

N° 2689.

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**ALLEMAGNE ET PANAMA**

Traité de commerce et de navigation,  
avec protocole final. Signés à  
Panama, le 21 novembre 1927.

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**GERMANY AND PANAMA**

Treaty of Commerce and Navigation,  
with Final Protocol. Signed at  
Panama, November 21, 1927.

## TEXTE ALLEMAND. — GERMAN TEXT.

N<sup>o</sup> 2689. — HANDELS- UND SCHIFFAHRTSVERTRAG<sup>1</sup> ZWISCHEN DEM DEUTSCHEN REICH UND PANAMA. GEZEICHNET IN PANAMA, AM 21. NOVEMBER 1927.

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*Textes officiels allemand et espagnol, communiqués par le consul général d'Allemagne à Genève.  
L'enregistrement de ce traité a eu lieu le 1<sup>er</sup> mai 1931.*

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DAS DEUTSCHE REICH und PANAMA, von dem Wunsche geleitet, das zwischen ihnen glücklicherweise bestehende gute Einvernehmen zu erhalten und den Handelsverkehr zwischen den beiden Ländern zu fördern, haben beschlossen, zu diesem Zwecke einen Handels- und Schifffahrtsvertrag abzuschliessen, und haben hierfür zu ihren Bevollmächtigten ernannt :

DER PRÄSIDENT DES DEUTSCHEN REICHES :

Den ausserordentlichen Gesandten und bevollmächtigten Minister des Deutschen Reiches in Panama, Herrn Wilhelm von KUHLMANN ;

DER PRÄSIDENT DER REPUBLIK PANAMA :

Den Staatssekretär der Auswärtigen Angelegenheiten, Herrn Dr. Horacio F. ALFARO.

Welche sich nach Mitteilung ihrer in guter und gehöriger Form befundenen Vollmachten über folgende Artikel geeinigt haben :

*Artikel I.*

Die Angehörigen jedes der Hohen vertragschliessenden Teile sollen, soweit nicht der gegenwärtige Vertrag Ausnahmen enthält, im Gebiete des anderen Teiles in bezug auf Handel, Gewerbe und Schifffahrt dieselben Vorrechte, Befreiungen und Begünstigungen aller Art geniessen, die den Angehörigen des meistbegünstigten Staates zustehen oder zustehen werden ; sie sollen ferner volle Freiheit haben, unter den nämlichen persönlichen und sachlichen Bedingungen wie die Angehörigen des meistbegünstigten Staates einer beruflichen Tätigkeit nachzugehen.

Die Angehörigen jedes der Hohen vertragschliessenden Teile können, vorausgesetzt, dass sie die Landesgesetze beobachten, und unbeschadet der Einwanderungsgesetzgebung, das Gebiet des anderen Teiles frei betreten, darin reisen, sich aufhalten und niederlassen sowie dies Gebiet jederzeit frei verlassen. Sie werden dabei, einschliesslich der Einwanderungsgesetzgebung, keinen anderen oder lästigeren allgemeinen oder örtlichen Beschränkungen oder Auflagen irgendwelcher Art als denjenigen unterworfen sein, denen die Angehörigen des meistbegünstigten Staates jeweils unterworfen sind.

Die Angehörigen des einen Teiles sollen im Gebiete des anderen Teiles in gleicher Weise wie die Angehörigen des meistbegünstigten Staates befugt sein, bewegliches oder unbewegliches

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<sup>1</sup> L'échange des ratifications a eu lieu à Panama, le 12 novembre 1930.  
Entré en vigueur le 2 décembre 1930.

## TEXTE ESPAGNOL. — SPANISH TEXT.

Nº 2689. — TRATADO<sup>1</sup> DE COMERCIO Y NAVEGACIÓN ENTRE ALEMANIA Y PANAMÁ. FIRMADO EN PANAMÁ, EL 21 DE NOVIEMBRE DE 1927.

*German and Spanish official texts communicated by the German Consul-General at Geneva. The registration of this Treaty took place May 1, 1931.*

ALEMANIA y PANAMÁ, animadas del deseo de conservar las relaciones de buena armonía felizmente existentes entre ellas y de favorecer el intercambio comercial entre ambos países han resuelto celebrar con tal objeto un Tratado de Comercio y Navegación y con ese fin han designado como sus Plenipotenciarios :

EL PRESIDENTE DE ALEMANIA :

Al Señor Don Wilhelm von Kuhlmann, Ministro Plenipotenciario y Enviado Extraordinario de Alemania en Panamá ;

EL PRESIDENTE DE LA REPÚBLICA DE PANAMÁ :

