N° 3559.

CHILI ET PAYS-BAS

Convention pour le règlement au moyen d’un système de clearing des créances commerciales entre les deux pays, signée à Santiago-du-Chili le 1er juin 1934, et échange de notes y relatif, Santiago-du-Chili, le 6 juillet 1934.

CHILE
AND THE NETHERLANDS

Convention for the Settlement by means of a Clearing System of Commercial Debts between the Two Countries, signed at Santiago-de-Chile, June 1st, 1934, and Exchange of Notes relating there-to, Santiago-de-Chile, July 6th, 1934.
TEXTES ESPAGNOL. — SPANISH TEXT.

N° 3559. — CONVENIO 1 ENTRE CHILE Y LOS PAISES BAJOS PARA LIQUIDAR, POR MEDIO DE UN SISTEMA DE COMPENSACIÓN (CLEARING) LOS CREDITOS COMERCIALES ENTRE AMBOS PAISES. FIRMADO EN SANTIAGO DE CHILE, EL 1° DE JUNIO DE 1934.

Spanish and Dutch official texts communicated by the Netherlands Minister for Foreign Affairs. The registration of this Convention took place December 20th, 1934.

Su Excelencia el Presidente de la República de Chile y Su Majestad la Reina de los Países Bajos, animados del deseo de facilitar el ajuste, por vía de compensación, de los créditos provenientes del intercambio de mercaderías entre Chile y los Países Bajos, han resuelto celebrar una Convención al efecto y designado sus Plenipotenciarios, a saber:

Su Excelencia el Presidente de la República de Chile:
Al señor Miguel Cruchaga, su Ministro de Relaciones Exteriores;

Su Majestad la Reina de los Países Bajos:
Al señor Gideon Walrave Boislevain, su Encargado de Negocios ad interim en Santiago;

Los cuales después de haberse comunicado sus Plenos Poderes respectivos, que se encontraron en buena y debida forma, han convenido en las disposiciones siguientes:

Artículo 1.
El sistema de «clearing» se aplicará a la liquidación de los créditos provenientes exclusivamente del intercambio comercial entre la República de Chile y el Reino de los Países Bajos, según las disposiciones siguientes.

Artículo 2.
La liquidación de los créditos resultantes de la compra de mercaderías de proveniencia chilena importadas en los Países Bajos, se efectuará mediante el depósito del precio de compra en florines holandeses en el «Nederlandsche Bank», por cuenta del «Nederlandsch Clearinginstituut». Esta institución abonará las sumas así recibidas al haber de las cuentas A y B, que abrirá en sus libros a la orden del Banco Central de Chile, y que no producirán intereses.

La liquidación de los créditos resultantes de la compra de mercaderías de proveniencia holandesa importadas en Chile, se efectuará mediante el depósito del precio de compra en pesos chilenos en el Banco Central de Chile. Esta institución abonará las sumas así recibidas al haber de las cuentas A y B, que abrirá en sus libros a la orden del «Nederlandsch Clearinginstituut», y que no producirán intereses.

1 Came into force June 16th, 1934.

HER MAJESTY THE QUEEN OF THE NETHERLANDS and His Excellency the President of the Republic of Chile, being desirous of facilitating the settlement by clearing of claims in connection with goods transactions between Chile and the Netherlands, have decided to conclude an Agreement to that end, and have appointed as their respective Plenipotentiaries:

HER MAJESTY THE QUEEN OF THE NETHERLANDS:
M. Gideon Walrave Boissevain, Her Majesty's Acting Chargé d'Affaires at Santiago;

His Excellency the President of the Republic of Chile:
M. Miguel Cruchaga, Minister for Foreign Affairs;

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

Article 1.

The clearing shall apply to the settlement of claims arising solely in connection with goods transactions between the Kingdom of the Netherlands and the Republic of Chile, in accordance with the provisions set out hereinafter.

Article 2.

Claims arising in connection with the purchase of goods of Chilean provenance imported into the Netherlands shall be settled by payment of the purchase price in Netherlands guilders to the Nederlandsche Bank for account of the Nederlandsch Clearinginstituut. The Nederlandsch Clearinginstituut shall credit the sums received to one or other of two non-interest-bearing Accounts "A" and "B", to be opened in its books in favour of the Banco Central de Chile.

