

N° 1591.

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**LETTONIE ET UNION  
DES RÉPUBLIQUES  
SOVIÉTISTES SOCIALISTES**

Traité de commerce avec protocole de clôture, annexe (convention douanière), protocole de clôture de la convention douanière et listes relatives à cette convention, ainsi qu'un second protocole de clôture de la convention douanière. Signés à Moscou, le 2 juin 1927.

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**LATVIA AND UNION  
OF SOCIALIST SOVIET  
REPUBLICS**

Treaty of Commerce, with Final Protocol, Annex (Customs Convention), Final Protocol of the Customs Convention and Lists relating to this Convention, and Second Final Protocol of the Customs Convention. Signed at Moscow, June 2, 1927.

## ТЕХТЕ RUSSE. — RUSSIAN TEXT.

№ 1591. — ТОРГОВЫЙ ДОГОВОР<sup>1</sup> МЕЖДУ ЛАТВИЕЙ И СОЮЗОМ СОВЕТСКИХ СОЦИАЛИСТИЧЕСКИХ РЕСПУБЛИК, ПОДПИСАННЫЙ В Г. МОСКВЕ, 20-го ИЮНЯ 1927 ГОДА.

*Latvian and Russian official texts communicated by the Latvian Minister for Foreign Affairs. The registration of this Treaty took place December 8, 1927.*

Латвийская Республика и Союз Советских Социалистических Республик, желая упрочить и развить экономические взаимоотношения между обоими странами и установить прочные основы для практической совместной работы в хозяйственной области, решили в развитие постановлений ст. XVII Мирного Договора между Латвией и Россией от 11-го августа 1920<sup>2</sup> года заключить Торговый Договор и назначили для этой цели своими уполномоченными, а именно :

Правительство Латвийской Республики :

Роберта Бильманиса, Члена Сaeимы Латвийской Республики,  
Джона Гана, Члена Сaeимы Латвийской Республики,  
Рингольда Кальнингса, Члена Сaeимы Латвийской Республики,  
Фридриха Мендерса, Члена Сaeимы Латвийской Республики,  
Карла Озолса, Чрезвычайного Посланника и Полномочного Министра  
Латвийской Республики в Москве, и

Центральный Исполнительный Комитет Союза Советских Социалистических Республик :

Анастасия Ивановича Микояна, Члена Центрального Исполнительного Комитета, Народного Комиссара Внешней и Внутренней Торговли,  
Александра Павловича Серебровского, Кандидата в Члены Центрального Исполнительного Комитета, Заместителя Председателя Высшего Совета Народного Хозяйства Союза Советских Социалистических Республик,  
Бориса Спиридоновича Стомонякова, Члена Коллегии Народного Комиссариата по Иностранным Дела́м,  
Якова Станиславовича Ганецкого, Члена Коллегии Народного Комиссариата Внешней и Внутренней Торговли,  
Юлия Викентьевича Рудого, Члена Всероссийского Центрального Исполнительного Комитета Советов, Члена Коллегии Народного Комиссариата Пу́тей Сообщения,

каковые уполномоченные, по взаимном пред'явлении своих полномочий, найденных составленными в должной и надлежащей форме, согласились о нижеследующем :

<sup>1</sup> The exchange of ratifications took place at Riga, November 5, 1927.

<sup>2</sup> Vol. II, page 195, of this Series.

<sup>1</sup> TRADUCTION.

N<sup>o</sup> 1591. — TRAITÉ DE COMMERCE ENTRE LA LETTONIE ET L'UNION DES RÉPUBLIQUES SOVIÉTISTES SOCIALISTES. SIGNÉ A MOSCOU, LE 2 JUIN 1927.

LA RÉPUBLIQUE DE LETTONIE et L'UNION DES RÉPUBLIQUES SOVIÉTISTES SOCIALISTES, désireuses de consolider et de développer les relations économiques réciproques entre les deux pays et de créer des bases sûres à la collaboration pratique dans le domaine économique, ont décidé, étendant les stipulations de l'article XVII du Traité de paix du 11 août 1920 entre la Lettonie et la Russie, de conclure un Traité de commerce, et ont nommé à cet effet pour leurs plénipotentiaires :

## Le GOUVERNEMENT DE LA RÉPUBLIQUE DE LETTONIE :

- M. Roberts BILMANIS, membre de la Saeima de la République de Lettonie,
- M. John HAHN, membre de la Saeima de la République de Lettonie,
- M. Ringolds KALNINGS, membre de la Seima de la République de Lettonie,
- M. Fridrikis MENDERS, membre de la Saeima de la République de Lettonie,
- M. Karlis OZOLS, ministre plénipotentiaire et envoyé extraordinaire de la République de Lettonie à Moscou ; et le