Al Señor Dr. Don Horacio F. Alfaro, Secretario de Estado en el Despacho de Relaciones Exteriores ;

Quienes, después de haberse comunicado sus Plenos Poderes y hallándolos en buena y debida forma, han convenido en los artículos siguientes :

*Artículo I.*

Los ciudadanos de cada una de las Altas Partes Contratantes gozarán en el territorio de la otra (siempre que el presente tratado no establezca excepciones) en materia de comercio, industria y navegación, de los mismos privilegios, exenciones y beneficios de cualquier clase acordados o que se acordaren en favor de los ciudadanos de la nación más favorecida. Tendrán además plena libertad para ejercer cualquier profesión bajo las mismas condiciones con respecto a su persona y demás requisitos que los ciudadanos de la nación más favorecida.

Los ciudadanos de cada una de las Altas Partes Contratantes podrán entrar libremente en el territorio de la otra, viajar, detenerse y establecerse en el mismo y abandonarlo en cualquier tiempo, siempre a condición de conformarse con las leyes nacionales y sin perjuicio de las leyes sobre inmigración. No estarán sometidos inclusive en cuanto a las leyes sobre inmigración, a distintas o más gravosas restricciones o contribuciones, generales o locales, de cualquier género, que a las que estén o puedan estar en vigor para los ciudadanos de la nación más favorecida.

Los ciudadanos de una Parte tendrán en el territorio de la otra capacidad de adquirir y poseer bienes muebles e inmuebles del mismo modo que los ciudadanos de la nación más favorecida ; la

<sup>1</sup> The exchange of ratifications took place at Panama, November 12, 1930. Came into force December 2, 1930.

<sup>1</sup> TRANSLATION.

## No. 2689. — TREATY OF COMMERCE AND NAVIGATION BETWEEN THE GERMAN REICH AND PANAMA. SIGNED AT PANAMA, NOVEMBER 21, 1927.

GERMANY and PANAMA, being desirous of maintaining the friendly relations fortunately existing between them and of promoting trade between the two countries, have resolved to conclude a Treaty of Commerce and Navigation for this purpose and have appointed as their Plenipotentiaries :

THE PRESIDENT OF GERMANY :

M. Wilhelm VON KUHLMANN, Envoy Extraordinary and Minister Plenipotentiary of Germany in Panama ;

THE PRESIDENT OF THE REPUBLIC OF PANAMA :

Dr. HORACIO F. ALFARO, Secretary of State in the Department for Foreign Affairs ;

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

*Article I.*

The nationals of either High Contracting Party shall enjoy, in the territory of the other, subject to the exceptions laid down in the present Treaty, the privileges, exemptions and favours of every description in the matter of commerce, industry and navigation which are or may hereafter be accorded to nationals of the most favoured nation. They shall further be free to carry on any occupation under the same personal and other relevant conditions as nationals of the most favoured nation.

The nationals of each of the High Contracting Parties shall be free, provided that they comply with the laws of the country and without prejudice to the immigration laws, to enter the territory of the other, to travel, reside or establish themselves therein, and to leave it at any time. They shall not be subject to general or local restrictions or charges of any nature, including the immigration laws, other or more burdensome than those which are or may hereafter be applicable to nationals of the most favoured nation.

The nationals of either Party shall be free, under the conditions applicable to nationals of the most favoured nation, to acquire and possess movable and immovable property in the territory of the other, to dispose thereof by sale, exchange, gift, testamentary disposition or in any other way, and similarly to inherit such property whether by testamentary disposition, or by operation of law.

They shall have the right of access to the courts of the other Contracting Party for the purpose of prosecuting or defending their rights.

*Article II.*

Joint-stock companies and commercial companies of every kind, including industrial, financial, insurance, traffic and transport companies, which have their seat in the territory of one of the High

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

Contracting Parties and are legally constituted therein shall also be recognised as legally constituted in the territory of the other Party ; similarly their legal capacity to contract and their right to appear before the courts shall be governed by the legislation of their country of origin. Their right to carry on their business activities in the territory of the other Party shall be subject to the laws and regulations which are or may subsequently be in force in that territory.

In any case, they shall enjoy as regards the conditions for their admission and the exercise of their activities, and in every other respect, the same rights, advantages and exemptions as are accorded to similar undertakings of the most favoured nation.

#### Article III.

There shall be full freedom of trade between the two High Contracting Parties, which undertake not to hinder trade between the two countries by means of import or export prohibitions of any kind.