Claims arising in connection with the purchase of goods of Netherlands provenance imported into Chile shall be settled by payment of the purchase price in Chilean pesos to the Banco Central de Chile. The Banco Central de Chile shall credit the sums received to one or other of two non-interest-bearing Accounts "A" and "B", to be opened in its books in favour of the Nederlandsch Clearinginstituut.

Article 3.

Claims of Netherlands creditors which are in arrear at the date of entry into force of the present Agreement shall be settled progressively in the manner provided in Articles 4 to 8.

1 Translated by the Secretariat of the League of Nations, for information.
The following shall be deemed to be "arrear claims":

(a) Claims for the purchase price of goods of Netherlands provenance imported into Chile, the peso equivalent of which has been paid in by the Chilean debtors in Chile at some time between July 20th, 1931, and the date of entry into force of the present Agreement;

(b) Claims for the purchase price of goods of Netherlands provenance imported into Chile, the peso equivalent of which has not been paid in by the Chilean debtors in Chile by the date of entry into force of the present Agreement;

(c) Claims maturing before July 20th, 1931, which the Chilean debtors were not in a position to meet at that date, such as bills of exchange prolonged, awards in execution of judicial liquidations or bankruptcies, payments spread over given periods or other similar payments. Doubtful cases, that is to say, cases where there is doubt as to whether a claim is of such a nature as to come within the provisions of the present paragraph (c), shall be settled by the Banco Central de Chile and the Nederlandsch Clearinginstituut by common agreement.

Where payments have been made as provided in paragraph (a) above in favour of Netherlands vendors, whether to a blocked account in the vendor’s name or to third parties acting for the vendor (banks, notaries, lawyers, Consuls or the like), the Banco Central de Chile shall give the requisite authority for the crediting of the same to Joint Account B, on production of documentary proof.

Arrear claims within the meaning of paragraphs (a), (b) and (c) above shall not include claims which have not been declared within two months from the entry into force of the present Agreement, with documentary proof in support, to the Banco Central de Chile or the Nederlandsch Clearinginstituut respectively, by the debtor or by the representative of the creditor in the case of Chile, and by the creditor or by the beneficiary in the case of the Netherlands. The Banco Central de Chile and the Nederlandsch Clearinginstituut shall communicate to one another copies of the declarations in question. Disputed cases shall be settled by them by common agreement.

Article 4.

Arrear claims shall not be admitted to the clearing unless the peso equivalent has been duly paid in to the Banco Central de Chile by the debtor or by the party acting for him to be credited to Joint Account B.

Payments in such case shall be made in Chilean pesos. Claims denominated alternatively in Netherlands guilders or Chilean pesos shall be settled on the basis of 1 peso = 0.15 guilder.

Claims denominated in currencies other than Chilean pesos or Netherlands guilders shall be converted into the national currency by the Banco Central de Chile and the Nederlandsch Clearinginstituut respectively, that is to say, into pesos in Chile at the rate of 0.15 guilder = 1 peso, and into guilders in the Netherlands, on the basis of the official quotations on the date of payment in Santiago and Amsterdam respectively.

Chilean debtors shall be under obligation to make payment of the peso equivalent of all these debts as from the date of entry into force of the present Agreement.

Article 5.

The Banco Central de Chile shall advise the Nederlandsch Clearinginstituut of all payments made in accordance with the preceding Article, in the order of payment and crediting to Joint Account B, at the same time authorising payment to the vendors.

The sums so credited to Joint Account B shall be credited in guilders at the rate provided in Article 4.

Payment advices shall indicate the name of the debtor in Chile, the claim to which the payment relates, the name of the Netherlands creditor and/or beneficiary, and the amount in Chilean pesos and in Netherlands guilders as calculated at the rate provided in Article 4.

No. 3559
Article 6.

