

CUSTOMS PRIVILEGES FOR EDUCATIONAL,
RELIGIOUS, AND PHILANTHROPIC
INSTITUTIONS IN SYRIA AND LEBANON

Exchange of notes at Paris February 18, 1937
*Entered into force February 18, 1937*¹

51 Stat. 279; Executive Agreement Series 107

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY FOR FOREIGN AFFAIRS
Political Division

PARIS, *February 18, 1937*

MR. AMBASSADOR:

Being desirous of further clarifying the principles animating the exchange of notes between M. Poincaré and Ambassador Herrick, dated at Paris, respectively, on November 2, 1923, and December 18 of the same year,² the High Commissioner of the French Republic in Syria and the Lebanon formulated a decree, No. 292/LR, which was issued on December 20, 1934, a copy of which is enclosed; this text makes certain clarifications with respect to the rights and privileges of free importation for educational, religious and philanthropic institutions in the States under Mandate. My Government would welcome the comment of the American Government on the provisions of this decree and their effect on the American interests envisaged in the exchange of notes above referred to.

Please accept, Mr. Ambassador, the assurances of my very high consideration,

YVON DELBOS

His Excellency

The Honorable WILLIAM C. BULLITT,
Ambassador of the United States of America,
Paris.

¹ Existing rights of the United States and its nationals were recognized and continued in effect by agreements of Sept. 7 and 8, 1944, between the United States and Syria and Lebanon, respectively (EAS 434, *post*, SYRIA; EAS 435, *post*, LEBANON).

² TS 695, *ante*, p. 932.

[ENCLOSURE—TRANSLATION]

CUSTOMS

DECREE NO. 292/LR
of December 20, 1934,

carrying exemption from customs duties for importations made by religious communities, evangelical missions, educational establishments and philanthropic institutions

The High Commissioner of the French Republic,

In view of the decrees of the President of the French Republic under date of November 23, 1920, and July 16, 1933,

In view of the Ottoman customs regulations of December 31, 1910,

In view of Decrees Nos. 1734 of December 22, 1922, 1228 of May 13, 1927, 1711 of December 20, 1927, and 2045 of July 27, 1928.

DECREES:

ARTICLE 1. Exemption from customs duties is accorded, under the conditions and with the reservations provided for in the above texts, to the articles and products limitatively described below, imported by religious communities, evangelical missions, educational establishments and philanthropic institutions:

A) *Articles intended to be used in conducting religious worship in churches, temples, mosques, synagogues and other special houses of prayer:*

Gifts sent by sovereigns and chiefs of states.

Crucifixes, reliquaries of all kinds, ornamented or not ornamented.

Chalices, ostensories, ciboria, basins, ewers, censers, incense boats, altarcruets, trays and other utensils, of gold, silver or vermeil.

Candelabra, chandeliers, flower vases, whether ornamented or plain, artificial flowers, canopies, veils, cloth materials for the altar, hangings and materials, of silk or cotton, for ornamentation, braids and fringes of silk or silver, croziers of all kinds, altar pieces, whether ornamented or plain.

Sacerdotal or other clothing made up or not, intended exclusively for the religious service.

Carpets, wool, velvet, or embroidered with gold or silver.

Chandeliers (*lustres*) and lamps of silver, vermeil, metal or glass, gold and silver leaf, colors and paints intended for ornamentation, stained or unstained glass windows, candles, crude wax for making candles, incense, rosaries, gold and silver medals, pictures, statues and statuettes.

Organs and harmoniums, liturgical music, missals, prayer or songbooks and, in general, all books intended for conducting worship.

The articles listed above cannot profit from the exemption from customs duties except when imported in the name of religious communities or evangelical missions.

B) *Articles and products imported by religious communities and evangelical missions for the support of their members:*

Articles of apparel: ready-made clothing and dress accessories (excluding furs and other luxurious furnishings), headdress, shoes, leather and hides, woolen or cotton hosiery, cotton underclothing, silk, woolen or cotton ribbons, cords, threads and woven goods.

Articles and products for maintenance: bedding; articles of glass, faïence, porcelain or enameled iron, for the table or toilet; table knives, forks and spoons, of ordinary metal; kitchen utensils; housekeeping articles; gardening tools; vegetable and flower seeds, ordinary soap.

