

N° 528.

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**LETTONIE  
ET TCHÉCOSLOVAQUIE**

Traité de commerce, signé à Prague  
le 7 octobre 1922.

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**LATVIA  
AND CZECHOSLOVAKIA**

Treaty of Commerce, signed at  
Prague, October 7, 1922.

<sup>1</sup> TRADUCTION. — TRANSLATION.No. 528. — TREATY OF COMMERCE<sup>2</sup> BETWEEN LATVIA AND CZECHOSLOVAKIA, SIGNED AT PRAGUE, OCTOBER 7, 1922.

*Official French text communicated by the Latvian Minister for Foreign Affairs and by the Representative of the Czechoslovak Republic accredited to the League of Nations. The registration of this Treaty took place December 3, 1923.*

THE REPUBLIC OF LATVIA and the CZECHOSLOVAK REPUBLIC, being desirous of promoting the development of commercial relations between the two States, have resolved to conclude a Treaty of Commerce and for this purpose have appointed the following plenipotentiaries :

THE REPUBLIC OF LATVIA :

M. Germain ALBAT, Under-Secretary of State for Foreign Affairs ;

THE CZECHOSLOVAK REPUBLIC :

M. Jan DVOŘAČEK, Minister Plenipotentiary, Head of the Economic Section of the Ministry of Foreign Affairs.

M. František PEROUTKA, Head of Department in the Ministry of Commerce,

who, having communicated to each other their full powers, found in good and due form, have agreed upon the following provisions.

## CHAPTER I.

## GENERAL PROVISIONS AND RIGHTS OF NATIONALS.

*Article 1.*

The nationals of each of the Contracting Parties may freely enter, travel through or stay in any part of the other's territory, provided they conform to the laws of the country.

*Article 2.*

The nationals of each of the Contracting Parties, provided they conform to the laws of the country, shall be granted the same status in every respect as nationals of the most-favoured nation in all matters connected with travelling and residence, study, the exercise of their trade or profession

<sup>1</sup> Traduit par le Secrétariat de la Société des Nations.

<sup>1</sup> Translated by the Secretariat of the League of Nations.

<sup>2</sup> The exchange of ratifications took place at Riga, October 25, 1923.

the conduct of their industrial or manufacturing enterprises and the right to trade in all lawful commodities.

*Article 3.*

Provided they conform to the laws of the country, the nationals of each of the Contracting Parties may also acquire, possess, rent or occupy such houses, factories, shops, stalls, or premises as they may need, or 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 bequest or otherwise, and the right to utilise lawfully acquired property of any kind in any manner they may desire, they shall enjoy in the territory of the other Party, provided they conform to the laws of the country, the same privileges, immunities and rights as the nationals of the most-favoured nation, nor shall they be subject in this respect to any duties, charges, taxes or imposts of any kind whatever other or higher than those levied on nationals of the most-favoured nation. It is agreed in this connection that both Governments shall act in conformity with the principle of reciprocity.

*Article 4.*

Similarly, the nationals of each of the Contracting Parties, provided they conform to the laws of the country, shall be entitled to any proceeds arising out of the sale of their property in general, and shall not be required to pay, in respect of such exportation, other or higher duties than those which have been paid in similar circumstances by nationals of the most-favoured nation.

*Article 5.*

The nationals of each of the Contracting Parties shall have free access to the Courts of Justice of the other country, and to any authorities possessing similar powers, for the purpose both of claiming and defending their rights, and in this respect they shall, subject to reciprocity, enjoy all the rights and privileges possessed by the nationals of the other country. They may employ in all courts counsel, solicitors or any class of agents recognised by the laws of the country.

*Article 6.*

The nationals of each of the Contracting Parties shall be exempt, on the territory of the other, from any compulsory military service either in the Army or Navy or in the national Guard or militia ; they shall also be exempt from any monetary or other contribution in lieu of personal compulsory service. Moreover, they shall not be in any way prevented from fulfilling their military duties in their own country.

They shall not be liable, either in time of peace or war, to any military loans or requisitions other than those imposed upon nationals ; they shall be liable only to the same extent and on the same conditions as nationals, and shall, in all cases, be entitled to compensation.

The nationals of each of the Contracting Parties shall also be exempt from any judicial, administrative or municipal responsibilities or duties of any kind whatever.

*Article 7.*

The nationals of each of the Contracting Parties, provided they conform to the laws of the country, shall not be obliged to undertake responsibilities or pay duties, taxes, charges or contributions of any kind whatever other or higher than those which are, or may be, imposed on the nationals

of the most-favoured nation. It is agreed that both Governments shall act in conformity with the principle of reciprocity.

*Article 8.*

Incorporated or other companies, and commercial, industrial or financial associations, which are or may be constituted in conformity with the laws of one of the Contracting Parties and which have their headquarters in the territory of that Party, shall be authorised, within the territory of the other Party, and provided they conform to the laws of such territory, to exercise their rights and to appear in court either as plaintiff or defendant.