(a) Fifteen per cent of all claims arising in connection with the purchase of Chilean saltpetre and its derivatives imported into the Netherlands, less a fixed charge of one guilder per 100 kilograms of saltpetre to cover cost of transport and any and every other accessory costs, shall be paid in guilders into the Nederlandsche Bank for account of the Nederlandsch Clearinginstituut, to be credited to Joint Account B. The sums so credited shall be used solely for the settlement of arrear claims, save in so far as otherwise provided in Article 7 below.

(b) Twenty-five per cent of all claims arising in connection with the purchase of Chilean saltpetre and its derivatives imported into the Netherlands, less a fixed charge of one guilder per 100 kilograms of saltpetre to cover cost of transport and any and every other accessory costs, shall be paid in guilders into the Nederlandsche Bank for account of the Nederlandsch Clearinginstituut, to be credited to Joint Account A. The sums so credited shall be used solely for the settlement of claims arising in connection with the purchase of goods of Netherlands provenance imported into Chile after the date of entry into force of the present Agreement.

Article 7.

If at any moment it should appear both to the Banco Central de Chile and to the Nederlandsch Clearinginstituut, after hearing the parties concerned, that the claims in respect of which no equivalent payments have been made in Chile are irrecoverable, the payments for which provision is made in Article 6, paragraph (a), shall be provisionally suspended. The said payments shall in any case be suspended definitively, so soon as the total of the sums credited to Joint Account B shall have reached the amount of the claims declared under paragraphs (a), (b) and (c) of Article 3.

The payments for which provision is made in Article 6, paragraph (b), shall be increased to 30 per cent as from the date of suspension of the payments for which provision is made in Article 6, paragraph (a).

Article 8.

The Nederlandsch Clearinginstituut shall advise the Banco Central de Chile of all payments made in execution of paragraphs (a) and (b) of Article 6 in the order of payment and crediting thereof, with indication of their value in guilders.

The Banco Central de Chile shall undertake to remit the equivalent of the payments made in execution of Article 6, paragraph (a), to the vendors of Chilean saltpetre and its derivatives at the rate provided in Article 4 above.

Chilean purchasers of the Netherlands goods to which Article 6, paragraph (b), relates shall pay the peso equivalent of the purchase price of the said goods, at the day’s current rate for export bills, to the Banco Central de Chile. The Banco Central de Chile shall undertake to remit the said sums to the vendors of saltpetre and its derivatives in Chile. The rate shall be fixed by the Chile Government in accordance with the market position. The same rate shall be applicable to the payments for which provision is made in the last paragraph of Article 7.

Article 9.

It is explicitly understood that, in the event of denunciation of the present Agreement before the final settlement of the arrear claims, the payments for which provision is made in Article 6, paragraph (a), shall continue to be made in guilders to the Nederlandsche Bank for account of the Nederlandsch Clearinginstituut until such time as the settlement of the arrear claims is complete.

Article 10.

All claims arising in connection with the purchase of Chilean goods other than saltpetre and its derivatives imported into the Netherlands shall be settled by payment of the purchase price in Netherlands guilders to the Nederlandsche Bank for account of the Nederlandsch Clearinginstituut, to be credited to Joint Account A. The sums so credited shall be used, in accordance with the provisions of Article 12, for settlement of the claims of Netherlands exporters maturing after the date No. 3559.
of entry into force of the present Agreement. This provision shall not apply to transactions in copper, which shall remain excluded from the application of the present Agreement.

All claims arising in connection with the purchase of goods of Netherlands provenance imported into Chile shall be settled by payments in Chilean pesos to the Banco Central de Chile, at the day's current rate for export bills as defined in Article 8. The Banco Central de Chile shall credit Account A with the guilder equivalent of the payments in pesos.

The Banco Central de Chile and the Nederlandsch Clearinginstituut shall determine by common agreement the manner of execution of the present Article, and in particular the manner of defraying the cost of transport and other accessory costs of the Chilean vendors.

Article 11.

The Banco Central de Chile and the Nederlandsch Clearinginstituut shall advise one another of all payments made. Payment advices shall indicate the amount in guilders and the equivalent amount in pesos in the case of all payments made in Chile, and the amount in guilders in the case of payments made in the Netherlands.

Article 12.

