N° 1098.

HONGRIE ET ITALIE

Convention provisoire de commerce avec annexes, protocole final et échange de notes. Rome, le 20 juil-let 1925.

HUNGARY AND ITALY

Provisional Commercial Convention with Annexes, Final Protocol and Exchange of Notes. Rome, July 20, 1925.

¹ Traduction. — Translation.

No. 1098. — PROVISIONAL COMMERCIAL CONVENTION² BETWEEN HUNGARY AND ITALY, SIGNED AT ROME, JULY 20, 1925.

French official text communicated by the "Chargé des Affaires" of the Royal Hungarian Delegation accredited to the League of Nations and by the Italian Minister for Foreign Affairs. The registration of this Convention took place February 23, 1926.

HIS MOST SERENE HIGHNESS THE REGENT OF HUNGARY and HIS MAJESTY THE KING OF ITALY, being desirous of encouraging economic relations between their respective countries to the greatest possible extent, pending the conclusion of a Treaty of Commerce permanently regulating those relations in such a manner as to meet the requirements of their national production, have resolved to conclude a commercial Convention, and have for that purpose appointed as their Plenipotentiaries:

HIS MOST SERENE HIGHNESS THE REGENT OF HUNGARY:

Count Albert Nemes de Hidvég, Envoy Extraordinary and Minister Plenipotentiary of Hungary at Rome;

HIS MAJESTY THE KING OF ITALY:

His Excellency Benito Mussolini, Prime Minister, Minister for Foreign Affairs;

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

Article 1.

The two High Contracting Parties agree that, in all that concerns the establishment of nationals, the enjoyment of civil rights, the right to appear in the Courts as plaintiffs or defendants, the pursuit of commerce, industries, trades and professions and the payment of taxes in connection therewith, sureties, the imposition of duties and Customs formalities, import and export trade, transit, navigation and transport, all privileges, favours or immunities whatever which one of them has granted or may in future grant to the nationals of any other State shall, except as otherwise specifically provided in this Convention, be immediately and unconditionally extended to the nationals of the other High Contracting Party.

Article 2.

The commercial, industrial and financial associations (including insurance associations and public life-insurance institutions) domiciled in the territories of one of the High Contracting Parties and

¹ Traduit par le Secrétariat de la Société des Nations.

¹ Translated by the Secretariat of the League of Nations.

² The exchange of ratifications took place at Rome, December 12, 1925.

having been validly constituted in that country in accordance with its laws, shall be recognised in accordance with the provisions and within the limits fixed by the laws in force, as having legal existence in the territories of the other and shall be able to exercise all their rights in that country including the right of appearing in the law courts either as plaintiffs or defendants.

In any case the said associations shall enjoy in the territories of the other High Contracting Party the same rights as are or shall be accorded to similar companies of any other country whatsoever.

The said associations and institutions shall not be required to pay, in respect of the exercise of commercial or industrial activities in the territory of the other Party, other or higher imposts, duties or taxes than those which are levied on nationals.

Article 3.

The products of the soil or of industry originating in or coming from Hungary, enumerated in the tariff in Annex A attached to the present Convention, shall be accepted for importation into Italy on payment of the duties fixed in the said tariff, or of such reduced duties as Italy may grant in future to the same products of any other foreign Power; the above clause applies both to tariff duties proper and to coefficients of increase.

The products of the soil or of industry originating in or coming from Hungary, enumerated in the list in Annex B attached to the present Convention, shall receive most-favoured-nation

treatment on importation into Italy.

Products of the soil or of industry originating in and coming from Hungary which are not enumerated in the lists given in Annexes A and B shall be liable to the duties of the ordinary Italian tariff for the time being in force.

Article 4.

The products of the soil or of industry originating in or coming from Italy, enumerated in the tariff in Annex C attached to the present Convention, shall be accepted for importation into Hungary on payment of the duties fixed in the said tariff, or of such reduced duties as Hungary may grant in future to the same products of any other foreign Power; the above clause applies both to tariff duties proper and to coefficients of increase.

The products of the soil or of industry originating in or coming from Italy, enumerated in the list in Annex D attached to the present Convention, shall receive most-favoured-nation treatment on importation into Hungary.

Products of the soil or of industry originating in and coming from Italy which are not enumerated in the lists given in Annexes C and D shall be liable to the duties of the autonomous

Hungarian tariff for the time being in force.

Article 5.

