

# Establishment and Shipping Agreement between the Federal Republic of Germany and the Kingdom of Greece

THE PRESIDENT OF THE FEDERAL REPUBLIC OF GERMANY

and

HIS MAJESTY THE KING OF THE HELLENES

Desiring to regulate the status of their nationals who are in the territory of the other State, as well as matters of maritime navigation, in accordance with the friendly relations existing between the two States and for the promotion of their economic cooperation, have agreed to conclude a treaty of establishment and navigation.

To this end have appointed:

The President of the Federal Republic of Germany

Dr. Albert Hilger van Scherpenberg,

State Secretary of the Foreign Office,

His Majesty The King of the Hellenes

Mr. Thomas Ypsilanti ,

Royal Greek Ambassador in Bonn,

Who, having exchanged their full powers found in good and due form, have agreed as follows:

## Article 1.

1. Each Contracting State undertakes to facilitate the entry into and residence in its territory of nationals of the other Contracting State.
2. The nationals of a Contracting State shall be permitted, in accordance with the provisions in force, to enter, to reside temporarily and to remain for a longer or longer period in the territory of the other Contracting State, unless there are reasons of public order, security, public health or morality to the contrary.

## Article 2.

1. The nationals of a Contracting Party who are lawfully resident in the territory of the other Party may be expelled only if they endanger the security of the State or offend against public order or morality.

The same principles shall apply to the non-renewal, non-extension or withdrawal of the residence permit.

2. Unless imperative reasons of national security so require, nationals of a Contracting Party who are lawfully resident in the territory of the other Contracting Party shall not be expelled unless they have been given the opportunity to make representations, to appeal and to be represented for this purpose before a competent authority. The same shall apply to the refusal to grant or the extension or withdrawal of a residence permit.
3. Nationals of a Contracting Party who have been lawfully resident in the territory of the other Contracting Party for more than five years may be expelled only on grounds of national security or if the other grounds mentioned in paragraph 1 of this article are particularly serious.
4. The orderly residence of nationals of a Contracting State in the territory of the other Contracting State shall be deemed

not to have been interrupted if they leave that territory for a reason which is temporary in nature.

### **Article 3.**

1. The nationals of one Contracting Party shall enjoy protection and security in the territory of the other Contracting Party. The legal system of the other Contracting State shall not place them in a position less favorable, as regards the protection of their person, than that which exists for nationals of the other Contracting State. The two Contracting States shall not adopt provisions imposing special restrictions, requirements or burdens on the nationals of the other Contracting State.

2. In the event of the arrest or detention of a national of one of the Contracting States in the territory of the other Contracting State, the national shall be treated humanely, shall be informed without delay, in accordance with the laws in force, of the charges against him or the reasons which led to his detention, and shall be brought before a court as soon as possible. He may avail himself of all necessary and reasonable assistance for his defense, in particular the services of a lawyer of his choice and of an interpreter.

3. As soon as a national of a Contracting State has been arrested or detained by the authorities of the other Contracting State, the nearest consular representative of his country shall be informed of the measure without delay. The consular representative shall have the right, as often as he deems necessary, to visit the national and to keep in correspondence with him. The visits and correspondence must be within the framework of the regulations applicable to the detention facility where the national is held. The two Contracting States agree, however, that such regulations must afford the consular representative reasonable opportunities for access to and consultation with the national.

### **Article 4.**

1. Nationals of one of the Contracting Parties shall not be subject to military service in relation to the other Party, nor shall they be compelled to join armed or militarized formations established by the other Party within or outside its territory.

2. Nationals of one State Party shall be exempt from all public service obligations in the territory of the other State Party, except for general civilian services provided for the protection of the civilian population, including defense against natural disasters. The exemption shall extend also to compulsory contributions imposed in lieu of personal services.

3. Nationals of one of the Contracting Parties shall be granted national treatment in the territory of the other Contracting Party in respect of public obligations in kind, such as requisitions, temporary occupations and similar obligations. They shall have all the guarantees and remedies to which nationals are entitled, as well as the right to the compensation provided by law.

