

No. 22884

**MEXICO
and
CZECHOSLOVAKIA**

**Trade Agreement. Signed at Mexico City on 15 November
1974**

Authentic texts: Spanish and Czech.

Registered by Mexico on 26 April 1984.

**MEXIQUE
et
TCHÉCOSLOVAQUIE**

Accord commercial. Signé à Mexico le 15 novembre 1974

Textes authentiques : espagnol et tchèque.

Enregistré par le Mexique le 26 avril 1984.

[TRANSLATION — TRADUCTION]

TRADE AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED MEXICAN STATES AND THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF CZECHOSLOVAKIA

The Government of the United Mexican States and the Government of the Socialist Republic of Czechoslovakia, desiring to develop and enhance economic and trade relations between the two countries, have decided to sign this Trade Agreement on the basis of equal rights, reciprocity and mutual benefit:

Article I. The Contracting Parties shall accord each other most-favoured-nation treatment in all matters pertaining to the system of granting export and import licences, customs duties and any other levies, including the method of collecting them if they are established for exports or imports, and the form of payment for imports and exports, transport and the administrative formalities prescribed by the domestic provisions and regulations governing their trade with any other country.

Article II. The most-favoured-nation treatment referred to in article I of this Agreement shall not apply to advantages which:

- (a) Either Contracting Party accords or may accord to adjacent countries for facilitating frontier trade;
- (b) Either Contracting Party accords or may accord to third countries as a consequence of their participation in free-trade zones or customs unions or other regional or subregional economic associations;
- (c) The United Mexican States accords or may accord to any Latin American country or group of countries or to other developing countries, or which the Socialist Republic of Czechoslovakia accords or may accord to any socialist country or group of countries with regard to customs tariffs or other preferences.

Article III. Trade transactions between the authorized Czechoslovak external trade organizations in their capacity as independent legal entities, on the one hand, and Mexican natural persons and bodies corporate in the State, mixed-economy or private sector, on the other, shall be executed in accordance with the provisions of this Agreement and the laws and regulations in force in each country.

Article IV. The Contracting Parties shall do their utmost to ensure that trade between the two countries is balanced and that the flow of exports from Mexico to Czechoslovakia consists, progressively and to the largest possible extent, of manufactures and semi-manufactures of general interest.

Similarly, Czechoslovakia shall contribute to the economic and industrial development of Mexico by exporting industrial complexes and plants, machinery, industrial equipment and necessary spare parts for such equipment; this shall include the transfer of technology, industrial co-operation and relevant technical assistance, in accordance with the laws and regulations in force in each country.

¹ Came into force provisionally on 15 November 1974, the date of signature, and definitively on 6 September 1976, the date on which the Contracting Parties informed each other of the completion of their respective constitutional procedures, in accordance with article XVI.

Article V. The Contracting Parties shall provide effective protection against all forms of unfair competition and ensure that exports and imports bear no indications that could be misleading as regards their country of origin, material, type or quality.

Article VI. The Contracting Parties shall permit the import and export free of customs duties, in accordance with the laws, regulations and provisions in force in the territory of the respective Contracting Party, of the following articles:

- (a) Samples of products and goods having no commercial value and commercial advertising materials;
- (b) Products and goods introduced temporarily and intended for fairs and exhibitions which, if sold, shall be subject to the laws in force in the country concerned;
- (c) Equipment or instruments temporarily imported for experiments, tests or research connected with a commercial or economic operation under programmes previously agreed upon by the Contracting Parties.

Article VII. This Agreement shall not prevent either Contracting Party from adopting or implementing measures relating to:

- (a) Public safety and order, national defence or the maintenance of international peace and security;
- (b) Imports and exports of weapons, munitions and war materials;
- (c) Safeguarding the national artistic, historical or archaeological heritage;
- (d) Protection of human, animal or plant life and health;
- (e) Imports and exports of gold and silver and of coins minted therefrom;
- (f) Trade in and utilization or consumption of nuclear materials or of radioactive by-products derived from the utilization or processing thereof.

Article VIII. Trade between the two countries shall be transacted, so far as possible, directly, i.e., without the services of trade intermediaries or representatives who are not nationals of Mexico or Czechoslovakia.

Article IX. The prices of products and goods traded between the two countries shall be jointly determined by the bodies corporate or natural persons referred to in article III of this Agreement which shall take into account international prices or the prices of products competing on the world market.

Article X. Payments for products, goods and services traded between the two countries under this Agreement shall be transacted in freely convertible currency, as agreed upon by the persons or bodies referred to in article III of this Agreement, in accordance with the laws, regulations and provisions in force or which may enter into force in the territory of each Contracting Party.

Article XI. The Contracting Parties likewise agree to increase their trade by means of inter-bank agreements, for which purpose they shall take steps to ensure that the specialized banks immediately initiate negotiations for formalizing such agreements.

Article XII. Vessels of both Contracting Parties and their crews and cargo shall be entitled to most-favoured-nation treatment in the seaports or within the

national maritime waters of the country concerned and within the territorial waters of the other Contracting Party.

These provisions shall not apply to national coastal shipping, fishing, towing and piloting carried out within the territorial waters of both Contracting Parties.

Each Contracting Party shall recognize all ship's papers issued or approved by the competent authorities of the other Contracting Party and relating to the national flag, tonnage, identity of the crew and other matters pertaining to vessels and cargo.

Article XIII. With a view to monitoring implementation of this Agreement and formulating recommendations for extending and diversifying trade and to promoting further economic co-operation, the Contracting Parties agree to establish a Joint Commission which shall meet at least once a year, alternately at Mexico City and Prague, and shall be composed of representatives of both countries. The first meeting shall be held at Prague.

The Joint Commission shall establish its working procedure at its first meeting.

Article XIV. With a view to boosting trade, the Contracting Parties shall exchange each year informative schedules of the goods which they are interested in exporting to the territory of the other Contracting Party. Such schedules shall be given due publicity.

Similarly, the Contracting Parties shall exchange each year statistical data on trade in the products referred to in the foregoing paragraph.

Article XV. This Agreement shall remain in force for a period of three years and shall be deemed to be tacitly extended for one-year periods, unless one of the Contracting Parties denounces it in writing at least six months prior to the expiry of the period in question.

The provisions of this Agreement shall continue to apply until all trade operations or contracts formalized while it was in force have been fully executed.

Article XVI. This Agreement shall apply provisionally from the date of its signature and shall enter into force on the date on which the Contracting Parties notify each other that their respective constitutional requirements have been completed.

DONE at Mexico City, on 15 November 1974, in two originals, in the Spanish and Czech languages, both texts being equally authentic.

For the Government
of the United Mexican States:

[Signed]

EMILIO O. RABASA
Minister for Foreign Affairs

For the Government
of the Socialist Republic
of Czechoslovakia:

[Signed]

ANDREJ BARCÁK
Minister of Foreign Trade