### TREATY ESTABLISHING THE BENELUX ECONOMIC UNION

His Majesty the King of the Belgians,

Her Royal Highness the Grand Duchess of Luxembourg,

Her Majesty the Queen of the Netherlands,

Being resolved to strengthen the economic ties between their countries by means of free movement of persons, goods, capital and services;

Desiring to co-ordinate their policies in the economic, financial and social fields in order to attain the most satisfactory level of employment and the highest standard of living in keeping with economic circumstances and compatible with the maintenance of monetary stability;

Desiring to pursue a joint trade policy directed towards the most favourable development of the exchange of goods and services with third countries by means of the freest possible trade;

Believing that economic progress, forming the principal aim of their union, must lead to the advancement of the individual and social welfare of their peoples;

Nothing that, by virtue of Article 233 of the Treaty establishing the European Economic Community and Article 202 of the Treaty establishing the European Atomic Energy Community, signed at Rome on the twenty-fifth day of March 1957, those Treaties do not preclude the existence or creation of an Economic Union between their countries in so far as the objects of this Union are not attained by the application of the said Treaties;

Having decided to establish the Economic Union between their countries as envisaged by the Customs Convention signed in London on the fifth day of September 1944 defined and interpreted in accordance with the Protocol signed at The Hague on the fourteenth day of March 1947,

Have thereto appointed as their plenipotentiaries :

His Majesty the King of the Belgians:

His Excellency A. Van Acker, Prime Minister, and

His Excellency V.P.H. Larock, Minister for Foreign Affairs;

Her Royal Highness the Grand Duchess of Luxembourg:

His Excellency J. Bech, Prime Minister and Minister for Foreign Affairs;

Her Majesty the Queen of the Netherlands:

His Excellency W. Drees, Prime Minister, and

His Excellency J.M.A.H. Luns, Minister for Foreign Affairs;

who, having exchanged their full powers, found in good and due form, have agreed to the following provisions:

### PART 1

# **BASIC PROVISIONS**

### Article 1

- 1. An Economic Union is established between the Kingdom of Belgium, the Grand Duchy of Luxembourg and the Kingdom of the Netherlands, entailing free movement of persons, goods, capital and services.
- 2. This Union implies:
- a) the co-ordination of economic, financial and social policies;
- b) the pursuit of a joint policy in economic relations with third countries and regarding payments related thereto.

#### Article 2

- 1. The nationals of each High Contracting Party may freely enter and leave the territory of any other Contracting Party.
- 2. They shall enjoy the same treatment as nationals of that State as regards:
- a) freedom of movement, sojourn and settlement;
- b) freedom to carry on a trade or occupation, including the rendering of services;
- c) capital transactions;
- d) conditions of employment;
- e) social security benefits;
- f) taxes and charges of any kind:
- g) exercice of civil rights as well as legal and judicial protection of their person, individual rights and interests.

#### Article 3

- 1. Goods traffic between the territories of the High Contracting Parties, irrespective of origin, last exporting country or destination of the goods, shall be free of import and excise duty and any other duties, charges, imposts or dues of whatsoever kind.
- 2. It shall likewise be free from all prohibitions or restrictions of an economic or financial nature, such as quotas, restrictions applying to certain types of goods or currency restrictions.
- 3. Goods originating from the territory of one of the High Contracting Parties shall receive in the territories of the other Contracting Parties the same treatment as national products.

# Article 4

There shall be no prohibition or restriction for transfers of capital between the territories of the High Contracting Parties.

- 1. The rendering of services between the territories of the High Contracting Parties shall be free of taxes, charges, imposts or dues of whatsoever kind.
- 2. It shall likewise be free from all prohibitions or restrictions of an economic or financial nature, such as quotas, restrictions applying to certain types of goods or currency restrictions.

#### Article 6

Without prejudice to the provisions of Articles 2 to 5 above, the High Contracting Parties shall jointly ensure that no law or regulation, in particular public health regulations, should unduly hinder freedom of movement.

#### Article 7

The High Contracting Parties shall jointly ensure that no law or regulation has the effect of disturbing competitive conditions in their territories.

#### **Article 8**

- 1. The High Contracting Parties shall, in close consultation, pursue a co-ordinated policy in the economic, financial and social fields.
- 2. The High Contracting Parties shall co-ordinate their policies in respect of private commercial agreements of abuses arising from the dominant position of one or more concerns; they shall take steps to prevent the abuse of economic power.

### Article 9

In so far as the attitude they may wish to adopt, or the commitments they wish to undertake, either in their relations with third countries or vis-à-vis or within the framework of international institutions or conferences, affect the aims of the Union, The High Contracting Parties shall hold consultations in order that these attitudes and commitments may be conducive to the realisation of these aims.

# **Article 10**

In their relations with third countries The High Contracting Parties shall:

- a) accept and pursue a joint policy in the field of foreign trade and of payments related thereto;
- b) jointly conclude treaties and conventions regarding foreign trade and the customs tariff;
- c) conclude, either jointly or concurrently, treaties and conventions regarding payments in connection with foreign trade.

- 1. As regards goods coming from or destined for third countries, import duties and excise duties as well as all other taxes, imposts or dues whatsoever, to be imposed on account of imports, exports or transit traffic shall be fixed in accordance with a common tariff with identical rates, the regulations for levying the same being co-ordinated.
- 2. The procedure in the matter of licences and quotas with regard to imports, exports and transit shall be identical.
- 3. The High Contracting Parties shall co-ordinate all regulations, either legal or executive, and other stipulations of public law of an economic or financial nature regarding imports, exports or transit traffic, which are not covered by the first and second paragraphs of this Article.

#### Article 12

- 1. As regards the rate of exchange between the Netherlands guilder and the Belgian- and the Luxembourg francs, the High Contracting Parties shall determine their policies by mutual agreement. Likewise, by mutual agreement they shall fix their exchange rates in relation to the currencies of third countries.
- 2. In particular they shall not effect any alteration of rates of exchange except by mutual agreement.

#### Article 13

Measures taken by the High Contracting Parties in carrying into effect the joint and co-ordinated policy covered by this Treaty should take account of the necessity of ensuring monetary stability and may not entail for a High Contracting Party the necessity of sustaining losses in foreign currency reserves which are incompatible with its responsibility for its national currency; nor should they involve the necessity of accepting inconvertible foreign currencies or of granting credits, unless previous agreement has been reached as to the limits permitted.