Exceptions to this rule may be made in the following cases so far as they are applicable to all countries or to countries in which the same conditions prevail :

- (a) For reasons of public safety ;
- (b) For reasons of public health or to protect animals or plants from disease [and pests, and similarly to protect plants from degeneration and extinction ;
- (c) In regard to arms, ammunition and implements of war and, in case of emergency, other war supplies ;
- (d) In regard to goods which form or may hereafter form the subject of a State monopoly in the territory of one of the High Contracting Parties, and with a view to extending to foreign goods all other prohibitions or restrictions which are or may hereafter be established by internal legislation on the production, sale, transport or consumption of like goods produced within the country itself.

#### Article IV.

The High Contracting Parties shall grant one another freedom of transit through their respective territories.

Exceptions to this rule may be made in the following cases, so far as they are applicable to all countries or to countries in which the same conditions prevail :

- (a) For reasons of public safety ;
- (b) For reasons of public health or to protect animals or plants from disease and pests ;
- (c) In case of emergency in regard to war supplies.

The High Contracting Parties undertake not to levy any transit duties.

These provisions shall apply both to goods in direct transit and to goods which are transhipped, repacked or warehoused during transit.

#### Article V.

Products of the soil and industry of each of the High Contracting Parties shall be treated, both on importation into the territory of the other Party and on exportation to that territory, in

accordance with the most-favoured-nation clause in respect of the amount, the levying and the guaranteeing of Customs duties and taxes and in respect of all Customs formalities.

*Article VI.*

In the matter of taxation (taxes and Customs duties), dues in the nature of taxes and other similar charges, the nationals of either of the High Contracting Parties shall enjoy in every respect in regard to their persons, property, rights and interests in the territory of the other Party, the treatment and protection accorded by the revenue authorities and tribunals to that Party's own nationals and nationals of the most favoured nation.

The provisions of this Article shall apply by analogy to the companies mentioned in Article 2.

*Article VII.*

In so far as the provisions of this Treaty relate to the reciprocal granting of most-favoured-nation treatment, they shall not apply :

(a) To the special privileges granted now or in the future by one of the High Contracting Parties to neighbouring States for the purpose of facilitating frontier traffic within a zone not as a rule exceeding 15 kilometres in breadth on either side of the frontier ;

(b) To engagements already entered into or which may be entered into in future by one of the High Contracting Parties under the terms of a Customs union ;

(c) To privileges which one of the High Contracting Parties grants under an agreement to another State for the adjustment of inland and foreign taxation and especially for the prevention of double taxation, or for granting legal protection and assistance in matters of taxation and prosecutions for fiscal offences.

*Article VIII.*

The production of certificates of origin shall not as a rule be required on the importation of products of one of the High Contracting Parties into the territory of the other.

Nevertheless, should one of the High Contracting Parties levy on the products of a third country duties higher than those applicable to like products of the other Party, or impose on products of a third country import prohibitions or restrictions not applicable to like products of the other Party, it shall have the right, if necessary, to make the application of reduced charges to products of the other Party, and likewise their admittance, conditional on the production of certificates of origin.

The High Contracting Parties undertake to ensure that no unnecessary formalities in the issue of certificates of origin shall be allowed to hinder commerce.

Certificates of origin may be issued by the Customs authorities in the place of despatch within the country or at the frontier, or by the competent Chamber of Commerce or Industry. The two Governments may conclude agreements transferring to authorities other than those mentioned above, or to economic associations in either of the two countries, the power to issue certificates of origin which must be accepted by the Customs authorities in the other country. Should the certificates not be issued by a duly authorised Government authority, the Government of the importing country may require them to be legalised by its diplomatic or consular authority possessing competence in the place of despatch. No charge shall be made for legalisation.

Certificates of origin may be drawn up either in the language of the country of destination of the goods or in that of the exporting country ; in the latter case, the Customs offices in the country of destination may require a translation.

If products of third countries are imported through the territory of one of the High Contracting Parties into the territory of the other, the Customs authorities of the latter shall also accept certificates of origin issued as provided for in this Article in the territory of the first-named Party.

*Article IX.*

The nationals of each of the High Contracting Parties shall be exempt in the territory of the other Party from all military service in the army, navy or air force or in the national militia, and also from all requisitions or military contributions. Similarly they shall be exempt from all compulsory judicial, administrative or communal functions and from all contributions in money or kind that may be imposed in lieu of personal services.

This provision shall not apply, however, to charges connected with the possession, renting or leasing of immovable property, or to contributions and military requisitions which may be imposed on nationals of the country in their capacity as owners or lessees of immovable property. In respect of such charges, contributions or requisitions, they shall enjoy the same treatment as nationals of the most favoured nation.

Similarly, nationals of each of the High Contracting Parties, including the companies mentioned in Article 2 of the present Treaty, shall be exempt in the territory of the other Party from forced loans and compulsory contributions.

