TREATY OF COMMERCE AND NAVIGATION BETWEEN THE KINGDOM OF BULGARIA AND THE CZECHOSLOVAK REPUBLIC. SIGNED AT PRAGUE, AUGUST 29TH, 1933

HIS MAJESTY THE KING OF THE BULGARS and THE PRESIDENT OF THE CZECHOSLOVAK REPUBLIC, being desirous of promoting and developing commercial relations between the Kingdom of Bulgaria and the Czechoslovak Republic, have decided to conclude a Treaty of Commerce and have appointed as their Plenipotentiaries:

HIS MAJESTY BORIS III, KING OF THE BULGARS:

M. Constantin WATCHOFF, Director of Consular and Economic Affairs at the Ministry of Foreign Affairs;

THE PRESIDENT OF THE CZECHOSLOVAK REPUBLIC:

Dr. J. FRIEDMANN, Envoy Extraordinary and Minister Plenipotentiary attached to the Ministry of Foreign Affairs;

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

Article I.

Nationals of one Contracting Party shall enjoy in the territory of the other, in matters concerning the exercise of trade, industry, navigation or any other profession, such rights, privileges and favours of any kind as are or may hereafter be granted to nationals of the most-favoured nation.

Subject to compliance with the laws and regulations of the country, nationals of one Contracting Party may freely enter the territory of the other Party and may travel, remain and settle therein and leave freely at any time without being subject to restrictions of any kind whatsoever other than those to which nationals of the most-favoured nation may be subject. They shall, provided that they comply with the laws and regulations of the country, have full freedom to exercise any trade or profession the exercise of which is not reserved by law for nationals of the country.

They shall have the right to acquire, to possess, to lease and to dispose of all kinds of movable or immovable property, unless otherwise provided by the laws of the country.

No measure of limitation, disposal, restriction or expropriation, on grounds of public utility or the general good, affecting the property or the use of the property, rights, or interests of nationals of one of the two Contracting Parties may be taken by the other Party, unless such measure is also applicable, under the same conditions, to the property, rights or interests of its own nationals.

Each Contracting Party reserves the right in individual cases, either under the order of a Court or in conformity with the laws and regulations relating to mendicancy, public health or public morals or with police regulations concerning the internal or external safety of the State, to forbid nationals of the other Party to settle or reside in its territory. In such cases, lack of housing accommodation or unemployment shall not constitute grounds for expulsion.

Article II.

Nationals of each Contracting Party shall have the right to appear in court as plaintiffs or defendants and shall have free access to the authorities of the other Contracting Party. They may employ counsel or representatives chosen by themselves for the purpose of protecting their interests, without being subject to any restrictions other than those provided for under the laws and regulations in force in the territory in question, and they shall be treated in every respect in the same manner as nationals of any other State.

Article III.

Nationals of one Contracting Party in the territory of the other Party shall be entitled, in every respect, to the same treatment and the same protection from the fiscal and other authorities as nationals of the country or nationals of the most-favoured nation so far as concerns their persons or their property, rights and interests, in the matter of burdens (taxes and duties), charges that can be assimilated to taxation, or other similar dues.

Article IV.

- 1. Nationals of each of the Contracting Parties shall be exempt, in the territory of the other, from all military service in the armed forces and from all contributions imposed in lieu of personal military service; moreover, they shall not be hindered in any way from carrying out their military duties in their own country.
- 2. In time of peace as in time of war, they shall be liable only to the military charges and requisitions imposed upon nationals, their liability being of the same degree and based on the same principles as for the latter.
- 3. They shall be exempt, further, from all compulsory official duties, whether judicial, administrative or municipal, except that of guardianship in respect of their own nationals.

Article V.

