

N° 3686.

ALLEMAGNE ET PAYS-BAS

Traité concernant le régime des paiements, signé à La Haye, le 5 décembre 1934, et échange de notes y relatif de la même date.

**GERMANY
AND THE NETHERLANDS**

Treaty concerning Clearing Transactions, signed at The Hague, December 5th, 1934, and Exchange of Notes relating thereto of the same Date.

TEXTE ALLEMAND. — GERMAN TEXT.

N^o 3686. — VERTRAG¹ ÜBER DEN DEUTSCH-NIEDERLÄNDISCHEN
VERRECHNUNGSVERKEHR. GEZEICHNET IM HAAG, AM
5. DEZEMBER 1934.

*German and Dutch official texts communicated by the Netherlands Minister for Foreign Affairs.
The registration of this Treaty took place June 29th, 1935.*

DER DEUTSCHE REICHSKANZLER
und

IHRE MAJESTÄT DIE KÖNIGIN DER NIEDERLANDE
haben, von dem Wunsche geleitet, die Zahlungen zwischen Deutschland und dem Königreich der
Niederlande zu erleichtern, zu ihren Bevollmächtigten ernannt :

DER DEUTSCHE REICHSKANZLER :

Den Ministerialdirektor im Reichsministerium für Ernährung und Landwirtschaft
Dr. Fritz KOEHLER ;

IHRE MAJESTÄT DIE KÖNIGIN DER NIEDERLANDE :

Den Generaldirektor für Handel und Gewerbe im Wirtschaftsministerium Dr. Hans
Max HIRSCHFELD ;

die nach Prüfung ihrer in guter und gehöriger Form befundenen Vollmachten folgendes verein-
bart haben :

Artikel 1.

Der Zahlungsverkehr zwischen Deutschland und dem Königreich der Niederlande wird, soweit
es sich um die in Artikel 2 aufgeführten Zahlungsverpflichtungen handelt, in Deutschland aus-
schliesslich durch Vermittlung der Deutschen Verrechnungskasse und in den Niederlanden aus-
schliesslich durch Vermittlung des Niederländisch Clearinginstituut abgewickelt.

Soweit in diesem Vertrag die Worte Niederlande oder niederländisch gebraucht sind, ist auch
das Reich ausserhalb Europas einbegriffen, wenn nicht ausdrücklich etwas anderes gesagt ist.

Artikel 2.

Unter die Bestimmungen dieses Vertrages fallen vorbehaltlich weiterer Vereinbarungen
folgende Verbindlichkeiten deutscher Schuldner gegenüber niederländischen Gläubigern und nieder-
ländischer Schuldner gegenüber deutschen Gläubigern soweit diese Verbindlichkeiten nach dem
23. September 1934 fällig geworden sind oder fällig werden.

1. Zahlungen aus der Einfuhr deutscher Waren nach den Niederlanden und nieder-
ländischer Waren nach Deutschland sowie im gegenseitigen Einvernehmen Zahlungen aus
dem Lohnveredelungsverkehr ;

¹ The exchange of ratifications took place at Berlin, May 15th, 1935.
Came into force May 30th, 1935.

¹ TRANSLATION.

No. 3686. — TREATY CONCERNING CLEARING TRANSACTIONS
BETWEEN GERMANY AND THE NETHERLANDS. SIGNED AT
THE HAGUE, DECEMBER 5TH, 1934.

THE CHANCELLOR OF THE GERMAN REICH
and

HER MAJESTY THE QUEEN OF THE NETHERLANDS,
Being desirous of facilitating payments between Germany and the Kingdom of the Netherlands,
have appointed as their respective Plenipotentiaries :

THE CHANCELLOR OF THE GERMAN REICH :

Dr. Fritz KOEHLER, Ministerial Director in the Ministry of the Reich for Food and
Agriculture ;

HER MAJESTY THE QUEEN OF THE NETHERLANDS :

Dr. Hans Max HIRSCHFELD, Director General of Trade and Manufactures in the
Ministry of Economic Affairs ;

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

Article 1.

Payment transactions between Germany and the Kingdom of the Netherlands in fulfilment of obligations of the kind specified in Article 2 shall be effected exclusively through the medium of the *Deutsche Verrechnungskasse* in Germany and the *Nederlandsch Clearinginstituut* in the Netherlands.

In the absence of any provision to the contrary, the word " Netherlands " shall be deemed for the purposes of the present Treaty to include the Netherlands territories outside Europe.