## COMITÉ EXÉCUTIF CENTRAL DE L'UNION DES RÉPUBLIQUES SOVIÉTISTES SOCIALISTES :

- M. Anastasi Ivanovitch MIKOTAN, membre du Comité exécutif central, commissaire du Peuple pour le Commerce extérieur et intérieur,
- M. Alexandre Pavlovitch SEREBROVSKI, candidat au poste de membre du Comité exécutif central, vice-président du Conseil économique supérieur de l'Union des Républiques soviétistes socialistes,
- M. Boris Spiridonovitch STOMONIAKOF, membre du Conseil du commissariat du Peuple pour les Affaires étrangères,
- M. Jacques Stanislavovitch GANETSKI, membre du Conseil du commissariat du Peuple pour le Commerce extérieur et intérieur,
- M. Jules Vikentievitch RUDI, membre du Comité exécutif central soviétiste panrusse membre du Conseil du commissariat du Peuple pour les transports ;

Lesquels, après s'être communiqué leurs pleins pouvoirs trouvés en bonne et due forme, sont convenus, des dispositions suivantes :

*Article premier.*

Les deux Parties contractantes s'efforceront d'activer de toutes manières le développement des relations commerciales réciproques et d'obtenir la stabilité possible de l'échange de marchandises et du transit ainsi que leur extension ultérieure ; elles se guideront en cela par les considérations économiques.

<sup>1</sup> Communiqué par le ministre des Affaires étrangères de Lettonie.

<sup>1</sup> Communicated by the Latvian Minister for Foreign Affairs.

<sup>1</sup> TRANSLATION.

## No. 1591. — TREATY OF COMMERCE BETWEEN LATVIA AND THE UNION OF SOCIALIST SOVIET REPUBLICS. SIGNED AT MOSCOW, JUNE 2, 1927.

THE REPUBLIC OF LATVIA and THE UNION OF SOCIALIST SOVIET REPUBLICS, being desirous of strengthening and developing the reciprocal economic relations between the two countries and of establishing a sound basis for practical collaboration in the economic field, have determined to give effect to the stipulations of Article XVII of the Peace Treaty of August 11, 1920, between Latvia and Russia, by the conclusion of a commercial treaty, and have appointed for this purpose as their Plenipotentiaries :

## THE GOVERNMENT OF THE REPUBLIC OF LATVIA :

- M. Roberts BILMANIS, Member of the " Saeima " of the Republic of Latvia,
- M. John HAHN, Member of the " Saeima " of the Republic of Latvia,
- M. Ringolds KALNINGS, Member of the " Saeima " of the Republic of Latvia,
- M. Fridrikis MENDERS, Member of the " Saeima " of the Republic of Latvia,
- M. Karlis OZOLS, Minister Plenipotentiary and Envoy Extraordinary of the Republic of Latvia at Moscow ; and the

## CENTRAL EXECUTIVE COMMITTEE OF THE UNION OF SOCIALIST SOVIET REPUBLICS :

- M. Anastasi Ivanovitch MIKOTAN, Member of the Central Executive Committee, People's Commissary for Foreign and Home Trade,
- M. Alexandre Pavlovitch SEREBROVSKI, Candidate for the post of Member of the Central Executive Committee, Vice-President of the Upper Economic Council of the Union of Socialist Soviet Republics,
- M. Boris Spiridonovitch STOMONIAKOF, Member of the Council of the People's Commissariat for Foreign Affairs,
- M. Jacques Stanislavovitch GANETSKI, Member of the Council of the People's Commissariat for Foreign and Home trade,
- M. Jules Vikentievitch RUDI, Member of the Pan-Russian Soviet Central Executive Committee, Member of the Council of the People's Commissariat for Transport ;

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

*Article I.*

The two Contracting Parties shall endeavour in every way to promote the development of their reciprocal commercial relations, and to ensure the most stable conditions possible for the exchange of commodities and for transit trade as also for their subsequent extension ; they will be guided in this matter by economic considerations.