- 1. Without prejudice to other advantages resulting from the most-favoured-nation clause, traders, manufacturers or other persons engaged in industry, belonging to one of the two countries, who prove, by the production of an industrial identity card issued by the competent authorities of their country, that they are legally authorised to carry on their trade or industry in that country and that they pay the taxes and dues laid down by law, shall have the right, either personally or through commercial travellers in their employ, to make purchases in the territory of the other Contracting Party from traders or producers or in the public market.
- 2. They may also obtain orders, even on samples, from traders or other persons who, in their trade or industry, use goods corresponding to the said samples. They shall not be required in either country to pay a special tax by reason of the said activities.
- 3. The above provisions shall not apply to itinerant trading, to hawking or to the soliciting of orders from persons who are not engaged in any industry or trade, and in this respect the Contracting Parties reserve full freedom for their legislation.
- 4. Commercial travellers of both Contracting Parties, duly provided with an identity card issued by the authorities of their respective countries, shall have the right to carry with them samples or specimens, but not goods.

- 5. The Contracting Parties shall inform each other which authorities are responsible for the issue of identity cards and shall state the regulations with which such commercial travellers must comply in the exercise of their trade.
- 6. So far as concerns identity cards for commercial travellers and the régime applicable to samples or specimens, the Contracting Parties shall comply with the provisions of the International Convention for the Simplification of Customs Formalities, concluded at Geneva on November 3rd, 1923.

Article VI.

Unless otherwise provided by the laws and regulations concerning itinerant industries, nationals of one Contracting Party travelling to fairs and markets in the territory of the other Party for the purpose of trading there shall be treated in the same manner as nationals of that Party, if they can produce an identity card complying with the model shown in the International Convention relating to the Simplification of Customs Formalities, signed at Geneva on November 3rd, 1923.

Article VII.

- 1. Commercial, industrial, financial, insurance, communications and transport companies which have their head offices in the territory of one Contracting Party and which have been constituted in accordance with the laws of that country shall be recognised as being legally constituted in the territory of the other. They shall have the right to appear in court for the purpose of instituting proceedings or defending their rights and shall have free and unrestricted access to the authorities of the other Contracting Party. Their legal capacity to contract and their right to appear before the courts shall be judged in accordance with the law of their country of origin.
- 2. The right of the said companies to carry on their usual trade or industry in the territory of the other Contracting Party shall be governed by the laws and regulations which are or may hereafter be in force in that territory. The said companies shall enjoy in every respect the treatment accorded to companies of the most-favoured nation.
- 3. Nationals of one Contracting Party shall be entitled in the territory of the other Party, in all matters connected with the establishment of the companies mentioned in paragraph I, to such rights and privileges as may be granted to nationals of the most-favoured nation.

Article VIII.

- 1. Each Contracting Party shall, in accordance with its laws and regulations in force, give effective protection to natural or manufactured products of the other Party against unfair competition in commercial transactions, and more particularly shall suppress and prohibit, by seizure or other appropriate penal measures, the importation, warehousing and exportation, as well as the manufacture, distribution, sale and offering for sale within the country of all goods bearing upon themselves or upon their containers or outer wrappings any marks, names, inscriptions or descriptions conveying directly or indirectly a false indication as to the origin, type, nature or special characteristics of such goods.
- 2. Each of the Contracting Parties undertakes to adopt all necessary measures for suppressing in its territory the improper use of appellations of origin, especially in the case of beers, mineral waters and mineral water products, provided that the said appellations are duly protected by the other Contracting Party and have been notified by it.

Such notification must in particular specify the relevant laws and regulations of the country concerned showing the right to the appellation of origin in question.

Appellations of origin of either country shall be regarded as being improperly used when they are applied to products to which the law of the country concerned does not permit them to be applied.

