

No. 17428

**SPAIN
and
HONDURAS**

**Agreement on economic co-operation. Signed at Madrid on
17 October 1972**

Authentic text: Spanish.

Registered by Spain on 29 December 1978.

**ESPAGNE
et
HONDURAS**

**Accord de coopération économique. Signé à Madrid le
17 octobre 1972**

Texte authentique : espagnol.

Enregistré par l'Espagne le 29 décembre 1978.

[TRANSLATION — TRADUCTION]

AGREEMENT¹ ON ECONOMIC CO-OPERATION BETWEEN THE SPANISH STATE AND THE REPUBLIC OF HONDURAS

The Governments of the Spanish State and of the Republic of Honduras, duly represented by the Minister for Foreign Affairs of Spain, His Excellency Mr. Gregorio López Bravo, and by the Secretary of State in the Office of External Relations of the Republic of Honduras, His Excellency Dr. Andrés Alvarado Puerto,

Bearing in mind the historic ties of deep, age-old friendship between the two nations and appreciating the wide range of existing opportunities for furthering and strengthening economic and technical co-operation between them, have agreed as follows:

Article I. The Contracting Parties shall endeavour to ensure, and to raise to the highest level, economic and technical co-operation between the two countries, particularly through their trade, financial, investment, and technical and scientific assistance policies aimed at complementing the efforts of each Government to secure its own economic and social development, and to that end shall exchange information regularly and frequently through their Embassies.

In pursuance of this article, special agreements may be concluded on commitments to purchase specific products, investments, industrial complementarity, financing and technical assistance.

Article II. The two Contracting Parties undertake to make efforts to strengthen their trade relations with a view to increasing and diversifying their import and export operations.

To that end, the Contracting Parties agree to promote greater familiarity with each other's products by means of trade-promotion activities of all kinds, including official participation in fairs and exhibitions and the organization of trade missions, for which purpose they shall accord each other the necessary facilities, namely, the benefits of temporary importation, exemption from the payment of duties on samples and promotional materials, and, in general, simplification of customs formalities in the cases and circumstances specified in their respective national laws.

Article III. 1. The Contracting Parties agree to grant each other unconditional and unlimited most-favoured-nation treatment, for both the import and the export of products originating in or bound for the territory of the other Party, with respect to all matters relating to customs duties and additional taxes, the method of levying duties and taxes, the storage of merchandise in customs warehouses, the system of control and analysis, the customs classification of merchandise, the interpretation of tariffs, and the regulations, formalities and levies to which customs operations may be subject, without any distinction as to the route and the means of transport used.

2. Accordingly, articles grown, produced or manufactured in the territory of one Contracting Party shall not be subject, on import into or export from the ter-

¹ Came into force on 8 November 1978, the date agreed upon pursuant to an exchange of notes (effected on 7 and 8 November 1978) after completion by the Parties of the required internal legal procedures.

ritory of the other Contracting Party, to customs duties, taxes or charges which are different from or higher, or to regulations or formalities which are different from or more stringent than those to which products of a similar nature from any third country would be subject.

3. Any customs advantages, favours, privileges or immunities which one Contracting Party grants or may grant to products originating in or bound for the territory of a third country shall apply automatically and without compensation to products of a similar nature originating in or bound for the territory of the other Contracting Party.

Article IV. Once they have been imported into the territory of one Contracting Party, articles grown, produced or manufactured in the territory of the other Contracting Party shall not be subject to any internal taxes or other levies which are different from or more onerous than those to which articles of a similar nature coming from any third country are or may be subject.

Article V. The most-favoured-nation treatment provided for in this Agreement shall not apply, save by mutual consent between the two Parties and within the limits of their respective international commitments, to:

- (1) Privileges and advantages which are granted, or may be granted subsequently, by the Republic of Honduras to countries signatories to the General Treaty on Central American Economic Integration¹ or those resulting from other forms of economic integration established, or to be established in the future, by either Contracting Party;
- (2) Special privileges and advantages which the Spanish State grants, or may grant, by virtue of the provisions of the General Agreement on Tariffs and Trade (GATT);²
- (3) Preferential advantages which are or may be granted to facilitate frontier trade with neighbouring countries.

Article VI. Nothing in this Agreement shall be construed as precluding the adoption and enforcement of measures:

- (1) Necessary for the protection of public morality;
- (2) Necessary for the enforcement of laws and regulations insuring or governing public safety;
- (3) Necessary for the protection of public, animal or plant health;
- (4) Relating to the protection of the national artistic, historical or archaeological heritage;
- (5) Relating to the control of the importation and exportation of arms, ammunition or war *matériel* and, in exceptional circumstances, all other military supplies; and
- (6) Necessary for fiscal or policing purposes and designed to extend to foreign goods the régime applicable to similar domestic products in the territory of either Contracting Party.

Article VII. 1. Each Contracting Party shall recognize health, veterinary and plant pathology certificates and quality analyses issued by the competent institu-

¹ United Nations, *Treaty Series*, vol. 455, p. 3.

² *Ibid.*, vol. 55, p. 187.

tions of the other Party, establishing that the products originating in the country which issued such certificates or analyses comply with the requirements of the domestic legislation of the country of origin.

