

N° 959.

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**HONGRIE ET LETTONIE**

Traité de commerce et de navigation  
avec Protocole final, signés à Riga,  
le 19 novembre 1923.

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**HUNGARY AND LATVIA**

Treaty of Commerce and Navigation  
with Final Protocol, signed at Riga,  
November 19, 1923.

<sup>1</sup> TRADUCTION. — TRANSLATION.

No. 959. — TREATY<sup>2</sup> OF COMMERCE AND NAVIGATION BETWEEN THE GOVERNMENT OF THE KINGDOM OF HUNGARY AND THE GOVERNMENT OF THE LATVIAN REPUBLIC, SIGNED AT RIGA, NOVEMBER 19, 1923.

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*French official text communicated by the Latvian Minister for Foreign Affairs. The registration of this Treaty took place October 9, 1925.*

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THE GOVERNMENT OF THE LATVIAN REPUBLIC and THE GOVERNMENT OF THE KINGDOM OF HUNGARY, being desirous of promoting the development of commercial relations between the two countries, have resolved to conclude a Treaty of Commerce and Navigation for this purpose and have appointed as their Plenipotentiaries :

THE GOVERNMENT OF THE LATVIAN REPUBLIC :

M. Jānis VESMANS, Secretary of the Diet, former Envoy Extraordinary and Minister Plenipotentiary ;

THE GOVERNMENT OF THE KINGDOM OF HUNGARY :

M. Michel JUNGERTH, Counsellor of Legation, Chargé d'Affaires for the Kingdom of Hungary to the Government of the Latvian Republic ;

Who, having communicated their full powers, found in good and due form, have agreed upon the following articles.

PART I.

GENERAL PROVISIONS AND RIGHTS OF NATIONALS.

*Article 1.*

The nationals of each of the High Contracting Parties shall have the right to enter, travel and reside in complete liberty in any part of the territories of the other Power, provided they comply with the laws of the country.

*Article 2.*

The nationals of each of the High Contracting Parties shall, provided they comply with the laws of the country in all matters concerning travel and residence, study and investigation, the

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<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, May 7, 1925.

exercise of their trades and professions, the carrying on of their industrial and manufacturing undertakings and the right of trading in all articles of lawful commerce, be placed upon the same footing in all respect as nationals of the most favoured nation.

It is understood, however, that the stipulations laid down in Article 1 and in the present article shall not in any way affect such special laws, decrees and regulations regarding commerce, industry, police and general security, and the exercise of certain trades and professions, as are or may hereafter be in force in each of the two countries and are applicable to all foreigners.

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*Article 3.*

The nationals of each of the High Contracting Parties shall, on the same terms as the nationals of the most favoured nation, have the right, provided they comply with the laws of the country, to acquire, possess or hire and occupy the houses, factories, stores, shops and premises which they may require, and to lease land for the purpose and utilise it for legitimate ends.

In all that concerns the transfer of movable property by testamentary disposition or otherwise and the right to dispose in any way whatever of property of every kind that they are legally able to acquire, they shall, provided they comply with the laws of the country, enjoy in the territory of the other Contracting Party the same privileges, liberties and rights, and shall not be subject in this respect to any duties, charges or taxes of any kind whatsoever other or higher than those which are now or may in the future be imposed upon nationals of the most favoured nation.

*Article 4.*

The nationals of each of the High Contracting Parties may in the same way freely export the proceeds of the sale of their property and goods in general, subject always to reciprocity, without being liable on account of such export to pay duties other or higher than those which the nationals of the most favoured nation would have to pay in similar circumstances.

*Article 5.*

The nationals of each of the High Contracting Parties shall, provided they comply with the laws of the country, enjoy constant and complete protection and security as regards their persons and their property. They shall have free access to the Courts of Justice of all instances and may appear either as plaintiffs or as defendants. They shall also be permitted to prosecute claims against the State and its organs before the Courts or other competent authorities, except as regards claims which have their origin in the world war or in the acts of revolutionary Governments; as regards other matters relating to the administration of justice, they shall also enjoy all the rights and privileges of nationals of the most favoured nation.

They may employ in Courts of all instances the counsels, solicitors or representatives of all kinds authorised by the laws of the country, and shall enjoy in this respect the same rights and benefits as are or may be granted to nationals of the most favoured nation.