4. Nationals of one Contracting Party shall be entitled in the territory of the other Contracting Party to all aid granted in the event of natural or similar disasters to its own nationals out of public funds appropriated for that purpose.

5. With respect to the transfer of benefits under paragraphs 3 and 4 above, a Contracting State shall not treat nationals of the other Contracting State less favorably than nationals of a third State.

6. The provisions of paragraphs 2 to 5 of this article shall apply *mutatis mutandis* to *Gesellsdtaften*.

7. Ships and aircraft flying the flag of a Contracting State shall be excluded from requisition by the other Contracting State.

### **Article 5.**

1. The property of nationals and companies of one Contracting Party shall enjoy in the territory of the other Contracting Party a protection not less than that accorded by the laws of the other Contracting Party to the property of nationals. This shall also apply to official measures, searches, inspections and all other interventions, which shall be carried out in such a way as to cause the least possible inconvenience to the parties concerned.

2. The two Contracting States undertake not to adopt for the nationals and companies of the other Contracting State any special provisions or measures which would adversely affect their treatment with regard to existing participations in other undertakings in the form of deposits of money or in the form of any other contribution permitted by law.

3. The property of nationals and companies of one Contracting State may be expropriated in the territory of the other Contracting State only for the general good and against compensation. The compensation must correspond to the value of the property expropriated, be actually realizable, and be paid without undue delay. At the latest at the time of expropriation, adequate provision must be made for the assessment and payment of compensation. It must be possible to verify the legality of the expropriation and the amount of compensation in ordinary legal proceedings. .

4. The compensation for expropriation shall be freely transferable in respect of that part of it which corresponds to the value of the capital imported and such proceeds as could have been exported under national law up to the time of payment of the compensation for expropriation but have not been exported.

5. Ships and aircraft flying the flag of a Contracting State shall not be subject to expropriation by the other Contracting State.

## **Article 6.**

1. National treatment shall be accorded to nationals and companies of one Contracting Party in the territory of the other Contracting Party with regard to access to all courts and to all offices for the protection of their rights and interests.

2. The German-Greek Convention on Mutual Legal Assistance in Civil and Commercial Matters of May 11, 1938, shall apply as far as the granting of poor law and the exemption from the requirement of security for legal costs are concerned.

## **Article 7.**

1. Nationals of each Contracting Party shall be accorded national treatment in the territory of the other Contracting Party with regard to admission to economic or professional activities of any kind and to the exercise of such activities. The same shall apply to companies.

2. Nationals and companies of one of the Contracting Parties shall be entitled, in accordance with the law applicable to nationals and companies of the other Contracting Party, to establish companies in its territory, to participate in their establishment or to acquire interests in companies of the other Contracting Party. The nationals shall be entitled, in accordance with the law applicable to the nationals of the other Contracting Party, to engage in the management and administration of such companies, in particular as members of the board of directors or supervisory board.

The provisions of Article 8 shall remain unaffected.

3. Each Contracting State may prescribe special formalities with regard to the establishment of companies controlled by foreigners. Such formalities shall not, however, affect the essence of the rights set forth in paragraph 2 of this article.

4. Companies shall not be treated less favorably than other companies in the territory of one Contracting State on the ground that they are owned or controlled by nationals or companies of the other Contracting State.

5. The provisions of paragraphs 1, 2 and 4 of this Article shall not apply to employment in the public service or to the professions and activities listed in the Protocol under No. 11, which are not open to foreigners or are open to them only to a limited extent. Future restrictions imposed on aliens in respect of these professions and activities shall not apply to persons and companies of the other Contracting State who, at the time when the restrictions come into force, are authorized to engage in these professions and activities.

6. The provisions of paragraphs 1, 2 and 4 of this Article shall not preclude the imposition on companies of requirements corresponding to those imposed on domestic companies of the same legal form with respect to capital and accounting.

## **Article 8.**

1. Notwithstanding the provisions of paragraph 1 of Article 7, the taking up and pursuit of employment by nationals of one Contracting Party in the territory of the other Contracting Party shall be governed, subject to the following provisions, by the laws and regulations of each Contracting Party relating to foreign employees.