- 1. In the event of the vital interests of one of the High Contracting Parties being endangered, the Committee of Ministers, after advise has been sought from the Consultative Interparliamentary Council and from the Economic and Social Advisory Council, may decide what measures may be taken in derogation of the stipulations of this Treaty during a certain period, the length of which is to be fixed simultaneously.
- 2. If urgent reasons make it impossible to take previous advice as specified in paragraphs 1 and 2 of this Article or to obtain the said advice in due time, the Committee of Ministers shall report to the Consultative Interparliamentary Council and to the Economic and Social Advisory Council regarding the measures taken and also in respect of the circumstances justifying the same.

# PART 2

# **INSTITUTIONS**

# Article 15

The institutions of the Union shall consist of:

- a. the Committee of Ministers:
- b. the Consultative Interparliamentary Council;
- c. the Council of the Economic Union;
- d. the Committees and the Special Committees;
- e. the General Secretariat;
- f. Joint Services;
- g. the College of Arbitrators;
- h. the Economic and Social Advisory Council.

### Chapter 1

# **The Committee of Ministers**

#### Article 16

The Committee of Ministers shall see to the application of this Treaty and ensure the realisation of the aims covered thereby. It shall institute any measures required for these purposes, in accordance with the provisions of the present Treaty.

### Article 17

- 1. Each High Contracting Party shall appoint at least three members of its Government to sit on the Committee.
- 2. Each Government may invite other members to take part in a particular session, whenever it so desires.

# Article 18

The Committee shall take decisions unanimously. Each High Contracting Party shall have one vote. The abstention of one High Contracting Party shall not prevent a decision being taken.

### Article 19

In carrying out its appointed tasks the Committee of Ministers:

- a) may take decisions setting forth the manner in which the provisions of this Treaty are to be put into effect in accordance with the conditions laid down in the Treaty. These decisions of the Committee shall commit the High Contracting Parties;
- b) may draft conventions to be submitted to the High Contracting Parties in order that they may become operative in accordance with the rules of the Constitution of each High Contracting Party;
- c) may make recommendations for the functioning of the Union. These recommandations of the Committee do not commit the High Contracting Parties;
- d) may issue directives to the Council of the Economic Union, the Committees and Special Committees, the Secretariat-General and to the Joint Services.

- 1. The Committee of Ministers shall meet at least once every three months. In an emergency it shall assemble at the request of the Government of any one of the High Contracting Parties.
- 2. For each successive period of six months the Chair will be taken in rotation by a Belgian, Luxembourg or Netherlands member, irrespective of the place of meeting.

#### Article 21

The Committee may set up Working Parties to which it may delegate certain of its competences. These Working Parties shall consist of members of the Committee or of other members of the Government of each of the High Contracting Parties.

### Article 22

The Committee shall establish its own standing orders.

### Chapter 2

### The Consultative Interparliamentary Council

# **Article 23**

The Convention signed on the fifth day of November 1955, establishing the Consultative Interparliamentary Council shall determine the composition, competence and procedures of that Council.

#### Article 24

The Committee of Ministers shall act for the three Governments in their joint relations with the Consultative Interparliamentary Council with regard to questions directly related to the functioning of the Union.

# **Chapter 3**

### The Council of the Economic Union

# Article 25

The Council of the Economic Union shall be responsible for :

- a) co-ordinating the activities of Committees and Special Committees. To this end it may issue any directives required. Proposals from Committees and Special Committees will be forwarded by the Council to the Committee of Ministers together with its opinion, if required;
- b) carrying into effect decisions of the Committee of Ministers as far as the Council is concerned;
- c) submitting proposals to the Committee of Ministers which it may deem advantageous for the functioning of the Union.

- 1. The Committee of Ministers shall fix the number of delegates forming the Council.
- 2. The chairmanship of the Council shall be held in rotation by three persons, each appointed by his Government. The Committee of Ministers shall arrange the way in which the chairmanship will rotate.
- 3. Each Government shall appoint its other delegates from among the persons delegated to the various Committees.
- 4. Special Committees will be represented in the meetings of the Council whenever the order paper contains questions within their competence.

#### Article 27

- 1. The Council shall fix its own standing orders and shall submit these to the approval of the Committee of Ministers.
- 2. These standing orders will determine in particular the contingencies in which Committees may have access directly to the Committee of Ministers.
- 3. These standing orders will also contain provisions for the exercising of certain functions of the Council by the Council meeting in restricted composition.

# **Chapter 4**

# **Committees and Special Committees**

#### Article 28

The following Committees shall be set up:
Committee for foreign economic relations;
Committee for monetary and financial questions;
Committee for industry and trade ;
Committee for agriculture, food and fisheries;
Committee for customs tariffs and taxes ;
Committee for transport questions ;

Committee for social questions.

The following Special Committees shall be appointed:

Special Committee for the co-ordination of statistics;

Special Committee for the comparision of budgets of public and semi-public institutions;

Special Committee for tenders;

Special Committee for public health;

Special Committee for the middle classes.

#### Article 30

The Committees and Special Committees, each within its own province, shall be responsible for :

- a) carrying into effect decisions of the Committee of Ministers; they will report to the Committee of Ministers through the medium of the Council of the Economic Union;
- b) submitting proposals such as may promote the functioning of the Economic Union to the Committee of Ministers through the medium of the Council of the Economic Union;
- c) keeping track of the execution by national administrations of resolutions adopted.

#### Article 31

The Committee of Ministers shall establish the competence of each Committee and each Special Committee. It may establish new Committees and Special Committees; and it may abolish such Special Committees.

- 1. The Committee of Ministers shall settle the way in which each Committee and each Special Committee is composed.
- 2. Each Government shall appoint its delegates in accordance with the regulations laid down by the Committee of Ministers in compliance with the first paragraph of this Article.
- 3. The Committees and Special Committees shall fix their standing orders and submit them for approval to the Council of the Economic Union.

# **The Secretariat-General**

### Article 33

The seat of the Secretariat-General shall be established at Brussels.

