No. 22986

MEXICO and EL SALVADOR

Trade Agreement. Signed at San Salvador on 14 December 1950

Authentic text: Spanish.

Registered by Mexico on 25 June 1984.

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Accord commercial. Signé à San Salvador le 14 décembre 1950

Texte authentique : espagnol. Enregistré par le Mexique le 25 juin 1984.

[TRANSLATION — TRADUCTION]

TRADE AGREEMENT' BETWEEN THE UNITED MEXICAN STATES AND EL SALVADOR

The Government of the United Mexican States and the Government of El Salvador, desiring to strengthen their traditional bonds of friendship by upholding the principle of equal treatment, unconditionally and without restriction, as the basis for their trade relations, and in order to formalize the commitment which they assumed in the Trade Modus Vivendi in force between them, have decided to conclude a Trade Agreement and, to that end, have appointed as their Plenipotentiaries:

His Excellency Mr. Miguel Alemán Valdés, President of the United Mexican States: Víctor Alfonso Maldonado, Ambassador Extraordinary and Plenipotentiary to the Government of El Salvador; and

His Excellency Lieutenant-Colonel Oscar Osorio, President of the Republic of El Salvador: Roberto Edmundo Canessa, Minister for Foreign Affairs,

who having exchanged their full powers, found in good and due form, have agreed as follows:

Article I. The High Contracting Parties agree to accord each other, unconditionally and without restriction, most-favoured-nation treatment in all matters pertaining to customs duties and ancillary charges, to the method of collecting such duties or taxes and to the rules, formalities and responsibilities relevant to customs operations.

Article II. Products grown, produced or manufactured in the territory of either High Contracting Party and imported into the territory of the other Party shall, in no case, be subject, under the above-mentioned customs system, to duties, taxes or charges or to rules or formalities different from, or more onerous than, those which are or may be applied to similar such products originating in any foreign third country.

Article III. Products grown, produced or manufactured and exported from either High Contracting Party to the territory of the other Party shall in no case be subject under the same customs system, to duties, taxes or charges or to rules or formalities different from, or more onerous than, those which are or may be applied to similar such products exported to the territory of any third country.

Article IV. Favours, advantages, concessions or immunities which are or may be granted by either High Contracting Party, under the said customs system, for products grown, produced or manufactured and originating in a third country shall be applied, automatically, immediately and without compensation, to similar such products originating in or exported to the territory of the other Party.

¹ Came into force on 18 March 1952 by the exchange of the instruments of ratification, which took place at Mexico City, in accordance with article X.

- Article V. 1. The obligations stipulated in the preceding provisions shall not apply to:
- (a) Favours, advantages, concessions or immunities which are or may be accorded by either High Contracting Party as a consequence of a customs union which is or may be established by one of the Parties or to which one of them accedes;
- (b) Favours, advantages, concessions or immunities deriving from economic conventions and free-trade agreements which are or may be concluded between El Salvador and any of the countries that constituted the Central American United Provinces;
- (c) Favours, advantages, concessions or immunities which are or may be accorded by either High Contracting Party to adjacent countries for frontier trade;
- (d) Instruments deriving from provisions relating to public safety; traffic in weapons, munitions and war materials; the protection of public health; the protection of animals and plants against diseases, insects or harmful parasites; safeguarding the national artistic, historical or archaeological heritage; exports of gold or silver in currency or species; and, in general, fiscal or police measures for extending to foreign products the treatment applied in the territory of each High Contracting Party to similar national products.
- 2. Should the Government of the United Mexican States or the Government of the Republic of El Salvador promulgate provisions, from among those referred to in subparagraph (d), concerning the protection of public health or of animal or plant health against diseases, insects or harmful parasites, it shall immediately inform the other Contracting Party thereof and give the reasons for adopting such provisions.
- Article VI. The Government of the United Mexican States and the Government of the Republic of El Salvador shall accord each other unconditional most-favoured-nation treatment in the application, with regard to their trade, of any form of control over international means of payment or exchange regulations which they have established or may establish, and such controls or regulations shall be applied by each High Contracting Party in a manner not detrimental to the other Party in so far as competition, within the territory of the Party applying the control or regulations, between articles grown, produced or manufactured in the territory of the other Party and similar articles grown, produced or manufactured in any third country is concerned.

Article VII. Should the Government of the United Mexican States or the Government of the Republic of El Salvador establish or maintain an exclusive agency or accord exclusive privileges to any agency for importing, exporting, selling, distributing or producing any article, fair and equitable treatment with respect to purchases or sales abroad of the said agency shall be accorded to the trade of the other country. To that end, such agency, in transacting its purchases or sales abroad, of any article shall do so as would any private commercial enterprise, and seek to obtain the most favourable terms.

Article VIII. The High Contracting Parties agree to promote the development of national shipping lines for ocean service between their respective territories and to accord each other unconditional most-favoured-nation treatment in matters relating to such ocean navigation and to port facilities. This obligation shall not, however, apply to the following services:

- (a) Coastal shipping;
- (b) Pilotage, towing, port, maritime assistance, transport of emigrants and immigrants and other similar services which each country reserves exclusively as national services, under its domestic laws;
- (c) Régimes applicable to fishing and the conservation of marine resources which, also under their respective domestic laws or international treaties or arrangements, are reserved as services either for national purposes or in favour of third countries; and
- (d) Certain port facilities which, for reasons of national security or defence, each country reserves for its own exclusive use.
- Article IX. Following approval and ratification of this Agreement in accordance with the laws of each High Contracting Party, the instruments of ratification shall be exchanged as soon as possible at Mexico City.
- Article X. This Agreement shall enter into force on the date of the exchange of ratifications and remain in force for a period of two years. Unless denounced six months prior to the end of that period, it shall be deemed to be extended automatically for an indefinite period provided that it is not denounced by either Contracting Party at least six months in advance.
- Article XI. Pending the exchange of ratifications referred to in article X of this Agreement, the Trade Modus Vivendi, concluded by the exchange of notes of 25 September 1950 between the respective Governments of the High Contracting Parties, shall remain in force.

IN WITNESS WHEREOF the respective Plenipotentiaries have signed this Agreement in duplicate, in the city of San Salvador, Republic of El Salvador, on 14 December 1950.

[Roberto Edmundo Canessa]	[Víctor Alfonso Maldonado]