

**COMMERCIAL AGREEMENT BETWEEN THE KINGDOM OF HUNGARY
AND THE CZECHOSLOVAK REPUBLIC. SIGNED AT BUDAPEST,
JUNE 14TH, 1935**

THE PRESIDENT OF THE CZECHOSLOVAK REPUBLIC and HIS SERENE HIGHNESS THE REGENT OF THE KINGDOM OF HUNGARY, desirous of facilitating and developing commercial relations between the Czechoslovak Republic and the Kingdom of Hungary, have resolved to conclude a Commercial Agreement and have appointed as their Plenipotentiaries:

THE PRESIDENT OF THE CZECHOSLOVAK REPUBLIC:

His Excellency Monsieur Miloš KOBR, Envoy Extraordinary and Minister Plenipotentiary;

HIS SERENE HIGHNESS THE REGENT OF THE KINGDOM OF HUNGARY:

His Excellency Monsieur Coloman DE KÁNYA, Royal Hungarian Minister for Foreign Affairs;

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

Article I.

Nationals, both individuals and juridical persons, of each of the two Contracting Parties shall enjoy most-favoured-nation treatment in the territory of the other Party, particularly in respect of their legal status, travelling, residence, establishment, and the exercise of trade, industry or any other profession, and all rights and interests arising therefrom, without prejudice to the laws, regulations and ordinances of the country.

Article II.

1. Merchants, manufacturers and other business men of one of the Contracting Parties, who prove by the production of an industrial identity card issued by the competent authorities of their country that they are authorised to carry on their trade or industry there and that they pay the duties and taxes prescribed by the laws of that country, shall be entitled to make purchases in the territory of the other Party, either personally or through commercial travellers in their employ, from merchants or producers or in the public market. They may also take orders, even on samples, from merchants or other persons who make use of goods similar to those offered for the purposes of their trade or industry, without being liable on this account to pay a special tax or fee.

2. Merchants and manufacturers provided with an industrial identity card and commercial travellers in their employ shall be entitled to take with them samples or specimens but not goods.

3. Industrial identity cards shall conform to the model appearing in the International Convention relating to the Simplification of Customs Formalities, signed at Geneva on November 3rd, 1923.

4. The Contracting Parties shall inform each other of the names of the authorities empowered to issue industrial identity cards.

5. Merchants or manufacturers (commercial travellers) provided with an industrial identity card shall not be entitled either to conclude transactions or to take part in them on behalf of persons other than the merchants or manufacturers mentioned in the identity card. They may take orders and make purchases only if travelling.

6. As regards formalities of all kinds to which such merchants or manufacturers (commercial travellers) are subject in the territories of the Contracting Parties, the two Parties guarantee to one another treatment as favourable as that which is or may be granted to any other nation.

Article III.

1. Nationals of each of the Contracting Parties, and likewise commercial and industrial companies and other associations of the same kind, shall not be required to pay, for the exercise of their trade and industry in the territory of the other Party, taxes, fees or dues other or higher than those levied on nationals.

2. When duties of any kind are imposed on trade or industry, the origin of the goods used in such undertakings shall not in itself involve more burdensome taxation.

Article IV.

Goods, natural or manufactured products, originating in the territory of one of the Contracting Parties, shall not, on importation into the territory of the other Party, be subject to treatment other or less favourable than that accorded to any other country, and in particular shall not be subject to taxes or charges — including all the supplementary taxes and surtaxes — other or higher than those levied on the same products or goods of any other country.

Article V.

Goods, natural or manufactured products, originating in the territory of one of the Contracting Parties and intended for export to the territory of the other Party, shall not be subject to Customs duties, taxes or Customs formalities less favourable than those applicable to the export of the same articles in the country which is most favoured in this respect.

Article VI.

The most-favoured-nation treatment provided for in the preceding Articles shall not include:

1. Privileges granted by one of the Contracting Parties for the purpose of facilitating frontier traffic with neighbouring countries.

2. Rights and privileges arising out of a Customs union.

3. Rights and privileges granted by one of the Contracting Parties 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 the League and open for accession by all States. Nevertheless, the benefits of such rights or privileges may be claimed by the Contracting Party concerned, if provision is also made for the concession of the said rights or privileges in conventions other than collective conventions fulfilling the conditions above

specified, or if the Party which claims the benefit of them is prepared to grant reciprocity of treatment.

Article VII.

Wines (ex. No. 109 of the Czechoslovak Customs tariff) originating in and coming from the Hungarian wine-growing districts of Sopron, Neszmély, Buda-Sashegy, Mór, Somlyó, Badacsony, Balatonvidék, Somogy-Zala, Szekszárd, Villány-Pécs, Pest-Nógrád, Gyöngyös-Visonta, Eger, Miskolc-Abauj, Tokaj-Hegyalja, Alföld, Nyírség, accompanied by a certificate of origin issued by the competent Hungarian authority, shall be taxed at the following rates of duty on importation into the Czechoslovak Republic:

Imported in barrels, 210 Czechoslovak crowns per 100 kilograms; in bottles, 420 Czechoslovak crowns per 100 kilograms.