*Article 6.*

The houses, stores, factories and shops belonging to nationals of each of the High Contracting Parties and situated in the territory of the other, together with all premises attached thereto and employed for lawful purposes, shall be respected in accordance with the laws of the country.

*Article 7.*

Nationals of each of the High Contracting Parties shall be exempted in the territory of the other from all compulsory personal military service either in the army or in the navy or in the national guard or militia. They shall also be exempted from any contribution either in money or in kind imposed in lieu of compulsory personal service, and from any forced loan.

An exception shall, however, be made in respect of obligations attached to the ownership on any terms whatever of real estate, and also in respect of military contributions and requisitions to which all the country's own nationals are likewise liable as landowners or tenants.

The nationals of each of the High Contracting Parties shall also be exempted from any judicial or municipal duties or functions whatsoever.

*Article 8.*

Nationals, incorporated or other companies, and commercial, industrial, or financial associations of each of the High Contracting Parties shall not be subject, if they comply with the laws of the country, to any burdens, duties, taxes, charges or contributions of any kind other or higher than those which are or may be imposed on nationals and companies of the most favoured nation.

*Article 9.*

Nationals of each of the High Contracting Parties shall enjoy in the territory of the other the same protection as the latter's own nationals as regards intellectual property (author's copyright for literary, artistic and photographic works), patents for inventions, designs and models, commercial or industrial trade marks, and names or designations of firms.

Each of the High Contracting Parties undertakes to adopt all the necessary measures to protect the natural produce and the manufactures of the other Contracting Party from all forms of unfair competition in commercial transactions ; that is, to prohibit and repress by seizure and by other appropriate remedies the importation, warehousing, exportation, manufacture, sale or offering for sale in its territory of all goods bearing upon themselves or their usual get-up or wrappings any marks, names, devices or descriptions whatsoever which are calculated to convey directly or indirectly a false indication of the origin, type, nature or special characteristics of such goods.

*Article 10.*

Incorporated or other companies and commercial, industrial or financial associations which are or may in the future be constituted according to the laws of one of the High Contracting Parties, and which are domiciled in the territory of that Party, shall, provided they comply with the laws of that country, be authorised to exercise their rights in the territories of the other Party and to appear in the Courts either as plaintiffs or defendants.

Nothing in the foregoing provision shall in any way affect the question as to the right of any such company or association established in one of the two countries to carry on trade or industry in the other ; this right shall always be determined in accordance with the laws and regulations in force in the country concerned.

The said companies and associations shall enjoy in this respect the same rights and benefits as are or may in future be granted to similar organisations of a third Power.

## PART II.

## CONSULAR PROVISIONS.

*Article 11.*

Each of the High Contracting Parties may appoint consuls-general, consuls, vice-consuls or consular agents in all the ports, towns and localities of the other, with the exception of places where the admission of such consular officers may be considered undesirable. Such exception, however, shall not be applied to one of the Contracting Parties without being also applied to all other Powers.

The said consuls-general, consuls, vice-consuls and consular agents, who have received an exequatur or other necessary authorisation from the Government of the country to which they are appointed, shall, subject to reciprocity, have the right to perform all the duties and enjoy all the privileges, exemptions and immunities which are or may be granted to consular officers of the same rank belonging to the most favoured nation.

Having regard to the principle of reciprocity, the privileges, exemptions and immunities conferred in virtue of the most-favoured-nation clause on the consular officials of one Contracting Party in the territories of the other, may not be more extensive than those conferred on the consular officials of the latter Party in the territories of the former.

*Article 12.*

Should a national of one of the High Contracting Parties die in the territories or possessions of the other, without leaving in that country any heir or executor, the competent consular officer of the country to which the deceased belonged, shall be entitled, as soon as the necessary formalities have been completed, to represent of full right the heirs or executors, either personally or through a delegate, and shall be officially recognised as their fully qualified agent, without being specially required to establish his title. Accordingly, he may, either himself or through delegates chosen from among persons authorised for the purpose by the laws of the country, appear before the competent authorities to uphold the interests of the heirs in any matter relating to the succession by asserting their rights or dealing with claims against them. Nevertheless, it is understood that the said consular officer, being regarded as the authorised agent of his nationals, can never be personally sued for any matter concerning the estate. Provided he complies with the laws of the country, the competent consular officer shall have the right to take all measures of precaution with regard to the movable and immovable property of the deceased which he thinks necessary on behalf of the heirs. He may administer this property, either personally or by delegates chosen by himself and acting in his name, and shall have the right to take over any securities belonging to the deceased that may be deposited either in banks or with individuals. Nevertheless, nothing in this article shall be deemed to restrict the rights of the Courts of the country in which the property is situated in any matters coming within their special competence.

