

N° 2831.

CHILI ET FRANCE

Echange de notes comportant un
« modus vivendi » commercial.
Santiago-du-Chili, le 22 mai 1931.

CHILE AND FRANCE

Exchange of Notes constituting a
Commercial " Modus Vivendi. "
Santiago-de-Chile, May 22, 1931.

¹ TRADUCTION. — TRANSLATION.

No. 2831. — EXCHANGE OF NOTES BETWEEN THE CHILEAN AND FRENCH GOVERNMENTS CONSTITUTING A COMMERCIAL "MODUS VIVENDI." SANTIAGO-DE-CHILE, MAY 22, 1931.

French official text communicated by the Chilean Ambassador in London, Delegate of Chile to the Assembly of the League of Nations. The registration of this Exchange of Notes took place September 26, 1931.

I.

REPUBLIC OF CHILE.
MINISTRY
OF FOREIGN AFFAIRS
AND COMMERCE.
No. 4837.

SANTIAGO, *May 22, 1931.*

MONSIEUR LE MINISTRE,

When communicating to Your Excellency's Government the proposal to terminate the provisional Agreement between France and Chile which was in force up to January 15 last, my Government declared its readiness to replace it by a new Agreement which, while in conformity with the spirit of the previous Agreement, would take account of the situation in which our country is placed as a result of the recent increase in Customs tariffs necessitated by general economic reasons, of which the French Government has been informed through the agency of the Chilean Legation in Paris.

In accordance with this intention and pending an understanding on the subject of a definitive commercial Agreement, the early conclusion of which is earnestly desired by the Chilean Government, I propose to Your Excellency a renewal of the reciprocal undertaking to refrain, for the duration of the said arrangement and from to-day's date, from any measure which might adversely affect the system of exchanges between the two countries, either by increasing Customs duties or imposing domestic taxes, or by discriminatory or restrictive measures adopted in either country in regard to products originating in the other.

Any increase in Customs duties which France may impose under the so-called "Cadenas" Law shall be excepted from the terms of the undertaking.

The undertaking not to increase duties which may adversely affect the system of exchanges shall refer, as far as the Chilean Government is concerned, to the commodities originating in France that are included in the annexed list, my Government reserving the right to modify the duties on commodities not included in this list in the manner it may deem most appropriate in the interests of the country.

Desirous that this Agreement shall replace as far as possible the Convention which was in force down to January 15, 1931, my Government would undertake to apply, until the expiration of the present Agreement, to the articles included in the above-mentioned list the duties on which have been increased since that date, the duties that were in force before these increases, provided that the said articles are of French origin.

¹ Traduit par le Secrétariat de la Société des Nations, à titre d'information.

¹ Translated by the Secretariat of the League of Nations, for information.

Notwithstanding the provisions of the previous paragraph, the duty applicable to the commodities included in Section 393 shall be \$18 per kg. net, and that applicable to Marseilles soap, Section 1138, shall be \$1.60 per kg. gross.

The French products included in the said list shall therefore be subject to the duties indicated therein.

Moreover, as regards Sections 778 (Salvarsan or 606, compounds thereof and other similar products) and 1040 (Salvarsan or 606, compounds thereof and other products intended for the same purpose made up in tubes or ampoules for injections), it is provided that French products shall pay the same duty as other imported foreign products, whether or no they are imported for the account of the State or are intended for public departments.

Should it be necessary in either country under the provisions of the proceeding paragraphs to subject commodities or products of the other to Customs treatment differing from the general treatment, it shall be permissible to require that such products or commodities should be accompanied by a certificate of origin.

Certificates of origin shall not be required for commodities coming from France which, on the date of the coming into force of this Agreement, are in the Chilian Customs, nor for commodities which have been loaded in French ports within a period not exceeding fifteen days after the above date.

The competent Customs authorities shall grant a period of six months in which to present the certificates of origin for products or commodities not included in the cases mentioned in the preceding paragraph. This period shall be reckoned from the day on which the Customs authorities have valued the consignment. In these cases the importers shall be required to pay the duties in the general tariff and the difference between the latter and those which are applicable in conformity with the text of the present Agreement shall be refunded by the Customs authorities on presentation of the said certificate of origin in good and due form.