Hungary shall not impose on goods exported to Italy, and Italy shall not impose on goods exported to Hungary, any export duties or taxes, other or higher than are imposed on the same products exported to the country most favoured in this respect.

Article 6.

The provisions of Articles 3, 4 and 5 shall not apply:

(a) To exceptional privileges which either of the High Contracting Parties has granted or may in future grant to contiguous countries with a view to facilitating frontier

traffic, it being understood that frontier zones shall not exceed 15 kilometres in depth on either side of the frontier;

- (b) To obligations imposed on either of the High Contracting Parties by the clauses of a Customs Union which has already been or may in future be contracted;
- (c) To preferential treatment which the two High Contracting Parties may have granted or may in future grant to their colonies, protectorates or possessions;
- (d) To the coasting trade, which shall continue to be governed by the laws that are or may in future be in force in each of the two countries; to fisheries in the territorial waters of the High Contracting Parties; and to the auxiliary services of ports, roadsteads and beaches. The auxiliary services include maritime towage, rescue work and salvage.

Article 7.

The High Contracting Parties undertake not to impede trade between the two countries in any way by imposing import, export or transit prohibitions or restrictions.

Exceptions to this rule, so far as they are applicable to every country or to countries in an dentical situation, may only be made in the following cases:

- (1) In exceptional circumstances, in the case of war supplies;
- (2) For reasons of public safety;
- (3) In the case of State monopolies which are already in force or which may be established in future;
- (4) In order to apply to goods of foreign origin prohibitions and restrictions which are or may in future be imposed by the national legislation on the production, sale, transport or consumption within the country of similar goods produced therein;
- (5) For reasons of health supervision of the protection of useful animals and plants against diseases and noxious insects and parasites, and particularly in the interests of public health and in conformity with the principles internationally accepted in this connection.

Article 8.

In order to establish the origin of imported products, each of the High Contracting Parties may require the production of an official statement certifying that the imported article is of national production or manufacture, or that it should be regarded as such in view of the finishing process which it has undergone in the country from which it comes.

Certificates of origin shall be issued either by the Chambers of Commerce and Industry which are competent to issue such a certificate to the consignor, or by any other body or association approved by the country of destination or by the forwarding Customs office within the country

or at the frontier.

The High Contracting Parties shall see that trade is not impeded by the imposition of excessive fees for these certificates, or by needless formalities in connection with their issue.

Certificates of origin shall not be required in respect of postal packets.

Article 9.

Internal taxes levied on behalf of the State, local authorities, or corporations, which are or may hereafter be imposed on the production, manufacture or consumption of any article in the

territory of one of the High Contracting Parties, shall not under any pretext be levied on products originating in and coming from the territory of the other at higher rates or in a more onerous manner than on similar products of the former country.

Article 10.

The High Contracting Parties grant reciprocal freedom of transit through their territories, by rail and by navigable waterways and canals, for passengers, goods, railway waggons, vessels, and the postal service.

Goods of any kind coming from or going to the territory of one of the High Contracting Parties shall be reciprocally exempt in the territory of the other from any transit duty, whether they are despatched in direct transit or must be unloaded, re-loaded, warehoused and re-packed during transit.

Article 11.

It is agreed that goods of any origin passing in transit through the territory of one of the High Contracting Parties, or warehoused at free ports or in bonded warehouses in that territory, shall not, on entering the territory of the other Party, be subject to customs duties or charges other or higher than those which would be imposed if the goods were imported direct from the country of origin. This provision shall apply both to goods in direct transit and to goods conveyed in transit after transhipment or re-packing in a bonded warehouse.

Article 12.

The present Convention shall be ratified and the ratifications thereof shall be exchanged at

Rome as soon as possible.

It shall come into force fifteen days after the exchange of ratifications and shall remain in force for one year as from the date on which the ratifications were exchanged, unless before the expiration of this period it has been replaced by the definitive Commercial Treaty which is to be concluded between the two High Contracting Parties. After this period, the present Convention may, if the Commercial Treaty has not yet come into force, be denounced at any time. It shall, however, remain in force for three months as from the date of denunciation.

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

Done at Rome, in duplicate, on July 20, 1925.

(L. S.) NEMES.

(L. S.) B. MUSSOLINI.

ANNEX A.

TARIFF OF ITALIAN IMPORT DUTIES.