The foregoing provisions shall similarly apply to the case in which a national of one of the Contracting Parties who possesses movable or immovable property in the territories or possessions of the other dies outside the said territories or possessions, without leaving any heir or executor in the country where his property is situated.

## PART III.

## COMMERCE AND NAVIGATION.

*Article 13.*

There shall be reciprocal freedom of commerce and navigation between the territories of the two High Contracting Parties. Nationals of each of the Contracting Parties shall have full liberty on the same footing as the nationals of the most favoured nation, to proceed with their vessels and cargoes to such places, ports and rivers in the territories of the other Party as are or may be open to foreign trade ; they shall, however, be required in all cases to comply with the laws of the country which they are entering.

Trading vessels belonging to the nationals or companies of each of the Contracting States, and their crews and cargoes, shall, on arriving in the territories of the other State, either directly from their country of origin or from some other country, and irrespective of the place of origin or destination of their cargo, enjoy in all respects treatment at least as favourable as that granted to the vessels, crews and cargoes of the most favoured nation.

*Article 14.*

Latvian goods and other products of the soil and industry, when imported into Hungary, and Hungarian products of the soil and industry, when imported into Latvia, whether intended for consumption, warehousing, re-export or transit, shall not, as regards importation, exportation, re-exportation and transit, be subject to any Customs duties, charges, surcharges, taxes, contributions, general or local restrictions and obligations other or higher than those imposed upon the most favoured nation, or to import and export formalities other than those applicable to the most favoured nation.

Neither of the Contracting Parties shall impose on the exportation of any article whatever to the territories of the other Party any duties or charges other or higher than those which are or may be imposed on the export of similar articles to any other foreign country.

Each of the High Contracting Parties undertakes at the same time to grant to the other Party immediately any benefit, privilege or reduction of duties or charges which it has already granted or may in future grant to a third Power.

*Article 15.*

Internal taxes, no matter how they are described or on whose behalf they are levied, which are or may hereafter be imposed on the production, manufacture or consumption of an article in the territories of one of the Contracting Parties, shall not under any pretext be levied on the products of the other Party at higher rates, or in a more onerous manner, than on the similar products of the former country, or of any other country.

*Article 16.*

Reciprocal trade between the territories of the Contracting Parties shall only be restricted by import prohibitions in the following cases :

- (a) For reasons of public security ;
- (b) For reasons relating to public health and the health of animals, and especially in order to prevent the spread of epizootics and to protect useful plants against insects

and other harmful organisms, in conformity with the international principles adopted in this matter and the special agreements which are in force ;

- (c) In exceptional circumstances or in connection with war supplies ;
- (d) In the case of State monopolies and with a view to the application to foreign goods of certain prohibitions or restrictions which are or may in future be established by internal legislation on the production, offering for sale, transport or internal consumption of like goods produced within the country itself.

Subject to the Customs regulations, no special permit shall be required for the import or export of personal effects and articles intended for the personal use of passengers.

The Contracting Parties shall not introduce or maintain any prohibition or restriction on importation or exportation between the two countries which does not also apply in the same manner to the importation and exportation of like goods in trade with any other country whatever in the same position.

#### *Article 17.*

Natural or manufactured products coming from Hungary and natural or manufactured products coming from Latvia shall, on being imported into the other country, be given the benefit of the lowest tariffs which Latvia and Hungary respectively allow or may allow to any third Power, directly or indirectly, under the most-favoured-nation clause, as regards all import duties and charges and all additional charges, coefficients or increases levied in connection with these duties.

