N° 4166.

ÉTATS-UNIS DU BRÉSIL ET PAYS-BAS

Echange de notes comportant un accord commercial provisoire. Rio de Janeiro, le 15 mars 1937.

UNITED STATES OF BRAZIL AND THE NETHERLANDS

Exchange of Notes constituting a Provisional Commercial Agreement. Rio de Janeiro, March 15th, 1937.

¹ TRADUCTION. — TRANSLATION.

No. 4166. — EXCHANGE OF NOTES² BETWEEN THE BRAZILIAN AND THE NETHERLANDS GOVERNMENTS CONSTITUTING A PROVISIONAL COMMERCIAL AGREEMENTS. RIO DE JANEIRO, MARCH 15TH, 1937.

French official text communicated by the Netherlands Minister for Foreign Affairs. The registration of this Exchange of Notes took place August 19th, 1937.

I.

RIO DE JANEIRO, March 15th, 1937.

MONSIEUR LE MINISTRE,

I have the honour to inform Your Excellency that the Brazilian Government, desirous of facilitating and developing commercial relations between the United States of Brazil and the Kingdom of the Netherlands, suggests that, pending the conclusion of a Treaty of Commerce and Navigation between the two countries, the said relations should be governed by the following clauses:

- (r) Natural or manufactured products of the Kingdom of the Netherlands shall not be liable, on importation into Brazil (for consumption or re-export or in transit), to import duties, taxes, charges or Customs fees other or higher than those imposed on similar products imported from the most-favoured nation, provided that natural or manufactured products of Brazil shall not be liable, on importation into the Kingdom of the Netherlands (for consumption or re-export or in transit) to import duties, taxes, charges or Customs fees other or higher than those imposed on similar products imported from the most-favoured nation. Similarly, subject to reciprocity, natural or manufactured products of the Kingdom of the Netherlands shall not be subject, on importation into Brazil, to Customs formalities other than those applicable to similar products on importation from the most-favoured nation.
- (2) Natural or manufactured products of the Kingdom of the Netherlands imported into Brazil shall not be liable, after clearance through the Customs, to taxes or charges other or higher than those imposed on similar products imported from the most-favoured nation, provided that natural or manufactured products of Brazil imported into the Kingdom of the Netherlands shall not be liable, after clearance through the Customs, to taxes or charges other or higher than those imposed on similar products imported from the most-favoured nation.
- (3) Should either of the two countries impose any restriction whatsoever on the importation of an article of vital importance to the other country, the country imposing the said restriction shall, on receipt of a request to this effect from the other country,

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.

² Came into force March 15th, 1937.
This Agreement applies also to the Netherlands Indies, Surinam and Curação.

immediately enter into negotiations for the purpose of reaching a satisfactory settlement. Should agreement not be reached within a period of thirty days from the receipt of the request for the opening of negotiations, the country making the request shall be entitled to denounce the present Agreement, either in virtue of the sixty days' notice stipulated hereunder, or at thirty days' notice.

- (4) The Brazilian Government undertakes here and now that, in the event of its making the importation of goods contingent upon the granting of permits to purchase foreign exchange, it will grant the necessary permits for the importation of Netherlands products on the same conditions as may be adopted for the granting of permits to purchase the foreign exchange necessary for the importation of products of the most-favoured nation, provided that the Government of the Netherlands undertakes for its part to adopt the same practice in so far as concerns the granting of any permits to purchase the foreign exchange necessary for the importation of Brazilian products into the Kingdom of the Netherlands.
- (5) The Brazilian Government undertakes here and now that, should it decide to regulate the transfer of funds to foreign countries, either for trade requirements or for any other purpose, it will extend the same treatment to persons or corporations domiciled in the Kingdom of the Netherlands as to persons or corporations domiciled in the territory of the most-favoured nation, provided that the Netherlands Government undertakes for its part to extend the same treatment to persons or corporations domiciled in Brazil.
- (6) The Brazilian Government undertakes to extend to Netherlands merchant vessels the treatment to which merchant vessels of the most-favoured nation are entitled, provided that Brazilian merchant vessels enjoy the same advantages in the Kingdom of the Netherlands. It is understood that the treatment stipulated in the present paragraph shall not apply to the coasting trade.
- (7) It is understood that the most-favoured-nation treatment provided for in the present exchange of notes shall not apply to such special favours as are or may hereafter be granted by either of the two countries to neighbouring countries to facilitate frontier traffic or to special favours arising out of a Customs union.
- (8) The Kingdom of the Netherlands shall be understood to include the territory in Europe, the Netherlands Indies, Surinam and Curação.

If the Government of the Netherlands approves the above clauses, I would ask Your Excellency to be good enough to confirm the fact by reproducing them in your reply. That reply, together with the present note, would constitute a Provisional Commercial Agreement between the United States of Brazil and the Kingdom of the Netherlands in place of the Agreement concluded by the Exchange of Notes of September 16th, 1931, which has ceased to have effect.

