

N° 3934.

ESPAGNE ET YOUGOSLAVIE

Accord commercial additionnel au
Traité de commerce et de naviga-
tion du 29 septembre 1929 entre
les deux pays, protocole de paie-
ments et protocole de signature.
Signés à Madrid, le 15 mai 1936.

SPAIN AND YUGOSLAVIA

Commercial Agreement additional to
the Treaty of Commerce and
Navigation of September 29th,
1929, between the Two Countries,
Protocol of Payments and Protocol
of Signature. Signed at Madrid,
May 15th, 1936.

¹ TRADUCTION. — TRANSLATION.

No. 3934. — COMMERCIAL AGREEMENT ADDITIONAL TO THE TREATY OF COMMERCE AND NAVIGATION OF SEPTEMBER 29TH, 1929, BETWEEN THE SPANISH REPUBLIC AND KINGDOM OF YUGOSLAVIA. SIGNED AT MADRID, MAY 15TH, 1936.

French official text communicated by the Spanish Chargé d'Affaires at Berne. The registration of this Agreement took place July 10th, 1936.

HIS EXCELLENCY THE PRESIDENT OF THE SPANISH REPUBLIC and THE COUNCIL OF REGENCY on behalf of HIS MAJESTY THE KING OF YUGOSLAVIA, desirous of extending the basis of commercial intercourse between the two countries and, to that end, of supplementing the Treaty of Commerce and Navigation of September 29th, 1929, at present in force, have resolved to conclude an additional Commercial Agreement, and for that purpose have appointed as their Plenipotentiaries :

THE PRESIDENT OF THE SPANISH REPUBLIC :

Monsieur Augusto BARCIA, Minister for Foreign Affairs ;

THE COUNCIL OF REGENCY on behalf of THE KING OF YUGOSLAVIA :

His Excellency Monsieur Stanoyé PELIVANOVITCH, Envoy Extraordinary and Minister Plenipotentiary ;

Dr. Sava OBRADOVIC, Chief of Section at the Ministry of Commerce and Industry ;

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

Article I.

The Yugoslav Government shall take steps with a view to Spain being accorded the necessary permits for the importation into Yugoslavia during 1936 of the following products, being products the import of which into Yugoslavia is at present subject to the control system established by the Decree of April 6th, 1936, that is to say :

Number of Yugoslav Customs Tariff	Description	Quantity
5	Rice	60,000 metric quintals
ex 17	Earth nuts and hazel nuts	3,400 metric quintals
ex 18	Oranges, lemons and tangerines	30,000 metric quintals
ex 19	Bananas	2,000 metric quintals
96	Cork, raw, unworked	800 metric quintals
ex 100-4	Colophany	8,400 metric quintals
274	Cotton yarn, single strand	15,000 metric quintals
439	Cork	500 metric quintals
ex 440	Cork bottle stoppers	300 metric quintals

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.

The Yugoslav Government undertakes to accord the necessary permits to Spain for the following imports into Yugoslavia in 1937, that is to say :

Number of Yugoslav Customs Tariff	Description	Quantity
5	Rice	80,000 metric quintals
ex 17	Earth nuts and hazel nuts	3,400 metric quintals
ex 18	Oranges, lemons and tangerines	40,000 metric quintals
ex 19	Bananas	2,400 metric quintals
ex 96	Cork, raw, unworked	1,000 metric quintals
ex 100-4	Colophany	10,500 metric quintals
274	Cotton yarn, single strand	20,000 metric quintals
439	Cork	700 metric quintals
ex 440	Cork bottle stoppers	300 metric quintals

Article 2.

The Spanish Government shall take steps with a view to Yugoslavia being accorded the necessary permits for the importation into Spain during 1936 of the following products, being products the import of which into Spain is at present subject to quota, that is to say :

Number of Spanish Customs Tariff	Description	Quantity
98	Railway sleepers	5,000 metric quintals
101	Common wood in boards and planks exceeding 40 but not exceeding 75 mm. in thickness	26,000 cubic metres
102	Sawn wood in boards not exceeding 40 mm. in thickness	36,000 cubic metres
1432	Fresh eggs.	20,000 metric quintals

The Spanish Government undertakes to accord the following quotas to Yugoslavia for 1937, that is to say :

Number of Spanish Customs Tariff	Description	Quantity
98	Railway sleepers	5,000 metric quintals
101	Common wood in boards and planks exceeding 40 but not exceeding 75 mm. in thickness	30,000 cubic metres
102	Sawn wood in boards not exceeding 40 mm. in thickness	40,000 cubic metres
1022	Cellulose.	15,000 metric quintals
1432	Fresh eggs.	25,000 metric quintals

Article 3.