No. in Italian tariff	Description of Goods	Import duty Lire, C. (gold)	Co-efficient of increase
		Per q	uintal
47	Biscuits: (a) Without sugar	60.—	
	1. Not more than 18% of sugar	65	
	2. More than 18% of sugar: α. More than 18% and up to 24%	67.— 70.—	_
	the biscuits; (b) In the case of biscuits containing more than 24% of sugar, in the proportion of 35 kg. for each quintal of biscuits, or, if the importer so requests, on the quantity of sugar actually contained in the biscuits if that quantity is less than 35%.		
ex 103 a	Mineral waters: natural medicinal spring waters: Ference Jòzsefviz (Balatonfüred); Hercules, Hunyadi Jànos, Kossuth Lajos, Loser Jànos, Mària (Budapest-Budaörs); Apenta Keserüvizforràs, Ferenc Jòzsef, Ràkóczy (Budapest-Kelenföld); Igmándi Keserüviz (Igmánd); Mira (Jàszarkajenö); Kékkuti gyógyviz		
586	(Kékkut); Mohai Agnesforras (Moha); Paràdi gyógyviz (Parad). Common bottles	3.— 5.—	0.8
ex 844	Ebonite: (c) Manufactures not specially mentioned	150	0.2
ex 912	Toys (except dolls made of various materials): Ex c.— made of india-rubber:	250.	0.2
	2. dyed or painted	125.—	0.4

No. 1098

ANNEX B.

LIST

OF ITEMS IN THE ITALIAN TARIFF REPRESENTING PRODUCTS ORIGINATING IN AND COMING FROM HUNGARY WHICH ARE ACCEPTED FOR IMPORTATION INTO ITALY ON MOST-FAVOURED-NATION CONDITIONS.

Categories and numbers in the Italian tariff.

```
Category I.
                     - I, 4 to 9, II, I2.
          II.
                     - 18 to 20.
          III.
   »
                     - 3I.
          v.
                     - 38, 39, 43 to 45, 48, 51, 55, 62.
          VI.
                     - 64 to 66, 70 (a), 70 (c), 74.
          VIII.
                     - 103 (b), 105, 106 (a), 106 (b) 1 (a) and 2 (a), 109 to 111.
   ))
          XI.
                     - 125, I31, I32, I34, I37.
          XII.
                     - 148, 149, 158.
   ))
          XIII.
                     - 190 (h), 197.
   33
          XV.
                     - 249.
   n
          XVIII.
                     - 285, 286, 288, 291, 292, 295, 297, 300, 301, 305, 308, 309, 311 to 317, 319, 320,
                       322 to 328, 330, 331, 337, 344, 347.
          XIX.
   ď
                     - 350 to 357, 364 to 367, 369.
          XX.
                     -381,384.
    n
          XXI.
    n
                     - 390, 391, 395.
                     - 396, 397, 403, 405 to 408, 418, 419, 423, 431, 434, 437, 438, 443, 445 to 451,
          XXII.
                       453, 454, 457, 458 to 460, 466.
          XXIII.
                     - 467 to 472, 476.
          XXIV.
                     - 481, 491, 495, 497.
    'n
          XXV.
                     - 505 to 508, 510, 514.
          XXVI.
                     - 516, 517, 519 (b), 520, 521, 524, 528 to 532, 534, 535.
          XXVII.
                     - 553.
          XXVIII. - 567.
    ×
          XXIX.
    'n
                     - 578, 580.
          XXX.
                     - 582.
    ))
          XXXII.
                     - 604, 611 to 613, 615 to 617, 621, 623.
    »
          XXXIII. - 628 to 632.
          XXXIV. - 639.
    D
          XXXV.
                     - 643, 650.
          XXXVI. - 658 (a), 5, 662, 663, 666, 667.
          XXXVII. - 679 (i) 2, 679, (e), 713.
          XXXIX. - 717 (i), 722, 732, 767, 769.
          XL.
                     - 777, 780 to 782.
          XLI.
                     - 792, 794, 796, 803.
          XLII.
                     -809(c), (d), 813, 820, 821.
          XLIII.
                     - 828, 831 to 843, 844 (a), (b).
          XLIV.
                     - 852, 854.
          XLVII.
                     - 892.
          XLVIII.
                     -911, 912 (c) (e), 913 (a), 914, 915.
          XLIX.
                     - 921, 922, 924.
          L.
                     - 939.
          LI.
                     - 942, 943 (b), 944, 945, 945 bis, 949, 950.
```

ANNEX C. TARIFF OF HUNGARIAN IMPORT DUTIES.

