

**No. 20682**

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**MEXICO  
and  
HUNGARY**

**Trade Agreement (with annex). Signed at Mexico City on  
28 April 1975**

*Authentic texts: Spanish and Hungarian.*

*Registered by Mexico on 20 January 1982.*

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**MEXIQUE  
et  
HONGRIE**

**Accord commercial (avec annexe). Signé à Mexico le 28 avril  
1975**

*Textes authentiques : espagnol et hongrois.*

*Enregistré par le Mexique le 20 janvier 1982.*

[TRANSLATION — TRADUCTION]

TRADE AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE UNITED MEXICAN STATES AND THE GOVERNMENT OF THE HUNGARIAN PEOPLE'S REPUBLIC

The Government of the United Mexican States and the Government of the Hungarian People's Republic, acting in the spirit of the Charter of Economic Rights and Duties of States adopted by the United Nations on 12 December 1974,<sup>2</sup> and motivated by the desire to promote economic and trade relations between the two countries on a basis of equality and law, sovereignty and national independence, non-interference in internal affairs, respect for the right of self-determination of each country and mutual benefit, have agreed to sign this Agreement.

*Article I.* The Contracting Parties shall unconditionally accord each other most-favoured-nation treatment with respect to the regulations for the granting of export and import permits, in the sphere of customs duties, taxes and fiscal charges of all kinds, including the method of levying them in connection with exports or imports and the manner of their payment in connection with imports and exports, and with regard to international transfers of payments for imports and exports, transport and the administrative rules and formalities applicable in accordance with the provisions and internal regulations governing their trade with any other country.

*Article II.* The vessels and their crews and cargoes of the two Contracting Parties shall receive most-favoured-nation treatment at the sea ports or in the national maritime waters or territorial waters of each of the Contracting Parties.

Mexico declares that these provisions shall not cover national coastal trade, fishing, towing and pilotage carried out within its territorial waters.

The Contracting Parties undertake to consider as valid all shipping documents issued or approved by the corresponding authorities of the other Contracting Party and relating to the national flag, tonnage verification, identification of the crew and other matters relating to vessels and cargo.

*Article III.* The provisions of article I shall not extend to the advantages, privileges and exemptions which:

- (a) Either of the two Governments accords or may in future accord to neighbouring countries with a view to facilitating frontier trade;
- (b) Either of the two Governments accords or may accord under agreements concerning a customs union or other free trade areas or regional arrangements, in accordance with the regulations governing international trade and the international obligations of the Governments of each of the two countries;
- (c) The United Mexican States grant or may grant to a grouping of Latin American countries or to other Latin American countries which do not belong to any economic grouping and, on the basis of the GATT decision of 26 November 1971, to the

<sup>1</sup> Applied provisionally from 28 April 1975 by signature, and came into force definitively on 10 November 1976, the date on which the Parties had notified each other of the completion of the required constitutional procedures, in accordance with article XV.

<sup>2</sup> United Nations, *Official Records of the General Assembly, Twenty-ninth Session, Supplement No. 31 (A/9631)*, p. 50.

developing countries which are signatories of the Protocol relating to Trade Negotiations among Developing Countries, done at Geneva on 8 December 1971,<sup>1</sup> in respect of customs duties or other preferences;

- (d) The Government of the Hungarian People's Republic maintains in force in all its commercial regulations relating to products originating from or destined for the countries indicated in the list annexed to this Agreement.

*Article IV.* Commercial transactions within the framework of this Agreement shall be carried out between Mexican organizations in their capacity as legal entities, on the one hand, and Hungarian entities authorized to engage in foreign trade activities as autonomous legal persons, on the other, and shall be conducted in accordance with the provisions in force within each of the countries regarding imports and exports.

*Article V.* All payments between the Hungarian People's Republic and the United Mexican States shall be made in freely convertible currencies, in accordance with the currency laws, rules and regulations in force in each of the two countries at the time of payment.

*Article VI.* The Contracting Parties shall endeavour to strike a balance in the exchange of goods between the two countries. To that end, the Joint Commission referred to in article XII shall formulate the recommendations deemed relevant for that purpose.

*Article VII.* The Contracting Parties shall examine the possibility, through their competent financial bodies, of adopting financial measures in accordance with the provisions of this Agreement, with the aim of increasing their trade with each other.