- 3. Hops may not be placed on the market in Bulgaria as "Czechoslovak hops" or as "Bohemian hops" (from Žatec, Roudnice, Úštěk or Dubà) or "Moravian hops" (from Tršice) unless they are marked and accompanied by a verification certificate issued by one of the Czechoslovak public marking offices, in accordance with the legislative provisions in force in the Czechoslovak Republic regarding appellations of origin for hops. Further, such hops must be sold in their original packing, that is to say, in the packing bearing the appellation of origin, the stamp and the seal, in conformity with the said Czechoslovak regulations.
- 4. Fresh grapes may not be placed on the market in Czechoslovakia with the description "Afuz-Ali" or "Dimiat" unless they are marked and accompanied by a verification certificate issued by one of the competent Bulgarian public offices in conformity with the legislative provisions in force in Bulgaria.
- 5. The provisions of the present Article shall not apply to goods in transit.

Article IX.

Internal duties which are or may hereafter be imposed, on account of any one whomsoever, on the production, manufacture, distribution or consumption of an article in the territory of one of the Contracting Parties shall on no pretext be levied on the products of the other Party at a higher rate or in a more burdensome manner than on similar goods of the country itself or, if there be no such goods, on those of the most-favoured nation.

Article X.

- 1. The goods and natural or manufactured products of one of the Contracting Parties shall not be subjected, on importation into the Customs territory of the other Party, to any duties or charges including additional charges and surtaxes other or higher than those levied now or hereafter on the products or goods of any other country.
- 2. Products manufactured in the territory of one of the Contracting Parties, even under the régime of temporary admission, by the working up of foreign raw materials, shall also be regarded as industrial products of that Party.
- 3. Exports from the territory of one of the Contracting Parties to the Customs territory of the other Party shall not be subjected to export duties or charges other or higher than those levied on exports of the same goods intended for the country most favoured in that respect.
- 4. Each of the Contracting Parties further undertakes, in its relations with the other Party, not to subject imports or exports, in other respects, to treatment other or less favourable than that applied to any third State, as regards in particular the enforcement of Customs regulations, Customs treatment, the method of testing or analysing imported goods, the conditions of payment of Customs duties and charges, the classification of goods and the interpretation of tariffs, and also as regards Customs warehousing, including the régime for

the entry, exit or warehousing of goods in free ports, Customs free districts or public bonded warehouses.

5. It is understood that goods manufactured by working up foreign raw materials shall be regarded as industrial products of one of the Contracting Parties only when they have been transformed or finished in such a way that their nature is altered or the value of the foreign raw materials is considerably changed by the working up. Repairing, repacking, and cleaning of goods or similar processes shall not be regarded as working up or finishing.

Article XI.

Products of the soil or industry of one of the Contracting Parties which have passed in transit through the territory of one or more third countries shall not be subject, when imported into the territory of the other Party, to duties or charges higher than if they had been imported direct from their country of origin.

Article XII.

Most-favoured-nation treatment, as provided for in the preceding Articles, shall not include:

- (1) Privileges that have been or may hereafter be granted by one of the Contracting Parties with the object of facilitating frontier traffic with contiguous countries within a zone not exceeding 15 kilometres on either side of the frontier.
- (2) Rights and privileges arising out of a Customs Union.
- (3) Rights and privileges granted by one of the Contracting Parties to the agricultural products of agrarian States under exceptional conventions which have been or may hereafter be concluded with the said States with a view to closer economic collaboration.
- (4) Rights and privileges that one of the Contracting Parties may hereafter grant to third States, under the terms of multilateral conventions to which the other Party is not a signatory, if such rights or privileges are provided for in multilateral conventions concluded under the auspices of the League of Nations or registered by it and open to the adherence of all States. Nevertheless, the benefit of the right or privileges concerned may be claimed by the Contracting Party in question, if the said rights or privileges are also provided for in conventions other than the collective conventions fulfilling the above conditions, or if the Party claiming such rights is disposed to accord reciprocity of treatment.

Article XIII.

The import duties levied in Czechoslovakia on Bulgarian goods, whether natural or manufactured products, enumerated in Annex A of the present Treaty, and those levied in Bulgaria on the Czechoslovak goods, whether natural or manufactured products, enumerated in Annex B, shall not exceed the rates indicated in the said Annexes.