The above provision shall not in any way affect decisions as to whether a company or association of the above nature, established in one of the two countries, shall be accorded or refused the right to carry on trade or industry in the other, such right to be determined in all cases by the laws and decrees in force in the respective countries.

After such authorisation has been accorded, the above-mentioned companies and associations shall enjoy the same rights and privileges as are or may be accorded to similar organisations of a third country.

CHAPTER II.

COMMERCE AND TRANSPORT.

*Article 9.*

As long as it is necessary under present economic conditions for one of the Contracting Parties, on account of exceptional difficulties, to maintain restrictions or prohibitions in respect of the importation or exportation of goods, it is agreed that no prohibitions or restrictions shall be maintained or imposed in respect of the importation or exportation of any article coming from or consigned to the territory of the other Party, unless such prohibition or restriction is also applied in the case of all similar articles coming from or consigned to any other country.

The two Contracting Parties agree that during the above-mentioned period, in which such measures are necessitated by economic pressure, they will, if necessary, conclude a special agreement for the purpose of facilitating their mutual relations. Prohibitions or restrictions, however, which are maintained or imposed either as health measures or for the protection of useful animals or plants against disease, in accordance with universally accepted international regulations, or for reasons of public security, or in respect of goods which constitute a State monopoly in the contracting countries, shall not in any circumstances be considered as constituting a departure from the principle of the most-favoured-nation treatment.

*Article 10.*

Goods which are the produce of the soil or industry of Czechoslovakia and which are imported into Latvia, and goods which are the produce of the soil or industry of Latvia and which are imported into Czechoslovakia, and are intended for consumption, warehousing, re-exportation or transit may not, in respect of their importation, exportation, re-exportation and transit, be subject to duties, charges, surcharges, taxes, contributions, restrictions or obligations, either general or local, other or higher than, or to import and export formalities different from, those imposed upon similar goods of the most-favoured nation.

Neither of the Contracting Parties shall impose on any article exported from the territory of one Party and destined for that of the other any duties or imposts other or higher than those which are or may be imposed on similar articles exported to another most-favoured country.

*Article 11.*

Merchants, manufacturers and industrialists who are nationals of one of the Contracting Parties and are domiciled and carry on their trade or industry in the territory of that Party, and who prove by the production of an industrial legitimation card granted by the competent authorities of their country that they are authorised to carry on their trade or industry therein and are therein paying all legally established charges and taxes, may, in the territory of the other Party, either in person or through commercial travellers, make purchases or solicit orders, on sample or otherwise. Such merchants, manufacturers, industrialists and their commercial travellers when making the purchases or soliciting the orders in question shall enjoy most-favoured-nation treatment in all respects.

*Article 12.*

Articles imported as samples for the above-mentioned purposes shall, in both countries, be temporarily admitted duty free, in accordance with the customs regulations and formalities prescribed with a view to ensuring their re-exportation or the payment of the requisite customs duties in the event of non-re-exportation within the period provided by law. Such privilege shall, however, not be extended to articles which, on account of their quantity or value, cannot be considered as samples, or which, on account of their nature, cannot be identified on re-exportation. In all cases it shall be the exclusive privilege of the competent authorities at the place at which the importation takes place to decide whether a sample may or may not be admitted duty free.

*Article 13.*

Each Contracting Party shall undertake to accord freedom of transit across the territory situated under its sovereignty to persons, baggage and goods, and to vessels, boats, carriages, wagons and other means of transport coming from or proceeding to the territory of the other Party, by rail or water, on routes available for international traffic, and to grant them treatment which shall be at least as favourable as that granted to the most-favoured nation.

*Article 14.*

Persons, baggage and goods, and vessels, boats, carriages, wagons or other means of transport, shall be considered as being in transit across the territory under the sovereignty of one of the Contracting Parties if their passage through such territory, with or without transshipment, with or without placing in bond, with or without breaking of bulk, with or without change of means of transport, merely constitutes part of the whole journey begun, and to be completed outside the frontiers of the State across whose territory such transit takes place.

*Article 15.*

Traffic in transit shall not be subjected to any special dues or charges on account of transit (including entry and exit). Dues or charges imposed exclusively to cover the cost of supervision and administration involved by such transit may, however, be levied. The rate of all dues or charges of this kind shall be equivalent, as far as possible, to the costs they are intended to cover, and the said dues or charges shall be imposed under the conditions defined in the preceding Article, except that on certain routes these dues and charges may be reduced or even omitted by reason of differences in the cost of supervision.

*Article 16.*

Both Contracting Parties shall undertake to apply to traffic in transit on routes operated or administered by the State or routes which are State concessions, whatever may be the point of departure or destination of such traffic, tariffs which are equitable both as regards the rate and the manner in which they are applied, account being taken of traffic conditions and the circumstances of commercial competition between various transport routes. These tariffs shall be established with a view to facilitating international traffic as far as possible.