Food products: wheat flour, sugar, rice, coffee, tea, chicory, starch, spices, dry vegetables, potatoes, greases and fats, butter, oils, alimentary pastes and canned foods, cheese, table wine.

Office supplies: paper, pencils, pens and penholders, ink, ordinary inkwells, envelopes of paper.

The value of the goods which are admissible annually free of duty cannot exceed 7,000 Libano-Syrian piasters per person.

C) *Articles and products imported by houses of religious education (seminaries and others) for the maintenance and instruction of their boarding pupils, or for the instruction only, of pupils not boarded by them:*

Articles of apparel listed in paragraph B above, with the exception of ribbons, cords, threads and tissues of silk.

Articles and products for maintenance listed in paragraph B above.

Alimentary products listed in paragraph B above, except table wine.

Office supplies listed in paragraph B above.

School supplies: chalk, blackboards, geographical maps and other books.

Special articles and products: sport goods, instruments and products for physical and chemical laboratories, apparatus for fixed luminous projections.

The value of the goods which are admissible annually duty free cannot exceed 2,500 Libano-Syrian piasters per boarded pupil, or 1,000 Libano-Syrian piasters per pupil not boarded.

D) *Articles and products imported by establishments of general or technical education for the instruction of their pupils:*

Office supplies listed in paragraph B above.

School goods listed in paragraph C above, to which should be added: tablets of slate or black cardboard, colors and accessories for artistic painting.

Special articles and goods listed in paragraph C above, to which should be added: musical instruments, collection specimens intended for establishments possessing a natural history museum, typewriters, duplicating machines and accessories, intended for establishments having a commercial course, wireless or radio sets, laboratory instruments and products, surgical and medical

instruments, dental instruments and pharmaceutical products, intended for establishments of technical education.

The value of the goods which are admissible annually duty free cannot exceed 1,000 Libano-Syrian piasters per pupil.

E) *Articles and products imported by hospitals for the subsistence and care of the sick:*

Articles of apparel: woolen or cotton hosiery, cotton underclothing, wool or cotton thread, cotton cloth.

Subsistence articles and products listed in paragraph B above.

Alimentary products listed in paragraph B above, excluding table wine, but to which should be added: cocoa, chocolate, preserves, biscuits, condensed milk.

Special articles and products: surgical and medical instruments, dental instruments, laboratory instruments and products, medicines, dressings, anti-septic products, alcohol.

The value of the goods which are admissible annually duty free cannot exceed 7,000 Libano-Syrian piasters per bed.

F) *Articles and products imported by dispensaries for the care of the sick:*

Subsistence articles and products: household articles, ordinary soap.

Special articles and products listed in paragraph E above.

The value of the goods admissible annually duty free cannot exceed 1,200 Libano-Syrian piasters per person assisted.

G) *Articles and products imported by orphanages for the support and instruction of their inmates:*

Articles of apparel listed in paragraph B above, excluding leathers and hides, and silk ribbons, cords, threads and cloth.

Subsistence articles and products listed in paragraph B above.

Alimentary products referred to in paragraph E above.

Office supplies listed in paragraph B above.

School goods referred to in paragraph D above.

Special articles and products listed in paragraph C above, to which should be added: musical instruments, recompenses for prizes (ornamented books, frames, boxes and children's toys), patterns of fine lingerie, works of tapestry, samples and articles of dry goods, intended for girls' orphanages, tools and instruments for manual work, intended for boys' orphanages.

The value of the goods admissible annually duty free cannot exceed 2,500 Libano-Syrian piasters per orphan.

H) *Articles and products imported by hospices for the sustenance of their inmates:*

Articles of apparel contemplated in paragraph G above.

Sustenance articles and products listed in paragraph B above.

Alimentary products contemplated in paragraph E above.
Office supplies listed in paragraph B above.

The value of the goods admissible annually duty free cannot exceed 7,000 Libano-Syrian piasters per person assisted.

ARTICLE 2. The importations of construction materials, materials for the installation and maintenance of buildings, mechanical equipment, motors, appliances, apparatus and gear of all kind (electrical installations, pumps, etc.), made by the establishments contemplated in article 1 of this decree, continue to be governed by decrees Nos. 6/LR, 166/LR, 211/LR and 232/LR of January 31, 1931, July 30, September 13 and October 4, 1934.

Nevertheless, such materials and equipment do not benefit from exemption from customs duties unless they are introduced through a port of the Levantine States under French Mandate.

