

No. 8772

**UNITED STATES OF AMERICA
and
CANADA**

**Agreement concerning automotive products (with annexes
and exchange of notes). Signed at Johnson City, on
16 January 1965**

Official texts of the Agreement and of the annexes: English and French.

Official text of the notes: English.

Registered by the United States of America on 29 September 1967.

**ÉTATS-UNIS D'AMÉRIQUE
et
CANADA**

**Accord concernant les produits de l'industrie automobile
(avec annexes et échange de notes). Signé à Johnson
City, le 16 janvier 1965**

Textes officiels de l'Accord et des annexes: anglais et français.

Texte officiel des notes: anglais.

Enregistré par les États-Unis d'Amérique le 29 septembre 1967.

No. 8772. AGREEMENT¹ CONCERNING AUTOMOTIVE PRODUCTS BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF CANADA. SIGNED AT JOHNSON CITY, ON 16 JANUARY 1965

The Government of the United States of America and the Government of Canada,

Determined to strengthen the economic relations between their two countries;

Recognizing that this can best be achieved through the stimulation of economic growth and through the expansion of markets available to producers in both countries within the framework of the established policy of both countries of promoting multilateral trade;

Recognizing that an expansion of trade can best be achieved through the reduction or elimination of tariff and all other barriers to trade operating to impede or distort the full and efficient development of each country's trade and industrial potential;

Recognizing the important place that the automotive industry occupies in the industrial economy of the two countries and the interests of industry, labor and consumers in sustaining high levels of efficient production and continued growth in the automotive industry;

Agree as follows :

Article I

The Governments of the United States and Canada, pursuant to the above principles, shall seek the early achievement of the following objectives :

- (a) The creation of a broader market for automotive products within which the full benefits of specialization and large-scale production can be achieved;
- (b) The liberalization of United States and Canadian automotive trade in respect of tariff barriers and other factors tending to impede it, with a view to enabling the industries of both countries to participate on a fair and equitable basis in the expanding total market of the two countries;

¹ Came into force provisionally on 16 January 1965, the date of signature and definitively on 16 September 1966, the date upon which notes were exchanged between the two Governments giving notice that appropriate action in their respective legislatures had been completed, in accordance with article VI.

- (c) The development of conditions in which market forces may operate effectively to attain the most economic pattern of investment, production and trade.

It shall be the policy of each Government to avoid actions which would frustrate the achievement of these objectives.

Article II

(a) The Government of Canada, not later than the entry into force of the legislation contemplated in paragraph (b) of this Article, shall accord duty-free treatment to imports of the products of the United States described in Annex A.

(b) The Government of the United States, during the session of the United States Congress commencing on January 4, 1965, shall seek enactment of legislation authorizing duty-free treatment of imports of the products of Canada described in Annex B. In seeking such legislation, the Government of the United States shall also seek authority permitting the implementation of such duty-free treatment retroactively to the earliest date administratively possible¹ following the date upon which the Government of Canada has accorded duty-free treatment. Promptly after the entry into force of such legislation, the Government of the United States shall accord duty-free treatment to the products of Canada described in Annex B.

Article III

The commitments made by the two Governments in this Agreement shall not preclude action by either Government consistent with its obligations under Part II of the General Agreement on Tariffs and Trade.²

Article IV

(a) At any time, at the request of either Government, the two Governments shall consult with respect to any matter relating to this Agreement.

(b) Without limiting the foregoing, the two Governments shall, at the request of either Government, consult with respect to any problems which may arise concerning automotive producers in the United States which do not at present have facilities in Canada for the manufacture of motor vehicles, and

¹ January 18, 1965 (information provided by the Government of the United States of America).

² United Nations, *Treaty Series*, Vol. 55, p. 187; for subsequent actions relating to this Agreement, see references in Cumulative Indexes Nos. 1 to 7, as well as Annex A in volumes 551, 557, 567, 570, 572, 590, 591, 595 and 596.

with respect to the implications for the operation of this Agreement of new automotive producers becoming established in Canada.

(c) No later than January 1, 1968, the two Governments shall jointly undertake a comprehensive review of the progress made towards achieving the objectives set forth in Article I. During this review the Governments shall consider such further steps as may be necessary or desirable for the full achievement of these objectives.

Article V

Access to the United States and Canadian markets provided for under this Agreement may by agreement be accorded on similar terms to other countries.

Article VI

This Agreement shall enter into force provisionally on the date of signature and definitively on the date upon which notes are exchanged between the two Governments giving notice that appropriate action in their respective legislatures has been completed.¹

Article VII

This Agreement shall be of unlimited duration. Each Government shall however have the right to terminate this Agreement twelve months from the date on which that Government gives written notice to the other Government of its intention to terminate the Agreement.

IN WITNESS WHEREOF the representatives of the two Governments have signed this Agreement.

DONE in duplicate at Johnson City, Texas, this 16th day of January 1965, in English and French, the two texts being equally authentic.

For the Government of the United States of America :

Lyndon B. JOHNSON

Dean RUSK

For the Government of Canada :

Lester B. PEARSON

Paul MARTIN

¹ Definitively September 16, 1966 (information submitted by the Government of the United States of America).