2. Nationals of one Contracting State who are lawfully resident in the territory of the other Contracting State and who have been employed there as workers for an uninterrupted period of at least five years or who can prove an uninterrupted lawful residence of at least eight years shall, upon application, be issued a certificate stating that they are not subject for an indefinite period to any territorial restriction and, subject to the provision of paragraph 5 of Article 7, to any occupational restriction in the exercise of paid employment. Both Contracting States shall endeavor to further shorten the above-mentioned periods.

3. The certificate may also be issued, upon request, before the expiration of the periods referred to in paragraph 2 of this article, if the application of the laws and administrative regulations of the country of residence concerning foreign workers and the application of the provision of paragraph 2 of this article would cause particular hardship to the worker.

4. The senior employees of an enterprise who are lawfully present in the territory of the other Contracting Party shall, upon application, be granted permission to work as senior employees without territorial, temporal and professional restrictions,

subject to the provisions of paragraph 5 of Article 7.

For the purposes of this Agreement, the following shall be deemed to be executive employees of an enterprise:

- (a) those appointed to legally represent the company,
- b) persons to whom general power of attorney or procuration has been granted,
- c) employees who have power of attorney for the entire business of a dependent branch.

5. If companies of one Contracting Party, established by nationals or companies of the other Contracting Party or in which nationals or companies of the other Contracting Party participate, require nationals of the other Contracting Party for the establishment and operation of their enterprise because of their special expertise, they shall be granted the necessary permission to carry on this activity. The same shall apply in the case of employment at branches maintained by nationals and companies of one Contracting State in the territory of the other Contracting State, if the branches are registered in the Commercial Register or if the corresponding legal registration formalities for the branches have been fulfilled.

6. Nationals of a Contracting Party who are employed by nationals or companies of the same Contracting Party in the territory of the other Contracting Party on a temporary basis for a maximum period of six months a year for the purpose of assembling and repairing plant and machinery supplied shall be granted any permission which may be required for the performance of this activity.

7. In the case of workers holding a certificate as provided for in paragraph 2 of this article, the period of residence required for their spouses and minor children to obtain a similar certificate shall be reduced from not less than eight years to not less than five years, unless the certificate can be issued before the expiration of this period by virtue of the provision of paragraph 3 of this article. Both Contracting States undertake to give special consideration to applications from the members of the family referred to in this paragraph for the application of the provision of paragraph 3 of this article.

8. Residence within the meaning of the foregoing provisions shall not be deemed to be interrupted if the persons referred to in paragraphs 2 and 7 of this article leave the country of residence only for reasons which are, by their nature, temporary.

9. Nationals of one of the Contracting States who are duly appointed in the territory of the other Contracting State as teachers at institutions of higher education or are employed as scientific staff and assistants at scientific institutes under public law or as teachers at public teaching establishments shall, if they require permission to exercise this activity, be granted such permission.

## **Article 9.**

1. Nationals and companies of one of the Contracting Parties engaged in business in its territory, as well as their travelers, shall be entitled to make purchases in the territory of the other Contracting Party for their trade, business or other activity and to seek out orders for goods there from nationals and companies in the course of their business. They may carry samples or specimens of goods, but not goods.

2. The exercise of the rights provided for in paragraph 1 of this article may be made subject to the condition that the traders identify themselves by means of an identity card issued by the authorities of their country of origin in accordance with the model of the International Convention on the Simplification of Customs Formalities signed at Geneva on 3 November 1923. No consular or other endorsement shall be required for this identification card. 3.

3. This provision shall, however, be without prejudice to the more extensive advantages, if any, resulting from the most-favored-nation treatment which the two Contracting States hereby agree to accord in respect of the matters governed by paragraphs 1 and 2 of this article.

## **Article 10.**

The nationals and companies of one Contracting State shall be entitled to use in the territory of the other Contracting State the services of self-employed and employed persons in the same manner as the nationals and companies of that Contracting State. They may engage the services of business and technical experts of their own country without regard to whether such experts meet the requirements prescribed in the territory of the other Contracting Party for the exercise of such activity.

