

N° 3247.

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**UNION ÉCONOMIQUE  
BELGO-LUXEMBOURGEOISE  
ET BULGARIE**

Convention pour le règlement par  
voie de compensation des créances  
commerciales entre l'Union éco-  
nomique belgo-luxembourgeoise et  
le Royaume de Bulgarie. Signée  
à Sofia, le 21 juin 1933.

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**ECONOMIC UNION OF  
BELGIUM AND LUXEMBURG  
AND BULGARIA**

Convention for the Settlement by  
means of Compensation of Com-  
mercial Claims between the Eco-  
nomic Union of Belgium and  
Luxemburg and the Kingdom of  
Bulgaria. Signed at Sofia, June  
21, 1933.

<sup>1</sup> TRADUCTION. — TRANSLATION.

No. 3247. — CONVENTION <sup>2</sup> FOR THE SETTLEMENT BY MEANS OF COMPENSATION OF COMMERCIAL CLAIMS BETWEEN THE ECONOMIC UNION OF BELGIUM AND LUXEMBURG AND THE KINGDOM OF BULGARIA. SIGNED AT SOFIA, JUNE 21, 1933.

*French official text communicated by the Belgian Minister for Foreign Affairs. The registration of this Convention took place August 28, 1933.*

HIS MAJESTY THE KING OF THE BELGIANS,  
acting both on his own behalf and on behalf of HER ROYAL HIGHNESS THE GRAND DUCHESS OF LUXEMBURG, in virtue of existing agreements, and

HIS MAJESTY THE KING OF BULGARIA,  
being desirous of settling by means of a clearing system claims relating to the exchange of goods between the Economic Union of Belgium and Luxemburg and the Kingdom of Bulgaria, have resolved to conclude a Convention for this purpose and have appointed as their Plenipotentiaries :

HIS MAJESTY THE KING OF THE BELGIANS :

H. E. M. CUVELIER, Officer of the Order of Leopold, His Envoy Extraordinary and Minister Plenipotentiary at Sofia ;

HIS MAJESTY THE KING OF BULGARIA :

H. E. M. N. MOUCHANOFF, President of the Council of Ministers and Minister for Foreign Affairs and Public Worship ;

Who, after having communicated their respective full powers, found in good and due form, have agreed on the following provisions :

*Article I.*

Payments arising out of the exchange of goods, within the meaning of Article 2 hereunder, between the Economic Union of Belgium and Luxemburg and the Kingdom of Bulgaria, shall be effected through a clearing account kept, in the case of the Economic Union of Belgium and Luxemburg with the National Bank of Belgium acting as treasurer for the Belgo-Luxemburg Clearing Office, and in the case of the Kingdom of Bulgaria with the National Bank of Bulgaria, in the manner described in the following articles.

<sup>1</sup> Traduit par le Secrétariat de la Société des Nations, à titre d'information.

<sup>1</sup> Translated by the Secretariat of the League of Nations, for information.

<sup>2</sup> The Belgian and Bulgarian Governments have agreed by an exchange of notes that the Convention should enter into force on July 15, 1933.

*Article 2.*

Debts due for the purchase of Bulgarian goods imported into the territory of the Economic Union of Belgium and Luxemburg shall be settled by paying the amount of the claim in belgas to the National Bank of Belgium which, as treasurer for the Belgo-Luxemburg Clearing Office, shall enter the sums so received to the credit of a non-interest-bearing pooled account which it will open in its books in the name of the National Bank of Bulgaria.

Debts due for the purchase of Belgian or Luxemburg goods imported into Bulgaria shall be settled by paying the amount of the claim in levas to the National Bank of Bulgaria.

The National Bank of Bulgaria shall enter the sums so received in a non-interest-bearing pooled account which it will open in its books in the name of the National Bank of Belgium, acting as treasurer for the Belgo-Luxemburg Clearing Office.

The provisions of Bulgarian laws and regulations on the subject shall not be affected by the present Convention.

*Article 3.*

The National Bank of Bulgaria and the National Bank of Belgium, acting as treasurer for the Belgo-Luxemburg Clearing Office, shall notify each other of the sums paid in, specifying the date of each payment, thereby authorising payment to the seller in accordance with the provisions contained in Articles 4, 5 and 6.

This payment shall be effected on the basis of the legal currency parity, viz. :

$$\begin{aligned} 1 \text{ belga} &= 19,247,412 \text{ levas, or} \\ 1 \text{ leva} &= 0,051,955 \text{ belgas.} \end{aligned}$$

Debts expressed in currencies other than the belga or the leva shall be converted into the respective national currencies at the rate of exchange of the day of payment in belgas or levas to the National Bank concerned on the basis of the rates officially quoted on the exchange of the debtor country.

In accordance with the instructions of the Belgo-Luxemburg Clearing Office, the amounts paid to Belgian sellers in belgas by the National Bank of Belgium, acting as treasurer for the Belgo-Luxemburg Clearing Office, shall, on each payment being effected, be debited to the pooled account in belgas of the National Bank of Bulgaria with the National Bank of Belgium at Brussels.

Similarly, the National Bank of Bulgaria shall debit the pooled account in leva at Sofia of the National Bank of Belgium, as treasurer for the Belgo-Luxemburg Clearing Office, with the value calculated in accordance with Article 3, paragraphs 2 and 3, of all payments made in Belgium, according to the instructions of the Belgo-Luxemburg Clearing Office, by the National Bank of Belgium to Belgian sellers in settlement of their commercial claims under the present Convention.

