No. 18146

UNITED STATES OF AMERICA and ARGENTINA

Memorandum of Understanding regarding certain maritime matters. Signed at Buenos Aires on 31 March 1978

Authentic texts: English and Spanish. Registered by the United States of America on 5 December 1979.

ÉTATS-UNIS D'AMÉRIQUE et ARGENTINE

Mémorandum d'accord relatif à certaines questions maritimes. Signé à Buenos Aires le 31 mars 1978

Textes authentiques : anglais et espagnol. Enregistré par les États-Unis d'Amérique le 5 décembre 1979.

MEMORANDUM OF UNDERSTANDING¹ BETWEEN THE GOV-ERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE ARGENTINE REPUBLIC REGARDING CERTAIN MARITIME MATTERS

The Government of the United States of America and the Government of the Argentine Republic,

Taking into consideration their special interest in promoting trade by strengthening and providing adequate protection for their merchant marines; and

Recognizing the need to ensure the efficiency and regularity of ocean liner shipping, which satisfy the needs of the trade moving between both Parties; and

Considering that it is desirable for the shipping interests of both countries to maintain closer relations and permanent contacts;

Have agreed as follows:

1. Each Party recognizes the intention of the other Party in carrying a substantial portion of its liner trade in vessels of its own flag in accord with appropriate legislation in each country. For purposes of this paragraph, vessels of Argentina shall include vessels under Argentine registry or charter.

This provision, established in the light of the reciprocal interests of the two countries, does not affect the rights of flag vessels of third parties to carry goods between the ports of the two Parties, as implemented in the terms of paragraph 2 below, and in accord with the appropriate legislation in each country.

2. The establishment of mechanisms and procedures necessary to the implementation of the carriage of cargo envisioned in paragraph 1 of this Memorandum of Understanding, such as revenue shares for the lines in the trade, number of sailings, over-carriage and under-carriage provisions, and similar matters, will be determined by commercial agreement between their respective national flag carriers, subject to approval by the appropriate governmental agencies of each of the Parties.

3. In connection with the implementation of such agreements, both Parties will enter into an understanding providing for access to government-controlled cargoes in accord with the appropriate legislation in each country.

4. Both sides shall resolve problems that may arise in the implementation of this Memorandum of Understanding in accordance with the above-mentioned principles.

5. For the purpose of this Memorandum of Understanding, the competent maritime authorities are considered to be the Maritime Administration, Department of Commerce, for the Government of the United States of America, and the Secretariat of State for Maritime Interests of the Ministry of Economy, for the Government of the Argentine Republic.

Vol. 1152, I-18146

¹ Came into force on 30 January 1979, the date of the Argentine notification confirming that the necessary legal procedures had been met, in accordance with its provisions.

The competent authorities cited above shall hold consultative meetings at the request of either Party for the purpose of promoting improvements in the procedures for implementing the provisions of the present Memorandum of Understanding and for examining specific problems arising therefrom.

This Memorandum of Understanding will become effective upon notification that necessary procedures under Argentine law have been met.

DONE at Buenos Aires, Argentina, in two originals, one in English and one in Spanish, on the 31st day of March 1978.

For the Government of the United States of America: [Signed] ROBERT J. BLACKWELL R

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For the Government of the Argentine Republic: [Signed] Rear Admiral CARLOS N. A. GUEVARA