

**TREATY OF COMMERCE BETWEEN THE REPUBLIC OF ESTONIA AND
THE REPUBLIC OF CZECHOSLOVAKIA.
SIGNED AT TALLINN, JUNE 20, 1927**

THE REPUBLIC OF ESTONIA and THE REPUBLIC OF CZECHOSLOVAKIA, being desirous of promoting the development of commercial relations between the two States, have resolved to conclude a Commercial Treaty. For this purpose they have nominated as Plenipotentiaries:

THE REPUBLIC OF ESTONIA:
M. Frederick AKEL, Minister for Foreign Affairs;

THE CZECHOSLOVAK REPUBLIC:
Dr Václav GIRSA, Minister Plenipotentiary and Envoy Extraordinary;

Who, having communicated their full powers found in good and due form, have agreed on the following Articles:

**CHAPTER I.
GENERAL PROVISIONS AND RIGHTS OF NATIONALS.**

Article 1.

The nationals of either of the Contracting Parties may freely enter, travel through, or stay in any part of the territory of the other, provided they observe the laws of the country.

Article 2.

The nationals of either of the Contracting Parties shall, provided they observe the laws of the country, be placed in every respect on the same footing as nationals of the most favoured nation in all matters connected with travel, residence, study, the exercise of their trades and professions, the conduct of their industrial and manufacturing undertakings and the right to trade in all lawful commodities.

Article 3.

The nationals of either of the Contracting Parties may also, provided they observe the laws of the country, acquire, possess or rent and occupy such houses, factories, warehouses, shops or premises as they may require, and may lease land for any lawful purpose, on the same conditions as the nationals of the most favoured nation.

In all matters connected with the transfer of movable property by testamentary or other succession and the right to dispose in any manner whatsoever of the property of any kind which they may lawfully acquire, they shall enjoy, in the territory of the other Contracting Party, provided they observe the laws of the country, the same privileges, immunities and rights, and shall not be subject in this respect to any duties, charges, taxes or imposts under any denomination whatever, other or higher than those which are or may hereafter be levied on nationals of the most favoured nation. It is agreed that both Governments shall base their policy in this matter on the principle of reciprocity.

Article 4.

The nationals of each of the Contracting Parties may also, provided they observe the laws of the country, export the proceeds of the sale of their property in general, without being liable to pay, by reason of exportation, duties other or higher than those which nationals of the most favoured nation would have to pay under similar circumstances.

Article 5.

The nationals of either of the Contracting Parties shall have free access to the courts of justice and to the authorities having the same competence, for the purpose both of claiming and of defending their rights, and in this respect they shall, subject to reciprocity, enjoy all the rights and privileges enjoyed by nationals. They may employ in courts of all instances, counsel, solicitors and agents of every kind authorised by the laws of the country.

Article 6.

The nationals of either of the Contracting Parties shall be exempt, in the territory of the other Party, from any compulsory personal military service either in the army or navy or in the national guard or militia; they shall also be exempt from any pecuniary or other contribution in lieu of compulsory personal service. Moreover, they shall in no wise be prevented from performing their military duties in their own State.

They shall only be liable, both in time of peace and in time of war, to the military contributions and requisitions imposed on nationals of the country, to the same extent and according to the same principles as the latter, and in every case compensation shall be paid.

The nationals of either of the Contracting Parties shall also be exempt from all judicial, administrative or municipal obligations or functions of any kind whatever.

Article 7.

Nationals of either of the Contracting Parties shall not be liable, provided they observe the laws of the country, to any charges, or to pay duties, taxes, imposts or contributions of any nature whatever other or higher than those which are or may in future be levied on nationals of the most favoured nation. It is agreed that both Governments shall base their policy in this matter on the principle of reciprocity.

Article 8.

Joint stock or other companies and commercial, industrial or financial associations, which are or may hereafter be constituted in conformity with the laws of either of the Contracting Parties and which are domiciled in the territory of that Party, shall be authorised, within the territory of the other Party, provided they observe the laws of the latter Party, to exercise their rights and to bring or defend actions in the Courts.

The above provision shall not in any way affect the question whether such a company or association established in either of the two countries has or has not the right to carry on trade or industry in the other; such right shall continue to be determined in all cases by the laws and decrees in force in the respective countries.

The above-mentioned companies and associations shall, once admitted, enjoy in this respect the same rights and privileges as are or may hereafter be accorded to similar organisations of a third Power.

CHAPTER II. COMMERCE AND TRANSPORT.

Article 9.

So long as, under present economic conditions, it remains necessary for either of the Contracting Parties, by reason of exceptional difficulties, to maintain restrictions or prohibitions on the import or export of goods, it is agreed that no prohibition or restriction will be maintained or imposed in respect of the import or export of any article coming from or proceeding to the territory of the other Party unless it also applies to similar articles coming from or proceeding to any other country.