No. in Hungarian tariff	Description of Goods	Import Duty in gold crowns
		Per quintal
54 89 (b)	Raw rice, whole, with or without husk, not yet husked Dried figs:	Free
09 (0)	(1) Packed for sale by retail (in packages weighing less than	
	5 kg.)	16.—
	(2) Otherwise packed	8.—
	conditions and safeguards to be fixed by decree	r
90	Lemons and cedrates	3.—
91	Oranges and tangerines	ŏ.—
92	Lemons, oranges and cedrates, and peel thereof, preserved in brine	I
93	Dried peel of lemons, oranges and cedrates	2.—
ex 97 98	Hazel-nuts:	12.—
,	(a) With shells	8
	(b) Without shells	14
ex 126 (b)		•
	more than 2 litres (up to 50 quintals per annum), with certificate of origin	300
ex 128 (b)	Maraschino Sprit from Zara (distilled from Marasca fruits):	300.—
, ,	(1) in barrels or other receptacles holding more than 2 litres (up to	
	75 quintals per annum), with certificate of origin.	240
146	Rice, husked, glazed or polished, including broken rice, semolina and	6.50
	rice-flour	6.50
	tion and under conditions and safeguards to be fixed by decree	1
ex 168 (b)	Fish, pickled or in oil:	
. ,	In glass containers or tins, tubes and other similar hermetically-	
	sealed receptacles:	25 —
	1. Sardines	25.— 60.—
ex 246	Sulphur, crude, ground, or refined, and flowers of sulphur	Free
ex 334	Pure olive oil in receptacles of gross weight 25 kg, or over	4
	Ex Note: Olive oil in barrels extracted by bisulphide of carbon	Free
	process	Free
	under 25 kg	8.—
ex 401 (b)	Wax matches	48
ex 425	Essential oils of fruits of the genus citrus (oils of orange, lemon, bergamot,	
PA 113	tangerine and cedrate)	35.— Free
ex 442 ex 564	Hemp yarn:	Free
J***	$\operatorname{Ex}(\hat{a})$ — Single:	
	(1) Unbleached:	
	(a) Under 4 English	10
	(β) Nos. 4 to 10 English inclusive	12.—
	11/ 12000 110. 10 Diagnost	15.

No. in Hungarian tariff	Description of Goods	Import Duty in gold crowns
		Per quintal
ex 570	Fabrics of hemp yarn: ex a. Not figured, but with simple ground pattern: I. Unbleached, having in warp and weft, in square of side r cm.: (α) Not more than 20 threads (β) 21-40 threads (γ) 41-60 threads (δ) More than 60 threads	80.— 96.— 105.— 120.—
591 (a)	Natural silk, twisted; organzine and weft-silk, even if in reels and dyed	Free
593 (a)		100.—
639	2. Of two or more strands, even twisted	220.—
	substances: (a) Men's, boys', and children's:	Each
	(a) Men's, boys', and children's: 1. Untrimmed	0.80 1.10
	Ad 639 a. — Shapes for straw hats, not made up, are dutiable at the	1.10
	rate of 0.12 crowns each. (b) Ladies' and girls':	
	I. Untrimmed	ı.— 2.—
	2. Trimmed	2.
ex 876	Chassis of passenger automobiles and their frames, even if dismounted, with or without engines:	' Per quintal
	(a) Each weighing 30 quintals or over	65.— 72.— 80.—
	1. 12 quintals or over but less than 14	100.— 108.— 144.—
	Ex Note: Passenger automobiles with bodies, and bodies imported separately, are subject, in proportion to their totzl weight, to the corresponding duties on passenger automobile chassis. In addition, the following duties are payable on each car or body:	
	(b) Open passenger automobiles or bodies thereof:	Each
	1. 2- and 4- seaters	500.— 600.—
	(c) Closed or closable automobiles or bodies thereof:	
	I. 2- and 4- seaters	800.— 900.—
ex 942 (c)	Buttons of vegetable ivory (corozo)	Per quintal 380.—
ex 961 (a)	Ornaments:	
ļ	Conterie di Venezia (enamels, glass drops, beads, and spun glass), even if combined, otherwise than essentially, with rubber, leather, or base metals not gilt or silvered or enamelled	60.—

ANNEX D.

ITEMS IN THE HUNGARIAN TARIFF

REPRESENTING PRODUCTS ORIGINATING IN AND COMING FROM ITALY WHICH ARE ACCEPTED FOR IMPORTATION ON MOST-FAVOURED-NATION CONDITIONS.