ARTICLE 3. Those articles, products, materials and equipment, enumerated above, for which like articles are found on the domestic market, produced by local industry or agriculture, may, simply by decision of the superior authorities, be excluded from the benefit of exemption from customs duties.

ARTICLE 4. The articles, products, materials and equipment listed in articles 1 and 2 of this decree are admitted duty free only if they are imported from countries that are members of the League of Nations, from the United States of America, or from countries benefiting from special tariff agreements.

Goods of all kinds, imported by privileged establishments or groups pay the maximum rate of duty when they originate in countries other than those referred to above.

ARTICLE 5. Although not included among the establishments to which the provisions of articles 1 and 2 of this decree apply, private clinics may benefit, for their free beds, from the exemption from duty provided for in paragraph E of article 1 above.

ARTICLE 6. All prior provisions contrary to this decree, which will come into force on January 1, 1935, are and remain revoked.

ARTICLE 7. The Secretary General and Inspector General of Customs are charged, each one in that which concerns him, with the execution of this decree.

BEIRUT, December 20, 1934.

The Secretary General
LAGARDE

The Legislative Adviser
A. MAZAS

The Inspector General of Customs
ROUX

The High Commissioner
D. DE MARTEL

*The Adviser of the High Commission
in Financial Affairs*
ABADIE GASQUIN

The American Ambassador to the Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA
Paris, February 18, 1937

No. 221

EXCELLENCY:

I have received Your Excellency's note enclosing a copy of the decree of the French High Commissioner in Syria, No. 292/LR of December 20, 1934, which was destined to make precise the privileges granted in the exchange of notes between M. Poincaré and Ambassador Herrick, dated, respectively, November 2, 1923, and December 18 of the same year, for the American educational, religious and philanthropic institutions in Syria and the Lebanon. I note that you invite the comment of my Government.

This matter has been made the subject of considerable correspondence between the Embassy and the Ministry, and the Consulate General at Beirut and the High Commission, and my Government has always reserved the rights granted it by the Convention between the United States of America and France regarding the Mandate for Syria and the Lebanon, dated April 4, 1924,⁸ and more specifically mentioned in the exchange of notes above referred to, and therefore will consider Decree No. 292/LR of December 20, 1934, as an interpretation of the privileges granted, subject to two modifications:

First, the liberalization of the amounts to be imported free of duty by the American University of Beirut. The desire for this modification arises from the fact that scientific instruments, equipment for teaching, hospitals, etc., which must all be imported by the University, create a proportion of importation relative to the number of students far higher than similar importations which might be required by secondary institutions and other foundations. Therefore, the creation of a special category for institutions of university standing might be in the public interest in the Mandated areas, particularly since devaluation has lessened the import value of the present allowances.

Second, it is suggested that, in case the American educational, religious and philanthropic institutions appeal from a decision of the customs inspectors, either as to amounts or classifications, no payment be made until the appeal shall have been heard and decided by the highest customs authorities. The reason which motivates this request is that appeals under the present régime tie up philanthropic funds for considerable lengths of time until decisions are acted upon, after which claims may be entered for the return of the money, and there is a long tie-up of funds destined entirely for eleemosynary purposes, as well as unnecessary administrative delay and inconvenience to both parties.

⁸ TS 695, *ante*, p. 925.

Should Your Excellency be able to consent to the two above mentioned modifications of Decree 292/LR of December 20, 1934, my Government will be most happy to consider the decree so modified as a satisfactory interpretation of the rights granted it by treaty and interpreted in the exchange of notes, by which it receives most favored nation treatment in this respect.

I avail myself of this occasion to renew to Your Excellency the assurance of my highest consideration,

WILLIAM C. BULLITT

His Excellency
 Monsieur YVON DELBOS,
Minister for Foreign Affairs,
Paris.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY FOR FOREIGN AFFAIRS
 Political Division

PARIS, *February 18, 1937*

MR. AMBASSADOR:

I have received your note of to-day's date setting forth the observations of your Government on the customs regime for American educational, religious and philanthropic institutions, and suggesting certain modifications which your Government feels would make less difficulty in the interpretation of the rights granted by the Convention between the United States of America and France regarding the Mandate for Syria and the Lebanon, dated April 4, 1924, and the exchange of notes of November 2, 1923, and December 18 of the same year.