The two Contracting Parties agree that during the period in which economic difficulties may necessitate such measures, they will, in case of need, facilitate mutual relations by a special arrangement for the purpose. In any case, however, prohibitions or restrictions maintained or imposed either on grounds of public health or for the protection of animals or useful plants from disease, according to the international rules universally recognised, or for reasons of public security, or in respect of goods which are the subject of a Government monopoly in the Contracting States, shall not be regarded as contrary to the principle of most-favoured-nation treatment.

Article 10.

Goods, products of the soil and industry of Czechoslovakia, imported into Estonia, and goods products of the soil and industry of Estonia, imported into Czechoslovakia, either for consumption or warehousing, or for re-export or transit, shall not be liable, in respect of import, export, re-export or transit, to duties, imposts, surtaxes, taxes, charges, restrictions or obligations, whether general or local, other or higher than those imposed on the most favoured nation, or to import or export formalities other than those imposed on the most favoured nation.

It is further understood that the products of Estonian origin enumerated in the Annex to the present Treaty shall not, on import into Czechoslovakia, be liable to Customs duties higher than those mentioned in the said Annex.

Neither of the Contracting Parties shall impose in respect of the exportation of any article to the territory of the other Party, duties or taxes other or higher than those which are or may in future be imposed in respect of the exportation of similar articles to the territory of any other most favoured nation.

With a view to reserving the benefits of the above provisions for products originating in their respective countries, the two Contracting Parties may require that imported products should be accompanied by a certificate of origin. Such certificates of origin shall be issued either by the chamber of commerce to which the consignor belongs or by any other authority or economic body approved by the country of destination, and shall not require diplomatic or consular legalisation.

Article 11.

Merchants, manufacturers and other business men, nationals of either of the Contracting Parties, who are domiciled and carry on their trade or industry in the territory of the said Party, and who prove by producing a business identity card issued by the competent

authorities in their own country that they are authorised to carry on their trade or industry in the said country and that they pay therein the legal charges and taxes, shall have the right to make purchases or take orders in the territory of the other Party either in person or through commercial travellers, and with or without the use of samples. Such merchants, manufacturers, business men and their commercial travellers, when thus making purchases and taking orders, shall in all respects enjoy the most-favoured-nation treatment.

Article 12.

Articles imported as samples for the above-mentioned purposes shall be admitted in each of the two countries temporarily free of duty in accordance with the Customs regulations and formalities laid down for the purpose of ensuring their re-export or the payment of the Customs duties prescribed in the event of their not being re-exported within the period provided by law. Nevertheless, the said privilege shall not extend to articles which, by reason of their quantity or value cannot be regarded as samples, or which, owing to their nature, cannot be identified on re-export. The competent authorities of the place of import shall have the exclusive right in all cases to decide whether a sample shall be admitted free of duty.

Article 13.

Each of the two Contracting Parties undertakes to accord freedom of transit through the territory under its sovereignty to persons, baggage and goods, and also vessels, passenger and goods stock and other means of transport, coming from or proceeding to the territory of the other Party by rail or waterway, on routes in use convenient for international transit, and to grant them treatment at least as favourable as that granted to the most favoured nation.

Article 14.

Persons, baggage and goods, and also vessels, passenger and goods stock and other means of transport, shall be deemed to be in transit across territory under the sovereignty of either of the Contracting States when the passage across such territory with or without transshipment, warehousing, breaking bulk, or change made of transport, is only a portion of a complete journey beginning and terminating beyond the frontier of the State across whose territory the transit takes place.

Article 15.

Traffic in transit shall not be subject to any special dues in respect of transit (including entry and exit). Nevertheless, on such traffic in transit there may be levied dues intended solely to defray expenses of supervision and administration entailed by such transit. The rate of any such dues must correspond as nearly as possible with the expenses which they are intended to cover, and the dues must be imposed under the conditions laid down in the preceding Article, except that on certain routes such dues may be reduced or even abolished on account of differences in the cost of supervision.

Article 16.

The two Contracting Parties undertake to apply to traffic in transit on routes operated or administered by the State or under concession, whatever may be the place of departure or destination, of the traffic, tariffs which, having regard to the conditions of the traffic and to considerations of commercial competition between routes, are reasonable, as regards both their rates and the method of their application. These tariffs shall be so fixed as to facilitate international traffic as much as possible.

Article 17.

The two Contracting Parties guarantee to each other most-favoured-nation treatment in their mutual relations in respect of despatch and transport charges on railways.

The Acts of the Universal Postal Union shall apply in respect of postal traffic in transit.

Article 18.

Neither of the Contracting Parties shall be bound to afford transit for passengers whose admission into its territory is forbidden, or for goods of a kind of which the importation is prohibited, either on grounds of public health or security or as a precaution against diseases of animals or plants.

Article 19.

Vessels and boats flying the flag of either of the Contracting Parties, their crews and cargoes, whether coming direct from the country of origin or from another country, and irrespective of the place of departure or destination of their cargoes, shall enjoy on the waterways in their territory and in the ports and territorial waters of the other Contracting Party treatment in all respects at least as favourable as that granted to the vessels, boats, crews and cargoes of the most favoured nation.

