



Treaty Series No. 23 (1934)

Exchanges of Notes

between His Majesty's Government in the United Kingdom
and the Government of the Netherlands

regarding

COMMERCIAL RELATIONS

London, July 20 and July 30, 1934

*Presented by the Secretary of State for Foreign Affairs
to Parliament by Command of His Majesty*

LONDON

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EXCHANGES OF NOTES BETWEEN HIS MAJESTY'S GOVERNMENT IN THE UNITED KINGDOM AND THE GOVERNMENT OF THE NETHERLANDS REGARDING COMMERCIAL RELATIONS.

London, July 20 and July 30, 1934.

No. 1.

Sir John Simon to Jonkheer R. de Marees van Swinderen.

Sir,

Foreign Office, July 20, 1934.

I HAVE the honour to refer to the recent discussions which have taken place between representatives of His Majesty's Government in the United Kingdom of Great Britain and Northern Ireland and representatives of the Government of the Netherlands in regard to trade relations between the two countries. As it has not been found possible at present to conclude a full Commercial Agreement between the two Governments, it is now agreed that the following arrangements should be made for the purpose of establishing a temporary *modus vivendi* between the two Governments in regard to certain matters which have been the subject of discussion:—

1. In connection with quantitative restrictions on imports into the Netherlands, the Netherland Government guarantees that there shall be granted to the United Kingdom as from the 1st August, 1934, the full share of all quotas, as now established or hereafter varied or established, in regard to any class of goods, which is mathematically attributable to the United Kingdom in accordance with the proportion of the total foreign importations in the basic period into the Netherlands of the goods in question which was represented by United Kingdom goods.

2. For its part, the Government of the United Kingdom, in connection with quantitative restrictions on imports into the United Kingdom from the Netherlands, guarantees that there shall be granted to the Netherlands as from the 1st August, 1934, the full share of all quotas, as now established or hereafter varied or established, in regard to any class of goods, which is mathematically attributable to the Netherlands in accordance with the proportion of the total foreign importations in the basic period into the United Kingdom of the goods in question which was represented by Netherland goods.

3. In the event of any third foreign country renouncing or forfeiting in whole or in part its quota allocation in the Netherlands or in the United Kingdom, and if, nevertheless, the global quota is maintained at the original figure, then the United Kingdom or the

Netherlands, as the case may be, shall be entitled to a proportion of the unused quota calculated in accordance with paragraphs 1 and 2 respectively. The Government of the United Kingdom and the Government of the Netherlands undertake to inform each other of the amount of any global quota affecting the importation into the United Kingdom of goods from the Netherlands and the importation into the Netherlands of goods from the United Kingdom respectively, and at the same time of the share of such quota which is allotted to the other country.

It is understood that the expression "global quota" signifies the total amount of goods of any class or group subject to a quota which would theoretically be admitted from all foreign countries if all such countries, in the aggregate, were allowed to import their full mathematical shares.

4. The complete utilisation within the quota period of the quotas allotted will be facilitated as much as possible.

5. Without prejudice to any other relevant agreements respecting particular commodities which have been or may be reached between the two Governments, any portions of quotas allotted to the United Kingdom or to the Netherlands respectively which remain unutilised at the end of any given quota period shall be carried over to the next quota period, but the carry-over shall not be available for longer than yearly periods.

Each Government undertakes to inform the other without delay at the end of each quota period of the amount of any portions of quotas allotted to the country of the latter which thus remain unutilised.

6. Each of the two Governments will have due regard to the seasonal variation of imports of certain classes of goods, wherever this question may arise in connection with the periodical allocation of quotas or the grant of import licences.

7. In respect of administration of quotas, each country shall, if in any case a request to this effect is made to the Government of the other country, be granted, under the same conditions, and reservations, the most favourable treatment accorded to any other country in respect of like products.

8. Import licences shall, where necessary, be placed at the disposal of traders who did not import during the basic period. However, to assure as far as possible the maintenance of existing channels of trade, preference will in principle be given to those traders who imported during the basic period, and undertake to continue such importation.

9. The Netherland Government are prepared to make such regulations as will enable Netherland importers to transfer their import licences to agents established in the Netherlands.

10. As from the 1st August, 1934, each Government resumes its liberty of action as regards customs duties on imported goods, without prejudice, however, to the provisions of the treaties and agreements already in force between the two countries.

11. The Delegations which have conducted the recent discussions will remain in being for the purpose of further discussions on matters of interest to either Government.

12. The present arrangement shall remain in force until the expiration of three months from the date on which notice to terminate it is given by either Government.

I have the honour to suggest that the present note and your reply thereto shall be regarded as placing on record the agreement in this matter between the two Governments, which shall come into force as from the 1st August, 1934.

I have, &c.
JOHN SIMON.

No. 2.

Jonkheer R. de Marees van Swinderen to Sir John Simon.

Netherland Legation, London,

July 20, 1934.

Sir,

I HAVE the honour to acknowledge the receipt of your Excellency's note of to-day's date, which reads as follows:—

[As in No. 1.]

I have the honour to inform your Excellency that the Netherland Government concurs in the agreement recorded above.

I have, &c.
R. DE MAREES VAN SWINDEREN.

No. 3.

Sir John Simon to Jonkheer R. de Marees van Swinderen.

Sir,

Foreign Office, July 30, 1934.

WITH reference to the notes of the 20th July, which constitute an arrangement in regard to trade relations between His Majesty's Government in the United Kingdom and the Government of the Netherlands, I have the honour to add that it is understood that the term "foreign country" when used therein in relation to the United Kingdom means a country not being a territory under the sovereignty of His Majesty the King of Great Britain, Ireland and the British Dominions beyond the Seas, Emperor of India, or under His Majesty's suzerainty, protection or mandate; and that the term "foreign importation" means imports from foreign countries as so defined; and that when used in relation to the Netherlands, the term "foreign country" means a country not being a territory under the sovereignty, suzerainty or protection of Her Majesty the Queen

of the Netherlands, and that the term "foreign importation" means imports from foreign countries as so defined.

2. It is also understood that in paragraph 7 of the above-mentioned notes the term "any other country" means "any other foreign country" as defined above.

I have, &c.

JOHN SIMON.

No. 4.

Jonkheer R. de Marees van Swinderen to Sir John Simon.

Netherland Legation, London,

July 30, 1934.

Sir,

I HAVE the honour to acknowledge the receipt of your note of to-day's date, which runs as follows:—

[As in No. 3.]

I have the honour to inform you that the above represents the understanding of the Netherland Government in this matter.

I have, &c.

R. DE MAREES VAN SWINDEREN.