

QUITO, Ecuador,
November 10, 1950.

MR. MINISTER:

In the desire to strengthen and knit more closely the traditional bonds of friendship which unite Canada and Ecuador, and to stimulate in every way the development of good commercial relations between our two countries, I have the honour to inform Your Excellency that I have been authorized by the Government of Canada to propose to the Government of Ecuador, through Your Excellency, the following Commercial Modus Vivendi:

ARTICLE I

1. The Government of Canada and the Government of Ecuador agree to grant each other, reciprocally unconditional and unrestricted most-favoured-nation treatment in all matters concerning customs duties on importation or exportation established in their respective jurisdictions, and as regards the method of levying such duties, and further, as regards the rules and formalities connected with importation or exportation.

2. Accordingly, articles the growth, produce or manufacture of either country imported into the other shall in no case be subject, in regard to the matters referred to above, to any duties or charges other or higher, or to any rules or formalities other or more burdensome, than those to which the like articles from any other foreign country are or may hereafter be subject.

3. Similarly, articles exported from Canada or Ecuador and consigned to the other country shall in no case be subject, with respect to exportation and in regard to the above-mentioned matters, to any duties or charges other or higher, or to any rules or formalities other or more burdensome than those to which the like articles, when consigned to any other foreign country, are or may hereafter be subject.

4. Any advantage, favour, privilege or immunity which has been or may hereafter be granted by Canada or Ecuador in regard to the above-mentioned matters, to any article originating in any other foreign country or consigned to any other foreign country shall be accorded immediately and without compensation to the like article originating in or consigned to Canada or Ecuador, respectively.

ARTICLE II

The provisions of this Modus Vivendi relating to most-favoured-nation treatment are not applicable to:

- (a) advantages that have been accorded or may in future be accorded by Canada or by Ecuador exclusively to contiguous countries or advantages that might result from a Customs Union of which either Canada or Ecuador is or may become a member.