Article XIV.

Mutual exemption from all duties, on import or export, shall be accorded in the case of:

(1) Effects and articles which have served for personal use, and provisions carried by travellers for their own requirements in reasonable quantities, provided that such articles are not trading commodities;

- (2) Samples, whether or not mounted on cardboard, which cannot be used for any other purpose, monopoly articles excepted;
- (3) Marked packing material of all kinds which is being returned, after it has been used in connection with export consignments, if re-exported within the period laid down.

Article XV.

Subject to compliance with the regulations concerning temporary admission, exemption from Customs duties shall be granted in the following cases:

- (1) Articles for repair and articles for testing and analyses;
- (2) Machinery and spare parts thereof used for tests;
- (3) Goods intended for exhibitions, competitions and fairs;
- (4) Tools and appliances for fitters, whether imported or exported by the latter or sent to them before or after the said fitters have crossed the frontier:
- (5) Furniture vans with their equipment, loaded or empty, even if they take up a different load at any place for the return journey, provided that, during their temporary stay in the territory of the other Contracting Party, they are not used for local transport;
- (6) Outer packing of all kinds which has already been used, imported for the purpose of being refilled and re-exported after refilling.

Article XVI.

- 1. On condition that they enter the territory of one of the Contracting Parties and leave it, after complying with the laws and regulations of that Party, with or without load, for the purpose of transporting persons or goods, the following shall be exempt from all import and export duties:
- (a) Vessels and boats of all kinds, together with the usual gear and equipment thereof, their medicine chests, and spare parts and utensils which are imported on the abovementioned craft for the purpose of effecting repairs in case of damage;
- (b) Locomotives, with or without tenders and railway rolling-stock, with the usual equipment thereof;
- (c) Aircraft, with all the equipment required for flying, together with the spare parts and tools required for effecting repairs in case of damage.
- 2. The following shall also be exempt from all import and export duties: all supplies of fuel on vessels, boats, locomotives and aircraft of one of the Contracting Parties in the quantity required for the journey in the Customs territory of the other Party, as well as clothing, linen, provisions and monopoly articles the latter only in the quantities permitted under the Monopoly Regulations of the importing State which the crew carry with them for their own use or consumption.
- 3. Gear and material on vessels, boats and aircraft must be entered in the inventory of the craft. Should they not be recorded in the inventory, they must be noted in a special list.

4. The inventory and special list must be produced, on demand, to Customs offices and officials.

Article XVII.

If goods dispatched by one of the two countries to the other are returned to the original consignor on the ground that they have not been accepted by the consignee or for other reasons, no export duty shall be levied on re-exportation, and import duties shall not be collected, on condition that the goods have remained until re-exportation under the control of the Customs or of a public transport undertaking and that re-exportation is effected on the same transport document within three months from the date of import, without the goods having undergone any change in the meantime.

Article XVIII.

The Contracting Parties agree that in their mutual relations they will apply the provisions of the International Convention relating to the Simplification of Customs Formalities concluded at Geneva on November 3rd, 1923.

Article XIX.

- 1. The Contracting Parties undertake in no way to hinder trade between the two countries by means of import or export prohibitions or restrictions.
- 2. They reserve the right, however, to make exceptions to this principle for the reasons hereinafter enumerated, provided that the prohibitions or restrictions also apply to all other countries in which similar conditions prevail:
- (1) Prohibitions or restrictions relating to the safety of the State and public security;
- (2) Prohibitions or restrictions imposed on moral or humanitarian grounds;
- (3) Prohibitions or restrictions regarding traffic in arms, ammunition and implements of war or, in exceptional circumstances, all other war supplies;
- (4) Prohibitions or restrictions imposed for the protection of public health or for the protection of animals or plants against diseases, insects and harmful parasites;
- (5) Export prohibitions or restrictions issued for the protection of national treasures of artistic, historical or archaeological value;
- (6) Prohibitions or restrictions applicable to gold, silver, coins, currency notes, banknotes or securities;
- (7) Prohibitions or restrictions designed to extend to foreign products the régime established within the country itself in respect of the production of trade in and transport and consumption of native products of the same kind;
- (8) Prohibitions or restrictions applied to products which, as regards production or trade, are or may in future be subject within the country to State monopoly or to monopolies exercised under State control.