In the event of the exhaustion of one or other of the quotas for which Articles 1 and 2 provide, before the end of the period for which they have been accorded, each of the Contracting Parties shall consider favourably all applications by the other Party for supplementary quotas.

Similarly, in the event of particular quota-free goods, in which one of the Contracting Parties is interested, becoming subject after the present Agreement comes into force to import control or quotas, the two Contracting Parties shall accord one another the most favourable quotas possible, having regard to the possibilities of exporting the goods in question.

Article 4.

The licences and permits required for the importation of the products to which Articles 1 and 2 of the present Agreement relate shall be spread over quarters or half-years in accordance with the current rules, the allocation being effected at the beginning of the periods concerned in the manner by law provided.

It is understood that the licences and permits accorded shall apply to the total quantities for the years 1936 and 1937 for which the preceding Articles provide.

Portions of quotas accorded for any given period but not utilised shall be carried forward to the next succeeding period.

Article 5.

The Spanish Government shall take steps to promote the export to Yugoslavia of the products to which Article 1 relates, and to arrange accordingly for the effective utilisation of the import permits reserved for the said Spanish products.

The Yugoslav Government shall for its part take steps to facilitate the transshipment, warehousing and transport of Spanish products in Yugoslavia, and their transit through Yugoslavia.

Article 6.

Payments for goods originating in one of the contracting countries, which are imported into the other, shall be made in accordance with the Protocol of Payments which is an integral part of the present Agreement.

Article 7.

Each of the Contracting Parties binds itself to take all necessary steps to suppress the misuse in its territory of geographical appellations of the wines of the other Party, provided such appellations are duly protected in the territory of the latter. The two Governments shall notify one another of the protected appellations and of the official documents by which consignments of the products so protected must be accompanied in proof of their right to the said appellations in the country of origin.

The prohibition of the use of an appellation of origin to describe products not entitled thereto shall hold good even where the true origin of the products in question is stated, or where the false appellations are qualified by the addition of such terms as "kind", "type", "style" or the like, or by any other regional, specific or other indication.

Article 8.

The two Contracting Parties agree to promote the movement of tourists and travellers from Yugoslavia to Spain and *vice versa*, and to that end will permit such tourists and travellers, on a mere showing of their passports, to import on their persons the maximum amount of means of payment by law allowed in either country.

Tourist propaganda material shall be exempt from Customs duties and all charges on the import of such material in either contracting country.

Article 9.

In order to promote closer economic collaboration, the Contracting Parties agree to set up a Joint Spanish-Yugoslav Commission to see that the provisions of the present Agreement are properly

complied with, and to deal with any differences that may arise in connection with the operation of the said provisions, and generally to endeavour by every available means to intensify trade between the two countries.

The Joint Commission shall consist of representatives of the competent departments and of experts appointed by the two Governments. The Presidents of the respective national groups on the Commission shall maintain direct and, so far as possible, continuous contact. The Joint Commission shall meet at least once a year, the place of meeting being in one or other of the two countries alternately.

Article 10.

The present Agreement shall be put into force as from June 1st, 1936. It shall remain in force for one year, and shall be prolonged by tacit consent. It shall be open to denunciation after the first year of operation at three months' notice.

In faith whereof the Plenipotentiaries of the High Contracting Parties have signed the present Agreement and have thereto affixed their seals.

Done at Madrid in duplicate, this 15th day of May, 1936.

S. PELIVANOVITCH.

Augusto BARCIA.

S. OBRADOVIC.

PROTOCOL OF PAYMENTS.

With a view to facilitating payments in connection with commercial transactions between Spain and Yugoslavia, the Spanish Government and the Yugoslav Government have agreed as follows :

Article 1.

Payments of claims arising in connection with the import into Spain of Yugoslav goods shall be made in pesetas into accounts, not carrying interest, to be opened by the Centro Oficial de Contratación de Moneda (hereinafter called the " Centro ") in the name of the Narodna Banka Kraljevine Jugoslavije (hereinafter called the " Bank of Yugoslavia ").

Payments by Spanish debtors shall constitute discharge of their debts. Private contracts may be concluded freely, provided they do not conflict with the provisions of the present Protocol. The said provisions shall apply, if the case arises, to Yugoslav debtors.

Article 2.