## **Article 11.**

1 Nationals and companies of one Contracting Party shall be accorded national treatment in the territory of the other Contracting Party for the conclusion of legal transactions of all kinds with all natural persons and companies having their domicile, seat or residence in the territory of the other Contracting Party.

2. This shall apply in particular to the right to conclude contracts, to enter into obligations, to hold property and rights and interests of all kinds, and to acquire, dispose of or otherwise dispose of such property, whether inter vivos or upon death.

## **Article 12.**

The nationals and companies of one Contracting State shall not be subjected in the territory of the other Contracting State to any other or higher taxes, duties, charges of any kind or other fiscal burdens in respect of their persons, property, rights and interests than those levied by or on behalf of the State, regional and local authorities on their own nationals and companies similarly situated or on nationals and companies of any third country.

## **Article 13.**

No enterprise of a Contracting State which is publicly owned or controlled shall, when engaged in commerce, industry, transportation, or any other line of business in the territory of the other Contracting State, enjoy for itself or its property in the territory of the other Contracting State, exemption from legal process, enforcement, or other obligations to which private enterprises are subject in the territory of the other Contracting State, nor shall it claim such exemption.

## **Article 14.**

1. The term "companies" as used in this Treaty shall include all legal persons, commercial companies, and all other companies and associations, whether or not having legal personality, which have their registered office in the territory of one of the Contracting States and are constituted in accordance with the laws of that State, whether the liability of their members or partners is limited or unlimited, and whether or not their business is profit-making.

2. The legal status of companies of one Contracting Party shall be recognized in the territory of the other Contracting Party.

## **Article 15.**

Both Contracting States shall refrain from discriminatory measures of any kind which may result in disadvantage to the maritime shipping of the other Contracting State and affect the choice of flag contrary to the principles of free competition; this shall also apply to the carriage of goods exported from or imported into one or other of the two Contracting States and to the carriage of passengers.

## **Article 16.**

1. Ships flying the flag of one of the Contracting States and carrying the documents required by its law as proof of nationality shall be deemed to be ships of that State.

2. The tonnage certificates issued by the competent authorities shall be mutually recognized. Navigation dues and charges shall be calculated on the basis of these tonnage certificates, without a new survey, in accordance with the provisions of the other Contracting State and under the same conditions as apply to its own vessels. The agreement on the mutual recognition of tonnage certificates of 13 February 1897 shall cease to be in force.

3. Except in the case of a change of ownership by virtue of a judicial execution, ships of one Contracting State may not be entered in the register of ships of the other Contracting State without a declaration of cancellation by the authority of the State whose flag they have hitherto flown.

## **Article 17.**

1. Each State Party shall accord to the ships of the other State Party the same treatment as it accords to its own ships or to the ships of the most favoured nation in ports under its sovereignty or jurisdiction, with respect to free access to and use of the port and the full enjoyment of the facilities existing for navigation and commercial operations which each State Party shall make available to ships, their goods and passengers. This equality of treatment shall extend to services and facilities of every kind, such as the allocation of quay space, loading and unloading facilities, repairs, and to all kinds of charges and fees levied in the name and on behalf of the State, public authorities, concessionaires or institutions of every kind.

2. The ships of one of the Contracting States shall be accorded national treatment and the treatment of the most favoured nation with respect to the right to carry passengers and cargo of any kind shipped to or from the territory of the other Contracting State.

3. The ships of both Contracting States shall be free to discharge their cargoes and to discharge their passengers coming from abroad in all ports of the other Contracting State open to foreign ships. In doing so, cargo and passengers destined for a port other than the first port of call of the other Contracting State may remain on board and be carried to their port of destination in the other Contracting State or in a third State. Ships may take on board cargo and passengers bound for foreign countries at the same ports during the same voyage.

## **Article 18.**

Goods carried under the flag of one Contracting State and destined for or coming from the territory of the other Contracting State shall enjoy the same privileges as those accorded to goods carried under the flag of the other Contracting State and the most favoured nation. This shall apply in particular to customs duties, other charges, fees, premiums, refunds and other such privileges, as well as to the application of customs regulations and to loading and unloading by rail or other means of transport.