I have the honour also to suggest to Your Excellency that this Agreement should come into force immediately and that it should remain in force pending the conclusion of a Treaty of Commerce and Navigation between our countries, subject, however, to denunciation by either of the two Governments at sixty days' notice.

Ti di i

I have the honour to be, etc.

M. DE PIMENTEL BRANDÃO.

His Excellency

Dr. C. H. J. Schuller tot Peursum, Envoy Extraordinary and Minister Plenipotentiary of Her Majesty the Queen of the Netherlands.

¹ Vol. CXXV, page 197, of this Series.

II.

NETHERLANDS LEGATION.

RIO DE JANEIRO, March 15th, 1937.

Monsieur le Ministre,

I have the honour to acknowledge receipt of Your Excellency's note of to-day's date, informing me of the provisions by which the Brazilian Government, desirous of facilitating and developing commercial relations between Brazil and the Netherlands, suggests that the said relations should be governed, pending the conclusion of a Treaty of Commerce and Navigation between the two countries.

I am intructed to state that my Government, inspired by the same desire as the Brazilian Government, accepts the proposal that, pending the conclusion of the Treaty of Commerce and Navigation, commercial relations between our two countries should be governed by the following clauses:

- (1) Natural or manufactured products of Brazil shall not be liable, on importation into the Kingdom of the Netherlands (for consumption or re-export or in transit), to import duties, taxes, charges or Customs fees other or higher than those imposed on similar products imported from the most-favoured nation, provided that natural or manufactured products of the Kingdom of the Netherlands shall not be liable, on importation into Brazil (for consumption or re-export or in transit), to import duties, taxes, charges or Customs fees other or higher than those imposed on similar products imported from the most-favoured nation. Similarly, subject to reciprocity, natural or manufactured products of Brazil shall not be subject, on importation into the Kingdom of the Netherlands, to Customs formalities other than those applicable to similar products on importation from the most-favoured nation.
- (2) Natural or manufactured products of Brazil imported into the Kingdom of the Netherlands shall not be liable, after clearance through the Customs, to taxes or charges other or higher than those imposed on similar products imported from the most-favoured nation, provided that natural or manufactured products of the Kingdom of the Netherlands imported into Brazil shall not be liable, after clearance through the Customs, to taxes or charges other or higher than those imposed on similar products imported from the most-favoured nation.
- (3) Should either of the two countries impose any restriction whatsoever on the importation of an article of vital importance to the other country, the country imposing the said restriction shall, on receipt of a request to this effect from the other country, immediately enter into negotiations for the purpose of reaching a satisfactory settlement. Should agreement not be reached within a period of thirty days from the receipt of the request for the opening of negotiations, the country making the request shall be entitled to denounce the present Agreement, either in virtue of the sixty days' notice stipulated hereunder, or at thirty days' notice.
- (4) The Netherlands Government undertakes here and now that, in the event of its making the importation of goods contingent upon the granting of permits to purchase foreign exchange, it will grant the necessary permits for the importation of Brazilian products on the same conditions as may be adopted for the granting of permits to purchase the foreign exchange necessary for the importation of products of the most-favoured nation, provided that the Government of Brazil undertakes for its part to adopt the same practice in so far as concerns the granting of any permits to purchase the foreign exchange necessary for the importation of Netherlands products into Brazil.
- (5) The Netherlands Government undertakes here and now that, should it decide to regulate the transfer of funds to foreign countries, either for trade requirements or for any other purpose, it will extend the same treatment to persons or corporations domiciled in Brazil as to persons or corporations domiciled in the territory of the most-favoured

nation, provided that the Brazilian Government undertakes for its part to extend the same treatment to persons or corporations domiciled in the Kingdom of the Netherlands.

- (6) The Netherlands Government undertakes to extend to Brazilian merchant vessels the treatment to which merchant vessels of the most-favoured nation are entitled, provided that Netherlands merchant vessels enjoy the same advantages in Brazil. It is understood that the treatment stipulated in the present paragraph shall not apply to the coasting trade.
- (7) It is understood that the most-favoured-nation treatment provided for in the present exchange of notes shall not apply to such special favours as are or may hereafter be granted by either of the two countries to neighbouring countries to facilitate frontier traffic or to special favours arising out of a Customs union.
- (8) The Kingdom of the Netherlands shall be understood to include the territory in Europe, the Netherlands Indies, Surinam and Curação.

I concur in Your Excellency's proposal that your note of to-day's date, together with the present note, should constitute a Provisional Commercial Agreement between the Kingdom of the Netherlands and the United States of Brazil, in place of the Agreement concluded by the Exchange of Notes of September 16th, 1931, which has ceased to have effect.

I also accept Your Excellency's proposal that the present Agreement should come into force immediately and that it should remain in force pending the conclusion of a Treaty of Commerce and Navigation between our two countries, subject, however, to denunciation by either of the two Governments at sixty days' notice.

I have the honour to be, etc.

C. H. J. SCHULLER TOT PEURSUM.

His Excellency

Monsieur Mario de Pimentel Brandão, Minister for Foreign Affairs of Brazil.