# N° 2205.

# FINLANDE ET TURQUIE

Traité de commerce et de navigation, avec protocole de signature. Signés à Ankara, le 12 août 1929.

# FINLAND AND TURKEY

Treaty of Commerce and Navigation, with Protocol of Signature. Signed at Ankara, August 12, 1929.

# <sup>1</sup> Traduction. — Translation.

No. 2205. — TREATY 2 OF COMMERCE AND NAVIGATION BETWEEN FINLAND AND TURKEY. SIGNED AT ANKARA, AUGUST 12, 1929.

French official text communicated by the Finnish Minister for Foreign Affairs. The registration of this Treaty took place November 18, 1929.

FINLAND, of the one part, and Turkey, of the other part, being desirous of strengthening the ties of friendship which fortunately exist between the two countries, of regulating the conditions concerning the establishment of their nationals in the two countries, and of developing their economic relations, have resolved to conclude a Treaty for this purpose and have appointed as their Plenipotentiaries:

# THE PRESIDENT OF THE FINNISH REPUBLIC:

Monsieur Mauno Nordberg, Consul-General of Finland at Paris, Officer of the Legion of Honour;

# THE PRESIDENT OF THE TURKISH REPUBLIC:

His Excellency Zekâi Bey, Former Minister, Ambassador of Turkey and Member of Parliament for Diarbekir;

His Excellency Mustafa SEREF Bey, Member of Parliament for Burdur;

His Excellency Menemenli Numan RIFAT Bey, Minister Plenipotentiary and Under-Secretary of State at the Ministry of Foreign Affairs;

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

#### CHAPTER I.

#### ESTABLISHMENT.

# Article I.

The nationals of either Contracting Party shall have the right to establish themselves and to stay, to come and to go and to move about freely in the territory of the other Party, subject to compliance with the laws and regulations which are in force in that territory.

Each of the Contracting Parties shall retain complete freedom of action as regards immigration, and also the right to prohibit by means of individual measures, for reasons connected with public security and public order, entrance into its territory and residence therein.

With regard to any charges or taxes payable in respect of residence or establishment, the nationals of the two Parties shall enjoy most-favoured-nation treatment.

<sup>&</sup>lt;sup>1</sup> Traduit par le Secrétariat de la Société des Nations, à titre d'information.

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

<sup>&</sup>lt;sup>2</sup> Came into force provisionally on October 1st, 1929.

#### Article II.

Subject to compliance with the laws and regulations of the country in question, the nationals of either Contracting Party shall have the right to acquire, possess and alienate any kind of movable and immovable property in the territory of the other Party, except in the cases provided for in their respective laws, under the same conditions as nationals of the most favoured nation. They may, under the same conditions, dispose thereof freely by purchase, sale, gift, transfer, marriage settlement, testament, succession ab intestato, or in any other way.

In none of the above-mentioned cases shall they be subject to any taxes, charges or imposts of any description whatever other or higher than those which are or may in future be imposed on

nationals of the country.

#### Article III.

Nationals of either Contracting Party shall, provided they observe the laws and regulations of the country, have the right, in the territory of the other Party and under the same conditions as nationals of the most favoured nation, to engage in any kind of industry or commerce, and to follow any trade or profession whatsoever the exercise of which is not, or may not in future, be reserved for nationals of the country.

#### Article IV.

Nationals of either Contracting Party shall not be subject in the territory of the other Party in respect of their persons, property, rights and interests, and in respect of the exercise of any commerce, industry, trade or profession, to any charge, tax or impost, direct or indirect, other or higher than those which may be levied on nationals of the country.

They shall more particularly be authorised freely to export the proceeds of the sale of their property and their property itself, provided that they observe the legal provisions in force in the country, and they shall not in such cases be subject, by reason of their being aliens, to taxes, duties and fees

higher than those which nationals of the country would have to pay.

#### Article V.

Nationals of either Contracting Party shall not be liable to any military service in the territory of the other, either in the army, navy or air force, or in the national guard or militia, or to any obligation or payment in lieu of such service.

They shall only be liable to such military contributions and requisitions as are lawfully

imposed on nationals of the country.

#### Article VI.

Nationals of either Contracting Party may not be expropriated in the territory of the other Party except on grounds of public utility recognised by law and on payment of fair compensation, in accordance with the procedure provided for in their respective laws.