## **Article 19.**

1. The Contracting States shall grant to each other freedom of transit through their territories for goods, including baggage and means of transport of all kinds, whether by road, rail, air, inland waterways or sea.

2. A Contracting State may grant to the other Contracting State exceptions to the rule of free transit in the following cases:

(a) for reasons of public safety;

(b) for the purpose of ensuring the application of sanitary measures or for the purpose of ensuring the protection of animals or plants against diseases and pests;

(c) for the fulfillment of intergovernmental obligations;

(d) in the case of special circumstances, for war supplies.

The two Contracting States shall apply the exceptions permitted under subparagraphs (a) to (d) in such a manner that they do not constitute arbitrary or unjustifiable discrimination in their mutual relations in relation to the treatment accorded by them to any other country where the same circumstances exist.

3. Each Contracting State may require that the transit of goods through its territory to or from the territory of the other Contracting State be declared to the competent customs office, but such transit shall not be subject to unnecessary delays or restrictions except in the case of failure to comply with customs regulations. Such traffic shall be exempt from customs duties, other transit charges, and transit encumbrances, except for transportation charges or other encumbrances corresponding to the administrative expenses arising from the transit or to the cost of the services rendered.

4. Goods of any kind originating in one of the Contracting States and imported into the territory of the other Contracting State through the territory of third States, as well as goods of any origin imported from a Contracting State through the territory of the other Contracting State, shall not be subject, upon their importation, to duties or charges different from or in excess of those which would be imposed if the importation of such goods had been made directly from the country of origin. This provision shall apply both to goods in direct transit and to goods which are transhipped, repackaged or stored under customs supervision during transit.

## **Article 20.**

1. If a ship of one Contracting Party is stranded or shipwrecked on the coast of the other Contracting Party or is compelled to seek shelter in a port of the other Contracting Party, that Contracting Party shall afford to the ships, crew, passengers, personal effects of the crew and passengers, and cargo of the ship the same protection and assistance as would be afforded in like circumstances to a ship flying its own flag. The articles salvaged from the vessel shall be exempt from all customs duties when not being used for domestic consumption. Such articles may be subject to customs safeguards for the entire period they remain in this State, even if not for domestic consumption. The appropriate consul should be notified in the event of the stranding or shipwreck of a vessel of his sending State.

2. The articles salvaged from a stranded or shipwrecked vessel and its cargo shall be returned to the owner or his

representative if the person entitled proves his claim within the period prescribed by law. If such articles have been sold, the net proceeds from the sale, after deduction of any duties and taxes, shall be placed at the disposal of the owner or his representative, provided that the above-mentioned proof has been furnished. The costs of salvage and other expenses incurred in the salvage operation shall be charged in accordance with the provisions applicable to the owner's own nationals.

3. if the owner or his representative is not present on the spot, such reimbursement shall be made by the competent German or Greek consul.

## **Article 21.**

1. The masters of ships flying the flag of one of the Contracting States whose crews are no longer complete as a result of sickness or for any other reason shall be permitted to hire in any port of the other Contracting State such seamen as may be necessary for the continuation of the voyage, such hiring being in accordance with the law of the flag of the ship.

2. Seafarers who are nationals of one of the Contracting States may use a seaman's book in lieu of a passport and shall be permitted to enter the territory of the other Contracting State for the purpose of joining ships or returning home, subject to the conditions set forth in Article 1.

## **Article 22.**

The provisions of this Treaty concerning national treatment and most-favored-nation treatment in the field of shipping shall not apply:

- (a) To the privileges accorded to ocean-going maritime associations,
- (b) to the exercise of maritime services in ports, on wharves or on beaches, including pilotage and towing, and to the organized exercise of rescue and salvage services,
- (c) coastal and inland navigation,
- (d) to the practice of fishing in territorial waters,
- (e) to benefits for the products of own fishing and hunting at sea.

## **Article 23.**

The provisions of this Treaty applicable to navigation shall not apply to warships.

