

No. 5816

**UNITED STATES OF AMERICA
and
PAKISTAN**

**Treaty of Friendship and Commerce (with Protocol).
Signed at Washington, on 12 November 1959**

Official text: English.

Registered by the United States of America on 17 August 1961.

**ÉTATS-UNIS D'AMÉRIQUE
et
PAKISTAN**

**Traité d'amitié et de commerce (avec Protocole). Signé à
Washington, le 12 novembre 1959**

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 17 août 1961.

No. 5816. TREATY OF FRIENDSHIP AND COMMERCE¹
BETWEEN THE UNITED STATES OF AMERICA AND
PAKISTAN. SIGNED AT WASHINGTON, ON 12 NO-
VEMBER 1959

The United States of America and Pakistan, desirous of strengthening the bonds of peace and friendship traditionally existing between them and of encouraging closer economic and cultural relations between their peoples, and being cognizant of the contributions which may be made toward these ends by arrangements encouraging mutually beneficial investments, promoting mutually advantageous commercial intercourse and otherwise establishing mutual rights and privileges, have resolved to conclude a Treaty of Friendship and Commerce, based in general upon the principles of national and most-favored-nation treatment unconditionally accorded, and for that purpose have appointed as their Plenipotentiaries,

The President of the United States of America :

Christian A. Herter, Secretary of State of the United States of America, and
The President of Pakistan :

Zulfikar Ali Bhutto, Minister for Commerce of Pakistan,
who, having communicated to each other their full powers found to be in due form, have agreed upon the following Articles :

Article I

Each Party shall at all times accord equitable treatment to the persons, property, enterprises and other interests of nationals and companies of the other Party.

Article II

1. Nationals of either Party shall be permitted, subject to the requirements relating to the entry and sojourn of aliens, to enter the territories of the other Party, to travel therein freely, and to reside at places of their choice. Nationals of either Party shall in particular be permitted to enter the territories of the other Party and to remain therein : (a) for the purpose of carrying on trade between the territories of the two Parties and engaging in related commercial

¹ Came into force on 12 February 1961, one month after the exchange of the instruments of ratification at Karachi on 12 January 1961, in accordance with article XXIV (1).

activities; and (b) for the purpose of developing and directing the operations of an enterprise in which they have invested, or in which they are actively in the process of investing, a substantial amount of capital.

2. Nationals of either Party, within the territories of the other Party, shall be permitted: (a) to enjoy liberty of conscience; (b) to hold both private and public religious services; (c) to gather and transmit material for dissemination to the public abroad; and (d) to communicate with other persons inside and outside such territories by mail, telegraph and other means open to general public use.

3. The provisions of the present Article shall be subject to the right of either Party to apply measures that are necessary to maintain public order and protect the public health, morals and safety.

Article III

1. Nationals of either Party within the territories of the other Party shall be free from molestations of every kind, and shall receive the most constant protection and security, in no case less than that required by international law.

2. If, within the territories of either Party, a national of the other Party is taken into custody, the nearest consular representative of his country shall on the demand of such national be immediately notified and shall have the right to visit and communicate with such national. Such national shall: (a) receive reasonable and humane treatment; (b) be formally and immediately informed of the accusations against him; (c) be brought to trial with all convenient speed, with due consideration to the proper preparation of his defense; and (d) enjoy all means reasonably necessary to his defense, including the services of competent counsel of his choice.

Article IV

1. Nationals of either Party shall be accorded national treatment in the application of laws and regulations within the territories of the other Party that establish a pecuniary compensation or other benefit or service, on account of disease, injury or death arising out of and in the course of employment or due to the nature of employment.

2. In addition to the rights and privileges provided in paragraph 1 of the present Article, nationals of either Party within the territories of the other

Party shall be accorded national treatment in the application of laws and regulations establishing compulsory systems of social security, under which benefits are paid without an individual test of financial need; (a) against loss of wages or earnings due to old age, unemployment, sickness or disability, or (b) against loss of financial support due to the death of father, husband or other person on whom such support had depended.

Article V

1. Nationals and companies of either Party shall be accorded national treatment and most-favored-nation treatment with respect to access to the courts of justice and to administrative tribunals and agencies within the territories of the other Party, in all degrees of jurisdiction, both in pursuit and in defense of their rights. It is understood that companies of either Party not engaged in activities within the territories of the other Party shall enjoy such access therein without any requirement of registration or domestication.

2. Contracts entered into between nationals and companies of either Party and nationals and companies of the other Party, that provide for the settlement by arbitration of controversies, shall not be deemed unenforceable within the territories of such other Party merely on the grounds that the place designated for the arbitration proceedings is outside such territories or that the nationality of one or more of the arbitrators is not that of such other Party. No award duly rendered pursuant to any such contract, and final and enforceable under the laws of the place where rendered, shall be deemed invalid or denied effective means of enforcement within the territories of either Party merely on the grounds that the place where such award was rendered is outside such territories or that the nationality of one or more of the arbitrators is not that of such Party.

Article VI

1. Property of nationals and companies of either Party shall receive the most constant protection and security within the territories of the other Party.

2. The dwellings, offices, warehouses, factories and other premises of nationals and companies of either Party located within the territories of the other Party shall not be subject to molestation or to entry without just cause. Official searches and examinations of such premises and their contents, when necessary, shall be made only according to law and with careful regard for the convenience of the occupants and the conduct of business.

3. Neither Party shall take unreasonable or discriminatory measures that would impair the legally acquired rights or interests within its territories of nationals and companies of the other Party in the enterprises which they have established, in their capital, or in the skills, arts or technology which they have supplied.

4. Property of nationals and companies of either Party shall not be taken within the territories of the other Party except for a public purpose, nor shall it be taken without the prompt payment of just compensation. Such compensation shall be in an effectively realizable form and shall represent the full equivalent of the property taken; and adequate provision shall have been made at or prior to the time of taking for the determination and payment thereof.

5. Nationals and companies of either Party shall in no case be accorded, within the territories of the other Party, less than national treatment and most-favored-nation treatment with respect to the matters set forth in paragraphs 2 and 4 of the present Article. Moreover, enterprises in which nationals and companies of either Party have a substantial interest shall be accorded, within the territories of the other Party, not less than national treatment and most-favored-nation treatment in all matters relating to the taking of privately owned enterprises into public ownership and to the placing of such enterprises under public control.

Article VII

1. Enterprises which nationals and companies of either Party are permitted to establish or acquire, within the territories of the other Party, shall be permitted freely to conduct their activities therein, upon terms no less favorable than other enterprises of whatever nationality engaged in similar activities. Such nationals and companies shall enjoy the rights to continued control and management of such enterprises, and to do all other things necessary or incidental to the effective conduct of their affairs.

2. Each Party reserves the right to limit the extent to which aliens may establish or acquire interests in enterprises engaged within its territories in activities for gain (business activities) provided that in any event not less than most-favored-nation treatment shall be accorded. However, new limitations imposed by either Party upon the extent to which alien nationals or companies are permitted to carry on such activities within its territories shall not be applied as against enterprises which are engaged in such activities therein at