

AGREEMENT BETWEEN THE GOVERNMENTS OF
THE UNITED STATES OF AMERICA
AND THE HUNGARIAN PEOPLE'S REPUBLIC
ON THE DEVELOPMENT AND FACILITATION OF TOURISM

The Governments of the United States of America and
the Hungarian People's Republic (hereinafter referred to as
the Parties),

Considering that both countries are members of the
World Tourism Organization;

Taking into account the principles laid down in the
Memorandum of Understanding on Tourism concluded between
both countries on October 24, 1988;

Believing that gradually improving relations between
the two countries provides a solid basis for further
promotion of cooperation in tourism;

Convinced that tourism, because of its socio-cultural
and economic dynamics, is an excellent instrument for
promoting economic development, understanding, goodwill,
and close relations between people;

Recognizing the importance of private sector
investment and trained personnel in the field of tourism;

Desiring to encourage the growth of tourism-related
investment and trade between the two countries;

Noting that both countries retain a national interest
in the facilitation of tourism development;

Agree as follows:

ARTICLE I

OFFICIAL TOURISM PROMOTION OFFICES

1. Each Party shall seek permission of the other Party prior to the establishment of official, governmental tourism promotion offices in the other's territory.

2. Permission to open tourism promotion offices or field offices, and the status of personnel who head and staff such offices, shall be as agreed upon by the Parties, and subject to the applicable laws, regulations and policies of the host country.

3. Tourism promotion offices opened by either Party shall be operated on a non-profit basis. Such offices shall not sell services to the public or otherwise compete with private sector travel agents or tour operators of the host country. Private and governmental profit-making tourism enterprises shall be treated as private commercial enterprises fully subject to all applicable laws, regulations, and policies of the host country.

4. Personnel assigned to tourism promotion offices may engage in promotion, liaison, and advisory activities including:

- a) providing information about the tourist facilities and attractions in their respective countries to the public, the travel trade, and the media;

- b) conducting meetings and workshops for representatives of the travel industry;
- c) distributing posters, window displays, and other sales aids;
- d) coordinating advertising campaigns and engaging in other promotional activities;
- e) organizing familiarization tours of their respective tourist facilities for tour operators, travel agents, and media representatives of the host country;
- f) engaging in cooperative activities;
- g) participating in trade shows; and
- h) performing market research.

5. Nothing in this article shall obligate either Party to open such offices in the territory of the other.

ARTICLE II

FACILITATION OF TOURISM

1. The Parties shall consult with each other, as appropriate, in their efforts to reduce or eliminate barriers to travel and tourism between their two countries.

2. The Parties shall endeavor to simplify travel and frontier formalities in order to facilitate mutual tourist traffic.

3. The Parties recognize the necessity of promoting, within their respective administrative capabilities, the health, safety and welfare of tourists and will either provide information about available medical, legal, and other services or encourage other organizations or agencies to do so as needed.

4. Each Party shall be entitled to import into the territory of the other tourism promotion literature, including posters, free of duty or tax, to the extent permitted under the laws and regulations of the country of importation.

5. The Parties shall consult about the most appropriate methods of facilitating customs clearance of supplies imported into their respective territories by the tourist authorities of the other Party or its nationals for the purpose of promoting tourism under this Agreement.

ARTICLE III

EXCHANGE OF INFORMATION

1. The Parties consider it desirable to exchange information on domestic and international tourism, as well as on laws, regulations, statistics and other matters pertaining to tourism activities.

2. The Parties shall endeavor to develop new opportunities for investment in tourism and for trade in tourism-related products.

3. Tourism and tourism-related matters, including market access by private tourism entities, may be discussed during sessions of the U.S.-Hungarian Joint Economic and Commercial Committee (JECC), when both parties agree that such matters should be included on the JECC agenda. These sessions may be attended by representatives of their government tourism agencies.

4. Such discussions may include exchanging information on new opportunities for trade in tourism-related products and for joint ventures in construction and equipping of hotel and tourism facilities, transportation, and other tourism-related industries.

5. The Parties will encourage, as appropriate, discussion of tourism-related trade and cooperation opportunities during future meetings of the Hungarian-U.S. Business Council, and attendance at such meetings by representatives of tourism organizations and companies engaged in tourism-related activities.

ARTICLE IV

TOURISM STATISTICS

The Parties agree to endeavor to improve the reliability and comparability of their tourism statistics by using the Guidelines on the Collection and Presentation of International Tourism Statistics applied by the World Tourism Organization. They shall exchange tourism statistics as often as both Parties deem necessary.

ARTICLE V

TRAINING AND EDUCATION

1. The Parties recognize the importance of training and education in order to facilitate the development and expansion of trade in tourism between the two countries.

2. The Parties consider it useful for their tourism agencies and organizations to exchange information on school curricula and study programs relating to tourism particularly conservation and restoration, hotel operation and administration, marketing and congress management; tourism scholarships for teachers, instructors and students; and scientific and research work in the field of tourism.

ARTICLE VI

CONSULTATION AND IMPLEMENTATION

1. The Parties shall consult with one another in matters of cooperation and effective participation in the World Tourism Organization and other international organizations related to tourism of which they are both members.

2. The United States of America designates the U.S. Travel and Tourism Administration of the U.S. Department of Commerce as its competent authority with primary responsibility for implementing this Agreement for the United States.

3. The Hungarian People's Republic designates the Hungarian Tourist Board of the Ministry of Trade as its competent authority with primary responsibility for implementing this Agreement for the Hungarian People's Republic.

4. All activities under this Agreement are subject to the applicable laws, regulations, and policies of the Parties and are subject to the availability of appropriated funds and personnel.

ARTICLE VII

AMENDMENTS

This Agreement may be amended by written agreement of both Parties.

ARTICLE VIII

ENTRY INTO FORCE

1. This Agreement shall enter into force on the date on which each Party has informed the other by diplomatic note that it has completed all necessary legal requirements for such entry into force.

2. After entry into force, both Parties agree to deposit a certified copy of this Agreement and the copy of any subsequent amendments with the Secretary General of the World Tourism Organization.

ARTICLE IX

TERMINATION OF MEMORANDUM OF UNDERSTANDING ON TOURISM

Upon entry into force, this Agreement shall supercede and terminate the Memorandum of Understanding on Tourism between the United States of America and the Hungarian People's Republic, signed on October 24, 1988.

ARTICLE X

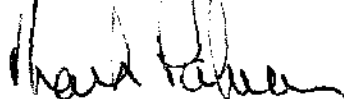
DURATION AND TERMINATION

1. This Agreement shall remain in force for a period of five years and will be renewed automatically for an additional period of five years unless either Party expresses objection in writing, through diplomatic channels, no less than three months prior to the expiration date. It may be further extended by written agreement of the Parties.

2. The Agreement may be terminated by either of the Parties ninety days after that Party transmits written notice of intention to terminate to the other Party.

Done at Budapest this twelve day of July, 1989, in duplicate, in the English and Hungarian languages, both texts being equally authentic.

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA



FOR THE GOVERNMENT OF THE
HUNGARIAN PEOPLE'S REPUBLIC