlands and the Hungarian People's Republic, and the participation of the two countries in the General Agreement on Tariffs and Trade (GATT),³

Desiring to extend and strengthen their economic relations by the development of co-operation between the two countries,

Recognizing the desirability of adopting long-term measures in order to enhance the prospects for stable bilateral economic co-operation,

Recognizing the importance of economic, industrial, agricultural and technical co-operation for the development and strengthening of their mutual economic relations,

Have agreed as follows:

Article 1. The Government of the Hungarian People's Republic and the Government of the Kingdom of the Netherlands shall encourage and facilitate in a liberal spirit efforts which contribute to economic, industrial, agricultural and technical co-operation between economic organizations and interested enterprises in the two countries.

Within the framework of their existing laws and regulations and having regard to their international commitments, the Contracting Parties shall accord to each other the most favourable treatment in the field of economic, industrial, agricultural and technical co-operation.

The Contracting Parties shall examine ways to eliminate obstacles which might impede the implementation of co-operative projects based on mutual interest between economic organizations and interested enterprises in the two countries.

Article 2. The sectors or projects for which co-operation may be possible shall be determined by the Mixed Commission referred to in article 6.

The Contracting Parties consider that several fields offer opportunities for mutually advantageous co-operation between economic organizations and interested enterprises in the two countries.

¹ Came into force on 24 June 1976, the date on which the Contracting Parties notified each other of the completion of the formalities required by their respective laws, in accordance with article 9.

² United Nations, *Treaty Series*, vol. 656, p. 269.

³ *Ibid.*, vol. 55, p. 187.

The Mixed Commission might devote particular attention to the fields of engineering, agriculture, agricultural machinery, light industry and the chemical and pharmaceutical industry and to the provision of services and transport.

Article 3. The Contracting Parties shall promote between interested enterprises and economic organizations constituted in their countries, *inter alia*:

- (a) co-operation with a view to ensuring mutual complementarity of goods produced and of services;
- (b) co-operation with a view to the marketing of products and services, both domestically and in third countries;
- (c) the preparation of projects and the conduct of research concerning installations, including technical processes;
- (d) the organization of consultations and conferences among experts;
- (e) the exchange of technical documentation, the organization of training courses, the showing of technical films and the organization of exhibitions concerned with economic, industrial and technical co-operation.

Article 4. Contracts between interested economic organizations and enterprises constituted in the territories of the Contracting Parties, which are aimed at giving effect to economic, industrial, agricultural and technical co-operation, shall be concluded in accordance with the laws and regulations in force in the respective countries.

Article 5. The Contracting Parties shall make every effort to ensure that the aims of this Agreement are taken into account when financial and credit arrangements are concluded between financial and banking institutions, so that the most favourable financing and credit terms are granted, within the framework of the regulations in force in the two countries.

Article 6. A Mixed Commission, composed of representatives of the two Governments and of interested economic organizations and enterprises, shall be established to ensure that the provisions of this Agreement are implemented. It shall meet once a year, alternately at The Hague and at Budapest, or at the request of one of the Contracting Parties.

The tasks of this Commission shall be, *inter alia*, to:

- organize the implementation of this Agreement and supervise all arrangements necessary to that end;
- consider proposals aimed at developing economic, industrial, agricultural and technical co-operation;
- supervise the implementation of this Agreement, submit to the Contracting Parties any proposals which may further the objectives of this Agreement and consider any questions that may arise in the course of its implementation.

The Mixed Commission may appoint sectoral groups to deal with specific problems of co-operation and report in writing on their activities to the Mixed Commission.

Between any two sessions of the Mixed Commission, problems concerning mutual co-operative relations may be the subject of discussion in the form of direct contacts or by correspondence between the competent authorities of the Contracting Parties, to be designated in an exchange of letters when this Agreement is signed.

Article 7. As regards the Kingdom of the Netherlands, this Agreement shall apply to the entire Kingdom, unless notice to the contrary is given by the Government of the Kingdom of the Netherlands to the Government of the Hungarian People's Republic within one month after the entry into force of this Agreement.

Article 8. This Agreement shall not affect bilateral and multilateral agreements and conventions already in force which have previously been concluded by the Hungarian People's Republic and the Kingdom of the Netherlands.

In this connexion, the Contracting Parties shall, if necessary, proceed to consultations with a view to reaching mutual agreement without, however, questioning the fundamental aims of this Agreement.

Article 9. This Agreement is concluded for a period of 10 years and shall enter into force on the date on which the Contracting Parties notify each other that the formalities required under their respective laws have been completed.

On the date of its entry into force, this Agreement shall replace the Agreement on economic, industrial and technical co-operation signed at Budapest on 14 February 1968, without prejudice, however, to any agreements concluded by the Mixed Commission established by that Agreement.

If either Contracting Party does not intend to extend the Agreement, it shall notify the other Contracting Party accordingly in writing at least six months before the expiry of the said period of 10 years.

In the absence of such notification, the Agreement shall be extended for an indefinite period, which either Contracting Party may terminate by giving six months' notice in writing to the other Contracting Party.

The Government of the Kingdom of the Netherlands shall be entitled, subject to notification as provided for in paragraphs 3 and 4 of this article, to terminate the application of this Agreement in respect of one or more parts of the Kingdom.

In the event of the expiry of this Agreement, current contracts between enterprises and economic organizations of the two countries shall not be affected.

IN WITNESS WHEREOF, the undersigned, duly authorized for this purpose, have signed this Agreement.

DONE at Budapest, on 18 July 1975, in duplicate in the French language.

For the Government
of the Kingdom
of the Netherlands:
R. F. M. LUBBERS

For the Government
of the Hungarian People's Republic:
JÓZSEF BIRÓ

EXCHANGE OF LETTERS

I

MINISTER OF ECONOMIC AFFAIRS OF THE KINGDOM OF THE NETHERLANDS

Budapest, 18 July 1975

Sir,

With reference to article 6, paragraph 4, of the Agreement on the Development of Economic, Industrial and Technical Co-operation between the Government of the Kingdom of the Netherlands and the Government of the Hungarian People's Republic, which has been signed this day, I have the honour to inform you, on behalf of my Government, that the Directorate General for External Economic Relations of the Ministry of Economic Affairs has been designated as the competent authority within the meaning of the above provision. The said Directorate General is located at: Bezuidenhoutseweg 30, The Hague.

Accept, Sir, etc.

R. F. M. LUBBERS

József Biró
Minister of External Trade
of the Hungarian People's Republic
Budapest

II

MINISTER OF EXTERNAL TRADE OF THE HUNGARIAN PEOPLE'S REPUBLIC

Budapest, 18 July 1975

Sir,

With reference to article 6, paragraph 4, of the Agreement on the Development of Economic, Industrial and Technical Co-operation between the Government of the Hungarian People's Republic and the Government of the Kingdom of the Netherlands, which has been signed this day, I have the honour to inform you, on behalf of my Government, that the Co-operation Division of the Ministry of External Trade (Külkereskedelmi Minisztérium Kooperációs Önálló Osztály) has been designated as the competent authority within the meaning of the above provision. The said Division is located at: 1880 Budapest, Honvéd utca 13-15.

Accept, Sir, etc.

JÓZSEF BIRÓ

R. F. M. Lubbers
Minister of Economic Affairs
of the Kingdom of the Netherlands
Budapest