Article VIII.

Liptauer cheese (bryndza) (No. 22 of the Hungarian Customs tariff) shall be taxed at the rate of duty of 10 gold crowns on importation to Hungary.

Article IX.

In order to facilitate tourist traffic and traffic at watering-places in both countries, the two Contracting Parties agree to apply the following provisions:

(1) Observation on Nos. 298, 299 and 300 of the Czechoslovak Customs tariff: Advertisements, posters and pamphlets recommending visits to Hungarian tourist centres or watering-places or advertising passenger traffic (for foreigners) in Hungary in general shall be exempt from Customs duty under No. 647 of the Czechoslovak Customs tariff, without regard to the size of the parcel of advertisements.

(2) Observation on No. 533 of the Hungarian Customs tariff: Advertisements, posters and pamphlets recommending visits to Czechoslovak tourist centres or watering-places or advertising passenger traffic (for foreigners) in Czechoslovakia in general shall be exempt from Customs duty, without regard to the size of the parcel of advertisements.

Article X.

Internal duties which are or may hereafter be imposed, on account of any one whomsoever, on the production, manufacture 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 on those originating in another country.

Article XI.

The conditions regulating the exchange of commodities between the two Contracting Parties shall be fixed by joint agreement by the competent authorities.

Article XII.

Each of the Contracting Parties shall guarantee to the nationals of the other Contracting Party in its territory the same protection against unfair competition as it accords to its own nationals.

The Contracting Parties shall come to an agreement, as soon as possible, concerning more detailed provisions on this subject.

Article XIII.

The present Agreement shall be ratified and the instruments of ratification shall be exchanged at Prague as soon as possible.

It shall come into force fifteen days after the exchange of ratifications.

The two Governments may, however, agree to put it into force provisionally even before ratification.

The present Agreement shall remain in force until denounced by one of the Contracting Parties; denunciation shall take effect three months after the date of notification.

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

Done in duplicate at Budapest, this 14th day of June, 1935.

(L. S.) Miloš KOBR, m. p.

(L. S.) KÁNYA, m. p.

**FINAL PROTOCOL TO THE COMMERCIAL AGREEMENT BETWEEN THE
CZECHOSLOVAK REPUBLIC AND THE KINGDOM OF HUNGARY**

On signing the Commercial Agreement of to-day's date, between the Czechoslovak Republic and the Kingdom of Hungary, the undersigned Plenipotentiaries have made the following declarations, which will form an integral part of the Agreement:

Ad Article I.

It is agreed that nationals of one of the Contracting Parties carrying on trade or industry in the territory of the other Party when the present Agreement comes into force shall enjoy the same treatment as nationals, in respect of such trade or industry, without prejudice, however, to the laws, regulations and ordinances of the country.

Ad Article II.

The turnover tax and the luxury tax shall not be regarded as special taxes or duties included under the provisions of Article II, paragraph I, in so far as they do not weigh more heavily on nationals of the other Contracting Party than on nationals of the country.

Ad Article IV.

So-called Hungarian salami shall not be subject, on importation into Czechoslovakia, to duties for charges higher than Petrinje or Sibiu salami.

Ad Article VI.

It is agreed that the most-favoured-nation clause shall not apply to special conventions which have been or may hereafter be concluded by one of the Contracting Parties with a third Power concerning the reciprocal regulation of direct taxation. Nationals of one of the Contracting Parties shall not, however, be subject in respect of direct taxation in the

territory of the other Party to less favourable treatment than the nationals domiciled therein.

Ad Article VII.

Consignments of Hungarian wine, when imported into the Czechoslovak Republic, must be accompanied by a certificate of analysis in addition to the certificate of origin. The following authorities are authorised to issue certificates of origin:

1. All the Royal Hungarian wine-growing district inspectorates (Magyar királyi szőlészeti és borászati kerületi felügyelőségek);
2. The Chambers of Commerce and Industry (Kereskedelmi és iparkamara);
3. The Chambers of Agriculture (Mezőgazdasági kamara).

The Royal Hungarian Vinicultural Institute at Budapest (Magyar királyi szőlő- és borgazdasági központi kísérleti állomás) is authorised to issue certificates of analysis. The certificate of analysis shall contain in particular:

The specific weight;
The degrees of alcohol;
The content of all acids;
The content of volatile acids;
The content of extract;
The content of sugar;
The content of extract without sugar;
The content of ash (mineral substances).

The certificate of analysis shall state that the analysis relates to the consignment of wine in respect of which the certificate of origin in question has been issued.

The right of the Czechoslovak authorities to verify the analyses of imported wines is not affected.

Ad Article IX.

It is agreed that Customs exemption shall also apply to advertisements, posters, prospectuses and catalogues relating to sample fairs and exhibitions in the two countries.

Done at Budapest, in duplicate, this 14th day of June, 1935.

(L. S.) Miloš KOBR, m. p.

(L. S.) KÁNYA, m. p.

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