No. 7494

JAPAN
and
EL SALVADOR

Agreement on Commerce (with Protocol and exchange of notes). Signed at Tokyo, on 19 July 1963

Official texts of Agreement and Protocol: Japanese, Spanish and English.

Official text of notes: English.

Registered by Japan on 25 November 1964.

JAPON
et
EL SALVADOR

Accord commercial (avec Protocole et échange de notes). Signé à Tokyo, le 19 juillet 1963

Textes officiels de l'Accord et du Protocole: japonais, espagnol et anglais.

Texte officiel des notes: anglais.

Enregistré par le Japon le 25 novembre 1964.

No. 7494. AGREEMENT[1] ON COMMERCE BETWEEN JAPAN AND THE REPUBLIC OF EL SALVADOR. SIGNED AT TOKYO, ON 19 JULY 1963

The Government of Japan and the Government of the Republic of El Salvador, animated by the desire to strengthen the ties of peace and friendship traditionally existing between the two countries and to strengthen and develop the commercial relations between the two countries and to encourage mutually beneficial investments and other types of economic co-operation in order to improve the standard of living of their peoples, have resolved to conclude an Agreement on Commerce which will regulate, on a just and equitable basis, the commercial relations between the two countries, and for that purpose have appointed as their Plenipotentiaries,

The Government of Japan :

Mr. Masayoshi Ohira, Minister for Foreign Affairs

The Government of the Republic of El Salvador :

Mr. Salvador Jáuregui, Minister of Economic Affairs

Who, having exchanged their respective full powers found to be in good and due form, have agreed upon the following Articles :

Article I

With respect to customs duties and charges of any kind imposed on or in connection with importation or exportation or imposed on the international transfer of payments for imports or exports, and with respect to the method of levying such duties and charges, and with respect to the rules and formalities in connection with importation and exportation, and with respect to the application of internal taxes to exported goods, and with respect to all internal taxes or other internal charges of any kind imposed on or in connection with imported goods, and with respect to all laws, regulations and requirements affecting internal sale, offering for sale, purchase, distribution or use of imported goods, any advantage, favour, privilege or immunity which has been or may hereafter be granted by either Party to any product originating in or destined for any third country shall be accorded immediately and unconditionally to the like product originating in or destined for the territory of the other Party.

[1] Came into force on 1 July 1964, one month after the date of the exchange of the instruments of ratification, which took place at San Salvador on 1 June 1964, in accordance with article X (1).

Article II

1. Nationals and companies of either Party shall be accorded treatment no less favourable than that accorded to nationals and companies of any third country with respect to payments, remittances and transfers of funds or financial instruments between the territories of the two Parties as well as between the territories of the other Party and of any third country.

2. The provisions of paragraph 1 of this Article do not preclude either Party from imposing such exchange restrictions as are consistent with the rights and obligations that it has or may have as a contracting party to the Articles of Agreement of the International Monetary Fund.[1]

3. Neither Party shall impose restrictions or prohibitions on the importation of any product of the other Party, or on the exportation of any product to the territory of the other Party, unless the importation of the like product of, or the exportation of the like product to, all third countries is similarly restricted or prohibited.

4. Notwithstanding the provisions of paragraph 3 of this Article, either Party may apply restrictions or controls on the importation and exportation of goods that have effect equivalent to exchange restrictions which such Party may at that time apply under the provisions of paragraph 2 of this Article.

Article III

1. Nationals of either Party shall be permitted to enter, to stay, travel and reside in and to depart from the territory of the other Party, in conformity with the laws and administrative regulations in force of such other Party, and shall receive, in all these respects, treatment no less favourable than that accorded to nationals of any third country.

2. Nationals and companies of either Party shall be accorded, within the territory of the other Party, treatment no less favourable than that accorded to nationals and companies of any third country with respect to all matters concerning the levying of taxes, access to the courts, rights to property, participation in juridical entities, and, generally, the conduct of all kinds of commercial, industrial, financial and other business activities.

3. Nationals and companies of either Party shall be accorded, within the territory of the other Party, treatment no less favourable than that accorded to the nationals and companies of such other Party with respect to obtaining and maintaining patents for invention, and with respect to the rights in trade marks, trade names, trade labels and industrial property of every kind.

[1] United Nations, *Treaty Series*, Vol. 2, p. 39.

4. Notwithstanding the provisions of paragraph 2 of this Article, each Party reserves the right to accord special tax advantages on a basis of reciprocity or by virtue of agreements for the avoidance of double taxation or the prevention of fiscal evasion.

Article IV

Property of nationals and companies of either Party shall not be taken, within the territory of the other Party, except for public purpose and with just compensation in conformity with the provisions of the Constitution and laws of such other Party. In all the matters dealt with in this Article, nationals and companies of either Party shall receive, within the territory of the other Party, treatment no less favourable than that accorded to nationals and companies of the said Party or any third country.

Article V

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 territory of such other Party merely on the grounds that the place designated for the arbitration proceedings is outside such territory or that the nationality of one or more of the arbitrators is not that of such other Party. Awards duly rendered pursuant to any such contracts, which are final and enforceable under the laws of the place where rendered, shall not be deemed invalid or denied effective means of enforcement within the territory of either Party merely on the grounds that the place where such awards were rendered is outside such territory or that the nationality of one or more of the arbitrators is not that of such Party.

Article VI

1. Merchant vessels of either Party shall have liberty, on equal terms with merchant vessels of the other Party and of any third country, to come with their passengers and cargoes to all ports, places and waters of such other Party open to foreign commerce and navigation. Such vessels shall in all respects be accorded treatment no less favourable than that accorded to like vessels of such other Party and of any third country within the ports, places and waters of such other Party.

2. Merchant vessels of either Party shall be accorded treatment no less favourable than that accorded to like vessels of the other Party and of any third country with respect to the right to carry all goods and persons that may be carried by vessels to or from the territory of such other Party ; and such goods and persons shall be accorded treatment no less favourable than that accorded to like goods and persons carried in merchant vessels of such other Party with respect to : (*a*) duties and charges of all kinds, (*b*) the administration of the customs, and (*c*) bounties, drawbacks and other privileges of this nature.