#### Article 34

- 1. The management of the Secretariat-General shall be entrusted to a Secretary-General of Dutch Nationality.
- 2. The Secretary-General is assisted by an Assistant Secretary-General of Belgian nationality and another of Luxembourg nationality.
- 3. The Committee of Ministers shall appoint and dismiss the Secretary-General and the Assistant Secretary-General. After consultation with the Council of the Economic Union meeting in restricted composition, the Committee of Ministers shall fix the scales of their salaries, pensions and allowances and all other conditions of employment.

### Article 35

- 1. The members of the staff shall be of Belgian, Luxembourg or Netherlands nationality.
- 2. The Secretary-General shall appoint and dismiss the personnel of the Secretariat-General in accordance with the rules laid down in the third paragraph of the present Article.
- 3. The regulations for the personnel, for its formation, salary scales, pensions and allowances, and all other conditions of employment shall be proposed by the Secretary-General and by the Committee of Ministers after due consultation with the Council of the Economic Union meeting in restricted composition.

- 1. The Secretary-General shall be responsible for the secretariat of the Committee of Ministers, of the Council of the Economic Union, of the Committees and Special Committees and of their subordinate organs, if any. It will be his task to co-ordinate the administrative activities of these institutions and to arrange for any contacts required; he should also make any proposals which may be useful for the execution of the present Treaty but should take into account the competence of other institutions of the Union. The services of the Registry of the College of Arbitrators will be provided by the Secretary-General.
- 2. The Committee of Ministers may call upon the Secretary-General to fulfil other duties.

- 1. The Secretary-General shall prepare each year a draft budget for the several institutions of the Union and submit his draft for approval to the Committee of Ministers together with the opinion thereon of the Council of the Economic Union.
- 2. The High Contracting Parties shall lay down regulations in a separate convention for :
- a) the supervision of the implementation of the budgets;
- b) the closing of accounts;
- c) the granting of advances required;
- d) the sharing-out among the High Contracting Parties of the deficit between receipts and expenditure.
- 3. The provisions of this Article shall not be applicable to the Consultative Interparliamentary Council or the Economic and Social Advisory Council.

### Article 38

The records of the Secretariat-General shall be inviolate.

### Article 39

In Belgium the Secretary-General shall enjoy privileges and immunities in conformity with those granted to the Head of a diplomatic Mission accredited in that State. If required by circumstances, his judicial immunity may be withdrawn by the Committee of Ministers.

### Chapter 6

### **Joint Services**

#### Article 40

The Committee of Ministers may set up such Joint Services as are required for the functioning of the Union; it shall determine the competence, the organisation and the procedure of such Services.

### Chapter 7

### The College of Arbitrators

### Article 41

The College of Arbitrators shall be entrusted with the task of settling such disputes as may arise between the High Contracting Parties with regard to the application of the present Treaty and of Convention related to the aims of this Treaty.

- 1. The College of Arbitrators will be composed of divisions according to the nature of the points at issue.
- 2. Each High Contracting Party will appoint a national arbitrator and a substitute national arbitrator for each division.
- 3. For each object of litigation the division will be composed of the national arbitrator of each of the parties to the dispute as well as of a person appointed in rotation from a list established by the Committee of Ministers. This person will preside over the division.

#### Article 43

If the President holds the view that such is required by the importance of legal problems arising during the hearing, he may decide, either spontaneously, or at the request of one of the Parties, that the division be supplemented by two arbitrators registered in the list specified in the third paragraph of Article 42 of the present Treaty. These arbitrators should be of the same nationality as the Parties to the dispute.

#### Article 44

A dispute which cannot be settled in the Committee of Ministers shall be submitted to the College of Arbitrators, either at the joint request of the parties to the dispute or at the request of either of these.

### Article 45

- 1. The College of Arbitrators shall base its judgment on the rule of law. Before passing judgment and in any phase of the hearing it may submit a compromise to the approval of the parties to the dispute.
- 2. With the consent of the parties to a dispute, the College of Arbitrators may pronounce judgment ex aequo et bono.

#### Article 46

- 1. The College of Arbitrators shall pronounce its judgments or propose a compromise arrangement by a majority of votes. The judgments will be final and not open to appeal. A compromise arrangement accepted by the parties and a judgment given by the College will be equally valid.
- 2. Unless there is any provision to the contrary, the College of Arbitrators may, in any phase of the action and after having gathered sufficient information, take such conservatory measures as it may deem necessary.

- 1. After proving its interest in the solution of the point at issue, each High Contracting Party may join one of the parties to a dispute; such intervention may only be in order to support the claims of one of the parties.
- 2. Any such intervention may not involve a change in the composition of the division to which the dispute is submitted.

The College of Arbitrators may pass judgment that a judicial decision or a measure taken by any other authority of one of the High Contracting Parties is wholly or partially contrary to the provisions of this Treaty or of a convention related to the aims of this Treaty. If the national law of the said High Contracting Party does not allow of undoing the consequences of this decision or measure, the injured State shall have a right to just compensation. Failing agreement between the parties, the College of Arbitrators shall fix the nature and quantity of the compensation to be paid at the request of the party concerned.

### Article 49

After submitting a dispute to the College of Arbitrators, the parties shall refrain from any action which might endanger the solution of the dispute or might aggravate the dispute.

#### Article 50

If one of the parties does not put into effect a judgment of the College of Arbitrators or a conservatory measure prescribed by the said College, the other party shall be entitled to appeal to the International Court of Justice in accordance with the provisions of the second paragraph of Article 36 of the Statute of that Court, unless the parties agree to solve the dispute in some other way.

### Article 51

- 1. The High Contracting Parties shall undertake not to settle the category of disputes referred to in Article 41, in any way not covered by the present Treaty.
- 2. With regard to disputes in which the interpretation or the application of the Treaty for the European Economic Community or of the Treaty for the establishment of the European Atomic Energy Community are at stake, the High Contracting Parties shall, however, agree to submit such disputes to the Court of Justice established by the above Treaties. If this Court declares itself incompetent to settle the dispute, the College of Arbitrators provided for in Article 15 of the present Treaty, shall be competent.

#### Article 52

- 1. The Committee of Ministers may request the College of Arbitrators to supply advisory opinions regarding questions of law in respect of the provisions of the present Treaty and of conventions related to the aims of this Treaty.
- 2. Such advisory opinions will be rendered by a majority of votes of the presidents of the divisions assembled in joint sessions.

