

No. 18559

**NEW ZEALAND
and
HUNGARY**

Trade Agreement. Signed at Budapest on 29 September 1978

Authentic texts: English and Hungarian.

Registered by New Zealand on 17 April 1980.

**NOUVELLE-ZÉLANDE
et
HONGRIE**

Accord commercial. Signé à Budapest le 29 septembre 1978

Textes authentiques : anglais et hongrois.

Enregistré par la Nouvelle-Zélande le 17 avril 1980.

TRADE AGREEMENT¹ BETWEEN THE GOVERNMENT OF NEW ZEALAND AND THE GOVERNMENT OF THE HUNGARIAN PEOPLE'S REPUBLIC

The Government of New Zealand and the Government of the Hungarian People's Republic,

Having regard to the objectives and consistent with the provisions of the General Agreement on Tariffs and Trade,² to which both countries are contracting parties,

Recognising the trading relationship that has developed since the signing of the Trade Agreement concluded between them on 22 December 1970,³ and

Desiring to encourage the further development of trade between the two countries by the conclusion of a new Trade Agreement which will replace the Trade Agreement of 22 December 1970,

Have agreed as follows:

Article I. The Government of New Zealand and the Government of the Hungarian People's Republic shall take all appropriate measures to facilitate, strengthen and diversify trade between their countries in respect of both traditional and potential exports, aimed at achieving a continuing expansion of mutually beneficial trade.

Article II. The two Governments shall extend to each other unconditional most-favoured-nation treatment, consistent with their rights and obligations as contracting parties to the General Agreement on Tariffs and Trade, in respect of the issuance of licences, and of customs formalities, customs duties, internal taxes and other charges applied to goods and commodities traded between the two countries.

Article III. The provisions of article II of this Agreement, consistent with the rights and obligations of the two Governments as contracting parties to the General Agreement on Tariffs and Trade, shall not apply:

- (a) To any preferences or advantages which have been or may be accorded by the Government of New Zealand to any present or former country or territory of the Commonwealth of Nations;
- (b) To any preferences or advantages accorded by the Government of the Hungarian People's Republic to contiguous countries for the purpose of facilitating frontier traffic;
- (c) To any preferences or advantages accorded by either Government by virtue of membership in a customs union or free trade area;
- (d) To any other preferences or advantages extended by either Government to any third country or territory consistent with the rights and obligations of that Government as a contracting party to the General Agreement on Tariffs and Trade.

Article IV. The provisions of this Agreement shall not limit the right of either Government to apply prohibitions or restrictions of any kind which are directed to the

¹ Came into force on 29 September 1978 by signature, in accordance with article XIV (1).

² United Nations, *Treaty Series*, vol. 55, p. 187.

³ *Ibid.*, vol. 817, p. 299.

protection of its essential security interests, or to the protection of public health or the prevention of diseases and pests in animals or plants.

Article V. To advance the objectives of article I of this Agreement, the two Governments:

- (a) Agree to encourage and facilitate the negotiation of commercial contracts between the relevant firms, enterprises and organisations of their two countries; and
- (b) Declare their support in principle for mutually beneficial long-term commercial arrangements relating to the supply and purchase of goods and shall encourage the relevant firms, enterprises and organisations of their two countries to explore the scope for such commercial arrangements and, where appropriate, to conclude such arrangements.

Article VI. In order to further the objectives of this Agreement, each Government will encourage and facilitate:

- (a) The interchange of commercial and technical representatives, groups and delegations between the two countries; and
- (b) The holding of, and participation in, trade fairs, trade exhibitions and other promotional activities in the fields of trade and technology in its country by firms, enterprises and organisations from the other country.

Article VII. Each Government shall, in accordance with the existing laws and regulations of its country, give favourable consideration to exemption from the payment of import duties and taxes on articles for display at fairs and exhibitions as well as samples of goods for advertising purposes imported temporarily from the country of the other. Such articles and samples shall not be disposed of in the country into which they are imported without the prior approval of the competent authorities of that country and the payment of the appropriate import duties and taxes, if any.

Article VIII. The two Governments shall, as appropriate, encourage and facilitate the development, in accordance with the existing laws and regulations of each country, of industrial and technical cooperation between appropriate firms, enterprises and organisations in their respective countries.

Article IX. All payments arising from trade between the two countries shall be effected in convertible currency in accordance with the foreign exchange regulations in force in the two countries.

Article X. 1. The two Governments agree to establish a Joint Commission to meet alternately in New Zealand and Hungary as may be deemed appropriate by the two Governments, and to the extent possible not less frequently than every two years.

2. The functions of the Joint Commission shall include:

- (a) Reviewing the current state of trade and commercial relations between the two countries, and implementation of the provisions of this Agreement;
- (b) Identifying and examining possibilities for increasing and diversifying trade and economic and technical cooperation between the two countries and considering the means by which they might be realised;
- (c) Considering specific proposals aimed at increasing trade between the two countries, whether by agencies nominated by each Government or by firms, enterprises and commercial organisations;
- (d) Assisting in seeking solutions to problems which may arise in the development of trade between the two countries or in the marketing in third countries of products produced by both countries.

3. The Joint Commission may submit to the two Governments recommendations

relating to the matters referred to in paragraph 2 of this article.

4. Each Government shall determine the composition of its delegation to the meetings of the Joint Commission. The delegations may include representatives of relevant firms, enterprises and organisations.

Article XI. 1. The two Governments agree to consult together at any time, at the request of either, on any matter affecting the operation or application of this Agreement.

2. The two Governments may at any time, by their consent expressed in writing, agree to revise or amend this Agreement.

Article XII. In the event of the termination of this Agreement, its provisions will continue to apply in respect of unfulfilled obligations under commercial contracts entered into during the period of the validity of this Agreement.

Article XIII. The provisions of this Agreement shall not have effect for the Cook Islands, Niue and Tokelau until the expiration of one month from the date of notification by the Government of New Zealand to the Government of the Hungarian People's Republic that the Agreement shall be applied to these territories.

Article XIV. 1. This Agreement shall come into force on the date of its signature and shall thereupon supersede the Trade Agreement between the Government of New Zealand and the Government of the Hungarian People's Republic done at Wellington on 22 December 1970.

2. This Agreement shall remain in force for an initial period of five years. Thereafter it shall remain in force until the expiration of ninety days from the date on which one Government receives from the other Government written notice of its intention to terminate the Agreement.

IN WITNESS WHEREOF, the undersigned, being duly authorised by their respective Governments, have signed this Agreement.

DONE at Budapest this 29th day of September 1978 in two originals in the English and Hungarian languages, both texts being equally authentic.

For the Government
of New Zealand:
F. A. SMALL

For the Government
of the Hungarian People's Republic:
I. TÖRÖK