2. Each Contracting Party reserves the right to carry out whatever necessary verifications it deems appropriate, notwithstanding presentation of the documents mentioned in the preceding paragraph.

Article VIII. Both Governments shall take the necessary measures, in accordance with their respective legislation and with the provisions of the international agreements signed by them, to protect, in their respective territories, natural or manufactured products originating in the territory of the other Contracting Party from any form of unfair competition in trade transactions and, to that end, shall prevent the importation and penalize, where appropriate, the manufacture, distribution and sale of products bearing marks, names, inscriptions or any other similar signs constituting a false indication of the origin, provenance, kind, nature or quality of the product.

Article IX. The two Contracting Parties agree that all payments deriving from operations carried out under this Agreement shall be made in freely convertible currency, in accordance with the laws and regulations in force in their respective countries.

Article X. 1. The Government of the Spanish State undertakes to grant credit, tax and administrative advantages and facilities for its exports of capital goods, industrial supplies and technical studies to the territory of the Republic of Honduras, in accordance with the provisions governing the granting of credit and export credit insurance in Spain.

2. Capital from either Contracting Parties shall, in the territory of the other Party, enjoy treatment no less favourable than that accorded to capital from any other country.

Article XI. The Republic of Honduras shall give preferential treatment to studies and projects submitted by Spanish enterprises, provided that their terms are at least as favourable as those of proposals emanating from any other source.

Article XII. Under this Agreement and in accordance with its specifications, the Contracting Parties shall draw up specific technical co-operation agreements for the economic, educational, social, technological and scientific sectors.

The treatment accorded to experts from one country who provide their services in the other by virtue of this Agreement shall be no less favourable than that accorded in the latter country to experts from any other country.

Article XIII. The Contracting Parties agree to exchange experience and information on agriculture, livestock production, industrial development, planning, tourism, fisheries and, in general, any other matter which may be of interest to either of the Parties.

Article XIV. Each Contracting Party shall grant the other all possible facilities for the establishment of its national enterprises in the territory of the other and for encouraging, through an appropriate legal and economic régime, the establishment and operation in both countries of enterprises originating in Spain and the

Republic of Honduras. They also agree to take the necessary steps to avoid double taxation in respect of enterprises covered by this Agreement. To that end, the two Contracting Parties declare their readiness to negotiate a special agreement should experience so advise.

Article XV. The two Contracting Parties shall grant each other, in conformity with the international agreements that bind them, the necessary facilities for establishing regular air links between their two countries; should experience so advise, such links shall be governed by a subsequent bilateral air transport agreement.

Article XVI. The two Contracting Parties declare that their reciprocal maritime trade relations will be based on the principle of freedom of navigation and on commercial principles. The two Parties shall accord each other most-favoured-nation treatment and undertake not to permit any kind of discriminatory practice or measure with regard to the vessels, cargo, crew or passengers of either Contracting Party in the ports of the other Contracting Party or in the waters over which the latter has sovereignty or jurisdiction.

Article XVII. 1. The vessels of one Contracting Party may enter the ports of the other Party in accordance with the laws and regulations in force with regard to navigation and access to ports: these laws and regulations shall be applied across the board and without any form of discrimination.

2. The vessels, and their crews and passengers, of one Contracting Party shall enjoy on a reciprocal basis in the ports of the other Contracting Party treatment free from any discrimination, particularly with respect to the use of ports, trading operations, and the embarkation and disembarkation of passengers and goods coming from or bound for foreign countries.

Article XVIII. 1. Documents relating to the identity, seaworthiness and safety of the vessel and issued or recognized by the competent authorities of one Contracting Party shall be recognized by the other Contracting Party.

2. Certificates of tonnage and capacity issued by the competent authorities of one Contracting Party in accordance with the international agreements in force and binding on both Spain and the Republic of Honduras shall be recognized by the other Contracting Party.

The two Contracting Parties shall settle by mutual agreement, and find positive and practical solutions, to any problems which may arise with respect to shipping.

Article XIX. The two Contracting Parties agree to establish a joint Commission to monitor the functioning of this Agreement, study problems regarding economic relations between the two countries and submit to their respective Governments proposals to facilitate the achievement of the desired objectives. The Joint Commission shall consist of delegations appointed by the two Governments and shall meet on dates and at places to be determined by mutual agreement.

Article XX. 1. This Agreement shall remain in force for a period of 10 years from the date of its entry into force. It shall be extended by tacit agreement for one-year periods, unless one of the High Contracting Parties gives three months' prior notice of its intention to terminate it.

2. Denunciation or rescission of this Agreement shall not affect the normal completion of ongoing operations in respect of the conditions necessary for the relevant manufactures, deliveries and payments.

IN WITNESS WHEREOF, the undersigned have signed and sealed this Agreement, in two copies, both being equally authentic, at Madrid on 17 October 1972.

For the Government
of the Spanish State:

[Signed]

GREGORIO LÓPEZ BRAVO
Minister for Foreign Affairs

For the Government
of the Republic of Honduras:

[Signed]

ANDRÉS ALVARADO PUERTO
Secretary of State for
External Relations