Categories and numbers in the Hungarian tariff.

```
Category I.
                     - 6, 7.
          II.
                     - 13, 16, 19, 23, 27, 29, 30.
          III.
                     - 31, 33 to 38.
          IV.
                     - 40 to 42, 44 to 50.
          V.
                     - 55 to 76.
          VI.
                     - 77 to 88, 94, ex 97 (pine kernels), 99 to 123.
          VII.
                     - 124 to 131, 133, 134.
          VIII.
                     - 137 to 145, 148, 151 to 153, 155, 156 to 167, 168 (a) and (b) 2, 170 to 173.
         IX.
                     - 175, 182.
          X.
                     - 186, 187, 190 to 192.
          XI.
                     - 199 to 201, 205.
         XII.
   n
                     - 212 to 214, 216, 217, 220, 222, 223, 225.
         XIII.
                     - 230 to 234, 239, 243, 244.
   3)
         XIV.
   3)
                     - 249 to 298.
         XV.
                     - 305, 320 to 322, 330.
   9)
         XVI.
                     - 331 to 335, 346, 347, 350, 356 to 363, 366 to 369, 371 to 376.
   ))
         XVII.
   ))
                     - 377 to 381, 386, 388.
         XVIII.
                    - 392 to 406.
         XIX.
   3)
                    - 408, 409, 411 to 416, 420 to 422.
         XX.
                    - 425, 426, 428, 431 to 435.
         XXI.
                    - 436, 440 to 442, 449, 452, 454 to 456, 458, 459, 461, 463, 464, 466.
   3)
         XXII.
                    - 469, 472 to 476, 481 to 489.
         XXIII.
                    - 491, 492, 497 to 499, 505, 507, 509 to 511, 514 to 516, 518, 520 to 526, 528 to 530,
                       532 to 534.
         XXIV.
                    - 535 to 544.
         XXV.
                    - 545 to 590, 591 (b), 592, 593 (b), 594 to 624.
   ))
         XXVI.
                    - 625 to 638, 640.
         XXVII.
                    - 641, 642.
         XXVIII. - 643 to 665.
         XXIX.
                     - 666 to 672, 674 to 680.
         XXX.
                    - 681, 682, 686, 688 to 712, 715 to 718, 721.
         XXXI.
                    - 726 to 8or.
         XXXII.
                    - 802 to 864.
         XXXIII. - 870, 874 to 877, 878 to 892.
         XXXIV.
                    - 895 to 903, 907, 910 to 922, 929, 930.
   ď
         XXXV.
                    - 936, 939.
   ø
```

- 942, 946, 947 to 954, 956, 957, 961 to 964, 966 to 971.

XXXVI.

FINAL PROTOCOL.

At the moment of signing the Commercial Convention concluded this day between Hungary and Italy, the undersigned Plenipotentiaries have made the following declarations, which shall be regarded as an integral part of that Convention:

Ad articles 3 and 4.

Bottled wines, other than sparkling wines, originating in and coming from Hungary (No. 106 b. (1) β and (2) β of the Italian tariff) shall enjoy most-favoured-nation customs treatment on importation into Italy as soon as, in virtue of treaties or conventions concluded by Hungary with any third State, any reductions in customs duty on "wines in other receptacles" (No. 131 (b) of the Hungarian autonomous tariff) come into force as regards wines originating in and coming from Italy.

Should Hungary grant to any third Power reductions in customs duty or other special privileges (including privileges in connection with the alcohol surtax) for any brand of still wine with an alcoholic content of 18° or over, such reductions and privileges shall at once be extended in the same degree to Italian brands of Marsala, Vermouth, Malvoisie and Muscatel, provided that these brands also contain at least 18° of alcohol. In such case Italy shall at once concede, in respect of Hungarian brands of Tokay and three other brands of dessert wine containing at least 18° of alcohol to be agreed upon before the ratification of the present Convention, all reductions in customs duty and other special privileges (including privileges in connection with the alcohol surtax) which have already been or may in future be granted in respect of brands of still wine containing at least 18° of alcohol from any country whatsoever.

Further, should Hungary grant to any third Power reductions in customs duty or other special privileges (including privileges in connection with the alcohol surtax) for any brand of still wine with an alcoholic content of less than 18°, such reductions and privileges shall at once be extended in the same degree to Italian brands of wine mentioned in the preceding paragraph which have the alcoholic content fixed for brands of still wine from any country whatsoever. The same treatment shall at once be conceded by Italy under the same circumstances to Hungarian brands of wine mentioned in the preceding paragraph which have an alcoholic content of less than 18°.