Article XX.

The Contracting Parties shall, in their traffic in transit, apply the provisions of the Convention and Statute on Freedom of Transit signed at Barcelona on April 20th, 1921.

Article XXI.

- 1. No distinction shall be made in the treatment of nationals of the two Contracting Parties coming from their respective countries so far as concerns the application of passenger tariffs and charges for transport of baggage or other additional taxes or charges, of whatever nature, in respect of communications within the country or traffic in transit across the territory of either Contracting Party. Exceptions shall be only allowed in the case of matters affecting the security of the State.
- 2. Goods consigned for transport in the territory of one of the Contracting Parties and goods addressed to that territory shall be treated in the same way as goods of the same character of the other Party, so far as concerns despatch and transport rates resulting from internal (local or general) tariffs in force on the line over which they are carried in the direction in question and public charges to be paid for the transport of goods, whatever their origin or destination.
- 3. The Contracting States bind themselves to take measures to ensure that their respective Railway Administrations shall, as soon as possible after the coming into force of the present Convention, enter into negotiations with a view to the establishment of through tariffs for the transport of passengers and goods between the two countries and across their territory.
- 4. The Contracting Parties undertake, so far as concerns communications, transport and transit traffic, to apply also the provisions of the following Conventions:
- (a) Convention concerning Transport of Passengers and Baggage by Rail (of October 23rd, 1924) and the Protocol thereto of October 1st, 1932;
- (b) Convention covering Transport of Goods by Rail (October 23rd, 1924).

Article XXII.

In respect of postal, telegraph and telephone relations between the two countries, the provisions of the Conventions, Agreements and working regulations of the Universal Postal Union or the International Tele-Communications Union shall apply, in so far as such relations are not governed by the provisions of any special agreements that have been or may hereafter be concluded between the Administrations concerned.

Article XXIII.

- 1. The vessels of each of the Contracting Parties and their cargoes, masters and crews shall, in the harbours and territorial waters of the other Party, enjoy in all respects the same treatment as is accorded to nationals of the country itself or of the most-favoured nation.
- 2. The treatment granted to national vessels or their cargoes shall not be held to include:
- (a) Facilities given to national fisheries;
- (b) Special measures to encourage national shipping by means of subsidies;

- (c) Privileges granted to national yacht clubs, etc.;
- (d) The coasting trade;
- (e) The exercise of pilotage, towing, signal and life-saving services in harbours.

Article XXIV.

- 1. Vessels of one of the Contracting Parties entering a port of the other to complete their cargo for abroad, or to discharge the whole or a portion of their cargo from abroad, for which purpose direct transhipment is also authorised, may, subject to compliance with the respective laws and regulations in force, retain that portion of their cargo which is consigned to any other port of the said Contracting Party or to any third country, and reexport it without paying any charges in respect thereof. The charges in question shall not be higher than those which are, or may hereafter be, imposed on vessels of the country itself or on those of any third country.
- 2. On the same conditions, they may proceed from one port to another of the Contracting Party in question in order to land passengers from abroad or to embark passengers proceeding abroad.

Article XXV.

- 1. Vessels, shipping companies and emigration enterprises of one of the Contracting Parties shall be treated in the harbours and in the territory of the other Party, in everything respecting the transport of emigrants coming from or passing through its territory and embarking in its harbours, in the same way as vessels, shipping companies and emigration enterprises of the most-favoured nation.
- 2. The present Article, however, shall not in any way affect the provisions of the laws and regulations dealing with the conditions governing the granting of permission for the transport of emigrants or the opening of agencies by the said shipping companies or emigration enterprises.