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

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

*Article 2.*

In order to achieve the objects mentioned in Article 1 of the present Treaty, each of the Contracting Parties undertakes in particular :

(1) To grant to the other Contracting Party all rights, benefits and privileges which have been or may be granted by one of the Contracting Parties to a third State by means of internal legislation or international treaties :

(a) In regard to regulations concerning the admission to its territory of citizens of the other Party, their residence and departure ; the acquisition of property of all kinds, *inter alia* by bequest or legal inheritance, the possession, use and disposal of such property by sale, exchange, gift, bequest or otherwise ; the importation and exportation of their personal property ; the exercise by them of various commercial and industrial occupations and of handicrafts ; the protection of their rights before the Courts or by other means ; the levying of taxes and all charges of a legal or public nature, and concerning all other matters which determine the legal status of the said citizens and their general legal protection ;

(b) In regard to the position of juridical persons of one of the Contracting Parties, which have been regularly incorporated in the territory of the other Party, in conformity with the laws in force therein, for the purpose of engaging in commercial, industrial, financial and transport operations ; and in particular in regard to the recognition of juridical persons of one Contracting Party and their admission into the territory of the other Party for the purpose of pursuing their activities therein and of engaging in foreign trade ; and also in regard to the legal protection of the said juridical persons, their taxation and the payment by them of public and legal charges of all kinds ;

(c) In regard to all matters relating to the commercial and transit régimes, including taxes and charges, the introduction and application of regulations and formalities connected with the importation, exportation and carriage in transit of the products of the soil and of industry of the other Contracting Party, and the warehousing of such products ;

(d) In regard to the treatment of the travellers, baggage and goods of one of the Parties on the railways of the other Party ;

(e) In regard to the treatment of sea-going vessels flying the flag of one of the Contracting Parties, and of their crews, passengers and cargoes in the ports of the other Contracting Party.

(2) To grant to the other Contracting Party the special rights, benefits and privileges which are laid down in the present Treaty, or which may be laid down in subsequent treaties.

The provisions of paragraph 2 of the present Article in no wise restrict the application of paragraph 1 in the event of more extensive rights, benefits and privileges being granted to any third State.

(3) When concluding new commercial treaties and agreements and when prolonging existing commercial treaties to continue to ensure that the rights, benefits and privileges which are or may hereafter be granted to the other Contracting Party, shall not be extended to third States, on the basis of the most-favoured-nation clause.

(4) To refrain from granting to the merchandise of any third State percentage reductions on minimum Customs tariff rates as favourable as or more favourable than the percentage reductions stipulated in the present Treaty for the goods of the other Contracting Party.

*Article 3.*

The provisions of the present Treaty do not affect the rights, benefits and privileges which have been or may be granted :

(1) By one of the Contracting Parties to contiguous States, with a view to facilitating traffic within the frontier zone, the average width of which does not exceed fifteen kilometres ;

(2) By one of the Contracting Parties to a third State in virtue of a Customs union already concluded or which may hereafter be concluded ;

(3) By Latvia to Estonia, Finland and Lithuania ;

(4) By the Union of Socialist Soviet Republics to Estonia, Finland, Lithuania and the Continental States bordering upon the Union of Socialist Soviet Republics in Asia.

*Article 4.*

Independently of the provisions of the Peace Treaty of August 11, 1920, between Latvia and Russia, concerning consular relations and the rights and obligations of consular representatives, each of the Contracting Parties undertakes to grant to the consular representatives of the other Contracting Party all rights and privileges which it may grant to the consular representatives of any third State.

The establishment of consular representatives in the territory of one of the Contracting Parties at places where there are as yet no consular representatives of the other Contracting Party shall be regulated by a special agreement between the two Parties.

Consular representatives must be officials *de carrière* of the Ministry of Foreign Affairs of the country which they represent ; they shall not be entitled to engage in trade or industry in the country in which they exercise their functions.

Before proceeding to appoint a consular representative, the State making the appointment must obtain the consent of the State in whose territory the consular representative is to exercise his functions.

*Article 5.*

1. A Commercial Delegation with its seat at Riga, attached to the legation of the Union of Socialist Soviet Republics in Latvia, is hereby established for the exercise of the monopoly of foreign trade which, according to the laws of the Union of Socialist Soviet Republics, belongs to the Government of the Union.

2. The Commercial Delegation of the Union of Socialist Soviet Republics shall :

(a) Promote the development of commercial and economic relations between Latvia and the Union of Socialist Soviet Republics, and defend the interests of the Union of Socialist Soviet Republics in the matter of foreign trade ;

(b) Regulate foreign trade with Latvia on behalf of the Union of Socialist Soviet Republics ;

(c) Carry on foreign trade with Latvia on behalf of the Union of Socialist Soviet Republics ;

The registration of the Commercial Delegation in the commercial register shall not be required. The names of persons entitled to represent the Commercial Delegation must be announced regularly by the latter in the official journal "Valdibas Vestnesis" and must also be brought to the knowledge of the public by some other clear method. The above-mentioned persons shall be

regarded as official representatives in their relations with third persons until such time as an announcement is made in the "Valdibas Vestnesis" that their powers have been withdrawn.