#### Article 53

The statutory rules of the College of Arbitrators shall be laid down by decision of the Committee of Ministers.

# The Economic and Social Advisory Council

#### Article 54

- 1. At the request of the Committee of Ministers, the Economic and Social Advisory Council shall give advisory opinions regarding questions directly related to the functioning of the Union; to that end the Committee of Ministers will supply the Council with the necessary information. The Council shall be equally competent to offer advice spontaneously to the Committee of Ministers regarding such questions.
- 2. The Advisory Council shall be composed of 27 members and of 27 substitute members, as a maximum strength, a third of which may be appointed by each of the High Contracting Parties. The members and substitute members will be appointed in agreement with the national corporate body or corporate bodies representing the highest level of the economic and social organisations of that country.
- 3. The Advisory Council shall appoint its Chairman from among its members.
- 4. The Advisory Council shall fix its standing orders by a bare majority of votes cast and submit these orders for approval to the Committee of Ministers.

# PART 3

# SPECIAL PROVISIONS REGARDING CERTAIN ASPECTS OF THE ECONOMIC UNION

# Chapter 1

### National treatment, freedom of movement and the exercice of economic and professional activities

#### Article 55

The High Contracting Parties shall conclude a convention determining, in the interests of public order, public security, public health or morality, such and such provisions which may be applied to nationals of a High Contracting Party in the territory of another High Contracting Party with regard to their entering or leaving its territory, to their freedom of movement, of sojourns and of establishment therein, and to their expulsion.

# Article 56

The High Contracting Parties shall, as far as may be required, conclude a convention determining the treatment of nationals of a High Contracting Party in the territory of another Contracting Party with regard to legal and judicial protection of their person, and their rights and interests.

### Article 57

In so far as house-rents are governed by regulations laid down by legal or administrative authorities, the nationals of each High Contracting Party shall enjoy the same treatment in the territories of the other Contracting Parties as apply to their own nationals.

- 1. The activities of companies established under the legislation of one of the High Contracting Parties shall be made subject to the national law of the other Contracting Party in whose territory they perform their activities either directly or through the medium of branch-establishments or agencies.
- 2. These activities may not be subjected to stricter conditions than those applied to national companies. Albeit, the companies of one of the High Contracting Parties may not enjoy more rights in the territory of another Contracting Party than similar national companies of the latter Party.
- 3. Inasmuch as any departure from the rules will have as its principal object the protection of insured persons, insurers, depositors with a building society and financially injured persons, the High Contracting Parties may depart from the second paragraph of this Article in the field of insurances, tontine and mortgage societies. Any such derogations shall be specified in a convention.
- 4. Companies within the meaning of the present Article are companies according to civil- and commercial law including co-operative societies and other legal persons in accordance with civil law. Albeit, as regards the application of this Article, legal persons in civil law, not seeking profit, are considered companies only with regard to their activities in the field of banking, insurances, tontine or mortgage societies. Luxembourg agricultural associations shall also be considered as companies in the sense of the Article.

### Article 59

- 1. Companies established according to the legislation of a High Contracting Party and having their fiscal domicile within the territory of one of the High Contracting Parties shall not be subjected to higher fiscal charges in the territory of the other Contracting Parties than those borne by similar national companies, irrespective of the fact whether the former companies have one or several branch-establishments or agencies in the territory of the other Contracting Parties.
- 2. Companies within the meaning of the first paragraph of this Article are those defined in Article 58 of this Treaty.

#### Article 60

The High Contracting Parties shall conclude a convention determining the treatment of nationals of the Contracting Parties with regard to their employment as wage-earners in the service of a private employer and to their enjoying social security benefits.

- 1. Contrary to the provisions of Article 2, paragraph 2 b) of the present Treaty each High Contracting Party shall remain entitled to reserve the exercise of the following economic and professional activities for its own nationals:
- a) official posts, public functions or professions, including those of notary public, solicitor and bailiff;
- b) the profession of lawyer;
- c) the medical profession and related occupations in the Grand Duchy of Luxembourg;
- d) fisheries in inland waterways, pilotage and inland harbour-services.
- 2. The provisions of Article 2, paragraph 2 b) of the present Treaty shall not affect national regulations concerning the qualifications required for exercising certain professions.

In the field of public contracts and tenders, the authorities of a High Contracting Party may not discriminate in any way whatsoever in favour of national products or of their nationals and to the detriment of produce or nationals of other High Contracting Parties.

#### Article 63

The following are to be considered, for the application of Article 62 of the present Treaty:

# A. as public contracts and tenders:

All public contracts and tenders for the execution of works or the purchase of goods by the authorities for their own requirements, irrespective of the way the order is given;

### B. as public institutions:

- a) all organs of the State:
- b) all regional and local organs in Belgium and in the Grand Duchy of Luxembourg as well as subordinate authorities of public law in the Netherlands;
- c) inasmuch as the State effectively influence their public contracts: the "parastatal" institutions in Belgium and in the Grand Duchy of Luxembourg and the semi-pubic institutions in the Netherlands.

# Chapter 2

# **Co-ordination of policy**

### Article 64

- 1. In the field of investments the Committee of Ministers shall decide as to the expediency of accepting general or special objectives for a co-ordinated investment policy which may cover the entire economy or only one or several parts.
- 2. In establishing such objectives the Committee of Ministers shall simultaneously determine the methods appropriate for realising this co-ordinated policy; these methods may involve harmonising legislations concerning investments.

# **Article 65**

In the field of agricultural policy the High Contracting Parties shall undertake:

- a) to advance systematically technical progress;
- b) to take measures as may make it possible to harmonise production and the sale of agricultural products and to secure farmers and farm labourers of the three countries a safe existence in well-managed and economically and socially warranted enterprises; these measures should also make it possible to develop productivity and to maintain agricultural cost prices at the lowest possible level required fully to satisfy home demand and to build up the strongest possible position in foreign markets.

- 1. If one of the High Contracting Parties ascertains that the situation in a certain field of agriculture, food supply or fisheries is developing in such a way that a serious crisis is to be feared, the Committee of Ministers may take the necessary decisions to prevent or remedy such a crisis, after previously obtaining an advisory opinion from the Consultative Interparliamentary Council and the Economic and Social Advisory Council. These decisions may temporarily derogate from the provisions of the present Treaty.
- 2. If for urgent reasons it proves impossible to ask for the advice referred to in the first paragraph of this Article or to obtain it in due time, the Committee of Ministers shall report media to the Consultative Interparliamentary Council and to the Economic and Social Advisory Council both regarding the measures taken and the circumstances warranting them.