*Article VIII.* The Contracting Parties shall both sponsor the holding of trade fairs and exhibitions organized in each of the two countries, as well as the promotion and organization of trade missions in the territory of the other country, under conditions to be agreed between the competent bodies of both countries.

The Contracting Parties shall also, in accordance with their respective laws and regulations, provide the necessary facilities for:

- (a) The importing of samples and commercial advertising materials;
- (b) The temporary importing of goods and merchandise intended for fairs and exhibitions;
- (c) The temporary importing of machinery and equipment for the assembly and construction of exhibits, provided that this is done by the parties installing the exhibit.

If the products mentioned in the two preceding paragraphs are sold, the relevant duties shall be paid.

The Contracting Parties agree to provide official representatives, businessmen and industrial experts from both countries who are required to stay in either country in order to engage in activities related to the development of trade between the two countries with the facilities necessary for their work.

*Article IX.* Each of the Contracting Parties shall allow the transit within its territory of merchandise arriving from the other country, in accordance with the laws and provisions in force in each of the two countries.

*Article X.* This Agreement shall not prevent either of the Contracting Parties from adopting or implementing measures relating to:

- (a) Public safety and order, national defense or the maintenance of international peace and security;

<sup>1</sup> United Nations, *Treaty Series*, vol. 858, p. 176.

- (b) The importing or exporting of weapons, munitions or war material;
- (c) The protection of the national artistic, historical and archeological heritage;
- (d) The protection of human, animal or plant life and health;
- (e) The import and export of gold and silver or monies coined in these metals;
- (f) The trading, utilization or consumption of nuclear materials or radioactive by-products created by the use or processing of such materials.

*Article XI.* Commercial transactions between the two countries shall to the extent possible be carried out directly, that is to say, without intermediaries or commercial representatives who are not Mexican or Hungarian nationals.

*Article XII.* With a view to facilitating the implementation of this Agreement, the Contracting Parties hereby set up a Joint Mexican-Hungarian Commission which shall meet alternately in Hungary and Mexico at least once a year. The Joint Commission shall be composed of equal numbers of members appointed by each Government through diplomatic channels on the occasion of each meeting. The Contracting Parties shall authorize the Commission to:

- (a) Evaluate economic and trade relations;
- (b) Formulate recommendations with a view to increasing and broadening such relations;
- (c) Draft indicative lists of merchandise, which shall be annexed to this Agreement.

The Joint Commission shall draw up its rules of procedure and adopt them at the first meeting which shall be held in Hungary.

*Article XIII.* This Agreement shall be valid for a period of three years and shall be assumed to be extended automatically for one-year periods, unless it is denounced in writing and notification is given at least six months prior to the expiry of the period in question.

*Article XIV.* The provisions of this Agreement shall continue to be applied until all the commercial operations or contracts formalized while it was in effect have been fully executed.

This Agreement may be amended in terms to be agreed by the Contracting Parties through an exchange of notes, without affecting commercial operations previously contracted for.

*Article XV.* This Agreement shall apply provisionally from the date of its signature and shall apply definitively from the date of the exchange of notes by which the two Parties inform each other that they have fulfilled the formalities required under their respective legislations.

DONE at Mexico, Federal District, on 28 April 1975, in duplicate in the Spanish and Hungarian languages, both texts being equally authentic.

For the Government  
of the United Mexican States:  
[Signed]  
EMILIO O. RABASA  
Secretary for Foreign Affairs

For the Government  
of the Hungarian People's Republic:  
[Signed]  
BELA SZALAI  
Deputy Minister of Foreign Trade  
of the Hungarian People's Republic

ANNEX RELATING TO ARTICLE III (*d*) OF THE TRADE AGREEMENT BETWEEN THE  
GOVERNMENT OF THE UNITED MEXICAN STATES AND THE GOVERNMENT OF  
THE HUNGARIAN PEOPLE'S REPUBLIC

People's Republic of Albania  
People's Republic of Bulgaria  
Czechoslovak Socialist Republic  
German Democratic Republic  
Democratic People's Republic of Korea  
Mongolian People's Republic  
People's Republic of China  
Polish People's Republic  
Socialist Republic of Romania  
Union of Soviet Socialist Republics  
Democratic Republic of Viet Nam  
Republic of Cuba

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