#### *Article 18.*

As regards consignment, transport rates and public charges or duties, the Contracting Parties declare that, where the conditions are the same, no distinction will be made between the inhabitants of the respective territories of the two Parties in the transport of passengers and luggage by rail or navigable waterways.

Goods consigned from the Latvian Republic to the Kingdom of Hungary or through the Kingdom of Hungary to a third State shall not, if the conditions are the same, receive on Hungarian railways less favourable treatment, either as regards consignment, transport rates or public charges and duties on transport, than similar goods consigned from Hungary or a third State in the same direction and by the same route.

The same principle shall be applied on the Latvian railways to goods consigned from Hungary to Latvia or through Latvia to a third State.

#### *Article 19.*

Each of the two Contracting States undertakes to grant free transit through its territories to products, vessels, aircraft, wagons and postal packages proceeding to or coming from the other country and to accord them treatment at least as favourable as that granted to the most favoured nation. They also undertake to comply, as regards transit, with the provisions of the Barcelona Convention of 1921, of which the Contracting States are signatories, and particularly with Articles 1, 3, 5 and 7.

Nevertheless, the Contracting Parties shall not subject transit traffic to any restriction or impediment whatever which does not apply at the same time and in the same manner to the transit traffic of all other countries in the same position.

*Article 20.*

In order to facilitate transit through their territories to third States, the Contracting Parties declare their willingness reciprocally to grant transit warehouses, in conformity with the Customs laws and regulations in force, to the nationals of the other Party — including commercial companies and associations — and to their duly authorised representatives. In these warehouses they can store without any special permit and without actual payment of import duties or charges, but on the security of a valid deposit, goods for transit with a view to reconsignment to a neighbouring country or in transit from the latter to any other country. In all that pertains to warehouse regulations the nationals (including firms and associations) of the other Contracting Party, their representatives and their goods shall not receive less favourable treatment than the nationals of the most favoured nation.

*Article 21.*

Traders, manufacturers and other persons engaged in industry who are nationals of one of the High Contracting Parties, domiciled and carrying on their trade and business in the territories of that Party, and who prove by the production of a trading licence issued by the authorities of their country that they are authorised to carry on their trade or industry in that country, and that they duly pay the charges and taxes required by law, shall be entitled, either personally or through commercial travellers, to make purchases in the territory of the other Contracting Party from traders or producers or in public places of sale. They may also take orders from traders or other persons who make use of similar goods in their trade or industry.

In making these purchases and taking orders, such traders, manufacturers and other persons engaged in industry, and their commercial travellers, shall enjoy most-favoured-nation treatment as regards taxation and facilities.

Articles imported as samples with the above-mentioned object shall in each of the two countries be temporarily admitted free of duty in conformity with the Customs regulations and formalities laid down to ensure their re-exportation or the payment of the prescribed Customs duties if they are not re-exported within the period allowed by law. Nevertheless, this privilege shall not apply to articles which by reason of their quantity or value cannot be regarded as samples or which on account of their nature cannot be identified on re-exportation. The right of deciding whether a sample is entitled to be admitted free of duty belongs in all cases exclusively to the competent authorities at the place at which it was imported.

The above provisions shall not apply to itinerant traders or to hawking or to the soliciting of orders from persons not engaged in trade or industry, each of the High Contracting Parties reserving full legislative freedom in this respect.

*Article 22.*

In the ports of the two countries, Hungarian and Latvian vessels, as well as their crews passengers and cargoes, shall receive most-favoured-nation treatment both as regards general or special taxes and as regards the classification of vessels, facilities for their loading or unloading, and, in general, as regards all formalities or regulations whatever to which trading vessels and their crews, passengers and cargoes may be subject.

*Article 23.*

Except in cases where the present Treaty expressly provides otherwise, the High Contracting Parties agree that in all matters relating to trade, navigation and industry, any privilege, favour,



facility or immunity whatever which one of them has already granted or may in future grant to the nationals or to the products of the soil or the industrial products of any other country shall be extended immediately and unconditionally to the nationals and products of the other Contracting Party, it being the wish of the High Contracting Parties that in all that relates to the exercise of trade, navigation and industry, Latvian and Hungarian nationals shall each enjoy in the territories and possessions of the other country most-favoured-nation treatment.