Payments to vendors in Chile through the intermediary of the Banco Central de Chile, and payments to vendors in the Netherlands through the intermediary of the Nederlandsch Clearinginstituut, shall be made in the chronological order of the payments to which Articles 10 and 11 relate, within the limits of the resources available in Joint Account A.

The Banco Central de Chile and the Nederlandsch Clearinginstituut shall determine by common agreement the manner of execution of the present Article.

Article 13.

Claims arising in connection with the sale of goods of Netherlands provenance, which are in process of consignment to Chile at the date of entry into force of the present Agreement, being duly declared to the Banco Central de Chile within three months of the entry into force of the present Agreement, shall be settled in accordance with the provisions of the three preceding Articles.

Article 14.

Private compensation transactions as between Chilean goods and Netherlands goods shall receive favourable consideration at the hands of the Banco Central de Chile and the Nederlandsch Clearinginstituut, wherever possible, but shall require their approval in each case.

Article 15.

Difficulties which may arise in connection with the execution of the provisions of the present Agreement shall be settled by the Banco Central de Chile and the Nederlandsch Clearinginstituut by common agreement, subject to intervention by the Contracting Governments as and when required.

Article 16.

The present Agreement shall come into force fifteen days from the signature thereof and shall remain in force for the space of one year.

It shall be prolonged by tacit consent, subject to denunciation by the Contracting Parties at three months' notice at any time.

In faith whereof the respective Plenipotentiaries have signed the present Agreement, done in Dutch and Spanish, and have affixed their seals thereto.

Done at Santiago-de-Chile, on the first day of June, in the year nineteen hundred and thirty-four.

(L. S.)  G. W. BOISSEVAIN.

(L. S.)  Miguel CRUCHAGA.
EXCHANGE OF NOTES.

French and Spanish official texts communicated by the Netherlands Minister for Foreign Affairs. The registration of this Exchange of Notes took place December 20th, 1934.

1 Traduction. — Translation.

Netherlands Legation.

No. 739.

Santiago, July 6th, 1934.

Monsieur le Ministre,

In connection with the Clearing Agreement signed by us on June 1st last, our Governments are agreed as follows:

The Netherlands Government undertakes to authorise the Nederlandsch Clearing-instituut to grant exemption in individual cases from the obligation to make payment through the clearing in respect of claims arising in connection with the purchase of goods of Chilean provenance imported into the Netherlands, provided the contracts for the sale of the same were concluded prior to June 16th, 1934.

The aforesaid exemption shall be granted only in individual cases in which settlement through the clearing might give rise to serious difficulties.

The Nederlandsch Clearing-instituut shall decide in regard to the cases submitted to it and shall advise the Banco Central do Chile of all exemptions granted.

It is hereby stipulated that the amount of foreign exchange which would be payable into clearing account at the Nederlandsche Bank, but for the exemptions granted, shall be recovered by a charge on the purchase price of imports into the Netherlands of Chilean saltpetre and its derivatives not exceeding 10 per cent of the purchase price in each transaction.

In the case of goods of Chilean provenance imported into the Netherlands through the intermediary of a Belgian firm, payment for which has been, or is to be, made in accordance with the provisions of the Clearing Agreement concluded between the Union of Belgium and Luxemburg and Chile, the Netherlands Government shall endeavour to arrange for the payment to be made by the debtor through the Netherlands-Chile clearing by transfer from the Belgium-Chile clearing.

The Netherlands Government is agreed that, for such time as the Clearing Agreement remains in force, Chilean wools sold by auction in London and imported into the Netherlands shall be exempt from the obligation to make payment through the clearing.

The expressions “goods of Chilean provenance” and “goods of Netherlands provenance” (Article 2 of the Agreement) shall be deemed to mean “goods produced, processed or transformed” in Chile or the Netherlands respectively, it being understood that the processing or transforming must be sufficiently extensive to confer upon the goods in question a specifically national character.

I have, etc.

G. W. Boissevain.

His Excellency
Monsieur Miguel Cruchaga,
Minister for Foreign Affairs.
Santiago.