#### Article 67

When applying the provisions of Article 66 of the present Treaty the High Contracting Parties shall take into account the special situation of Luxembourg agriculture as long as the latter is determined by less favourable natural factors of production.

#### Article 68

In the field of transport the co-ordinated policy, provided for in Article 8 of the present Treaty, shall rest on the following basic principles :

- a) the harmonising of competitive conditions between the various media of inland transport within the territory of each High Contracting Party by the abolition of charges imposed on transport undertakings and advantages granted to the same;
- b) the profitable operation of public and private transport undertakings.

#### Article 69

The High Contracting Parties shall undertake to direct their joint policy towards the promotion of a harmonious development of, and active co-operation between, their seaports.

# Article 70

In the field of social policy the High Contracting Parties shall pursue a co-ordinated policy in consultation with corporate organisations of trade and industry which aims at the advancement of social progress and at the introduction of social welfare measures providing a maximum of protection and of social security to their people.

#### Article 71

In the monetary field and in respect of international payments the High Contracting Parties shall authorise their National Banks to participate in the elaboration of their co-ordinated and their joint policies, in particular by securing these banks an adequate representation in the Committee for monetary and financial questions.

### Economic and financial relations with third countries

# Article 72

- 1. The Committee of Ministers shall determine a joint trade policy in economic relations with third countries and shall establish measures for its application.
- 2. In particular, the Committee will fix joint import- and export quotas.

#### Article 73

The Committee of Ministers shall decide as to the expediency:

- a) of all negotiations with third countries directed to the conclusion of treaties and agreements concerning foreign trade and payments related to same, and regarding the customs tariff;
- b) of joint participation in international economic conferences and organisations.

#### Article 74

- 1. Negotiations as provided for in Article 73 of the present Treaty shall be carried out by a joint delegation. Its composition will be determined by the Committee of Ministers, which will also appoint its chairman.
- 2. The Committee of Ministers shall determine the instructions to be followed by the joint delegation. Its chairman shall be responsible for the negotiations vis-à-vis the Committee of Ministers.

### Article 75

The High Contracting Parties shall consult one another regarding any intended measures for promoting exports. They shall jointly see to it that these measures do not disturb competitive conditions for their export goods in foreign markets.

### Article 76

- 1. The High Contracting Parties shall assist one another in applying legal and executive provisions regarding imports, exports and transit goods and regarding payments related thereto, as well as in preventing and combating offences against these provisions.
- 2. The High Contracting Parties shall conclude a convention outlining executive measures for the provisions contained in the first paragraph of this Article.

#### Article 77

If joint trade and financial relations with certain third countries or groups of third countries should imply granting or accepting credits or accepting inconvertible currencies the resulting charge shall be divided among the High Contracting Parties in proportions to be arranged.

# **Customs and Financial Questions**

### Article 78

- 1. Imports and excise duties, as well as all other taxes, duties and imposts whatsoever, imposed in connection with import, export or transit movements, shall be determined jointly or in multilateral conventions in which the High Contracting Parties will participate.
- 2. The ways and means whereby the taxes referred to in the first paragraph of this Article are to be collected shall be determined simultaneously with the establishment of the joint tarriffs.

#### Article 79

A system ensuring the free traffic, provided for in Articles 3 to 5 inclusive of the present Treaty, shall be established with regard to the turnover tax, the purchase tax and other similar taxes.

#### Article 80

- 1. Joint tariffs shall be established and methods of collection shall be co-ordinated for excise duties and for the hallmark duty levied on goods of precious metals.
- 2. Domestic natural non-sparkling wines prepared from fresh grapes shall not be liable to excise.

#### Article 81

- 1. Unless previously agreed otherwise, the High Contracting Party which breaks the equivalence of the specific tariffs established for unified duties, taxes and imposts of any kind whatsoever, by altering its currency parity, shall undertake to adapt the money-rates of these tariffs, expressed in its own currency, to the new parity rate, from the day that this rate becomes operative.
- 2. After applying the provisions of the first paragraph of the present Article the High Contracting Parties shall consult one another as soon as possible in order to fix definitely in each of their currencies the new joint money-rates of the duties, taxes and imposts referred to in the first paragraph of the present Article.

### Article 82

The duties, taxes and levies specified in Articles 11, 78, 79 and 80 of this Treaty shall be determined in the legal tender of the country where the claim arises.

#### Article 83

- 1. The High Contracting Parties shall assist one another in everything concerning the collection and recovery of the duties, taxes and imposts referred to in Articles 11, 78, 79 and 80 of the present Treaty as well as in preventing and combating abuses.
- 2. The High Contracting Parties shall conclude a convention defining executive measures for the provision contained in the first paragraph of the present Article.

#### Article 84

The High Contracting Parties shall take all measures required to ensure the allotment of the yield of duties, taxes or charges referred to in Articles 11, 78, 79 and 80 of the present Treaty.

# Free traffic for transport services

#### Article 85

The Committee of Ministers shall lay down conditions for participation in national transport by road or by inland waterways with regard to the nationals of a High Contracting Party who are not established in the territory where they wish to render their services.

### Article 86

- 1. Transport of goods by road and irregular passenger traffic by road between the territories of the High Contracting Parties shall be submitted to joint executive and control measures determined by the Committee of Ministers. In order to promote a harmonious development of this transport of goods the Committee of Ministers shall, in addition, take all necessary measures in particular those regarding price-formation.
- 2. The Committee of Ministers shall establish the regime of regular passenger transport by road between the territories of the High Contracting Parties.

#### Article 87

- 1. With regard to international road transport, excluding irregular passenger transport by road from the territory of one of the High Contracting Parties to a third country, the Committee of Ministers shall lay down conditions for participation by the nationals of a High Contracting Party who are not established in the territory of the High Contracting Party concerned.
- 2. The Committee of Ministers shall establish executive and control measures for irregular passenger traffic by road from the territory of one of the High Contracting Parties to a third country.