3. The Commercial Delegate (*tergovi predstavitel*), his deputy and the members of the Commercial Delegation Council, whose number shall be fixed by agreement between the two Governments, shall belong to the diplomatic staff of the Union of Socialist Soviet Republics' Legation in Latvia, and shall enjoy the rights and privileges granted to members of the diplomatic corps.

4. The offices of the central administration of the Commercial Delegation of the Union of Socialist Soviet Republics and its branches in Riga and elsewhere shall enjoy extra-territoriality.

Should it be necessary to open branches of the Commercial Delegation, their situation shall be determined by agreement between the two Contracting Parties.

5. The Commercial Delegation and its branches shall be entitled to use cipher.

6. The Union of Socialist Soviet Republics agrees to be bound by all juridical acts carried out by the Commercial Delegate or by other persons authorised to represent the Commercial Delegation or its branches (paragraph 2 of the present Article) or their agents. The Union of Socialist Soviet Republics accepts responsibility for the transactions effected by the above-mentioned persons.

7. Juridical acts carried out by the Commercial Delegation in Latvia which bind the Union of Socialist Soviet Republics and also the economic results of the said acts, shall be dealt with in accordance with Latvian law and shall be subject to Latvian jurisdiction. Nevertheless, in view of the liability assumed by the Union of Socialist Soviet Republics under paragraph 6 of the present Article in respect of transactions effected by the Commercial Delegation, recourse shall not be had either to judicial measures of a preventive character or to administrative measures affecting the property of the Commercial Delegation and its branches.

The execution by attachment of judgments which have acquired legal force shall not be admitted in the case of property belonging to the Commercial Delegation where such property is intended, in accordance with the general rules of International Law, for the exercise of the sovereign rights of the State, or for the official activities of the Commercial Delegation.

#### Article 6<sub>a</sub>

Except where more extensive rights have been granted to third States by the Union of Socialist Soviet Republics, the Union of Socialist Soviet Republics shall not be held liable for juridical acts of State enterprises, which transact commercial business in or with Latvia although they do not form part of the Commercial Delegation, without an express recognition of such liability on the part of the Commercial Delegation, as for instance by lodging a guarantee or by an acceptance of joint liability. When such transactions are concluded, the State enterprises in question shall notify the Contracting Parties in writing that the permit issued by the Commercial Delegation for the conclusion of the transaction, where such a permit is required, cannot in itself be regarded as a guarantee.

The juridical acts carried out in Latvia by these enterprises, and the economic consequences of such acts shall be treated in accordance with Latvian law. They shall be subject to Latvian jurisdiction and to the execution of judgments by attachment. The liability attaching to the property of these enterprises situated in Latvia shall be subject to no limitation.

The articles of association and balance sheets of their branches in Latvia and the names of persons authorised to represent them shall be published regularly by these enterprises, even when they have not yet been entered in the commercial register.

*Article 7.*

The mutual relations of the Contracting Parties in regard to Customs questions shall be regulated, apart from the provisions of Articles 2 and 3 of the present Treaty, in so far as these Articles apply to Customs questions, by a special Customs Convention which shall be annexed to the present Treaty and shall form an integral part thereof.

*Article 8.*

With a view to strengthening the trade relations between the Contracting Parties and to promoting commercial and financial intercourse, the system of contracts for delivery to or from consignment warehouses shall be jointly encouraged by the Latvian economic authorities and the economic authorities of the Union of Socialist Soviet Republics.

*Article 9.*

1. Merchandise and baggage of all kinds carried in transit through the territory of one of the Contracting Parties shall be exempt from the payment of any import, export and transit duties, whether they are conveyed direct or whether during transport they are unloaded, warehoused and re-loaded; warehouses are understood to mean premises placed under the supervision of Customs authorities.

2. The transportation of goods, passengers and baggage between Latvia and the Union of Socialist Soviet Republics shall be effected in accordance with the Convention between Latvia, the Soviet Socialist Republics and Estonia concerning through railway communication, which was concluded on October 29, 1925, at Riga, and the additional agreements to this Convention already concluded or which may be concluded hereafter.