*Article 4.*

Bulgarian claims shall be settled in the chronological order of the payments referred to in Article 3 ; Belgian and Luxemburg claims on the conditions laid down in Articles 5 and 6, in both cases up to amounts not exceeding the balances available in the respective pooled accounts at the National Bank of Bulgaria in the case of exporters of Bulgarian goods, and at the National Bank of Belgium, in accordance with the instructions of the Belgo-Luxemburg Clearing Office, in the case of exporters of Belgian or Luxemburg goods.

*Article 5.*

The present Convention shall also apply to claims due for payment but not yet settled on the date of the entry into force of this Convention, and arising from trade between Bulgaria and the Economic Union of Belgium and Luxemburg, as specified in Article 1.

In this connection, the National Bank of Bulgaria hereby declares its willingness, after examination of the relevant documents, to grant any authorisation necessary for the transfer, according to the terms of the present Convention, to the pooled account of the National Bank of Belgium of any sums which, according to the provisions of the Bulgarian regulations on foreign exchange and currency transactions could have been paid into a " provisionally blocked " account.

Amounts provisionally blocked at the National Bank of Bulgaria shall be transferred on the request of the Belgian or Luxemburg creditors.

#### Article 6.

Pending the liquidation of the claims due for payment referred to in Article 5, the amounts paid to the National Bank of Belgium by importers of Bulgarian goods into the territory of the Economic Union of Belgium and Luxemburg shall be used as follows : 70 % shall be earmarked for paying the claims of Belgian and Luxemburg exporters ; 30 % shall be kept at the free disposal of the National Bank of Bulgaria in an account opened in its name at the National Bank of Belgium.

After the settlement of the claims due for payment mentioned above fresh negotiations shall be opened regarding the percentage remaining at the disposal of the National Bank of Bulgaria.

The Belgo-Luxemburg Clearing Office shall allocate the 70 % put at its disposal as follows : 15 % to writing off claims dating from before the entry into force of the present Convention in the chronological order of the payments made to the National Bank of Bulgaria by the Bulgarian debtors ; 55 % to writing off *pro rata* the claims due for payment referred to in Article 5.

The Belgo-Luxemburg Clearing Office reserves the right, however, after having notified the National Bank of Bulgaria, to modify this proportion in favour of old claims up to the amounts available and not required for the settlement of new claims.

Similarly, the National Bank of Bulgaria and the Clearing Office shall be authorised under the present Convention to make, by joint agreement, any alteration they may subsequently judge necessary in the proportion of 30 % payable to the National Bank of Bulgaria mentioned in paragraph 1 of the present Article.

Old claims shall be taken to mean :

(a) Claims which the Bulgarian debtor has discharged at the request of his Belgian or Luxemburg creditor by depositing levas with the Agricultural Bank of Bulgaria in a blocked account before the entry into force of the Convention, and which the Belgian or Luxemburg creditor has asked to be transferred to the pooled account opened at the National Bank of Bulgaria for the National Bank of Belgium, acting as treasurer of the Belgo-Luxemburg Clearing Office ;

(b) Claims which fell due for payment before the date of the entry into force of the Convention, and on production of documentary evidence are notified within two months from that date, either by the debtor in Bulgaria to the National Bank of Bulgaria, or by the creditor in the territory of the Economic Union of Belgium and Luxemburg, to the Belgo-Luxemburg Clearing Office, these two institutions communicating to one another copies of the statements of claims submitted to them.

Doubtful cases shall be settled by joint agreement between the National Bank of Bulgaria and the Belgo-Luxemburg Clearing Office.

#### Article 7.

If in the course of business relations between a firm exporting Bulgarian goods and a firm exporting Belgian or Luxemburg goods, the possibility of a clearing operation as the result of a purchase and sale transaction should occur, the National Bank of Bulgaria and the Belgo-Luxemburg Clearing Office shall authorise this operation whenever possible, each case being considered separately.

*Article 8.*

The Economic Union of Belgium and Luxemburg shall endeavour so far as possible to increase its purchases in Bulgaria with a view to enabling old and new deliveries of goods to Bulgaria to be settled by means of the clearing system.

*Article 9.*

If during the term of the present Convention changes are made in the legal currency parity as defined in Article 5, this Convention shall cease to be in force as from the date on which such changes are made.

In this case, and also in the event of one of the Parties denouncing the Convention, if the National Bank of Bulgaria then held a sum in levas in the joint account to the credit of Belgian or Luxemburg exporters, such sum (in so far as not set off in the joint account kept by the Belgo-Luxemburg Clearing Office by a sum in belgas to the credit of Bulgarian exporters) shall be transferred by the said institution to the credit in its books of blocked accounts opened in the names of the Belgian or Luxemburg creditors.

The persons for whose benefit these separate accounts are opened may, however, have them transferred to their credit with institutions within Bulgaria also in blocked account.

It is further understood that, in case of compulsory termination of the Convention owing to a change in the legal gold monetary parity, immediate negotiations shall be opened relating, not only to the special point mentioned in the previous paragraph, but also to the conclusion of a new Clearing Convention.

*Article 10.*

Each Government shall take, in so far as it is concerned, the steps it considers necessary to secure compliance by its nationals with the provisions of the present Convention.

*Article 11.*

The present Convention shall come into force ten days after the date of the exchange of ratifications. It shall remain in force until one of the High Contracting Parties signifies its desire to terminate it subject to fifteen days' notice.

In faith whereof, the respective Plenipotentiaries have signed the present Convention and have thereto affixed their seals.

Done at Sofia in duplicate on June 21, 1933.

(L. S.) (Signed) M. CUVELIER,  
*Belgian Plenipotentiary.*

(L. S.) (Signed) N. MOUCHANOFF,  
*Bulgarian Plenipotentiary.*