

RECIPROCAL TRADE

*Exchange of notes at Quito March 2, 1942, modifying agreement of
August 6, 1938*

Entered into force March 2, 1942

*Terminated July 17, 1956*¹

56 Stat. 1472; Executive Agreement Series 248

The Minister of Foreign Affairs to the American Minister

[TRANSLATION]

REPUBLIC OF ECUADOR
MINISTRY OF FOREIGN AFFAIRS
COMMERCIAL OFFICE

No. 33-DC-9

QUITO, March 2, 1942

SUBJECT: MODIFICATION OF THE TRADE AGREEMENT BETWEEN ECUADOR AND
THE UNITED STATES OF AMERICA

MR. MINISTER:

I have the honor to refer to recent conversations which have taken place with regard to the financial emergency with which the Government of the Republic of Ecuador is today confronted and, in that connection, to certain provisions of the trade agreement between the Republic of Ecuador and the United States of America signed at Quito on August 6, 1938, as amended by notes exchanged at Quito on August 6, 1938, September 9, 1938, and September 13, 1938.²

In the course of these conversations it has been pointed out that the Government of the Republic of Ecuador finds it necessary, as a fiscal measure designed solely to meet the existing financial emergency, to augment customs revenues, which make up such a large percentage of total revenues, to an extent deemed necessary to safeguard vital interests of the nation.

Consideration was given to the possibility of terminating both schedules of the trade agreement as a way out of the difficulty; but neither Government desires to adopt this course if it should be possible to avoid it. Therefore, the conversations to which I have referred have disclosed a mutual understanding which, specifically, is as follows:

¹ Pursuant to notice of termination given by the United States Jan. 17, 1956.

² EAS 133, *ante*, p. 338.