3. As regards the transport charges and railway surcharges levied by the Contracting Parties, and also as regards the means of transport and time taken, no discrimination shall be made between the nationals or juridical persons of the two Contracting Parties. In particular, the Latvian railways shall not apply to goods forwarded from the Union of Socialist Soviet Republics to a Latvian railway station or from a Latvian station to the Union of Socialist Soviet Republics, or to goods forwarded in transit through Latvia, any higher transport tariffs and surcharges than those applied to similar Latvian goods carried in the same direction and for the same distance.

The same treatment shall be applied by the railways of the Union of Socialist Soviet Republics to goods forwarded from Latvia to a railway station of the Union of Socialist Soviet Republics or from a station of the Union to Latvia or to goods forwarded in transit through the Union.

4. The reduced railway tariffs in force in Latvia for goods in transit coming from the Union of Socialist Soviet Republics and passing through Latvia, and *vice versa*, shall be maintained unless they should be modified hereafter and should be still further reduced. These reductions shall likewise extend to the above-mentioned goods in transit.

Apart from these provisions, the Contracting Parties shall be free to establish such railway tariffs as they think fit. They shall, however, as far as possible, assist each other in the matter of railway tariffs, especially as regards the establishment of through tariffs.

5. Railway tariffs on the railway lines of the Union of Socialist Soviet Republics running towards Latvian ports, and *vice versa*, must, as regards transit through Latvia, be computed on a scale at least as favourable as the scale used under similar conditions, on the railways of the Union of Socialist Soviet Republics which communicate with Baltic ports situated in the territory of a third State.



*Article 10.*

The two Contracting Parties undertake to conclude, at the earliest possible date, conventions relating to veterinary and public health matters, navigation, consular relations, and also an agreement concerning the floating of timber on the Daugava (Zapadnaia Dvina).

*Article 11.*

The present Treaty is drawn up in Latvian and Russian, both texts being regarded as authentic for the interpretation of the Treaty.

*Article 12.*

The present Treaty shall be ratified and the exchange of ratifications shall take place at Riga. The present Treaty shall remain in force for a period of five years from the date of the exchange of ratifications.

If the present Treaty is not denounced by either of the Contracting Parties six months before the expiry of the said period of five years, it shall be regarded as automatically prolonged for the following twelve months, and so on, until its denunciation at least six months before the expiry of the previous period of twelve months.

Nevertheless, when the Treaty has been in force for one year, either Contracting Party shall be entitled to denounce it before the expiration of the above-mentioned period. In that case, the Treaty shall remain in force for six months from the date on which one of the Contracting Parties has notified its desire to terminate it.

In faith whereof, the above-named Plenipotentiaries have signed the present Treaty and have thereto affixed their seals.

Done in duplicate at Moscow on June 2, 1927.

(Signed) R. BILMANIS.

(Signed) J. HAHN.

(Signed) Ringolds KALNINGS.

(Signed) Fr. MENDERS.

(Signed) K. OZOLS.

(Signed) A. MIKOTAN.

(Signed) SEREBROVSKI.

(Signed) B. STOMONIAKOV.

(Signed) J. GANETSKI.

(Signed) RUDI.

## FINAL PROTOCOL.

*Ad Article 2.**Letter (a) of Paragraph 1.*

The stipulations of letter (a) of paragraph 1 of Article 2 concerning inheritance do not affect the stipulations of paragraph 3 of Article XVII of the Peace Treaty of August 20, 1920, between Latvia and Russia.

*Letter (b) of Paragraph 1.*

(1) Letter (b) of paragraph 1 of Article 2 does not determine the question whether juridical persons of one of the Contracting Parties are entitled to carry on their activities

within the territory of the other. This right is governed by the internal laws of each of the Contracting Parties, in which connection the principle of the most favoured nation is of course fully applicable.

(2) In so far as the functions of economic life in the territory of one of the Contracting Parties are or may be undertaken by State economic organisations (trusts, State commercial organisations, etc.), organised on a different basis from that adopted in the majority of other States for juridical persons (incorporated companies, trade associations, etc.), the Contracting Parties declare that the privileges granted by one of them to incorporated companies of all kinds, trade associations and other juridical persons of the most favoured nation shall likewise extend to all the State economic organisations of the other Contracting Party established in accordance with the laws of the latter.

*Letter (e) of Paragraph 1.*

The stipulations of letter (e) of paragraph 1 of Article 2 do not apply to the coasting trade. The right of engaging in this trade is reserved exclusively for the national vessels of each Contracting Party.

