

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

*Exchange of notes at Oslo July 3, 1948*

*Entered into force July 3, 1948*

*Expired in accordance with its terms*

62 Stat. 2924; Treaties and Other  
International Acts Series 1832

*The American Ambassador to the Minister of Foreign Affairs*

No. 607

OSLO, July 3, 1948

### EXCELLENCY:

I have the honor to refer to the conversations which have recently taken place between the representatives of our two Governments relating to the territorial application of commercial arrangements between the United States of America and Norway and to confirm the understanding reached as a result of these conversations as follows:

1. For such time as the Government of the United States of America participates in the occupation or control of any areas in western Germany, the Free Territory of Trieste, Japan or southern Korea, the Royal Norwegian Government will apply to the merchandise trade of such area the provisions of the General Agreement on Tariffs and Trade, dated October 30, 1947,<sup>1</sup> as now or hereafter amended, relating to the most-favored-nation treatment.

2. The undertaking in point 1, above, will apply to the merchandise trade of any area referred to therein only for such time and to such extent as such area accords reciprocal most-favored-nation treatment to the merchandise trade of Norway.

3. The undertakings in points 1 and 2, above, are entered into in the light of the absence at the present time of effective or significant tariff barriers to imports into the areas herein concerned. In the event that such tariff barriers are imposed, it is understood that such undertakings shall be without prejudice to the application of the principles set forth in the Havana

<sup>1</sup> TIAS 1700, *ante*, vol. 4, p. 641.

Charter for an International Trade Organization <sup>2</sup> relating to the reduction of tariffs on a mutually advantageous basis.

4. It is recognized that the absence of a uniform rate of exchange for the currency of the areas in western Germany, Japan or southern Korea referred to in point 1, above, may have the effect of indirectly subsidizing the exports of such areas to an extent which it would be difficult to calculate exactly. So long as such a condition exists, and if consultation with the Government of the United States of America fails to reach an agreed solution to the problem, it is understood that it would not be inconsistent with the undertaking in point 1 for the Royal Norwegian Government to levy a countervailing duty on imports of such goods equivalent to the estimated amount of such subsidization, where the Royal Norwegian Government determines that the subsidization is such as to cause or threaten material injury to an established domestic industry or is such as to prevent or materially retard the establishment of a domestic industry.

5. The undertakings in this note shall remain in force until January 1, 1951, and unless at least six months before January 1, 1951, either Government 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, Excellency, the renewed assurances of my highest consideration.

C. ULRICK BAY

His Excellency

Monsieur HALVARD M. LANGE,  
*Royal Norwegian Minister  
for Foreign Affairs,  
Oslo.*

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*The Minister of Foreign Affairs to the American Ambassador*

[TRANSLATION]

THE ROYAL DEPARTMENT  
FOR FOREIGN AFFAIRS

OSLO, July 3, 1948

MR. AMBASSADOR:

I have the honor to refer to the conversations which recently took place between representatives of our two Governments regarding the territorial application of certain trade regulations in force between Norway and the

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<sup>2</sup> Unperfected; for excerpts, see *A Decade of American Foreign Policy: Basic Documents, 1941-49* (S. Doc. 123, 81st Cong., 1st sess.), p. 391.

United States of America, and to confirm the following agreement reached during the said conversations:

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

Accept, Mr. Ambassador, the assurance of my highest consideration.

HALVARD M. LANGE

His Excellency

CHARLES ULRICK BAY,

*Ambassador of the United States of America,*

*etc. etc. etc.,*

*Oslo.*