In the case of expropriation for public utility purposes, reasonable compensation shall be given to the persons concerned.

*Article X.*

German vessels and their cargoes in Panama and Panama vessels and their cargoes in Germany, shall be treated like national vessels and their cargoes.

This provision shall not apply to the special treatment granted by either High Contracting Party on the importation into its territory of fish caught by the crews of national vessels.

Moreover, it shall not apply to the coasting trade, which shall continue to be regulated by the laws of each country. Nevertheless, as regards the coasting trade, each of the High Contracting Parties may claim for its vessels any favours and privileges in this respect which have been or may hereafter be accorded by the other Party to a third Power, provided that it grants the same favours and privileges in its territory to the vessels of the other Party.

*Article XI.*

The High Contracting Parties shall grant to each other the right to appoint consuls in all the ports and places of commerce of the other Party in which consuls of any third country are permitted to reside.

The consuls of each of the High Contracting Parties shall enjoy in the territory of the other the same privileges, exemptions and powers as are or may in future be granted to the consuls of any third State. These privileges, exemptions and powers, nevertheless, shall not be greater than those accorded to the consular representatives of the latter Party in the territory of the former.

*Article XII.*

It is understood that this Treaty shall not apply to the Panama Canal Zone and that the stipulations which have been or may hereafter be agreed upon between Panama and the United States of America for the construction, upkeep, operation, sanitation and protection of the Panama Canal may not be invoked by Germany in virtue of the most-favoured-nation clause.

*Article XIII.*

In the event of a dispute as to the interpretation or application of the present Treaty, including the Final Protocol, this dispute shall, at the request of one of the Parties, be submitted for decision to an arbitral tribunal. This shall also apply to the preliminary question whether the dispute relates to the interpretation or application of the Treaty. The decision of the arbitral tribunal shall be binding.

The arbitral tribunal shall be constituted for each individual dispute, as follows : each Party shall appoint one of its nationals as arbitrator and the two Parties shall select as umpire a national of a third State. Should the High Contracting Parties fail to agree on the choice of an umpire within four months after the request for an arbitral decision has been made, they shall apply by common consent to the President of the Administration Council of the Permanent Court of Arbitration at The Hague to appoint him.

The High Contracting Parties reserve the right to agree beforehand, for a specified period, on the person of an umpire.

*Article XIV.*

The present Treaty, drawn up in two originals, one in German and the other in Spanish, shall be ratified by the Parties after approval by the legislatures, and the ratifications shall be exchanged in the City of Panama as soon as possible.

It shall enter into force on the twentieth day after the exchange of the ratifications and shall remain valid for three years from that date. Should neither of the High Contracting Parties have notified the other one year before the expiry of that period of its intention to denounce the Treaty, it shall remain in force for one year from the date of its denunciation by either of the High Contracting Parties.

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

Done in two originals, in the German and Spanish languages, in the City of Panama on the twenty-first day of November, one thousand nine hundred and twenty-seven.

(L. S.) Wilhelm VON KUHLMANN.

(L. S.) H. F. ALFARO.

## FINAL PROTOCOL.

On signing the Treaty of Commerce and Navigation concluded this day between Germany and Panama, the undersigned Plenipotentiaries have made the following reservations and declarations, which shall form an integral part of the Treaty.

## I.

Article 1 shall not affect passport regulations or any provisions which have been or may hereafter be issued by the High Contracting Parties in regard to the employment of foreign labour



in general ; it is understood, however, that employees shall not be subject to restrictions of any kind as regards their acceptance of employment.

It is also understood that the provisions of the present Treaty shall not affect the right of either High Contracting Party to prohibit in individual cases the sojourn in its territory of nationals of the other Party, either as a result of a judicial decision, or for reasons connected with the external or internal safety of the State, or for police reasons, and especially for reasons connected with the regulations on pauperism, public health and morals.

## II.

The provisions of Article 3 shall not affect the import and export prohibitions at present in force in the two countries. These prohibitions shall be notified by the High Contracting Parties to each other and shall remain in force in relation to the other Party as long as they are applied to all other countries.

## III.

It is understood that in the case of the warehousing of goods referred to in the last paragraph of Article 4, these goods shall be subject to the payment of storage charges or any other dues connected with storage, the most-favoured-nation clause being applied.

## IV.

The exemptions referred to in the second sentence of paragraph 1 of Article 9 shall be granted on the same terms as exemptions which are or may hereafter be accorded to nationals of the most favoured nation.

PANAMA, *November 21, 1927.*

Wilhelm VON KUHLMANN.  
H. F. ALFARO.