*Paragraph 4.*

1. The stipulations of paragraph 4 of Article 2 do not apply to the States mentioned in paragraphs 3 and 4 of Article 3 of the present Treaty.
2. The stipulations of paragraph 4 of Article 2 do not apply to goods allowed to be imported into the territory of one of the Contracting Parties without payment of Customs duties.
3. Minimum rates, within the meaning of paragraph 4 of Article 2, are understood to be the rates of the autonomous Customs tariffs of each of the Contracting Parties and the Customs rates laid down in Treaties with third States.

*Ad Article 3.*

*Paragraph 4.*

The Union of Socialist Soviet Republics declares that, as from the entry into force of the present Treaty, it will refrain from granting to any third State, with the exception of continental States bordering upon the Union in Asia, any greater reductions in the Customs tariff rates on the goods mentioned below than those granted to Latvia by the Union of Socialist Soviet Republics.

This stipulation applies to the following goods :

Preserved fish, glass and glassware, worked iron and steel, wire, tools and implements, agricultural tools and implements, agricultural machinery, trucks, wool yarn and knitted wares.

*Ad Article 6.*

State economic enterprises of the Union of Socialist Soviet Republics shall not be refused admission into Latvia for the purpose of carrying on their activities therein on the ground that the said State enterprises are not furnished with certificates issued by the Latvian Consul, testifying that Latvian juridical persons in the Union of Socialist Soviet Republics enjoy the same rights as are enjoyed by juridical persons of the Union in Latvia.

*Ad Article 9.*

The State commercial and transport organisations of the Union of Socialist Soviet Republics and co-operative societies shall be entitled in Latvia :

(a) To make use of the plant and warehouses in ports belonging to the Latvian State upon favourable terms ;

(b) To hire sites for the construction of warehouses, elevators, cold storage warehouses, and to instal in the port areas other plant required for transport.

The conditions relating to the use of such warehouses and the operation of such plant shall be laid down in separate treaties to be concluded between the Contracting Parties.

(Signed) R. BILMANIS.

(Signed) J. HAHN.

(Signed) Ringolds KALNINGS.

(Signed) Fr. MENDERS.

(Signed) K. OZOLS.

(Signed) A. MIKOTAN.

(Signed) SEREBROVSKI.

(Signed) B. STOMONIAKOV.

(Signed) J. GANETSKI.

(Signed) RUDI.

## ANNEX

to the Commercial Treaty of June 2, 1927, between Latvia and the Union of Socialist Soviet Republics.

## CUSTOMS CONVENTION

BETWEEN LATVIA AND THE UNION OF SOCIALIST SOVIET REPUBLICS.

*Article 1.*

Latvian products of the soil and of industry enumerated in list " A " annexed to the present Convention shall, when imported into the Union of Socialist Soviet Republics, enjoy the percentage reductions indicated in list " A " on the minimum rates of the Union Customs tariffs.

*Article 2.*

The products of the soil and of industry of the Union of Socialist Soviet Republics enumerated in list " B " annexed to the present Convention shall, when imported into Latvia, enjoy the percentage reductions indicated in list " B " on the minimum rates of the Latvian Customs tariffs.

*Article 3.*

For the application of the Customs privileges provided for by the present Convention, each of the Contracting Parties reserves the right to require, in the case of products of the soil and of industry imported by the other Party, the production of a certificate of origin testifying that the goods imported were produced in the territory of the other Party.

As regards raw materials in the strict sense of the term, products of the soil, and partly manufactured products finished with raw materials of a Contracting Party, the certificates of origin must state that such articles were produced within the territory of the other Party. In

the case of partly manufactured and finished products, not prepared from the raw materials of a Contracting Party, the certificates must state that the work done upon them has involved an increase in their value of not less than 35 %.

Certificates of origin for goods of the Union of Socialist Soviet Republics shall be issued in the Union of Socialist Soviet Republics by the People's Commissariat for Home and Foreign Trade and its organs, and certificates of origin for Latvian goods shall be issued in Latvia by the Latvian Finance Ministry or by State institutions authorised by the latter or by any other organisations which may be agreed upon by the two Parties.

The form in which certificates of origin for goods exported from Latvia into the Union of Socialist Soviet Republics and for goods exported from the Union of Socialist Soviet Republics are to be made out shall be determined by mutual agreement between the two Parties.

The above-mentioned certificates of origin shall be endorsed and legalised by the competent institutions of the Party concerned, in accordance with the regulations of the Party into whose territory the goods mentioned in the certificates are imported ; in this connection, most-favoured-nation treatment is reciprocally guaranteed by the Parties.