#### Article 88

As regards transport by road or by inland waterways effected by nationals of the High Contracting Parties, each High Contracting Party shall guarantee to persons not established in their territory a system which – compared to the system applied to persons established in its own territory - is at least as favourable as the system applied to the latter at the date at which the present Treaty becomes operative.

# Article 89

Subject to the provisions of Article 5 of the present Treaty each High Contracting Party shall apply a liberal policy in respect of granting commercial aerial rights to the other Contracting Parties for the exploitation of regular international air services which cross its territory or are affected within its territory.

# **Statistics**

### Article 90

The High Contracting Parties shall undertake to compile such statistics as are indispensable for obtaining comparable data required for judging the economic, financial and social situation of their countries and to exchange these statistics with one another.

# **Article 91**

No High Contracting Party shall be obliged to give information corresponding to the description given in Article 90 of the present Treaty contrary to national regulations attaching a confidential character to certain data which might, owing to the limited number of informants, yield an insight into the situation of individual persons, enterprises or institutions.

#### Article 92

The Committee of Ministers may decide that statistical analyses be made in collaboration regarding goods ands means of transport for the same, crossing the joint frontiers of the High Contracting Parties.

# PART 4

# **FINAL PROVISIONS**

### Article 93

- 1. The present Treaty shall apply only to the territories of the High Contracting Parties in Europe.
- 2. The Kingdom of the Netherlands reserves the right to insert provisions concerning Surinam, the Netherlands Antilles and Netherlands New Guinea in the treaties and conventions referred to in Article 10 of the present Treaty.
- 3. The Kingdom of Belgium reserves the right to insert in the said Treaties and conventions provisions concerning Belgian Congo and Ruanda Urundi.

- 1. The provisions of the present Treaty shall not be contrary to the existence or possible development of the Economic Union between the Kingdom of Belgium and the Grand Duchy of Luxembourg insofar as the objectives of that Union are not attained by the application of the present Treaty.
- 2. The Belgian and Luxembourg Governments shall examine the aggregate of treaties and conventions constituting the Economic Union between these countries; prior to establishing provisions on which they agree, these countries will inform the Netherlands Government of the result of this examination.

- 1. The Union shall enjoy in the territory of each High Contracting Party the same immunities as are accorded to foreign States.
- 2. The Union shall enjoy in the territory of each High Contracting Party the same legal competence required for the discharge of its duties and for attaining its objectives as is accorded to legal persons in civil law; in particular, the Union may acquire and alienate real and personal property and may appear in a legal capacity. For these purposes the Union shall be represented by the Secretary-General.
- 3. If a dispute arises regarding the competence of the courts of the High Contracting Parties in a lawsuit to which the Union is a party, the court within the jurisdiction of which the Secretariat-General has its seat shall be solely competent.

#### Article 96

The official languages of the institutions of the Union shall be the Netherlands and French languages.

# **Article 97**

The provisions of the present Treaty shall be fully applied from the day it becomes operative, provided that the Convention for a Transitional Period does not contain provisions to the contrary.

### Article 98

The "Convention containing the Transitional Provisions" and the "Protocol implementing the provisions of the Treaty" shall form an integral part of the present Treaty.

- 1. The present Treaty shall be concluded for a period of fifty years.
- 2. Thereafter the Treaty remains operative for consecutive periods of ten years unless on of the High Contracting Parties notifies the other Contracting Parties one year before the expiration of the current period of its intention to terminate the present Treaty.

This Treaty shall be ratified and the instruments of ratification shall be deposited with the Belgian Government, which shall transfer them to the Secretary-General as soon as the present Treaty becomes operative. The Treaty shall become operative on the first day of the third month following the deposit of the third instruments of ratification.

In witness whereof the Ministers Plenipotentiary have placed their signatures and their seals at the end of the present Treaty.

Signed at The Hague, on the third day of February of the year 1958 in triplicate in the Netherlands and in the French languages, each of which texts having force of law.

For the Kingdom of Belgium:

sg. A. Van Acker; V. Larock

For the Grand Duchy of Luxembourg:

sg. Bech

For the Kingdom of the Netherlands:

sg. W. Drees; J. Luns

### **CONVENTION CONTAINING THE TRANSITIONAL PROVISIONS**

The High Contracting Parties to the Treaty setting up the Benelux Economic Union, signed on this same date and herinafter referred to as the "Treaty for the Union";

Acknowledging that circumstances require temporary derogations from certain provisions of that Treaty;

Desiring progressively to abolish these derogations by joint action;

Have decided to conclude a convention containing transitional provisions and have agreed as follows:

# Chapter 1

### National treatment, freedom of movement and the exercice of economic and professional activities

#### Article 1

Before the first day of January 1959 the High Contracting Parties will conclude a convention determining the way which Articles 55 and 56 of the Treaty for the Union shall be applied.

#### Article 2

- 1. As long as the laws regarding the exercice of independent economic and professional activities have not been harmonised and important difficulties for one or more High Contracting Parties might therefore arise, the Committee of Ministers may during a period which shall not exceed five years authorise each High Contracting Party to impose on the nationals of other High Contracting Parties conditions for the exercise of professional activities in the field of handicrafts, retail and wholesale trade, industry and professional services, which are not required of its own nationals; these conditions may derogate from the provisions of the second paragraph, sub-para. b) of Article 2 of the Treaty for the Union.
- 2. If a High Contracting Party imposes stricter conditions for the nationals of the other Contracting Parties than for its own nationals, such conditions may under no circumstances be stricter than those which the other Contracting Parties require of their nationals nor stricter than those which the first-mentioned Party applies to the nationals of third countries.

### Article 3

During a period not exceeding five years, the provisions of sub-par. b) of the second paragraph of Article 2 of the Treaty for the Union shall not apply to fisheries in territorial waters.

- 1. During a period not exceeding three years, measures may be taken derogating from the provisions of Article 62 of the Treaty for the Union, in accordance with the terms of conventions concluded between the High Contracting Parties, if an important disparity exists between public contracts awarded by the public authorities of one High Contracting Party to nationals of another High Contracting Party and public contracts awarded by the public authorities of the latter Party to the nationals of the former Party.
- 2. In the case referred to in the first paragraph of the present Article the College of Arbitrators, referred to in Article 15 of the Treaty for the Union, shall decide exclusively "ex aequo et bono".

