

No. 21958

**SPAIN
and
CZECHOSLOVAKIA**

Long-term Agreement on trade and the development of economic and industrial co-operation. Signed at Madrid on 12 December 1977

*Authentic texts: Spanish and Czech.
Registered by Spain on 27 June 1983.*

**ESPAGNE
et
TCHÉCOSLOVAQUIE**

Accord à long terme relatif aux échanges commerciaux et au développement de la coopération économique et industrielle. Signé à Madrid le 12 décembre 1977

*Textes authentiques : espagnol et tchèque.
Enregistré par l'Espagne le 27 juin 1983.*

[TRANSLATION — TRADUCTION]

LONG-TERM AGREEMENT¹ BETWEEN THE KINGDOM OF SPAIN
AND THE CZECHOSLOVAK SOCIALIST REPUBLIC ON TRADE
AND THE DEVELOPMENT OF ECONOMIC AND INDUSTRIAL
CO-OPERATION

The Government of the Kingdom of Spain and the Government of the Czechoslovak Socialist Republic,

Wishing to develop and promote to the fullest extent economic relations, particularly trade and economic and industrial co-operation, between their two countries,

Seeking to use more fully the opportunities created by the development of their respective economies in order to increase trade and economic and industrial co-operation,

Having regard to the fact that both countries are members of the General Agreement on Tariffs and Trade (GATT),²

Recognizing the values of adopting long-term measures designed to place trade and economic and industrial co-operation on a durable basis,

Have agreed as follows:

Article I. In pursuance of the objectives of this Agreement, the Contracting Parties declare their readiness to ensure, in a spirit of equality and reciprocity, the harmonious and reasonably balanced development of trade and economic and industrial co-operation between them, and of their mutual economic relations in general.

Accordingly, the Parties shall do everything to facilitate the implementation of this Agreement, taking all necessary measures to that end.

Article II. To achieve the objectives of this Agreement and to ensure mutually advantageous conditions for the development of economic relations between the two countries, the two Parties reaffirm that in their reciprocal economic relations and as Contracting Parties to GATT they shall accord each other most-favoured-nation treatment with immediate effect. Most-favoured-nation treatment and other rules on the exchange of goods between the two countries shall apply in accordance with the provisions of the General Agreement on Tariffs and Trade.

Article III. In accordance with the international agreements to which it is a party, each Contracting Party shall grant the other all necessary facilities for operations relating to the temporary import or finishing of goods and products from the other Contracting Party.

Article IV. Details of the trade covered by this Agreement shall be established in the annual protocols drawn up by the Joint Commission provided for in article X of this Agreement taking into account the Parties' desire to increase and stabilize the

¹ Came into force provisionally on 12 December 1977, the date of signature, and definitively on 5 May 1978, the date of the exchange of notes by which the Contracting Parties informed each other of the completion of the constitutional procedures, in accordance with article XI.

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

annual volume of trade between them by having such trade reflect the overall composition of the two countries' trade over the period for which this Agreement is in force.

Article V. The import and export of goods between the two countries shall take place in accordance with the provisions of this Agreement and of contracts concluded between Czechoslovak organizations and Spanish individuals and legal entities authorized to engage in foreign trade.

Article VI. 1. Each Contracting Party shall recognize the health, veterinary, plant health and quality analysis certificates issued by the competent authorities of the other Party and indicating that products originating in the country which issued the certificates or analyses meet the national standards of the country of origin.

2. Each Contracting Party shall have the right, if it deems appropriate, to carry out the necessary verifications, notwithstanding the production of the documents referred to above.

Article VII. 1. The two Contracting Parties, recognizing the importance of economic and industrial co-operation for the development of their economic relations, shall facilitate, in accordance with the laws and regulations in force in both countries:

- (a) The development of co-operation between Spanish and Czechoslovak enterprises and economic and industrial organizations in different spheres both in the two countries and on third markets;
- (b) Continuation of the activities of the working groups established under the Long-Term Agreement between the Government of Spain and the Government of the Czechoslovak Socialist Republic on trade relations of 5 October 1971, or such groups as may be established in the future;
- (c) Exchanges of industrial rights (licences, patents, technical information, etc.) between the institutions and enterprises of the two countries in accordance with their respective regulations;
- (d) Exchanges of information on the directions which economic development will take in each country and on investment projects which might be suitable for joint participation;
- (e) The establishment in each country of permanent offices representing the enterprises or commercial entities of the other country, the sending of trade and industrial missions, participation in the international fairs of both countries, and the organization of trade exhibits.

2. Industrial co-operation contracts requiring licences or any other import permit shall be subject to approval by the Czechoslovak authorities and the granting of import licences by the Spanish authorities. In such cases of co-operation, the authorities of both countries shall do everything to facilitate the issuance of licences or any other import permit required and such licences shall be granted without quantitative restrictions, in accordance with the provisions of the contracts in question.

Article VIII. The following shall be considered industrial co-operation operations:

- (a) The exchange of parts, machine components and installations for joint production or marketing of a final product, possibly under a common trademark;

- (b) The supply of installations or parts produced by one of the partners, according to documentation supplied by the other partner which then markets the final product;
- (c) Finishing operations of interest to both Contracting Parties;
- (d) Exchanges of experience with regard to standard-setting, standardization and quality control, working methods, the introduction of inventions, innovations and refinements in industrial processes, and technical information;
- (e) The granting of licences, particularly for the reciprocal supply of components manufactured under such licences;
- (f) Exchanges of patents and technical know-how, or the transfer thereof on conditions established by the institutions and enterprises concerned;
- (g) The construction of industrial complexes which are in the interest of both economies, part of the output of which would, on an exceptional basis, be imported by the other country, in particular in the case of outputs which are complementary or sold on third markets by firms or organizations of the other country, so as to generate resources to provide funding equivalent to the value of the capital goods and services supplied.

Article IX. Payments relating to operations carried out under this Agreement shall be made in freely convertible currencies, in accordance with the regulations in force in each country.

Article X. The two Contracting Parties shall establish a Joint Commission which shall hold plenary meetings once a year, in Spain and the Czechoslovak Socialist Republic alternately, and which may be convened in special meeting at the request of either Party.

The Commission shall regulate the details of the trade provisions to be included in the annual protocols.

The Joint Commission shall review the development of co-operation and the means of promoting such co-operation, identifying specific areas of economic and industrial co-operation that should be developed by the two countries.

Article XI. This Agreement shall apply provisionally from the date of its signature and shall enter into force on the day on which the Contracting Parties confirm by an exchange of notes that they have complied with their respective constitutional provisions governing the conclusion and entry into force of international agreements.

On the date of signature of this Agreement, the Long-Term Agreement between the Government of Spain and the Czechoslovak Socialist Republic on trade relations of 5 October 1971 shall lapse.

This Agreement shall remain in force for a period of three years from the date of its entry into effect. At the end of that period, the Agreement shall be automatically renewed for successive one-year periods unless it is denounced in writing by either Party three months prior to the expiration of any such period.

Termination of this Agreement shall not affect the validity or performance of contracts concluded hereunder.

DONE at Madrid on 12 December 1977, in two copies, in the Spanish and Czech languages, both texts being equally authentic.

For the Government
of the Kingdom of Spain:

[Signed]

JUAN ANTONIO GARCÍA DIEZ
Minister for Trade

For the Government
of the Czechoslovak Socialist Republic:

[Signed]

ANDREJ BARČÁK
Minister for Foreign Trade
