

TREATY OF CONCILIATION AND ARBITRATION BETWEEN FINLAND AND HUNGARY. SIGNED AT BUDAPEST, DECEMBER 12, 1928

THE PRESIDENT OF THE FINNISH REPUBLIC and HIS SERENE HIGHNESS THE REGENT OF THE KINGDOM OF HUNGARY being desirous of strengthening the ties of friendship between Finland and Hungary and of deciding as far as possible by way of conciliation or arbitration any disputes which may arise between the two countries, have resolved to conclude a treaty for this purpose, and have appointed as their Plenipotentiaries:

THE PRESIDENT OF THE FINNISH REPUBLIC:

Dr. Emil SETÄLÄ, Envoy Extraordinary and Minister Plenipotentiary; and

HIS SERENE HIGHNESS THE REGENT OF THE KINGDOM OF HUNGARY:

M. Louis WALKO, Minister for Foreign Affairs,

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

Article 1.

The High Contracting Parties undertake to submit to a procedure of conciliation and, if necessary to a procedure of arbitration, all disputes of any nature whatever which may arise between them and which it may not have been possible to settle within a reasonable time by diplomacy.

Disputes for the settlement of which a special procedure is laid down by other conventions in force between the High Contracting Parties shall be settled in conformity with the provisions of those conventions.

Article 2.

In the case of a dispute which, according to the municipal law of one of the Contracting Parties, comes within the jurisdiction of that Party's Courts, the defendant Party may object to submitting such disputes to a procedure of conciliation or arbitration until a final judgment has been given by the competent judicial authority. In these cases the request for conciliation procedure must be made within one year at latest from the date of such judgment.

Article 3.

Conciliation shall be entrusted to a Conciliation Commission consisting of three members, who shall be appointed in each particular case as follows: each of the High Contracting Parties shall nominate one Commissioner from among its own nationals, and the two Parties jointly shall designate the President of the Commission from among the nationals of some third Power.

If within three months of the date on which one of the High Contracting Parties has notified the other of its intention to resort to the procedure of conciliation, the appointment of the Commissioner of the other Party or the designation of the President of the Commission jointly by the High Contracting Parties has not been made, the President of the Swiss Confederation shall be requested to make the necessary appointments.

Article 4.

The Conciliation Commission shall be informed by means of a request addressed to the President by the two Parties acting in agreement, or, in the absence of such agreement, by one or other of the Parties. The request shall contain a summary account of the subject of the dispute, followed by an invitation to the Commission to take all measures likely to bring about conciliation.

If the request emanates from only one of the Parties, notification thereof shall be made without delay by that Party to the other Party.

Article 5.

The task of the Conciliation Commission shall be to elucidate the questions in dispute, to collect with that object all necessary information by means of an enquiry or otherwise, and to endeavour to bring the Parties to an agreement. It may, after the case has been examined, inform the Parties of the terms of settlement which it deems appropriate and lay down a period within which they are to make their decision.

At the close of its proceedings, the Commission shall draw up a report stating, as the case may be, either that the Parties have come to an agreement and, if need be, the terms of the agreement, or that they have been unable to reach an agreement.

The proceedings of the Commission must, unless the Parties otherwise agree, be terminated within six months from the date on which the dispute was brought before the Commission.

Article 6.

Failing any special provision to the contrary, the Conciliation Commission shall lay down its own procedure, which must in all cases provide for the hearing of both Parties. In regard to enquiries, the Commission, unless it unanimously decides otherwise, shall act in accordance with the provisions of Chapter III (International Commissions of Enquiry) of the Hague Convention of October 18, 1907, for the Pacific Settlement of International Disputes.

Article 7.

The Conciliation Commission shall meet, in the absence of agreement between the High Contracting Parties to the contrary, at a place selected by its President.

Article 8.

The proceedings of the Conciliation Commission shall not be public, except when a decision to that effect has been taken by the Commission with the consent of the High Contracting Parties.

Article 9.

The Parties shall be represented before the Conciliation Commission by agents, whose duty it shall be to act as intermediaries between the Parties and the Commission. They may, moreover, be assisted by counsel and experts appointed by them for that purpose, and they may request that all persons whose evidence appears to be useful should be heard.

The Commission, on its side, shall be entitled to demand verbal explanations from the agents, counsel and experts of the two Parties, as well as from all persons it may think useful to summon, with the consent of their Government.

Article 10.

Unless otherwise provided in the present Treaty, the decisions of the Conciliation Commission shall be taken by a majority vote.

Article 11.

The High Contracting Parties undertake to facilitate the proceedings of the Conciliation Commission, and particularly to supply it to the greatest possible extent with all useful documents and information, and to employ the means at their disposal to enable it to proceed, in their territory and in accordance with their laws, to the summoning and hearing of witnesses or experts, and to visit the localities in question.

Article 12.

Should conciliation prove impossible, either of the High Contracting Parties may request that the dispute shall be submitted to arbitration, provided it is of a legal nature.

Article 13.

In each particular case, the High Contracting Parties shall conclude a special agreement, clearly defining the subject of the dispute, the composition and special powers of the Tribunal, and any other conditions upon which they have agreed.

The special agreement shall be constituted by an exchange of Notes between the Governments of the Contracting Parties.

Article 14.

In the absence of any agreement to the contrary, the arbitration procedure shall be governed by Articles 51 to 85 of the Hague Convention of October 18, 1907, for the Pacific Settlement of International Disputes.

Article 15.

The provisions of Article 12 of the present Treaty shall not in any way restrict the right of submitting a dispute of a legal nature, by means of a special agreement, to the Permanent Court of International Justice under the conditions and according to the procedure laid down in the Statute of the Court.

Article 16.

If the special agreement referred to in Articles 13 and 15 has not been concluded within the six months following the notification of a request for arbitration, either of the Parties may, by a simple application, bring the dispute before the Permanent Court of International Justice.

Article 17.

The award rendered by the Tribunal shall be loyally carried out by both Parties.

Article 18.

The High Contracting Parties undertake to abstain, during the course of conciliation or arbitration proceedings, from all action or measures likely to prejudice the acceptance of the proposals of the Conciliation Commission, or the execution of the award.

Article 19.

Each Party shall bear its own costs and one half of the costs of the conciliation or arbitration proceedings.

Article 20.

Any disputes which may arise as to the interpretation or execution of the present Treaty shall, in the absence of any agreement to the contrary, be submitted direct to arbitration.

Article 21.

The present Treaty shall be ratified, and the instruments of ratification shall be exchanged at Helsingfors as soon as possible. The Treaty shall remain in force for ten years from the date of the exchange of ratifications. Unless denounced at least one year before the expiration of this period, it shall remain in force for a further period of ten years, and similarly thereafter.

In faith whereof the Plenipotentiaries have signed the present Treaty.

Done at Budapest, December 12, 1928.

(L. S.) E. N. SETÄLÄ.

(L. S.) Louis WALKO.

[Quelle: League of Nations, Treaty Series, 1929, vol. 96, p. 69-75.]