

N° 3461.

**UNION ÉCONOMIQUE
BELGO-LUXEMBOURGEOISE
ET TURQUIE**

Accord pour le règlement par voie de compensation des créances commerciales entre l'Union économique belgo-luxembourgeoise et la République turque, avec protocole additionnel et annexe. Signés à Ankara, le 31 mai 1934.

**ECONOMIC UNION OF
BELGIUM AND LUXEMBURG
AND TURKEY**

Agreement for the Settlement by Means of Compensation of Commercial Debts between the Economic Union of Belgium and Luxemburg and the Turkish Republic, with Additional Protocol and Annex. Signed at Ankara, May 31st, 1934.

¹ TRADUCTION. — TRANSLATION.

No. 3461. — AGREEMENT FOR THE SETTLEMENT BY MEANS OF COMPENSATION OF COMMERCIAL DEBTS BETWEEN THE ECONOMIC UNION OF BELGIUM AND LUXEMBURG AND THE TURKISH REPUBLIC. SIGNED AT ANKARA, MAY 31ST, 1934.

French official text communicated by the Belgian Minister for Foreign Affairs. The registration of this Agreement took place July 19th, 1934.

THE BELGIAN GOVERNMENT, acting, in virtue of existing agreements, both on its own behalf and on behalf of the Government of Luxemburg, and THE GOVERNMENT OF THE TURKISH REPUBLIC have agreed to regulate payments of commercial debts between the Economic Union of Belgium and Luxemburg and Turkey in accordance with the following provisions :

Article 1.

The settlement of debts arising out of the exchange of goods between the Economic Union of Belgium and Luxemburg and Turkey shall be effected by a system of compensation in the manner set out in the following Articles.

Article 2.

All debts arising out of the purchase of goods of Turkish origin imported into the territory of the Economic Union of Belgium and Luxemburg shall be settled by the payment of the amount of the debt in Belgas into the National Bank of Belgium, which, as treasurer of the Belgo-Luxemburg Clearing Office, shall place the sums thus received to the credit of a non-interest-bearing pooled account which it shall open in its books in the name of the Central Bank of the Turkish Republic.

Similarly, all debts arising out of the purchase of goods of Belgian and Luxemburg origin imported into Turkey shall be settled by payment of their exchange value in Turkish Pounds into the Central Bank of the Turkish Republic at the current rate fixed by that Bank. The latter shall pay the amounts in Belgas having given rise to such payments in Turkish Pounds into a non-interest-bearing pooled account in Belgas which it shall open in its books in the name of the National Bank of Belgium, acting as treasurer of the Belgo-Luxemburg Clearing Office.

Debts expressed in currencies other than the Belga or the Turkish Pound shall be converted into the national currency of the Contracting Party concerned — that is to say, in Turkey, into Turkish Pounds, the conversion being made by the Central Bank of the Turkish Republic on the basis of the latest ascertainable rates on the Paris Bourse, and in the territory of the Economic Union

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

¹ Translated by the Secretariat of the League of Nations, for information.

of Belgium and Luxemburg into Belgas, the conversion being made by the National Bank of Belgium on the basis of the latest ascertainable rates on the Brussels Bourse.

Article 3.

The National Bank of Belgium, acting on the instructions of the Belgo-Luxemburg Clearing Office and the Central Bank of the Turkish Republic, shall exchange notifications of the payments made in the manner described above.

Such notifications of payment shall state the amount in Belgas and the corresponding amount in Turkish Pounds in respect of all transactions carried out in Turkey, and the amount in Belgas in respect of the payments made within the territory of the Economic Union of Belgium and Luxemburg. They shall further give all such particulars as may be necessary to permit of the appropriate payments to the creditors concerned.

In the case of transactions the invoices for which are expressed in currencies other than Belgas or Turkish Pounds, the aforementioned notifications shall also state the amount in the currency concerned.

Article 4.

Each of the Governments shall take the necessary steps, in so far as concerns itself, to compel its importers to employ the clearing system as set out in the present Agreement. Furthermore, it is hereby stipulated that the provisions of the present Agreement only apply to goods originating in the territory of the Contracting Parties, exclusive of all third countries and actually imported and cleared through the Customs in the territory of the Turkish Republic and the Economic Union of Belgium and Luxemburg respectively.

Exporters in the Economic Union of Belgium and Luxemburg and Turkey thus retain their right to claim direct payment, on production of the necessary papers, in support of the value of goods in transit in their respective territories, without such sums being subject to the provisions of the present Convention.

Article 5.

The certificates of origin relating to Turkish and Belgo-Luxemburg goods shall be made out in duplicate in accordance with the specimen attached. One of the two copies shall be stamped by the Customs authorities of the country of destination and returned to the importer, who shall transmit it to the Bank to which he is required to make payment.

The Belgo-Luxemburg Clearing Office and the Central Bank of the Turkish Republic shall transmit the stamped copies of the aforesaid certificates annexed to the relevant notification of payment.

Article 6.

The payments made to creditors in Turkey by the Central Bank of the Turkish Republic and in the territory of the Economic Union of Belgium and Luxemburg by the National Bank of Belgium, acting on the instructions of the Belgo-Luxemburg Clearing Office, shall be effected in the national currency of the country concerned and in the chronological order of the payments provided for in Articles 2 and 3 within the limits of the sums available in the aforementioned pooled accounts.

Article 7.

Supplies of Belgian or Luxemburg material delivered either to the Turkish State or public services or in execution of contracts for public works shall be paid for in accordance with the provisions of the present Convention.

Article 8.