## **Article 24.**

The provisions of this Treaty relating to most-favored-nation treatment shall not extend:

- (a) to the benefits accorded by a Contracting State to adjacent countries for the purpose of facilitating frontier traffic,
- (b) to the benefits arising from a customs union or free trade area and from provisional arrangements having as their object the establishment of customs unions or free trade areas,
- (c) to the privileges and advantages granted by a Contracting State on the basis of an association which concerns, between several countries, the common regulations in the field of production, trade and services or the guarantee of the security of these countries,
- (d) to advantages granted by one or both Contracting States to one or more third countries in the field of civil aviation,
- (e) to advantages granted by a Contracting State to third countries under agreements for the avoidance of double taxation.

## **Article 25.**

Each Contracting State shall accord national treatment under this Treaty on the basis that national treatment in the same matters is also accorded by the other Contracting State.

## **Article 26.**

1. Nothing in this Treaty shall prevent a Contracting State from granting to nationals and companies of the other Contracting State treatment more favorable than that provided for in this Treaty.

2. If the legislation of a Contracting State or obligations under international law which, in addition to the provisions of this Treaty, exist or may be established in the future between the Contracting States, provides for the granting to nationals and companies of the other Contracting State of treatment more favorable than that provided for in this Treaty, such provision shall not be affected by the provisions of this Treaty.

## **Article 27.**

In all cases where this Treaty grants both national treatment and most-favored-nation treatment, the more favorable treatment shall apply.

## **Article 28.**

1. In the event of any difference of opinion as to the interpretation or application of this Treaty, the Contracting States undertake to enter into consultations in an amicable spirit with a view to reaching a solution.

2. To the extent that a difference of opinion cannot be settled in this way, it shall, at the request of any Contracting State, be submitted to arbitration.

3. a) The arbitral tribunal shall be constituted on a case-by-case basis and shall consist of three arbitrators. Each Contracting State shall appoint one arbitrator; the two arbitrators so appointed shall agree on a chairman who shall be a national of a third State and who shall be appointed by the governments of the two Contracting States.

(b) Each Contracting State shall appoint its arbitrator within two months of a request to that effect by the other Contracting State; if it fails to do so, the arbitrator shall be appointed by the President of the International Court of Justice at the request of the other Contracting State.

(c) If the arbitrators fail to agree on the chairman of the arbitral tribunal within one month of their appointment, he shall be appointed by the President of the International Court of Justice at the request of one of the two Contracting States.

(d) If the President of the International Court of Justice is unable to comply with the request referred to in subparagraphs (b) and (c) of this paragraph, or if he is a national of one of the two Contracting States, the appointment shall be made by the Vice-President. If the Vice-President is also unable to act, or if he is a national of one of the two Contracting States, the appointment shall be made by the most senior member of the Court who is not a national of one of the two Contracting States.

4. The Tribunal shall make its decisions in accordance with the provisions of this Treaty and the general rules of international law.

5. The Tribunal shall decide by majority vote. Its decisions shall be binding on the Contracting States.

6. Each Contracting State shall bear the costs of its arbitrator and of its representation in the proceedings before the arbitral tribunal. The other costs shall be borne by each party in equal shares.

7. The arbitral tribunal shall regulate its own procedure.

## **Article 29.**

This Treaty shall apply to the Land of Berlin unless the Government of the Federal Republic of Germany makes a declaration to the contrary to the Government of the Kingdom of Greece within three months of the entry into force of the Treaty.

## **Article 30.**

1. This Treaty shall be subject to ratification; the instruments of ratification shall be exchanged in Athens as soon as possible.

2. This Treaty shall enter into force one month after the exchange of the instruments of ratification.

3. At the end of ten years, the treaty may be terminated at any time, but shall remain in force for one year after termination.



IN WITNESS WHEREOF, the Plenipotentiaries have signed and affixed their seals to this Treaty.

DONE at Bonn this eighteenth day of March one thousand nine hundred and sixty in four originals, two in the German language and two in the Greek language, the texts in both languages being authentic.