Certificates of origin shall be issued by the Customs authorities or the competent and officially recognised Chambers of Commerce of either Party in conformity with the rules adopted by the Customs Administrations or by the Chambers of Commerce of the country of origin.

These certificates shall be made out in the Spanish and French languages and only those issued by the Chambers of Commerce shall require the consular visa of the other Party in the place of origin. This visa will be granted free of charge in every case.

No certificate of origin shall be required for postal packages, postal consignments, packages of 5 kg. or less conveyed by air, or commercial travellers' samples.

It is understood that the Chilian Government will not increase the amount of the trading licence duties payable at present in Chile by French commercial travellers and that the French Government will give Chilian commercial travellers the benefit of the régime of reciprocity which mainly includes the right to deposit the import duties and taxes in respect of samples.

The present Agreement shall be ratified and the ratifications shall be exchanged at Santiago. It shall remain in force until September 30, 1931.

If on the expiration of this date the negotiations for a final Treaty have not led to any result, the Agreement shall be prolonged by tacit consent for successive periods of fifteen days, unless it is denounced by either Government with fifteen days' previous notice.

I shall be obliged if Your Excellency will be good enough to confirm your Government's acceptance of the terms of this new Agreement.

I have the honour, etc.

(Signed) PLANET.

To His Excellency
Monsieur des Longchamps,
Minister of France in Chile,
Santiago.

II.

No. 71 *bis*.SANTIAGO, *May 22, 1931.*

MONSIEUR LE MINISTRE,

You were good enough to confirm to me in your letter No. 4837 of the 22nd of this month that the Chilian Government, in denouncing the provisional Commercial Agreement between France and Chile which was in force up to January 15, 1931, had at the same time informed the French Government of its intention to replace it by a new Agreement which, while in conformity with the spirit of the previous Agreement, would take account of the situation in which Chile is placed as a result of the recent increases in her Customs tariff, necessitated by general economic causes.

In reply to your above-mentioned communication, I have the honour to inform you that the French Government agrees with the Chilian Government not to take, as from the signature of the proposed new Agreement and pending the termination of negotiations for a definitive commercial treaty, any measure which might adversely affect the present system of exchanges between the two countries, either by increasing tariff rates or domestic taxes, apart from those provided for in the French "Cadenas" Law which are excepted from the present Agreement, or by measures of discrimination taken in the market of either country against the products of the other.

It is understood that the Chilian Government will permit the importation of products originating in France and appearing on the annexed list at the rates of duty laid down in the Customs Tariff of 1928 and indicated on the said list.

Notwithstanding the provisions of the previous paragraph, the duty applicable to the commodities included in Section 393 shall, however, be \$18 per kg. net, and that applicable to Marseilles soap (Section 1138) shall be \$1.60 per kg. gross.

The duties applicable to these products as from the date of the present Agreement shall therefore be the duties appearing on the said list.

It is moreover understood that, in accordance with the provisions of the previous paragraphs, the application in either country of a Customs treatment different from the general treatment of commodities or products of the other may involve the obligation to have these products or commodities accompanied by a certificate of origin.

Certificates of origin shall not be required for commodities coming from France which, on that date, are in the Chilian Customs, for any commodities already on board ship or for such as may be loaded in French ports during a period of fifteen days from this day's date.

The Customs authorities concerned shall grant a period of six months in which to present the certificates of origin for products or commodities not included in the previous paragraph. This period shall be reckoned from the day on which the Customs Authorities have valued the consignment. In this case importers shall be required to pay the duties in the general tariff and the difference between the latter and those which are applicable in conformity with the terms of the present Agreement shall be refunded to them on presentation of the certificate of origin relating to these commodities.

Certificates of origin shall be issued by the Customs authorities or the competent and officially recognised Chambers of Commerce of either Party in conformity with the rules adopted by the Customs Administrations and by the Chambers of Commerce of the country of origin. These certificates shall be made out in the Spanish and French languages, and only those issued by the Chambers of Commerce shall require a visa from the consular authorities of the place of origin of the other Party. The visa shall be granted free of charge in each case. No certificate of origin shall be required for postal packages, postal consignments, packages of 5 kg. or less conveyed by air, or commercial traveller's samples.