Until June 1st, 1937, the Centro shall credit the payments received to the Bank of Yugoslavia for account of the Yugoslav creditors in the manner following, that is to say :

80 per cent of every payment shall be carried in pesetas to a clearing account, to be used as provided in Article 3 following :

The remaining 20 per cent of every payment shall be carried in Swiss francs to a free exchange account, to be at the entire disposal of the Bank of Yugoslavia, transferable at any time in Swiss francs.

Should the above clearing percentage not prove sufficient to pay for the import of Spanish goods into Yugoslavia, it shall be increased to 100 per cent.

The whole of every payment shall in any case be carried in pesetas to the clearing account as from June 1st, 1937.

Article 3.

The Centro shall notify the Bank of Yugoslavia without delay of all payments made into the accounts to which the preceding Article relates.

The Bank of Yugoslavia shall be entitled to dispose of the peseta balances, by orders to pay or other instruments not negotiable in third countries, for the following purposes :

- (a) Payment for Spanish goods imported into Yugoslavia ;
- (b) Payment for expenditure of Yugoslav tourists and travellers in Spain ;
- (c) Payment for the provisioning and equipment of Yugoslav vessels in Spanish ports.

Where orders to pay of the Bank of Yugoslavia on the Centro relate to imported goods, they shall specify, amongst other things, the number of the Yugoslav Customs declaration.

Article 4.

Applications for payment of claims arising in connection with the import into Spain of Yugoslav goods, which have been submitted to the Centro before the entry into force of the present Protocol, shall be settled forthwith by the payment of 50 per cent of the amount to the clearing account and the transfer of the balance in foreign exchange without restriction at the earliest possible date.

Article 5.

Where conversion into a currency other than pesetas is indicated, the amount shall be converted, in Spain at the official rate of the Centro, and in Yugoslavia at the official rate of the Belgrade Stock Exchange on the day preceding the payment.

Article 6.

Spanish goods, for the purposes of the payments in question, shall be deemed to mean natural or manufactured products originating in or coming from the Spanish Republic (Spanish territory in the peninsula, the Balearic and Canary Islands, Spanish possessions and Spanish protected zone in Morocco). Similarly, Yugoslav goods shall be deemed to mean natural or manufactured goods of Yugoslav origin and provenance.

Article 7.

If on the expiry of the present Agreement there should be a peseta balance in the clearing account in favour of the Bank of Yugoslavia, it shall be used, until it is exhausted, for the purposes for which Article 3 provides.

Article 8.

The provisions of the present Protocol shall not relate to claims in respect of freights.

Claims in respect of freights shall be settled at the free rate of exchange by the respective importing countries concerned.

Article 9.

The manner of execution of the present Protocol shall be determined by the Bank of Yugoslavia and the Centro in common accord.

The present Protocol, being an integral part of the Commercial Agreement of to-day's date between the Kingdom of Yugoslavia and the Spanish Republic, shall come into force, and cease to be in force, at the same time as the said Agreement.

Done at Madrid in duplicate, this 15th day of May, 1936.

S. PELIVANOVITCH.

Augusto BARCIA.

S. OBRADOVIC.

PROTOCOL OF SIGNATURE.

In proceeding to sign the Commercial Agreement of to-day's date between the Spanish Republic and the Kingdom of Yugoslavia, the Plenipotentiaries of the High Contracting Parties, duly authorised for the purpose, have agreed as follows :

In the event of the control system established by the Decree of April 6th, 1936, being applied to the import into Yugoslavia of products in which Spain is interested, in particular, cotton yarns and fabrics, hazel nuts, almonds, dried figs or sulphur, the Yugoslav Government shall accord the requisite quotas to Spain in the fullest possible measure, having regard to the same motives and standards as in the case of the quotas established in connection with the Commercial Agreement of to-day's date.

Similarly, in the event of the Spanish Government establishing quotas in the case of products in which Yugoslavia is interested, in particular, staves, battens and sawn wood (item No. 100 of the Spanish Customs Tariff) or tannin, it shall accord the requisite quotas to Yugoslavia in the fullest possible measure, having regard to the same motives and standards as in the case of the quotas established in connection with the Commercial Agreement of to-day's date.

Should the quotas accorded in such case not be satisfactory to the Party affected thereby, the said Party shall be entitled to demand a meeting of the Joint Spanish-Yugoslav Committee to settle the matter.

The Yugoslav Government shall further give favourable consideration at the earliest possible date to the possibility of an appropriate reduction in the Customs duty at present imposed on the import of cork bottle stoppers.

Done at Madrid in duplicate, this 15th day of May, 1936.

S. PELIVANOVITCH.
S. OBRADOVIC.

Augusto BARCIA.