For the Federal Republic of Germany:

A.H. van Scherpenberg

For the Kingdom of Greece:

Ypsilanti

## Protocol

The two States concluding the Treaty on Establishment and Navigation signed today in Bonn refer to the provisions of the said Treaty and have agreed on the following provisions, which shall form an integral part thereof:

### 1. Ad Article 1 and Article 2, paragraph 1

In accordance with the principles laid down in Article 1 and Article 2, paragraph 1, applications for the issue, renewal and extension of residence permits shall be examined favorably. This shall apply preferably to nationals of one of the Contracting States whose presence in the territory of the other Contracting State promotes the activities of enterprises of that State or cooperation in the cultural field.

### 2. Ad Article 2, paragraph 3

In accordance with the principles of Article 1, paragraph 1, of the Treaty, the expiration of the said period shall not be prevented for reasons of State security, public order or morality other than those referred to in Article 2, paragraph 1, of the Treaty.

The residence of nationals of a Contracting Party in the territory of the other Contracting Party shall be deemed to be orderly within the meaning of Article 2 if the provisions relating to the entry, residence and freedom of movement of aliens and to the pursuit of gainful employment by aliens have been complied with.

### 3. Ad Article 2, paragraph 4

An absence not exceeding three months per year shall not be considered as an interruption of the orderly residence. If this period is exceeded, an interruption shall not occur if compelling reasons prevent the timely return.

### 4. Ad Article 4, paragraph 1

Persons who are nationals of both Contracting States shall perform their compulsory military service in the Contracting State in whose territory they have their permanent residence and their means of subsistence.

Completion of compulsory military service shall not be deemed to include paid work as an interpreter, as a work supervisor or as an employee on the basis of an employment contract.

Military service performed and proven in one of the Contracting States in accordance with the first sentence shall be recognized by the other Contracting State as fulfillment of the compulsory military service to the extent of the time spent in military service.

### 5. Ad Article 4, paragraph 4

Natural disasters or similar catastrophes" in Article 4, paragraph 4, do not include war and warlike conditions.

### 6. Ad Article 5, paragraphs 3 and 4

The provisions of Article 5, paragraphs 3 and 4, shall also apply to the transfer of a private enterprise to public ownership, its placement under public supervision or similar interventions by public authorities. Expropriation shall be understood as the deprivation or restriction of any private property right.

### 7. Ad Article 6, paragraph 1

In the interest of economic relations between the Contracting States, nationals of one Contracting State may arbitrate in the territory of the other Contracting State in the same manner as nationals in arbitration proceedings in which the choice of arbitrators is left exclusively to the parties.

8. Ad Article 7, paragraph 1

Admission to economic activities shall include the establishment and maintenance of branches, agencies, offices, factories and other establishments suitable for the conduct of business.

In order to facilitate admission to independent economic and professional activities, the Contracting States shall be generous in granting the necessary authorizations.

9. Ad Article 7, paragraph 2

Management and administration shall be understood to mean the activities of the persons listed in the second sentence of Article 8, paragraph 4, and of the persons who, in accordance with the law and the provisions of the articles of association, are appointed to represent the company, to manage it responsibly or to supervise its affairs.

10. Ad Article 7, paragraph 4

Enterprises which are under the influence of nationals or companies of the other Contracting Party shall be regarded in particular as enterprises over the management of which nationals or companies of the other Contracting Party are in a position to exercise influence by virtue of capital holdings.

11. Ad Article 7, paragraph 5

(a) The concept of "public service" shall be determined by the laws of each Contracting State.

(b) The Contracting States agree, in accordance with paragraph 5 of Article 7, that the national treatment agreed in paragraphs 1, 2 and 4 of Article 7 shall not apply to the following professions and activities:

1. physicians, dentists, veterinarians,
2. non-medical practitioners, midwives,
3. pharmacists,
4. notaries, lawyers, legal advisers,
5. patent attorneys,
6. auditors, accountants, tax consultants, assistants in tax matters,
7. emigration entrepreneurs, emigration agents,
8. district chimney sweeps,
9. bookmakers and lottery collectors,
10. insurance companies, banking and credit companies,
11. captains, ship's officers and crews, and pilots of merchant marine,
12. commercial manufacture of firearms and ammunition and trade in these goods,
13. production, trade or use of explosives,
14. manufacture, transport and marketing of weapons of war,
15. itinerant trade and itinerant trade at the place of residence,
16. commercial use of aircraft, including transportation in aircraft,
17. commercial exploration and exploitation of mineral deposits and petroleum resources.

