

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

Exchange of notes at Paris July 9, 1948

Entered into force July 9, 1948

Expired in accordance with its terms

62 Stat. 2891; Treaties and Other
International Acts Series 1824

*The American Ambassador to the Chief of the Military Government
of the French Zone of Occupation of Germany*

PARIS, July 9, 1948

SIR:

I have the honor to refer to the conversations which have recently taken place between representatives of the Government of the United States of America and of the French Commander-in-Chief in Germany relating to the territorial application of commercial arrangements between the United States of America and the French Zone of Occupation of Germany and to confirm the understanding reached as a result of these conversations as follows:

1. The United States of America and the French Zone of Occupation of Germany shall each accord to the merchandise trade of the other, immediately and unconditionally, treatment no less favorable than that accorded to the merchandise trade of any third country, provided that departures from the application of such most-favored-nation treatment shall be permitted to the extent that they are in accord with the exceptions recognized in the General Agreement on Tariffs and Trade, dated October 30, 1947,¹ as now or hereafter amended. The provisions of this paragraph shall not be construed to require compliance with the procedures specified in the General Agreement with regard to the application of such exceptions.

2. The provisions of paragraph 1 shall apply, with respect to the United States of America, to all territory under the sovereignty or authority of the United States of America. Moreover, with regard to any area in Western Germany, the Free Territory of Trieste, Japan, or Southern Korea in the

¹ TIAS 1700, *ante*, vol. 4, p. 641.

occupation or control of which the Government of the United States of America participates, such Government shall, to the extent of its legal capacity, exercise its authority in such participation to make the treatment provided for in paragraph 1 applicable by such area to the merchandise trade of the French Zone of Occupation of Germany. That Zone shall accord the treatment provided for in paragraph 1 to the merchandise trade of such area for such time and such extent as such area accords reciprocal most-favored-nation treatment to the merchandise trade of the French Zone of Occupation of Germany.

3. The provisions of paragraphs 1 and 2 shall not derogate from such other obligations relative to the matters contained herein as may at any time be in effect between the United States of America and the French Zone of Occupation of Germany.

4. The undertakings in this note shall remain in force until January 1, 1951, and unless at least six months before January 1, 1951, either the Government of the United States of America or the French Commander-in-Chief in Germany shall have given notice in writing to the other of intention to terminate these undertakings on that date, they shall remain in force thereafter until the expiration of six months from the date on which such notice shall have been given.

Please accept, Sir, the renewed assurances of my highest consideration.

JEFFERSON CAFFERY

General PIERRE KOENIG
*Chief of the Military Government
of the French Zone of Occupation
of Germany.*

*The Chief of the Military Government of the French Zone of Occupation
of Germany to the American Ambassador*

[TRANSLATION]

FRENCH COMMANDER-IN-CHIEF
IN GERMANY
THE GENERAL

PARIS, July 9, 1948

MR. AMBASSADOR:

Referring to the conversations which have just taken place between my representatives and those of the Government of the United States of America concerning the territorial application of the commercial agreements concluded between the French Zone of Occupation in Germany and the United

States of America, I have the honor to confirm to you the agreement reached upon the following points as a result of those negotiations:

[For text of agreement, see numbered paragraphs in U.S. note, above.]

Accept, Mr. Ambassador, the assurances of my very high consideration.

PAUL LEROY-BEAULIEU
For General Koenig

His Excellency

JEFFERSON CAFFERY,

Ambassador of the United States of America