The authorities of each of the High Contracting Parties shall accept certificates of analysis issued for wines by the institutions empowered thereto by the other Contracting Party. In case of serious doubt the right is reserved to the administration of each of the High Contracting Parties to verify the analysis of wines imported under certificate. The institutions empowered to issue certificates for wines shall be designated by agreement between the two Governments. If, under Article 8 of the present Convention, the production of certificates of origin for wine is required, such certificates may be issued by the same institutions as issued the certificates of analysis.

Ad article 7.

It is understood that, in order to give full effect as soon as possible to the principle laid down in Article 7, paragraph 1, of the Convention, the High Contracting Parties will not maintain or institute any import or export prohibition or restriction unless it is absolutely essential, and only for so long as the exceptional circumstances which justify it continue to exist.

In accordance with the spirit of this stipulation, the two High Contracting Parties will apply the prohibitions or restrictions in force to each other in the broadest and most generous fashion.

Further, should either of the High Contracting Parties introduce new prohibitions or restrictions either on importation or on exportation, the concession of exceptions or the fixing of contingents shall be considered at the request of either of the High Contracting Parties, with a view to prejudicing as little as possible the commercial relations between the two countries.

The present Protocol, which shall be deemed to be approved and sanctioned by the High Contracting Parties without further special ratification by the mere fact of the exchange of ratifications of the Convention to which it relates, has been drawn up in duplicate at Rome on July 20, 1925.

NEMES.

B. MUSSOLINI.

THE ITALIAN MINISTER FOR FOREIGN AFFAIRS TO THE HUNGARIAN MINISTER AT ROME.

Rome, July 20, 1925.

YOUR EXCELLENCY,

In the course of the negotiations which have taken place with a view to the conclusion of the Commercial Convention between our two countries signed this day, the Hungarian Delegation pointed out that Hungary had abolished all import prohibitions and restrictions, and had reduced export prohibitions and restrictions to a minimum.

In consideration of this fact, the Hungarian Delegation, while recognising that Italy also had adopted a liberal policy in this connection, requested that certain exceptions might be made to the import and export prohibitions still existing in Italy, with a view to encouraging to the greatest

possible extent the development of trade between the two countries.

I have now the honour to inform you that, in order to comply with this request as far as possible, the Italian Government is willing to concede to Hungary the monthly quotas specified hereunder for the following goods, which are still subject to import or export restrictions.

No. in Italia tariff	IMPORT.
ex 110	Brandy distilled from wine
III	Liqueurs
ex 505	Rifles (Flobert)
507	Pistols and revolvers
ex 591	Manufactures in glass, ground, engraved, gilt, silvered 100 quintals
614	Furniture in wood, and parts thereof 500 »
617	Frames in wood and battens therefor 50 »
ex 663	Soap, scented
ex 912	Toys, rubber
ex 913	Dolls, ordinary
	EXPORT.
ex 639	Bones, raw

I trust that you will be good enough to assure me that the Royal Hungarian Government is in agreement with me on this point.

I have the honour etc...

B. MUSSOLINI.

THE HUNGARIAN MINISTER TO THE ITALIAN MINISTER FOR FOREIGN AFFAIRS.

ROME, July 20, 1925.

YOUR EXCELLENCY,

In a note to me of to-day's date you made the following statements:

"In the course of the negotiations which have taken place with a view to the conclusion of the Commercial Convention between our two countries signed this day, the Hungarian Delegation pointed out that Hungary had abolished all import prohibitions and restrictions, and had reduced export prohibitions and restrictions to a minimum.

"In consideration of this fact, the Hungarian Delegation, while recognising that Italy also had adopted a liberal policy in this connection, requested that certain exceptions might be made to the import and export prohibitions still existing in Italy, with a view to encouraging to the greatest

possible extent the development of trade between the two countries.

"I have now the honour to inform you that, in order to comply with this request as far as possible, the Italian Government is willing to concede to Hungary the monthly quotas specified hereunder for the following goods, which are still subject to import or export restrictions.

No. in Italian tariff	IMPORT.
ex 110 111 ex 505	Brandy distilled from wine
507 ex 591 614	Pistols and revolvers
617 ex 663 ex 912	Frames in wood, and battens therefore
ex 913	Dolls, ordinary
ех бзо	EXPORT. Bones, raw

I have the honour to take note of these statements, and to assure you that the Hungarian Government is in agreement with you on this point.

I have the honour etc...

NEMES.