Nationals and companies of one Contracting Party shall be granted most-favored-nation treatment in the territory of the other Contracting Party in all the above matters.

12. Ad Article 8

No fees shall be charged for decisions on the granting of work permits in accordance with national regulations.

13. Ad Article 8, paragraph 2

The laws and administrative regulations of each Contracting State shall be decisive in deciding whether there is an interruption of the minimum period of employment of five years referred to in Article 8, paragraph 2.

14. Ad Article 8, paragraph 8

Paragraph 3 of the Protocol shall apply *mutatis mutandis*.

15. Ad Article 11

(a) Nothing in Article 11 shall prevent any Contracting State from requiring, as a condition of registration in the National Register, that ships and aircraft shall not be owned by nationals or companies of a foreign State.

(b) The restrictions in force in each Contracting State on the acquisition of immovable property by aliens shall not be affected.

16. Ad Article 12

Article 12 shall not apply to customs duties and charges of any kind levied on imports and exports governed by the provisions of Articles II and IV of the General Agreement on Tariffs and Trade of 30 October 1947 (revised text) to which the Federal Republic of Germany and the Kingdom of Greece are parties.

17. Ad Article 19

(a) The provisions of paragraph 1 of Article 19 shall be without prejudice to the regulations of both Contracting Parties relating to motor traffic and air traffic.

(b) In the case of transit traffic, the provisions of paragraph 3 of Article 19 shall not preclude the levying of taxes or other charges payable in respect of carriage or of traffic in means of transport, provided that they are levied in accordance with national treatment and most-favored-nation treatment.

18. Ad Article 22(c)

Coastal navigation" shall also be understood to mean any carriage of goods transhipped directly or indirectly in the ports of one of the Contracting States for the purpose of being transported to another port of the same Contracting State, even if accompanied by a bill of lading direct and independent of their origin or destination. The same shall apply to the carriage of passengers, even if they are in possession of direct tickets.

19. Ad Article 24(a)

Cyprus shall be considered as a country adjacent to Greece for the purposes of this provision.

The foregoing Protocol shall be signed at the same time as the said Treaty and shall remain in force as long as the Treaty itself. The texts in both languages shall be equally authentic.

DONE at Bonn this eighteenth day of March, one thousand nine hundred and sixty-nine.

For the Federal Republic of Germany:

A. H. van Scherpenberg

For the Kingdom of Greece:

Ypsilanti

## **Exchange of letters**

The State Secretary of the Federal Foreign Office

Bonn, March 18, 1960

Mr. Ambassador,

I have the honor to bring to your attention the signing of the Settlement and Shipping Treaty between the Federal Republic of Germany and the Kingdom of Greece that my Government deems it appropriate to clarify the following with respect to the Treaty:

The domestic regulations concerning emigration and the carriage of emigrants shall not be affected by the Treaty. The Government of the Federal Republic of Germany, however, in the expectation of reciprocity, will not refuse the necessary permits on the ground that the application is made by the Greek side. Guided by the spirit of cooperation which has prevailed in the preparation of this Treaty, and in view of the friendly relations existing between the two States, the competent authorities intend to treat applications from the Greek side for permission to transport emigrants in the Federal Republic of Germany with the same generosity as hitherto.

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

His Excellency

the Royal Greek Ambassador

Mr. Thomas Ypsilanti

The State Secretary of the Foreign Office

Mr. Ambassador,

A. H. van Scherpenberg

Bonn, March 18, 1960

I have the honor to bring to your attention, at the time of the signing of the Settlement and Navigation Treaty between the Federal Republic of Germany and the Kingdom of Greece, that my Government deems it advisable to make the following clarification concerning the Treaty:

Citizens of the Federal Republic of Germany are all Germans within the meaning of the Basic Law.

Please accept, Sir, the assurance of my highest consideration.

A. H. van Scherpenberg

His Excellency

the Royal Greek Ambassador

Mr. Thomas Ypsilanti