Contrary to the terms of the preceding paragraph and in view of agreements concluded with other countries, the French Government reserves the right to call for the production of a certificate of origin for packages containing cotton stockings and socks.

As regards Section 778 (Salvarsan or 606, compounds thereof and other similar products) and Section 1040 (Salvarsan or 606, compounds thereof and other products intended for the same purpose made up in tubes or ampoules for injections), it is understood that French products shall pay the same duties as foreign imported products, whether or no they are ordered by the Chilian Government or are intended for public departments.

It is also understood that the Chilian Government will not increase the amount of the trading licence duties at present levied in Chile on commercial travellers, and that the French Government will continue to give Chilian commercial travellers the benefit of the régime of reciprocity, which also includes the right to deposit the import duties and taxes in respect of samples.

If negotiations for the conclusion of a definitive agreement have not been successful by September 30, 1931, the present arrangement shall be renewable by tacit consent for successive periods of fifteen days unless it is denounced by either Government with fifteen day's previous notice.

I have the honour, etc.,

(Signed) LONGCHAMPS.

To His Excellency
M. Antonio Planet,
Minister for Foreign Affairs,
Santiago.

LIST ANNEXED TO THE FRANCO-CHILIAN "MODUS VIVENDI".

Products of French origin for which the tarif duties of 1928 are retained.

No. of item	Designation	Duties
1	For metallic antimony only	kg. net 0.60
11	kg. gross 0.01
17	kg. gross 0.10
19	kg. gross 0.10
67	kg. legal 8.—
135	kg. gross 1.—
219	kg. gross 5.—
220	kg. gross 8.—
221	kg. legal 10.—
223	kg. gross 8.—
239	kg. gross 1.50
249	litre 11.25
250	litre 8.—
252	litre 18.—
253	Only for alcoholic bitters in bottles	litre 20.—
256	kg. gross 0.50
256 A	Only for Vittel waters, Vals waters and other mineral waters	kg. gross 3.—
274	kg. legal 18.—
275	kg. legal 12.—

¹ The definition of the Customs Tariff of 1928 is retained in full for this item.

No. of item	Designation	Duties
282	..... 1	kg. legal 3.—
285	..... 1	kg. legal 18.—
289	..... 1	kg. legal 10.—
369	Applies only for tissues weighing less than 40 grammes per square metre and having 27 threads or less in a square of 5 millimetres side	kg. net 4.50
370	Applies only to tissues weighing less than 40 grammes per square metre and having from 28 to 38 threads in a square of 5 millimetres side . . .	kg. net 5.70
371	Applies only to tissues weighing less than 40 grammes per square metre and having more than 38 threads in a square of 5 millimetres side . . .	kg. net 7.—
378	..... 1	kg. net 5.60
379	..... 1	kg. net 6.70
380	..... 1	kg. net 8.40
381	Applies only to items 369, 370, 371 and items 378, 379 and 380 supplement	kg. net 1.30
384	The same remark as for the preceding supplement	kg. net 3.60
392	..... 1	kg. net 18.—
393	This duty has been increased to	kg. net 18.—
394	..... 1	kg. net 20.—
395	..... 1	kg. net 30.—
396	..... 1	kg. net 60.—
397	..... 1	kg. net 120.—
398	With the exception of " habutal "	kg. net 60.—
399	..... 1	kg. net 12.—
415	..... 1	kg. net 60.—
416	..... 1	kg. net 120.—
417	..... 1	kg. net 250.—
465	..... 1	kg. legal 60.—
466	..... 1	kg. legal 120.—
482	..... 1	kg. legal 40.—
483	..... 1	kg. legal 100.—
484	..... 1	kg. legal 150.—
493	..... 1	each 20.—
494	..... 1	each 13.50
495	..... 1	each 10.—
497	..... 1	kg. legal 25.—
498	..... 1	kg. legal 80.—
501	..... 1	kg. legal 200.—
503	..... 1	each 60.—
534	..... 1	kg. net 60.—
535	..... 1	kg. net 120.—
536	..... 1	kg. net 250.—
546	..... 1	kg. net 25.—
552	..... 1	each 2.—
554	..... 1	each 10.—
555	..... 1	each 30.—
567	..... 1	kg. net 60.—
579	..... 1	kg. net 400.—
586	..... 1	kg. net 80.—
587	..... 1	kg. net 120.—
588	..... 1	kg. net 250.—
595	..... 1	kg. net 50.—

¹ The definition of the Customs Tariff of 1928 is retained in full for this item.