My Government, which has been moved in its action in this matter by the desire to interpret the spirit of its international engagements for the best interests of the States of the Levant under French Mandate, is pleased to accept the modifications of that interpretation which you suggest, and will take the necessary measures in order to make the following modifications in the texts of the current laws:

Paragraph (d) of Article 248 of the Customs Code shall be rectified as follows:

(d) Articles and products imported by establishments of technical and general education for the instruction of their pupils:

The value of merchandise annually admissible in franchise may not exceed 1,500 Libano-Syrian piasters per pupil for establishments of primary and secondary grade; and 2,500 Libano-Syrian piasters per pupil for establishments of university grade.

Article 251 of the Customs Code shall be completed as follows:

"In general, the sums receivable on any privileged importation shall be paid

into the account of the Customs. However, the latter may accept in lieu of the above-mentioned payments the guarantee of a bank previously consented to by the head of the interested Customs office, whenever the total of the amounts to be paid in shall exceed 1,000 Libano-Syrian pounds; or the deposit of a pledge by the foreign beneficiary establishment, transmitted by its Consul."

Please accept, Mr. Ambassador, the assurances of my highest consideration,

YVON DELBOS

His Excellency

The Honorable WILLIAM C. BULLITT,
Ambassador of the United States of America,
Paris.

[ENCLOSURE—TRANSLATION]

CUSTOMS

DECREE NO. 53/L.R.
of March 27, 1937,

making modification No. 14 to the
"Code des Douanes"

The High Commissioner of the French Republic,
Considering the decrees of the President of the French Republic dated November 23, 1920, and July 16, 1933,

Considering Decree No. 137/LR of June 15, 1935, called "Code des Douanes", and subsequent decrees making modifications Nos. 1 to 13 in this Code,

DECREES:

ARTICLE 1. Decree No. 137/LR of June 15, 1935, called "Code des Douanes" is modified or completed as follows:

Article 248 Section d—Last paragraph.—To be replaced by the following text:

The value of merchandise admitted annually free of duty may not exceed 1,500 Syrian piasters per pupil for establishments of primary or secondary instruction, and 2,500 Syrian piasters for university establishments.

Article 251. To be completed as follows:

. . . , or the deposit of a guarantee of the foreign institution in question transmitted by its consul.

Article 334. The first paragraph to be replaced by the following text:

The Customs Administration is exempted from stamp formalities for all instruments which it might be called upon to produce or to demand judicially, as well as from payment of all judicial expenses occasioned by the actions

which it might have to initiate or to defend judicially. It is likewise exempted from all costs of executions of judgments, and the Treasury's preferential claim cannot be alleged against the full exercise of its rights.

Article 351. New text:

For the recovery of all rights, fines, confiscations and restitutions, the Customs Administration disposes of a general privilege upon the movable patrimony of its debtors. This privilege may be exercised under all circumstances, even in case of bankruptcy and by preference over all debts, except those for the conservation of the subject matter (*res*), for judicial costs incurred by third parties, and claims benefited by general privilege upon household effects.

It has first claim on sums deposited by the debtors as a preliminary to an opposition or appeal.

Article 351 bis, new.

The bondsman who pays to the Customs the amount guaranteed is subrogated in the rights, privileges and mortgages of the Administration.

Furthermore, the Customs may, without the consent of the debtor, cede or transfer to any third party, even to joint debtors and even when the right may be doubtful or the object of judicial action, any debt which is due to it by any right whatsoever, and may confer upon the grantee or beneficiary subrogation in its rights, privileges and mortgages against the debtor and his bondsman.

The subrogation granted by the Customs shall be exercised always for the benefit of the titular owner in the same conditions under which the Administration would exercise it.

In any case, the person subrogated enters into the rights, privileges and mortgages of the Administration after payment into the funds of the Customs of the amount of the obligation. The quality of subrogation is established, without further formality, by the receipt delivered by the Customs which defines the conditions and limits of the subrogation.

ARTICLE 2. The Secretary General and the Inspector General of Customs are charged, each within his own province, with the execution of the present decree.

BEIRUT, *March 27, 1937*

The Secretary General,
MEYRIER

*Economic Adviser of the High
Commission,*
RECLUS

Legislative Adviser,
A. MAZAS

The High Commissioner,
D. DE MARTEL

*For the Financial Adviser of
the High Commission,*
ROUCOLLE

Inspector General of Customs,
ROUX