#### Article VII.

Nationals of either Contracting Party shall, in all matters connected with the legal and judicial protection of their person and property, enjoy in the territory of the other the same treatment as nationals of the country.

Consequently, they shall have free and unhindered access to the courts and may sue or be sued under the same conditions as nationals of the country. Subject to reciprocity they shall be entitled in the territory of the other Party to free legal aid, and shall not be required to give security for costs.

#### Article VIII.

Joint stock companies, cooperative societies and other commercial companies, including industrial, financial, insurance, communications and transport companies, which have their seat in the territory of either Contracting Party and are constituted therein under the laws of that country, shall be recognised as legal in the territory of the other Party and shall be entitled to bring or defend actions before the courts in that territory.

The admission of the said companies to carry on their trade or industry in the territory of the other Contracting Party shall be subject to compliance on their part with the laws and regulations which are or may hereafter be in force in that territory and to regulations concerning taxes and

other charges for admission.

Imposts, taxes or charges, whatever be their denomination or character, levied on such companies, shall not be higher or more onerous than those imposed on similar national companies.

Subject to compliance with the laws of the country, these companies may, under the same conditions as those applicable to the most favoured nation, acquire any kind of movable property and such immovable property as is necessary for the operations of the company, it being understood in this case that the acquisition of such property does not constitute the object of the company's existence.

#### Article IX.

Nationals of either Contracting Party, or companies or cooperative societies domiciled in the territory of that Party, shall not be taxed in the territory of the other Party on assets other than those in the country levying the tax or on income which they receive elsewhere.

#### Article X.

It is agreed that neither Contracting Party may appeal to the benefits resulting from the most-favoured-nation clause as stipulated in the present chapter for the purpose of claiming for its nationals, companies or cooperative societies, any rights other or more extensive than those which it grants itself to the nationals, companies and cooperative societies of the other Contracting Party.

#### CHAPTER II.

## COMMERCE AND NAVIGATION.

#### Article XI.

Products of the soil and industry originating in and coming from Finland shall not in any case, when imported into Turkey, receive less favourable treatment as regards Customs duties and coefficients, in any other respect whatever than that which is granted or may in future be granted to like products of any third country.

Products of the soil and industry originating in and coming from Turkey shall not in any case, when imported into Finland, receive less favourable treatment as regards Customs duties and coefficients or surtaxes, or in any other respect whatever, than that which is granted or may in

future be granted to like products of any third country.

#### Article XII.

Products of the soil and industry of either Contracting Party on importation into the territory of the other Party after passing in transit through the territory of one or more third countries, shall not be subject to duties or charges other or higher than would be applied if they had been imported direct from their country of origin.

#### Article XIII.

Products of the soil and industry originating in and coming from the territory of either Contracting Party shall, on importation into the territory of the other Party, enjoy therein as regards internal duties of any kind whatsoever the treatment granted to the same products of any third country.

#### Article XIV.

In order to determine the country of origin of imported goods, either High Contracting Party may require the production of a certificate of origin attesting that the said goods are products of the soil and industry of the said country, or that they must be regarded as such in view of the labour expended on them in that country.

Certificates of origin drawn up by agreement between the two Contracting Parties shall be issued either by the Departments of Commerce or Agriculture or by the Chamber of Commerce to which the consignor belongs, or by any organisation or body approved by the country of destination. The Government of the country of destination shall have the right to require that certificates of origin shall be legalised by its diplomatic or consular representative.

Certificates of origin shall not be required in the case of postal packets if the country of destination recognises that the consignments are not of a commercial character.

#### Article XV.

Neither Contracting Party shall maintain or establish any import, export or transit prohibition or restriction on any goods whatsoever originating in the territory of the other Contracting Party or destined to be exported thither unless the said prohibition or restriction applies, under the same conditions, to like goods, if any such exist, coming from any other country or destined to be exported to any other country.