Article XXVI.

- 1. The nationality of vessels shall be determined on both sides in accordance with the laws and regulations of each of the Contracting Parties, by means of the ship's papers and permits issued by the competent authorities of each State.
- 2. Except in cases of sales by order of the courts, a vessel of one of the Contracting Parties may not assume the nationality of the other Party until the authorities of the former country have, by declaration, withdrawn the right to fly the country's flag.
- 3. Pending the conclusion of a special agreement for the reciprocal recognition of tonnage certificates, vessels of one of the Contracting Parties shall not be subjected in the ports of the other to any further tonnage measurement, and payment of shipping dues and charges shall be effected on the basis of the tonnage certificates issued by the competent authorities of the country whose flag the vessels are flying, provided that these certificates are made out in accordance with the rules fixed by the European Commission of the Danube or with those laid down by the Suez Canal Company.

4. The rules and regulations of the national legislation regarding the equipment, arrangement and safety conditions of vessels applied by each of the Contracting Parties shall also be recognised in the ports of the other Party.

Article XXVII.

So far as concerns navigation on inland waterways, the Contracting Parties shall in their mutual relations apply the provisions of the Barcelona Convention and Statute of April 20th, 1921, on the Régime of Navigable Waterways of International Concern and of the Convention of July 23rd, 1921, establishing the Permanent Statute of the Danube.

Article XXVIII.

The provisions of the present Convention shall not apply to shipping in inland waters not forming part of an internationalised river system.

Article XXIX.

The veterinary regulations for traffic between the two Contracting Parties (Annex C) shall form an integral part of the present Treaty.

Article XXX.

- 1. Should dispute arise between the Contracting Parties with regard to the interpretation or application of the provisions of the present Treaty, the case shall be submitted to arbitration, if one of the Parties so demands.
- 2. The Court of Arbitration shall for each dispute be constituted in such a manner that each of the Parties shall appoint as arbitrator one suitable person chosen from among its own nationals, and the Contracting Parties shall choose as umpire a national of a third State. The Contracting Parties reserve the right to come to an agreement in advance and for a specified period as to the umpire to be nominated.
- 3. In the first case arising for arbitration, the Court of Arbitration shall sit in the territory of the defendant Party, in the second case in the territory of the other Contracting Party, and so on alternately in the territories of one or other Party. The Party in whose territory the Court of Arbitration is to sit shall choose the place of meeting. It shall be responsible for providing the accommodation and the secretarial and other staff required for the work of the Court. The umpire shall preside over the Court. Decisions shall be taken by majority vote.
- 4. The Contracting Parties may come to a temporary or permanent agreement as to the procedure of the Court of Arbitration. In default of such agreement within two months, the procedure shall be decided by the Court of Arbitration itself. If the two Parties agree thereto, the proceedings may be carried on in writing.
- 5. As regards the summoning and hearing of witnesses and experts, the authorities of each of the Contracting Parties shall, at the request of the Court of Arbitration to be addressed to the Government concerned furnish their judicial assistance in the same manner as at the request of the civil courts of the country.

Article XXXI.

1. The present Treaty shall be ratified and the instruments of ratification exchanged as soon as possible.

- 2. It shall come into force fifteen days after the exchange of ratifications.
- 3. Nevertheless, the two Governments may agree to put it into force sooner, should their respective legislations authorise them to do so.
- 4. The present Treaty shall be concluded for a period of two years from the date of its coming into force.
- 5. Unless denounced by one of the Contracting Parties three months before the expiry of the said period, the present Treaty shall be extended by tacit consent and shall remain in force until denounced, denunciation to take effect three months after the date of notification.

In faith whereof the respective Plenipotentiaries have signed the present Treaty and have thereto affixed their seals.

Done at Prague, in duplicate, on August 29th, one thousand nine hundred and thirty-three.

(Signed) C. WATCHOFF.

(Signed) Dr. J. FRIEDMANN.

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