*Article 17.*

Both Contracting Parties shall, in their reciprocal relations, mutually guarantee the most-favoured-nation treatment as regards forwarding by rail and the cost of transport by rail.

With regard to the cost of transport by post, the provisions of the Acts of the Universal Postal Union of Madrid shall be applicable.

*Article 18.*

Neither of the Contracting Parties shall be bound to ensure the transit of travellers who are forbidden to enter its territory, or of any category of goods the importation of which is prohibited for reasons of health or of public safety, or as a precaution against diseases in animals or plants.

*Article 19.*

Vessels and boats flying the flag of one of the Contracting Parties, their crews and cargoes, whether arriving directly from the country of origin or from another country, and whatever may be the point of departure or destination of their cargoes, shall in all respects enjoy on the waterways in their territory as well as in the ports and territorial waters of the other Contracting Party, treatment at least as favourable as that accorded to the vessels, boats, crews and cargoes of the most-favoured nation.

*Article 20.*

Except in cases for which other provision is expressly made in this Treaty, both Contracting Parties agree that any privilege, favour, facility, or immunity whatever with regard to commerce, navigation and manufacture, which one of them has already conceded or may in the future concede to the nationals or produce of the soil or industry of any other State shall be extended immediately and unconditionally to the respective nationals and products of the other Contracting Party.

*Article 21.*

The following exemptions, immunities and privileges shall not be considered to constitute a departure from the principle of the most-favoured-nation treatment which forms the basis of the present Treaty :

- (a) Privileges which have been or may be conceded to neighbouring States with a view to facilitating local traffic within one or other frontier zone.
- (b) Any privileges which may be granted by one of the Contracting Parties to a third party by virtue of a Customs Union.
- (c) Any exemptions, immunities and privileges which Latvia may concede to one of the Baltic States (Finland, Esthonia and Lithuania) by virtue of special agreements.

The same shall apply to any privileges which Latvia may grant to Russia by virtue of special conventions or customs agreements.

It is however agreed that Czechoslovakia shall be entitled to claim these advantages immediately they are granted by Latvia to a third State not mentioned above.

(d) Any advantages which Czechoslovakia may grant to Austria, by virtue of the Treaty of Peace of St. Germain, or to Hungary, by virtue of the Treaty of Peace of Trianon.

It is agreed that Latvia shall be entitled to claim these advantages immediately they are granted by Czechoslovakia to a third State not mentioned above.

### CHAPTER III.

#### PROVISIONS RELATING TO CONSULAR OFFICERS.

##### *Article 22.*

Each of the Contracting Parties shall be entitled to appoint Consuls in any place within the territory of the other, with the exception of localities in which the establishment of such consular officials might prove undesirable. This exception shall, however, not be made in favour of one of the Contracting Parties unless it is also extended to all other Powers. The term "Consuls" shall include all persons authorised to exercise consular authority.

The aforesaid Consuls, having received their exequatur or other necessary authorisation from the Government of the country in which they are appointed, shall be entitled, upon conditions of reciprocity, to exercise all their functions and enjoy all privileges, exemptions and immunities which are or may be conceded to consular officers of the same rank belonging to the most-favoured nation.

Both Contracting Parties agree to limit the privilege of exemption from direct taxation to members of the regular consular service provided they are not subjects of the State in which they are exercising their functions, to an extent not exceeding the exemption from taxation granted to the diplomatic representatives of the Contracting Parties.

### CHAPTER IV.

#### SPECIAL AGREEMENTS.

##### *Article 23.*

Both Contracting Parties shall agree to conclude special Agreements for the mutual protection of intellectual property, particularly with regard to patents; also a special Agreement concerning mutual judicial assistance and, if necessary, a Customs Convention and an Agreement regulating aerial transport.

### CHAPTER V.

#### FINAL PROVISIONS.

##### *Article 24.*

Any disputes or differences of opinion which may arise between the two Contracting Parties concerning the application and interpretation of the present Treaty shall be settled by a mixed

arbitration tribunal. The arbitration tribunal shall be constituted *ad hoc*, and shall include an equal number of representatives of both Parties. If these representatives fail to arrive at an agreement, they shall appeal to a third arbiter, who shall be appointed, if necessary, at their request, by the President of the Permanent Court of International Justice.

*Article 25.*

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

*Article 26.*

The Treaty shall come into force fifteen days after the exchange of ratifications and, in the first instance, for a period of one year. After one year, its validity shall be extended by tacit agreement, unless denounced by one of the two Contracting Parties at six months' notice. The present Treaty shall cease to be in force six months after it has been denounced in the manner indicated above.

In faith whereof, the plenipotentiaries of the two Contracting Parties have affixed their sign and seal to the present Treaty.

Done in duplicate at Prague on October 7, one thousand nine-hundred and twenty-two.

(Signed) GERMAIN ALBAT.

(Signed) J. DVOŘAČEK.

(Signed) F. PEROUTKA.