Nevertheless, the Contracting Parties recognise that the following classes of import or export prohibitions or restrictions are not forbidden, provided, however, that they are not applied in such a manner as to constitute a means of arbitrary discrimination between foreign countries where identical conditions prevail:

- (1) Prohibitions or restrictions relating to public security;
- (2) Prohibitions or restrictions imposed on moral or humanitarian grounds;
- (3) Prohibitions or restrictions imposed on the importation of arms, ammunitions and implements of war;
- (4) Prohibitions or restrictions imposed for the protection of public health or for the protection of animals or plants against diseases, insects and harmful parasites;
- (5) Export prohibitions or restrictions for the protection of national treasure of artistic, historical or archaeological value;
- (6) Prohibitions or restrictions applicable to gold, silver, coins, currency notes, banknotes or securities;

- (7) Prohibitions or restrictions designed to extend to foreign products the régime established within the country in respect of the protection of, trade in, and transport and consumption of native products of the same kind;
- (8) Prohibitions or restrictions applied to products which, as regards production or trade, are or may in future be subject within the country to State monopoly or to monopolies exercised under State control.

It is understood that the Contracting Parties shall have the right to impose prohibitions or restrictions on products favoured by bounties or grants or in any other manner, either openly or secretly.

#### Article XVI.

The Contracting Parties undertake to accord to each other transit, over the routes most suitable for international transit, to passengers, baggage, goods and articles of every kind, consignments, vessels, boats, carriages and wagons or other means of transport, and they guarantee each other most-favoured-nation treatment in this respect.

Goods of every kind passing through the Customs territory of either Contracting Party shall be reciprocally exempted from any Customs duties and other charges with the exception of supervisory

and statistical dues and charges, and other administrative charges.

The provisions of the present Article apply to goods in transit which have been transhipped or warehoused, whether they have been repacked or not.

It is nevertheless understood that the transit of such goods shall be guaranteed in conformity with the respective Customs laws in order to prevent their introduction into the country.

Neither of the Contracting Parties shall be required to ensure the transit of travellers whose entry into its territory has been prohibited.

The transit of goods may be prohibited:

(a) For reasons of public safety and national security;

(b) For reasons of health or as a precaution against diseases of animals and plants.

The Contracting Parties shall have the right to take the necessary precautions to satisfy themselves that goods, which in their territories constitute a State monopoly, are genuinely in transit.

#### Article XVII.

The two Contracting Parties reciprocally guarantee each other most-favoured-nation treatment within their territories in regard to rates and methods of transport, conditions of delivery and public taxes and charges on their respective railways.

# Article XVIII.

Vessels and boats flying the flag of either Contracting Party and entering the waters and ports of the other Party in ballast or with cargo, or leaving the waters and ports of that Party, shall, whatever may be the place from which they come or to which they are consigned, be accorded within these waters and ports the same treatment in all respects as nationals vessels, and shall not be liable therein to any duties or charges of any description whatsoever, levied on behalf of and for the profit of the State, provinces, communes, or any body whatsoever authorised by the Government, other or higher than those which are or may in future be levied on national vessels.

# Article XIX.

Cargoes of vessels, whatever may be the place from which they come or to which they are consigned, shall not be liable to other or higher duties or charges, nor be treated otherwise, than

goods imported or exported under the national flag; their passengers, together with the baggage of these passengers, shall similarly be treated as if they were conveyed on vessels flying the national flag.

#### Article XX.

The provisions of the present Treaty concerning the reciprocal granting of national treatment as regards navigation shall not extend:

- (1) To the coasting trade and to navigation in inland waters, which shall continue to be governed by the laws which are or may hereafter be in force in the territories of either High Contracting Party.
- (2) To bounties which are or may hereafter be granted for the development of the national merchant marine.
- (3) To the exercise of fishing, including seal hunting in the territorial waters of the High Contracting Parties, or to the exercise of the maritime service of ports, roadsteads and beaches.

Maritime service shall include towage and pilotage, assistance and salvage at sea, in so far as these operations are carried out within the limits of the territorial waters and in the Sea of Marmora.

It is understood that most-favoured-nation treatment shall be granted in respect of any exceptional matters not included in the enumeration given above.

#### Article XXI.

The nationality of vessels and boats shall be recognised by both Parties in accordance with the documents and certificates issued for the purpose by the competent authorities of the respective States, in conformity with the laws and regulations of each country.

Tonnage measurement certificates and other tonnage measurement documents issued by either Contracting Party shall be recognised by the other Party in conformity with any special agreements which may be concluded between the two Contracting Parties.