No. of item	Designation	Duties
596	1 kg. net 80.—
597	1 kg. net 120.—
598	1 kg. net 250.—
614	1 each 13.50
615	1 each 10.—
616	1 each 15.—
620	1 each 13.50
621	1 each 40.—
630	1 kg. net 5.—
631	1 kg. net 7.—
632	1 kg. net 15.—
700	1 kg. legal 50.—
718	Applies only to citric acid	1 kg. gross 2.—
722	1 kg. legal 0.30
729	1 kg. gross 2.—
756	Applies only to phosphate of ammonia	1 kg. net 2.—
892	1 kg. gross 1.80
910	1 kg. gross 0.10
978	1 kg. legal 15.—
979	1 kg. legal 50.—
1002	1 kg. legal 50.—
1009	1 kg. legal 15.—
1014	With the exception of lozenges and compressed drugs	1 kg. legal 40.—
1016	1 kg. legal 6.—
1026	1 kg. legal 102.—
1032	Applies only to cachets, pills and coated pills.	1 kg. legal 7.—
1033	1 kg. legal 25.—
1035	1 kg. legal 18.—
1046	1 kg. legal 5.—
1054	1 litre 10.—
1055	Applies only to alcoholic solutions with a base of vegetable or animal extracts having one or more components and alcoholic solutions with a base of chemical compounds	1 kg. gross 6.—
1057	1 kg. gross 3.—
1137	1 kg. legal 25.—
1138	Applies only to Marseilles soap. It is understood that the duty in the tariff of February 7, 1931, is applicable	1 kg. gross 1.60
1154	Applies only to clarifying powders	1 kg. legal 3.—
1169	1 kg. gross 0.25
1171	1 kg. legal 3.—
1251	1 kg. gross 0.60
1255	1 kg. gross 0.20
1256	1 kg. gross 0.10
1270	Applies only to bath heaters	1 kg. gross 1.—
1280	1 kg. gross 0.50
1284	1 kg. gross 0.30
1309	1 kg. legal 5.—
1310	1 kg. legal 10.—
1349	1 kg. gross 0.20
1351	Applies to parts for machinery mentioned in the preceding item.	1 kg. gross 0.25
1373	1 kg. gross 0.30
1375	1 kg. gross 0.05

¹ The definition of the Customs Tariff of 1928 is retained in full for this item.

No. of item	Designation	Duties
1376		kg. gross 0.05
1381	Applies only to silk of all kinds for machines and mechanical tools . . . ¹	kg. gross 0.25
1382	. . . . .¹	kg. gross free
1440	. . . . .¹	kg. gross 0.20
1525	. . . . .¹	kg. legal 5.—
1526	. . . . .¹	kg. legal 10.—
1527	. . . . .¹	kg. legal 40.—
1593	. . . . .¹	kg. gross 4.50
1599	. . . . .¹	kg. gross 0.10
1600	. . . . .¹	kg. gross 0.90
1643	. . . . .¹	kg. legal 20.—
1659	. . . . .¹	kg. legal 200.—
1668	. . . . .¹	kg. legal 50.—
1674	. . . . .¹	kg. legal 100.—
1682	. . . . .¹	kg. legal 200.—
1689	. . . . .¹	kg. legal 20.—
1698	. . . . .¹	kg. legal 10.—
1719	. . . . .¹	kg. net 2.—
1720	Applies only to articles weighing more than 90 grammes per square metre ¹	kg. gross 1.—
1721	. . . . .¹	kg. legal 1.50
1722	. . . . .¹	kg. legal 3.—
1727	. . . . .¹	kg. legal 3.—
1736	. . . . .¹	kg. legal 5.—
1757	Includes commercial catalogues of firms or factories established abroad having agents or representatives in Chile to receive orders, on con- dition that any goods coming from the firms in question which are sold by these agents or representatives are not imported direct by them but are only returned or rejected goods covered by orders effected by other persons ¹	kg. legal 0.01
1875	. . . . .¹	kg. legal 150.—

¹ The definition of the Customs Tariff of 1928 is retained in full for this item.