Article 20.

Unless expressly provided otherwise in the present Treaty, the two Contracting Parties agree that in all matters concerning commerce, navigation and industry, any privilege, favour, facility or immunity whatsoever which either of them has granted or may in future grant to the nationals or to the products of the soil or industry of any other State, shall immediately and unconditionally be extended to the nationals and products of the other Contracting Party.

Article 21.

The exemptions, immunities and privileges hereinafter mentioned shall not be regarded as contrary to the principle of most-favoured-nation treatment on which the present Treaty is based, that is to say:

- (a) Privileges which have been or may in future be granted to contiguous States with a view to facilitating local traffic within one or other frontier zone;
- (b) Privileges which may be granted by either of the Contracting Parties to a third State in virtue of a Customs Union;
- (c) Exemptions, immunities and privileges which Estonia may grant to one of the Baltic States (Finland, Latvia, Lithuania) under special agreements. The same shall apply in regard to the privileges which Estonia may grant to Russia under special conventions or Customs agreements.

Nevertheless, it is understood that Czechoslovakia may immediately claim the same advantages should they have been granted by Estonia to a third State not mentioned above.

CHAPTER III. CONSULAR CLAUSES.

Article 22.

Each of the Contracting Parties may appoint consuls in all places in the territory of the other Party, with the exception of places in which it would not be convenient to admit such consular officers. Such exception, however, shall not be made in the case of either of the Contracting Parties unless it is also made in the case of all other Powers. The word "consuls" shall be held to include all persons authorised to exercise consular functions.

The said consuls, after receiving the exequatur or other necessary authorisations from the Government of the country to which they are appointed, shall, subject to reciprocity, have the right to exercise all the functions and enjoy all the privileges, exemptions and immunities which are or may hereafter be granted to consular officers of the same rank belonging to the most favoured nation.

The two Contracting Parties have agreed to grant exemption from direct taxation only to consuls de carrière provided they are not subjects of the State in which they exercise their functions; such exemption shall not exceed the exemption from taxation granted to the diplomatic representatives of the Contracting Parties.

It is, however, understood that neither of the Contracting Parties may claim, under this clause, rights, privileges and immunities more extensive than those which it itself confers on the consuls of the other Contracting Party.

The Contracting Parties reserve the right to conclude later a special consular convention.

CHAPTER IV. FINAL CLAUSES.

Article 23.

Disputes and differences of opinion between the two Contracting Parties as to the application and interpretation of the present Treaty shall be settled by a mixed arbitral tribunal. The arbitral tribunal shall be set up ad hoc and shall include an equal number of representatives of the two Parties. Should these representatives not arrive at an agreement, they shall apply to a third arbitrator, whom the President of the Permanent Court of International Justice shall, if necessary, be asked to appoint.

Article 24.

The present Treaty shall be ratified and the ratifications thereof exchanged at Warsaw as soon as possible.

Article 25.

The Treaty shall come into force fifteen days after the exchange of ratifications and shall at first remain in force for a period of one year. After one year it shall be kept in force by tacit agreement so long as it is not denounced by either of the Contracting Parties on six months notice being given. The present Treaty shall cease to be in force six months after it has been denounced in the above manner.

In faith whereof, the Plenipotentiaries of the two Contracting Parties have signed this Treaty and have thereto affixed their seals.

Done in duplicate at Tallinn on June the twentieth, one thousand nine hundred and twenty-seven.

Fr. AKEL.

Dr. V. GIRSA.

FINAL PROTOCOL.

On proceeding to sign the Commercial Treaty concluded on to-day's date between Czechoslovakia and Estonia, the undersigned Plenipotentiaries have agreed as follows:

Ad Articles 1 and 2.

Nationals of either of the Contracting Parties shall not be subject to public imposts in respect of their stay in the territory of the other Party. Should either Contracting Party levy such imposts on the nationals of the other Party, the latter Party shall also have the right to levy them in a like manner.

The regulations in force in the territory of one or other of the Contracting Parties concerning the passports, visas, residence and expulsion of foreign nationals shall, however, remain unaffected.

Ad Article 10.

It is agreed that the production of a certificate of origin shall be regarded as compulsory in the case of the importation into the territory of the Czechoslovak Republic of "Tallinn Killos".

It is furthermore agreed that the Czechoslovak mineral waters which, on import into Estonia, shall enjoy most-favoured-nation treatment shall be the following:

Bilinska kyselka, Františkových lazni minerální vody, Karlovarské minerální vody, Mariánských lazni minerální vody, Mattoniho kysibelka, Krondorfska kysibelka, Luhacovicke minerální vody, Neudorf ska kyselka, Podebradska minerální voda and Saratica horká voda.

The present Protocol, which shall be regarded as approved and sanctioned by the Contracting Parties, without any other special ratification, by the simple fact of the exchange of ratifications of the Treaty to which it refers, has been drawn up in duplicate at Tallinn, on June the twentieth, one thousand nine hundred and twenty-seven.

Fr. AKEL.

Dr. V. GIRSA.

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