### Article XXII.

Vessels and boats flying the flag of either Contracting Party and entering a port of the other Party with the sole object of completing their cargo therein or of unloading some portion thereof, shall be entitled, provided that they observe the laws and regulations of the State concerned, to retain on board the portion of their cargo which is consigned to another port or to another country, and to re-export such portion of the cargo without being liable to pay any duties or charges thereon, except supervision fees. The latter may, moreover, only be levied at the lowest rate fixed for national vessels.

#### Article XXIII.

If a vessel of either Contracting Party should be wrecked, stranded, damaged at sea, or forced to take shelter in the waters of the other Party, the vessel and its cargo shall be granted the same privileges and immunities as are granted by the laws and regulations of the country concerned in similar circumstances to national vessels. Assistance and relief shall be given to the master, crew and passengers, both as regards themselves and the vessel and its cargo, to the same extent as to nationals.

As regards the right of salvage, the laws of the country where salvage takes place shall apply.

Goods salved from a stranded or wrecked vessel shall not be subject to any Customs duties unless they are imported into the country for consumption therein.

## Article XXIV.

Each of the Contracting Parties undertakes that, in its territory, the provisions of the Paris International Convention of March 20, 1883, for the Protection of Industrial Property, as revised at Washington 1 on June 2, 1911, shall apply to the goods of the other Party.

## Article XXV.

The provisions of the present Treaty shall not apply:

- (r) To the treatment which has been or may subsequently be accorded by either Contracting Party in the matter of frontier traffic with neighbouring countries;
  - (2) To special benefits resulting from a Customs union;
- (3) To the special advantages or benefits which at present exist or may subsequently be established in the matter of Customs tariffs, and generally in any other commercial matter between Turkey and the countries which were detached from the Ottoman Empire in 1923;
- (4) To the advantages and benefits which Finland has granted or may hereafter grant to Estonia for the purpose of maintaining her traditional commercial relations with that country;
- (5) To the advantages which Finland has granted or may hereafter grant to neighbouring States in respect of navigation in the Baltic Sea and its bays north of  $58^{\circ}$  latitude north;
- (6) To the advantages which Finland and Turkey have granted or may hereafter grant in respect of the importation of wines and alcoholic liquors.

# Article XXVI.

The present Treaty shall come into force one month after the date of exchange of ratifications and shall remain in operation for a period of three years from that date. Unless either Contracting Party notifies one year before that date its intention of terminating the Treaty, the latter shall remain binding until the expiry of one year from the date on which either Contracting Party shall have denounced it.

#### Article XXVII.

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

In faith whereof the above-mentioned Plenipotentiaries have signed the present Treaty and have thereto affixed their seal.

Done in duplicate at Ankara on August 12, 1929.

- (L. S.) Mauno Nordberg.
- (L. S.) ZEKĂI.
- (L. S.) Mustafa Seref.
- (L. S.) M. NUMAN.

<sup>&</sup>lt;sup>1</sup> British and Foreign State Papers, Vol. 104, page 116.

## PROTOCOL OF SIGNATURE.

On proceeding to sign the present Treaty, the Contracting Parties agreed on the following provisions :

- I. It is understood that the Contracting Parties shall grant each other most-favourednation treatment in regard to duties and all charges, whatever may be their denomination or nature, levied on exportation.
- 2. The Delegate of the Finnish Republic declares on behalf of his Government that the benefits of the most-favoured-nation clause contained in Article III of the present Treaty may not be claimed on behalf of Finnish nationals in regard to any rights which may have been acquired by nationals of the States signatories of the Convention <sup>1</sup> respecting Conditions of Residence and Business and Jurisdiction, concluded at Lausanne on July 24, 1923, and which Turkey under Article 4 of that Convention has agreed to recognise.
- 3. The Contracting Parties approve the principle of preventing all double taxation and note, as a corollary to Article IX, that the nationals, companies and cooperative societies of either Contracting Party not established in the territories of the other shall not be subject therein to taxes on the profits accruing from their exportation to the latter country so long as they have no establishment therein.
- 4. The present Protocol shall form an integral part of the present Treaty and shall become binding immediately upon the entry into force of the Treaty.

Mauno Nordberg. Zekai.