During a period not exceeding three years, Article 62 of the Treaty for the Union shall only be applied to public contracts by public authorities, referred to in Article 63, sub-para. B b) thereof, in so far as the State effectively influences the award of these contracts.

#### Article 6

- 1. Within a period not exceeding five years the High Contracting Parties shall conclude the convention, referred to in the third paragraph of Article 58 of the Treaty for the Union.
- 2. Until the convention mentioned in the first paragraph of the present Article enters into force, the second paragraph of Article 58 of the Treaty for the Union shall not apply in the field of insurance, savings societies and buildings societies.

#### Article 7

- 1. If the situation of the labour market does not allow the employment of salaried workers in certain periods, regions or trades, the High Contracting Parties shall immediately consult one another in order to determine by mutual agreement what temporary measures are required.
- 2. In applying these measures, the High Contracting Parties undertake to limit as far as possible any disadvantages which might result for the salaried workers concerned.
- 3. After the expiration of a period of five years at most from the date at which the Treaty for the Union enters into force, the system instituted by the present Article shall come to an end; the Committee of Ministers may end it at any time before the expiration of the said period.

#### Article 8

Unless the Committee of Ministers decides to the contrary, the provisions of the second paragraph, subpara. b) of Article 2 of the Treaty for the Union shall not apply during a period not exceeding five years to workers who have been engaged as members of a ship's crew.

# Chapter 2

# **Trade between the Territories of the High Contracting Parties**

#### Article 9

The High Contracting Parties undertake to co-ordinate within a period not exceeding five years any legal or administrative regulations and any other provisions of public law, referred to in Articles 6 and 7 of the Treaty for the Union, which constitute undue restrictions on freedom of movement, with a view to the abolition of such restrictions.

- 1. Without prejudice to the provisions of Articles 11 to 24 inclusive of the present Convention and notwithstanding the provisions of Article 3 of the Treaty for the Union, each High Contracting Party shall be authorised to maintain those restrictions on the free movement of goods which are in force at the date at which the Treaty for the Union enters into force.
- 2. The Committee of Ministers shall establish a list of these restrictions which it shall gradually abolish within a period not exceeding five years.
- 3. In any case the High Contracting Parties shall grant to each other the most favourable treatment accorded to third countries.

# Chapter 3

# **Agriculture**

### Article 11

Pending the achievement of conditions permetting complete free trade in agricultural products between the territories of the High Contracting Parties, each Party may take price-support measures within its own territory; these measures may include limiting or prohibiting exports of the products affected. Each High Contracting Party may also take measures to protect its home-market against the other Contracting Parties within the limits and provisions of Articles 12 to 24 of the present Convention.

#### Article 12

Notwithstanding the provisions of Articles 3, 7, 10 and 11 of the Treaty for the Union, each High Contracting Party is entitled to submit imports and exports of agricultural products and foodstuffs to duties or licensing. However such duties may only be applied to the other Contracting Parties if they are also applied to third countries. The yield of such duties or licenses shall not constitute joint receipts.

#### Article 13

Notwithstanding the provisions of Articles 3, 7, 10 and 11 of the Treaty for the Union, the products set out in list A, attached to this Convention, shall be subject to a system of minimum prices.

- 1. Minimum prices shall be determined by common agreement by the Committee for Agriculture, Food and Fisheries and shall be based on cost price augmented by a reasonable margin of profit. In case of disagreement in this Committee regarding a minimum price or its application, the dispute shall immediately be submitted to a Working Party instituted according to Article 21 of the Treaty for the Union. The decision of this Working Party shall be applicable forthwith.
- If no decision can be reached within a week after the meeting of the Working Party the Government of the importing country concerned may immediately put into effect the measures which it deems indispensable for the protection of its interests. In that case, it shall take full account of the necessity to damage the interests of the exporting country as little as possible.
- 2. If required, the Committee for Agriculture, Food and Fisheries shall determine the qualities, types and varieties of products submitted to the system of minimum prices.

- 1. In order to ensure the application of minimum prices established according to the provisions of Article 14 of the present Convention, a permanent delegation from the Committee for Agriculture, Food and Fisheries, composed of delegates of the High Contracting Parties, shall be charged with permanently observing the evolution of prices. When this delegation ascertains that prevailing prices are below the established level, the importing country shall be automatically entitled, as a protective measure, to suspend imports of the products concerned until the Committee for Agriculture, Food and Fisheries, convened for that purpose within three days, or the Working Party referred to in Article 14 of this Convention shall have reached a decision. In the same manner, the recovery of prices to the established level, ascertained by the said delegation, shall automatically entail the suspension of the measures taken by the importing country.
- 2. In discharging these functions, the permanent delegation shall follow the procedure laid down for it by the Committee for Agriculture, Food and Fisheries.

### Article 16

- 1. In order to guarantee the minimum prices fixed in accordance with Article 14 of this Convention, levies shall be established equal to the difference between the agreed minimum price and the price free-frontier. The price free-frontier shall be computed by taking as a basis the home market price and adding any real costs.
- 2. Unless the Committee of Ministers decides otherwise, these levies shall be collected by the exporting country.
- 3. Every three months the total yield of theses levies imposed on trade between the Netherlands and the Belgian-Luxembourg Economic Union shall be equally divided between the two parties.

### Article 17

The High Contracting Parties shall grant each other preference for imports of agricultural products for which minimum prices are in force. Products mentioned in list A shall be liberalised in respect of third countries only by common agreement.

#### Article 18

The provisions of Article 12 of this Convention shall not apply to products for which a minimum price is in force.

- 1. Notwithstanding the provisions of Articles 3, 7, 10 and 11 of the Treaty for the Union, each High Contracting Party shall be entitled to apply a special system established by the Committee of Ministers to products set out in list B attached to this Convention.
- 2. In any case, the High Contracting Parties shall grant one another the most favourable treatment accorded to third countries.

- 1. The Grand Duchy of Luxembourg shall be entitled to apply an autonomous import system towards the other Contracting Parties with regard to products mentioned in list C attached to this Convention.
- 2. In any case the Grand Duchy of Luxembourg shall grant the other Contracting Parties the most favourable treatment accorded to third countries.