#### PART IV.

##### APPLICATION OF THE PROVISIONS OF THE TREATY.

###### *Article 24.*

The provisions of the present Treaty shall apply to all the territories belonging to or administered by one or other of the High Contracting Parties.

###### *Article 25.*

Disputes and differences of opinion between the two High Contracting Parties in regard to the application and interpretation of the present Treaty shall be settled by a mixed arbitral tribunal. The arbitral tribunal shall be constituted *ad hoc* and shall include an equal number of representatives of the two Parties. If these representatives do not succeed in reaching an agreement, they shall submit the dispute to a neutral umpire whom the President of the Permanent Court of International Justice may be asked to appoint, if necessary.

###### *Article 26.*

The following exemptions, immunities and privileges shall not be deemed to infringe the principle of most-favoured-nation treatment on which the present Treaty is based :

- (a) Privileges which have been or may be granted to neighbouring States, with a view to facilitating frontier traffic, within a frontier zone to be fixed by special arrangements ;
- (b) Privileges which have been or may be granted by one of the High Contracting Parties to a third State in virtue of a Customs union already in existence or which may be concluded in the future ;
- (c) Exemptions, immunities and privileges which are granted or may be granted by Latvia to one of the Baltic States by reasons of special agreements. The same applies to privileges which Latvia may grant to Russia in virtue of special Customs conventions or agreements.

#### PART V.

##### MISCELLANEOUS PROVISIONS.

###### *Article 27.*

The two Parties shall seek to facilitate and expedite, as far as possible, the necessary travelling formalities, particularly in the case of journeys undertaken for commercial purposes

or journeys to health resorts, mineral springs, baths, sanatoria and hospitals for reasons of health.

*Article 28.*

The High Contracting Parties reserve to themselves the right to conclude any necessary special agreements regarding the following matters :

- (a) Customs questions ;
- (b) Mutual protection of intellectual property and particularly the protection of patents for inventions ;
- (c) Mutual legal assistance.

PART VI.

FINAL PROVISIONS.

*Article 29.*

The present Treaty shall be ratified and the ratifications exchanged at Riga as soon as possible. In virtue of the powers which are conferred upon it by Hungarian law, the Hungarian Government agrees that the Treaty shall be put into force ten days after it has received notification of the approval of the Latvian National Assembly.

*Article 30.*

The present Treaty is concluded in the first instance for an indeterminate period and shall remain in force until it is denounced by either of the High Contracting Parties giving three months notice to the other to that effect. The present Treaty shall cease to be in force three months after it has been denounced in the manner mentioned above.

In faith whereof the Plenipotentiaries of the High Contracting Parties have signed the present Treaty and have thereto affixed their seals.

Done at Riga, in duplicate French text, this 19th day of November, 1923.

(Signed) J. VESMANS.

(Signed) M. JUNGERTH.

FINAL PROTOCOL.

On proceeding to sign the Commercial Treaty concluded this day, the undersigned Plenipotentiaries made the following declarations :

*With regard to Article 5.*

It is agreed that the provisions of Article 5, whereby the nationals of the two Contracting Parties shall have the right to appear before the Courts, shall not apply to free legal assistance,

to exemption from security for costs, to the administration of movable estate and to the position of creditors in the event of bankruptcy. These matters shall be regulated on a basis of reciprocity or by a special treaty regarding legal assistance.

*With regard to Article 18.*

In order to facilitate through traffic of passengers and goods, the two Contracting Parties undertake to adopt the necessary measures to establish as far as possible through charges, at least as regards the principal commodities and lines of communication.

*With regard to Article 21.*

In execution of the provisions of Article 1 and Article 21, the two Governments shall use their best endeavours to facilitate the stay in their respective territories of traders, manufacturers, other persons engaged in business, and their representatives, particularly as regards the visas required by the police regulations in force.

*With regard to Article 28 (a).*

Without prejudice to the provisions of Article 17, the High Contracting Parties declare their willingness to open negotiations at a later date with a view to granting to each other percentages of reduction on the duties of the Customs tariff at the time in force, taking account of the mutually recognised interests and requirements of the two countries.

In faith whereof the Plenipotentiaries have signed the present Protocol.

Riga, November 19, 1923.

(Signed) J. VESMANS.

(Signed) M. JUNGERTH.