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

No. 3559

1 Translated by the Secretariat of the League of Nations, for information.
Monsieur le Chargé d’Affaires,

En relation avec la Convention de clearing que nous avons signée le premier de juin, nos gouvernements sont convenus des dispositions suivantes :

Le Gouvernement des Pays-Bas s’engage à autoriser le « Nederlandsch Clearing-Instituut » à accorder en cas particuliers exemption de l’obligation de paiement par voie de clearing en ce qui concerne les créances résultant de l’achat de marchandises de provenance chilienne importées aux Pays-Bas, pour autant que les contrats de vente aient été conclus avant le 16 juin 1934.

L’exemption susvisée ne sera accordée qu’en cas individuels où le règlement par voie de clearing soulèverait des difficultés sérieuses.

Le « Nederlandsch Clearing-Instituut » examinera les cas qui lui seront présentés et notifiera au « Banco Central du Chili » chaque exemption accordée par lui.

Il est stipulé que la somme en devises dont le compte de clearing auprès de la « Nederlandsche Bank » ne bénéficiera pas, en conséquence des exemptions accordées, sera récupérée sur le prix d’achat des importations aux Pays-Bas de nitrate chilien et ses dérivés, à condition que ces récupérations ne surpassent pour aucune transaction le dix pour cent du prix d’achat.

En ce qui concerne les marchandises de provenance chilienne importées aux Pays-Bas par l’intermédiaire d’une maison belge et dont le paiement a déjà été réglé ou doit

1 Traduction.

II.

RÉPUBLIQUE DU CHILI.
MINISTÈRE DES AFFAIRES ÉTRANGÈRES.
DÉPARTEMENT DIPLOMATIQUE.
No 03938.

SANTIAGO, le 6 juillet 1934.

SIR,

In connection with the Clearing Agreement signed by us on June 1st last, our Governments are agreed as follows.

The Netherlands Government undertakes to authorise the Nederlandsch Clearing-instituut to grant exemption in individual cases from the obligation to make payment through the clearing in respect of claims arising in connection with the purchase of goods of Chilean provenance imported into the Netherlands, provided the contracts for the sale of the same were concluded prior to June 16th, 1934.

The aforesaid exemption shall be granted only in individual cases in which settlement through the clearing might give rise to serious difficulties.

The Nederlandsch Clearing-instituut shall decide in regard to the cases submitted to it and shall advise the Banco Central de Chile of all exemptions granted.

It is hereby stipulated that the amount of foreign exchange which would be payable into clearing account at the Nederlandsche Bank, but for the exemptions granted, shall be recovered by a charge on the purchase price of imports into the Netherlands of Chilean saltpetre and its derivatives not exceeding 10 per cent of the purchase price in each transaction.

In the case of goods of Chilean provenance imported into the Netherlands through the intermediary of a Belgian firm, payment for which has been, or is to be,

1 Translated by the Secretariat of the League of Nations, for information.
être réglé conformément à la Convention de clearing entre l'Union belgo-luxembourgeoise et le Chili, le Gouvernement néerlandais s'efforcera d'arriver à un arrangement suivant lequel le paiement par le débiteur pourra s'effectuer dans le cadre du clearing néerlando-chilien par transfert du clearing belgo-chilien.

Le Gouvernement néerlandais est d'accord que pour toute la durée de la Convention de clearing les laines chiliennes vendues aux enchères à Londres et importées aux Pays-Bas seront exemptes de l'obligation de règlement par voie de clearing.

Les expressions « marchandise de provenance chilienne » respectivement « néerlandaise » (article 2 de l'accord) sont à interpréter comme suit : « marchandises produites, ouvragées ou transformées au Chili », respectivement « aux Pays-Bas ». Il est bien entendu que l'élaboration, respectivement la transformation, doivent être suffisamment intensives pour donner aux produits en question un caractère nettement national.

Je saisir cette occasion pour renouveler à Votre Excellence les assurances de ma plus haute considération.

Miguel CRUCHAGA.

(Signed) Miguel CRUCHAGA.

A l'honorable Monsieur G. W. Boissevain, Chargé d'Affaires des Pays-Bas au Chili.

Monsieur G. W. Boissevain, Netherlands Chargé d'Affaires, Chile.