There are some who seem to believe that the application of the doctrine of changed circumstances would undermine the other crucial doctrine of `sanctity of contracts'.

Modification of contracts, due to changed circumstances, especially those of long duration like mineral development agreements, is neither an exception to, nor in, contradiction of the rule *pacta sunt servanda*. *Pacta sunt servanda* simply means that contracts which have legally come into existence and continue to be in force, must be observed. It means the inviolability, not unchangeability of contracts.47

[Set out in detail.]


**Referring Principles:**

VIII.1 - Definition