Of the amounts paid into the National Bank of Belgium under Article 2, 30 % shall be automatically and immediately placed at the disposal of the Central Bank of the Turkish Republic in a special Belga Account to be opened in its name at the National Bank of Belgium. The said percentage may subsequently be increased by joint agreement between the Governments concerned.

The fact that the aforementioned 30 % is to be placed at the disposal of the Central Bank of the Turkish Republic implies that Turkish exports to the territory of the Economic Union of Belgium and Luxemburg will represent 100 units, while the import of Belgian or Luxemburg goods to Turkey will represent 70 units.

For the execution of the present Convention, it will therefore in no case be necessary to transfer currency from Turkey to the Economic Union of Belgium and Luxemburg.

Out of the 70 % to be placed to the credit of the pooled account opened in the name of the Central Bank of the Turkish Republic at the National Bank of Belgium, an amount equivalent to 25 % shall be withdrawn by the Belgo-Luxemburg Clearing Office and paid into a special arrears account for the amortisation of the arrears of Belgian commercial claims against Turkey, the exchange value of which has been duly paid into the Central Bank of the Turkish Republic in Turkish Pounds by debtors in Turkey.

Article 9.

Payment for consumption goods shall be made, in so far as Turkey is concerned, to the Central Bank of the Turkish Republic within a period of not more than six months as from the date of the clearance of the goods through the Customs.

In the case of goods supplied for industrial installations, payment shall be made by the dates specified in the relevant contracts, after verification and approval by the Central Bank of the Turkish Republic.

Article 10.

If, in the business dealings of two contracting parties, one being established in Belgium or Luxemburg and the other in Turkey, an opportunity should occur for direct compensation of debts arising out of the purchase and sale of goods, the Belgo-Luxemburg Clearing Office and the Central Bank of the Turkish Republic shall be empowered to authorise such compensation by common consent.

The goods forming the subject of a private clearing arrangement must be of Belgian, Luxemburg, or Turkish origin and must have been actually imported into one of these three countries.

It is nevertheless understood that the ratio laid down in Article 8 in respect of the reciprocal exports of the two countries shall also be taken into consideration in the case of such private clearing arrangements — that is to say, that in such cases also Turkish exports into the territory of the Economic Union of Belgium and Luxemburg shall represent 100 units, while the imports of Belgian and Luxemburg goods into Turkey shall represent 70 units, the amount constituting the balance between the two being placed at the disposal of the Central Bank of the Turkish Republic.

Article 11.

In the event of the termination of the Convention by one of the High Contracting Parties, any credit balance in the pooled account at the Central Bank of the Turkish Republic or the National Bank of Belgium, in respect of the exports of the other country, shall be dealt with, until liquidated, in accordance with the provisions of the present Convention.

Similarly, the amount representing the value of goods imported on credit prior to the termination of the Convention shall in that event continue to be paid into the clearing account.

Article 12.

The Central Bank of the Turkish Republic and the Belgo-Luxemburg Clearing Office shall by joint agreement draw up rules for the implementing and execution of the provisions of the present Convention so as to ensure its satisfactory application.

Article 13.

The present Convention shall come into force ten days after the date of the exchange of ratifications. It shall remain in force so long as neither of the High Contracting Parties shall have signified its desire to terminate it at two months' notice.

In faith whereof the respective Plenipotentiaries have signed the present Agreement.

Done in duplicate at Ankara, May 31st, 1934.

(S.) NUMAN.

(S.) DE RAYMOND.

ADDITIONAL PROTOCOL.

At the time of signing the present Convention, the signatories, duly authorised for the purpose by their respective Governments, have agreed upon the following provisions, which shall form an integral part of the Convention :

Ad Article 1.

It is understood that the provisions embodied in the present Agreement shall not apply to supplies delivered under arrangements for private compensation in goods prior to the entry into force of the aforesaid Agreement under the rules laid down in the Quota Decrees, provided always that it is duly proved that the foreign exchange necessary to meet the payments due in respect of the aforesaid supplies on the specified dates has already been sold on the official bourses of the Turkish Republic in accordance with the regulations in force. Payment for the supplies referred to above may then be freely effected in foreign exchange.

Ad Article 13.

It is hereby declared and recognised that the aforesaid Convention shall take effect as from the date of its signature.

In faith whereof the respective Plenipotentiaries have signed the present Protocol.

Done in duplicate at Ankara, May 31st, 1934.

(S.) NUMAN.

(S.) DE RAYMOND.

ANNEX

TO THE AGREEMENT FOR THE SETTLEMENT BY MEANS OF COMPENSATION OF COMMERCIAL DEBTS BETWEEN THE ECONOMIC UNION OF BELGIUM AND LUXEMBURG AND THE TURKISH REPUBLIC OF MAY 31ST, 1934.

CERTIFICATE OF ORIGIN.

(Original.)

Consignor :	Consignee :
Name	Name
Address	Address

Nature of the goods :

Manner of packing :

Number of parcels :

Mark No. :

Weight {	gross	kg.
	net	kg.

Value :

Per :

This is to certify that the goods specified above are of origin and provenance, and that the present Certificate of Origin has been issued in accordance with the provisions of the Commercial Agreements¹ between the Turkish Republic and the Economic Union of Belgium and Luxemburg of May 24th and 31st, 1934.

CERTIFICATE OF ORIGIN

(Duplicate.)

Form as above.

(The present copy shall bear the same number as the " original " copy and shall be stamped by the Customs authorities and returned to the importer for transmission to the bank to which the payment is to be made.)

¹ See pages 269 and 277, of this volume.