#### Article 4.

The present Convention is drawn up in Latvian and Russian, both texts being regarded as authentic for purposes of interpretation.

#### Article 5.

The present Convention which, as provided in Article 7 of the Commercial Treaty signed this day, constitutes an integral part of the latter, shall come into force and expire at the same time as the above-mentioned Treaty.

In faith whereof, the Plenipotentiaries of the two Parties have signed the present Convention and have thereto affixed their seals.

Done in duplicate at Moscow, June 2, 1927.

(Signed) R. BILMANIS.

(Signed) J. HAHN.

(Signed) Ringolds KALNINGS.

(Signed) Fr. MENDERS.

(Signed) K. OZOLS.

(Signed) A. MIKOTAN.

(Signed) SEREBROVSKI.

(Signed) B. STOMONIAKOV.

(Signed) J. GANETSKI.

(Signed) RUDI.

### FINAL PROTOCOL OF THE CUSTOMS CONVENTION.

#### *Ad Articles 1 and 2.*

1. The provisions of the Final Protocol 3, having reference to paragraph 4 of Article 2 of the Commercial Treaty signed this day, concerning the definition of the term "minimum rates," shall apply to Articles 1 and 2 of the present Convention.

2. It is understood that, should the Customs rates of one of the Contracting Parties differ according to the place from which the goods are imported, the percentage reductions shall be granted on the minimum rates in force at the place from which the goods are imported.

3. With a view to developing trade between the two countries to its fullest extent, the Contracting Parties have established special Customs reductions on the minimum rates of their Customs tariffs, on the assumption that Latvian exports to the Union of Socialist Soviet Republics will, during the first year in which the Treaty is in force, reach the minimum figure of fifteen million roubles (approximately forty million lats) and that the exports of the Union to Latvia will considerably exceed the figure of the 1925/26 exports, which amounted to approximately seven million roubles (nearly nineteen million lats); the volume of the exports of one of the Parties to the other shall not be made to depend upon the volume of the latter's exports to the former.

Should the amount of trade between the Union and Latvia fail to reach the above-mentioned sums, the Contracting Parties shall open negotiations with a view to the revision of the special reductions provided for in the present Convention. Pending the conclusion of the negotiations, the Party whose exports to the other Party have fallen short of the amounts contemplated shall have the right to suspend the application of the reductions mentioned to the goods of the other Party until the question of the normal development of trade has been settled.

The same procedure shall also be followed during the remainder of the period of validity of the Convention.

It is understood that the above-mentioned provisions in no way limit the application of the most-favoured-nation principle in regard to Customs duties levied on the goods of one Party in the territory of the other.

## LIST "A".

## PRODUCTS OF LATVIAN ORIGIN.

Nos. in U. S. S. R. Customs Tariff	Description of Goods	Percentage Reductions
Article 21. Paragraph 3 .	Fish, smoked, salted and dried, with the exception of the kinds enumerated in paragraph 2 of the present Article.	20
Ex Article 21. Paragraph 4 .	Preserved fish . . . . .	20
Article 44. Paragraphs 1,2,3	Dressed skins . . . . .	20
Ex Article 67. Paragraph 1 .	Plate-glass for windows . . . . .	20
Article 67. Paragraph 9 .	Sensitized photographic glass plates . . . . .	20
Ex Article 138. Paragraph 4	Worked iron and steel . . . . .	25
Article 151. Paragraph 1 .	Iron and steel wire. . . . .	25
Article 151 . . . . .	The note is to be applied.	
Article 152. Paragraphs 1	Wire manufactures . . . . .	25
and 3. . . . .	Needles of all kinds . . . . .	20
Article 153 . . . . .	Hand tools for use in crafts, arts and industries. . . . .	25
Article 159 . . . . .	Shovels, spades, rakes, forks and picks of all kinds . . . . .	25
Article 160. Paragraph 2 .		
Article 161. Paragraphs 3,	Agricultural machinery and implements, and spare parts thereof . . . . .	25
4 and 7 . . . . .	Railway trucks . . . . .	50
Article 164. Paragraphs 1, 2	Knitted and woven articles and materials . . . . .	25
Ex Article 204. Paragraphs 1		
and 2 . . . . .		