#### Article 21

Lists A, B and C may be modified by the Committee of Ministers on the proposal of the Committee for Agriculture, Food and Fisheries.

#### Article 22

- 1. Agricultural policies shall be harmonised within a period not exceeding five years.
- 2. Subject to the special system granted to the agriculture of the Grand Duchy of Luxembourg, the provisions of Articles 12 to 21 inclusive of the present Convention shall be progressively abolished by the Committee of Ministers according to the progress realised in harmonising agricultural policies.
- 3. In the autumn of every year, a Working Party established in accordance with Article 21 of the Treaty for the Union shall investigate the progress made in harmonising agricultural policies and determine the programme for the following year.

#### Article 23

Notwithstanding the provisions of Articles 3, 10 and 11 of the Treaty for the Union, each High Contracting Party may take measures during a period not exceeding five years which prohibit or limit exports of certain agricultural products of foodstuffs with a view to the regular supply of its home market, provided no joint arrangements exist.

#### Article 24

Until a co-ordinated system has been established, each High Contracting Party is entitled, notwithstanding the provisions of Articles 3, 10 and 11 of the Treaty for the Union, to take measures regarding the composition and quality of agricultural products and foodstuffs and for breeding.

#### Article 25

Until such time as the Committee of Ministers shall decide to the contrary, the Committee for the study of cost prices and the Committee for harmonising agricultural policies set up by the decision of the Committee of Ministers of the 3<sup>rd</sup> May 1955, as referred to in the Protocol regarding the co-ordination of economic and social policies, signed on the 24<sup>th</sup> July 1953, shall continue to discharge their functions, notwithstanding the abrogation of the said decision of the Committee of Ministers.

# Economic and financial relations with third countries

# Article 26

- 1. Before the 1<sup>st</sup> January 1959 and in accordance with the provisions of Article 10 of the Treaty for the Union, the High Contracting Parties undertake to put into effect a joint policy regarding foreign trade and regarding payments relating thereto.
- 2. Until that date and as long as this joint policy has not been put into effect with regard to certain products imported from or exported to certain countries, the High Contracting Parties may limit the free movement of these products between their territories.
- 3. As long as one of the High Contracting Parties negotiates separately trade agreements under the provisions of the present Article, observers of the other Contracting Parties may attend these meetings.

#### Article 27

- 1. The import and export quotas shall not be jointly managed for products which cannot be freely traded as a result of the provisions of Articles 10 to 24 inclusive of this Convention.
- 2. The Committee of Ministers may establish exceptions to the provisions of the first paragraph of the present Article.

#### Article 28

The Committee of Ministers may establish separate quotas for exports to a third country of products for which a Contracting Party has taken measures or has granted guarantees in respect of price, quality or of the management of the quota, provided that the other Contracting Parties cannot take the same measures or grant the same guarantees.

#### Article 29

Before the first day of January 1959 the High Contracting Parties shall conclude the conventions referred to in the second paragraph of Article 76 of the Treaty for the Union.

# **Payments**

# Article 30

- 1. As soon as and in such measure as the international payments situation permits, the High Contracting Parties undertake to abolish any measures which they apply at the date at which this Treaty enters into force in the field of payments between the residents of their respective countries and which are contrary to the provisions of the Treaty for the Union. The Committee for monetary and financial questions shall report at least once a year to the Committee of Ministers on this subject.
- 2. Notwithstanding the provisions of Articles 2 and 4 of the Treaty for the Union, capital transactions shall remain subject to any restrictions which the High Contracting Parties apply at the date at which the Treaty for the Union enters into force.
- 3. Notwithstanding the provisions of Articles 3 and 5 of the Treaty for the Union, the movement of goods and the rendering of services shall remain subject to those restrictions on payments which the High Contracting Parties apply at the date at which the Treaty for the Union enters into force.

# **Chapter 6**

# **Customs and fiscal questions**

#### Article 31

- 1. Pending the solution of difficulties arising from the complete application of the Convention for unifying excise and hall mark duties, signed at The Hague on the eighteenth day of February 1950, and notwithstanding the provisions of Articles 3, 11, 78 and 80 of the Treaty for the Union, each High Contracting Party may without restriction collect such duties on imports from third countries or from the territories of the other Contracting Parties.
- 2. The High Contracting Parties shall continue their policy of gradually applying the Convention mentioned in the first paragraph of the present Article.

### Article 32

- 1. Pending the solution of difficulties connected with the establishment of the system provided in Article 79 of the Treaty for the Union and notwithstanding the provisions of Articles 3, 5, 11, 78 and 79 of the Treaty for the Union, each High Contracting Party may without restriction collect purchase-tax, turnover-tax and other similar taxes on imports from third countries or from the territories of the other Contracting Parties.
- 2. The High Contracting Parties shall continue their policy of gradually establishing the system mentioned in the first paragraph of the present Article.

### Article 33

As regards taxes, not mentioned in Articles 78 to 80 inclusive of the Treaty for the Union, the High Contracting Parties shall gradually reduce any disparities by which competitive conditions are prejudiced.

# **Transport**

# Article 34

Within a period not exceeding three years the High Contracting Parties shall gradually abolish any quantitative restrictions:

a) regarding road-transport of goods and non-scheduled passenger traffic by road between their countries;b) regarding non-scheduled passenger traffic by road from the territory of a High Contracting Party to third countries.

### Article 35

During a period of five years, transport by river-vessels of gravel and sand from the Netherlands to Belgium may take place as river traffic according to the regulations applied to imports of sand and gravel at the date at which the Treaty for the Union enters into force.

### **Chapter 8**

### **Final Provisions**

### Article 36

Without prejudice to the provisions of Article 22 of the present Convention, the Committee of Ministers shall review once a year the derogations permitted by the present Convention in order to decide whether they can be abolished.

#### Article 37

If necessary, the Committee of Ministers may prolong by two years the periods of time provided for in the present Convention.

In witness whereof the Plenipotentiaries of the High Contracting Parties have signed and sealed this Convention.

Done at the Hague, the third day of February 1958, in triplicate in the Dutch and French languages, each of which shall be equally authoritative.

For the Kingdom of Belgium:

sg. A. Van Acker; V. Larock

For the Grand Duchy of Luxembourg:

sg. Bech

For the Kingdom of the Netherlands:

sg. W. Drees ; J. Luns