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

Exchange of notes at The Hague July 2, 1948 Entered into force July 2, 1948 Expired in accordance with its terms

> 62 Stat. 2921; Treaties and Other International Acts Series 1831

The American Ambassador to the Minister of Foreign Affairs

THE HAGUE, July 2, 1948

SIR:

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 the Kingdom of the Netherlands 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, and the Free Territory of Trieste, the Government of the Netherlands will apply to the merchandise trade of such area the provisions of the General Agreement on Tariffs and Trade, dated October 30, 1947,¹ as now or hereafter amended, relating to most-favored-nation treatment.
- 2. The undertaking in point 1, above, will apply to the merchandise trade of any area referred to therein only for such time and to such extent as such area accords reciprocal most-favored-nation treatment to the merchandise trade of the Netherlands.
- 3. The undertakings in points 1 and 2, above, are entered into in the light of the absence at the present time of effective or significant tariff barriers to imports into the areas herein concerned. In the event that such tariff barriers are imposed, it is understood that such undertakings shall be without prejudice to the application of the principles set forth in the Havana Charter for

¹ TIAS 1700, ante, vol. 4, p. 639.