## LIST " B ".

## PRODUCTS OF THE UNION OF SOCIALIST SOVIET REPUBLICS.

Nos. in the Latvian Customs Tariff	Description of Goods	Percentage Reduction
Ex Article 1, Paragraph 1 . . .	Wheat . . . . .	20
Ex Article 7 . . . . .	Dried fruit and berries of the following kinds : Prunes, raisins, peaches, apricots and other stone fruit ; dried compôte or mixture of the above-mentioned dried fruits and berries . . . . .	33 <sup>1</sup> / <sub>3</sub>
Ex Article 11, Paragraph 1 . . .	Wood and garden nuts, walnuts, cedar nuts . . . . .	33 <sup>1</sup> / <sub>3</sub>
Ex Article 11, Paragraph 2 . . .	Almonds . . . . .	33 <sup>1</sup> / <sub>3</sub>
Article 11 . . . . .	The note is to be applied.	
Article 12 . . . . .	Mustard, dried, powdered, unprepared . . . . .	50
Article 21, Paragraph 1 . . .	Tobacco in leaf form and tied, with or without stems ; tobacco stems . . . . .	15
Article 22 . . . . .	Sugar as mentioned in Articles 1 and 2 of this Article.	
Ex Article 28, Paragraph 1, letters " a " and " b " . . .	Natural grape wines from the Crimea, Caucasus and Turkestan containing up to 24 degrees of alcohol, in casks	25
Ex Article 28, Paragraph 2 a )	Ditto, in bottles . . . . .	25
Ex Article 28, Paragraph 2 b )	Sparkling wines from the Don and Abrau-Dursault . . . . .	25
Ex Article 32 and Note . . .	Natural mineral waters from the Caucasus . . . . .	60
Article 33 . . . . .	Salt as mentioned in paragraphs ( a ), ( b ), ( c ) and in the Note . . . . .	50
Article 45, Paragraph 2 . . .	Hair and bristles . . . . .	100
Article 84 . . . . .	Naphtha, raw and mazout . . . . .	100
Ex Article 85, Paragraph 2 . . .	Petroleum . . . . .	25
Ex Article 85, Paragraph 3 . . .	Benzine . . . . .	25
Ex Article 88, Paragraph 1, letter " c " . . . . .	Automobile and bicycle tyres . . . . .	50
Ex Article 105, Paragraph 1 . . .	Soda (sodium carbonate) for technical purposes, in crystals and calcined . . . . .	100
Ex Article 105, Paragraph 3 a )	Caustic soda, raw . . . . .	100
Ex Article 117, Paragraph 1 . . .	Sunflower and cotton seed oil . . . . .	20
Ex Article 119, Paragraph 2 . . .	Eau de Cologne, perfumes . . . . .	20
Article 139 . . . . .	Cast iron in pigs, scrap and fillings . . . . .	100
Ex Article 140, Paragraph 3 . . .	Sheet iron . . . . .	100
Ex Article 167, Paragraph 3 . . .	Electric motors . . . . .	25
Article 169, Paragraph 3 . . .	Electrical incandescent lamps . . . . .	25
Article 179 . . . . .	Fibrous vegetable substances, unworked . . . . .	100
Ex Article 188 . . . . .	Calico and printed cottons . . . . .	15
Ex Article 192, Paragraph 2 . . .	Sateen . . . . .	15

## FINAL PROTOCOL.

*To list " A ".*

The reduction of 20 % on paragraphs 3 and 4 of Item 21 in the Customs tariff of the Union of Socialist Soviet Republics shall apply only to fish in respect of which no privileges have been granted by the Union to third States.

*To list " B ".*

Latvia declares that if, during the validity of the present Convention, Customs duties should be established on the under-mentioned goods, which are at present exempt from Customs duties, no reductions shall be granted in the Latvian Customs tariff rates on the said goods to any third State (including States enumerated in paragraph 3 of Article 3 of the Commercial Treaty signed this day) unless such reductions are extended to the Union of Socialist Soviet Republics.

This provision applies to the following goods : corn and grain, with the exception of rice, potatoes and wheat, living plants and parts of plants used in medicine, iron of all kinds except sheet iron, steel of all kinds, agricultural machinery and implements, and parts of agricultural machinery.

It is understood that the present provision does not affect section 2 of Article 3 of the Commercial Treaty signed this day.

*(Signed)* R. BILMANIS.

*(Signed)* J. HAHN.

*(Signed)* Ringolds KALNINGS.

*(Signed)* Fr. MENDERS.

*(Signed)* K. OZOLS.

*(Signed)* A. MIKOTAN.

*(Signed)* A. SEREBROVSKI.

*(Signed)* B. STOMONIAKOV.

*(Signed)* J. GANETSKI.

*(Signed)* RUDI.