

## MOST-FAVORED-NATION TREATMENT FOR AREAS UNDER OCCUPATION OR CONTROL

*Exchange of notes at Reykjavik July 3, 1948*

*Entered into force July 3, 1948*

*Expired in accordance with its terms*

62 Stat. 2903; Treaties and Other  
International Acts Series 1827

*The American Minister to the Minister of Foreign Affairs*

AMERICAN LEGATION  
REYKJAVIK, ICELAND

*July 3, 1948*

No. 78

### EXCELLENCY:

I have the honor to refer to the conversations which have recently taken place between representatives of our two Governments relating to the territorial application of commercial arrangements between the United States of America and Iceland and to confirm the understanding reached as a result of these conversations as follows:

1. For such time as the Government of the United States of America participates in the occupation or control of any areas in western Germany, the Free Territory of Trieste, Japan or southern Korea, the Government of Iceland will apply to the merchandise trade of such area the provisions relating to the most-favored-nation treatment of the merchandise trade of the United States of America set forth in the Trade Agreement between the United States of America and Iceland signed August 27, 1943,<sup>1</sup> or, for such time as the Governments of the United States of America and Iceland may both be contracting parties to the General Agreement on Tariffs and Trade, dated October 30, 1947,<sup>2</sup> the provisions of that Agreement, as now or hereafter amended, relating to the most-favored-nation treatment of such trade. It is understood that the undertaking in this paragraph relating to the application of the most-favored-nation provisions of the Trade Agreement signed August 27, 1943, shall be subject to the exceptions recognized in the General Agreement on Tariffs and Trade permitting departures from the application

<sup>1</sup> EAS 342, *ante*, p. 1170.

<sup>2</sup> TIAS 1700, *ante*, vol. 4, p. 641.