Article 2.

The provisions of the present Treaty shall apply — subject always to any other subsequent arrangements — to obligations involving payments by German debtors to Netherlands creditors or Netherlands debtors to German creditors, provided such payments fall or have fallen due after September 23rd, 1934, as follows :

(1) Payments in connection with the importation of German goods to the Netherlands or Netherlands goods to Germany, and payments made by mutual agreement in connection with the finishing of foreign manufactured articles for foreign account ;

(2) Payments for accessory costs in connection with goods transactions between Germany and the Netherlands, such as Customs, rail and inland shipping freights, forwarding costs and commissions, transshipment, harbour and bunker charges on inland waterways (other than the cost of bunker coal) and transport insurance ;

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

(3) Payments for accessory costs in connection with transit trade from and to the Netherlands through Germany and from and to Germany through the Netherlands ;

(4) Inland shipping traffic receipts, where not habitually used for payments in the debtor country ;

(5) Payments to Netherlands shipping undertakings for maritime freights of goods imported into Germany, where foreign exchange certificates or permits have been issued for the purpose of such payments ;

(6) Payment of the balances arising outside the present Treaty in connection with the clearing of the accounts of the German and Netherlands rail, air, postal and telegraphic traffic between the two countries ;

(7) Payments by travel agencies to traffic undertakings (including shipping undertakings) of the other country for the sale of tickets and other reservations (including sleeping-car reservations), and payment of the balances arising in connection with the direct clearing of such payments between travel agencies in the two countries, where the competent authorities in the two countries agree to such direct clearing ;

(8) Payments for patent fees and — subject always to special consideration of individual cases — for licenses and similar payments ;

(9) Payments for other customary and reasonable expenditure incurred in connection with trade between Germany and the Netherlands, such as salaries, wages and office expenses of agencies and branches, commissions, professional outlay, costs of legal proceedings and refunds of travelling expenses incurred for business purposes. In doubtful cases, the two Government Committees shall come to an agreement as to the treatment of particular payments as coming under this provision.

The applicability of the provisions of the present Treaty to obligations of the kind specified in sub-paragraph No. 1 of paragraph 1 above shall extend to the case of obligations in the same connection to persons in a third country. The competent authorities in the two countries may make other arrangements in particular cases.

The provisions of the present Treaty shall not apply to cash payments in petty frontier transactions. The competent authorities in the two countries may issue executory regulations by mutual agreement in interpretation of the term “ petty frontier transactions ” within the meaning of this provision, or other points arising in this connection.

Article 3.

“ German goods ” imported into the Netherlands within the meaning of sub-paragraph No. 1 of paragraph 1 of Article 2 shall be deemed to mean such goods as have been produced exclusively in Germany, or have undergone considerable finishing or transforming processes therein. “ Netherlands goods ” imported into Germany within the meaning of sub-paragraph No. 1 of paragraph 1 of Article 2 shall be deemed to mean such goods as have been produced exclusively in the Netherlands or are treated as Netherlands goods under the German Customs regulations.

Article 4.

German debtors who have obligations to Netherlands creditors of the kinds specified in Article 2 must make payment of the amounts owing on maturity in Reichsmarks to the Deutsche Verrechnungskasse. Where the obligation of the German debtor is in a currency other than Reichsmarks, the equivalent of the amount owing must be paid in Reichsmarks, converted at the middle rate of

the currency concerned quoted on the Berlin Stock Exchange on the last stock exchange day preceding the date of payment.

Netherlands debtors who have obligations to German creditors of the kinds specified in Article 2 must make payment of the amounts owing on maturity in guilders to the Nederlandsch Clearing-instituut. Where the obligation of the Netherlands debtor is in a currency other than guilders, the equivalent of the amount owing must be paid in guilders, converted at the official Netherlands quotation of the currency concerned on the last stock exchange day preceding the date of payment.

Article 5.

German debtors discharge their obligations by the payments they make into the Deutsche Verrechnungskasse. Netherlands debtors discharge their obligations by the payments they make into the Nederlandsch Clearinginstituut.

Payments to German creditors shall be made by the Deutsche Verrechnungskasse, and payments to Netherlands creditors by the Nederlandsch Clearinginstituut, as and when the necessary funds are available and in the chronological order in which the amounts have been paid in, save in so far as the two Governments or the authorities instructed by them for the purpose may otherwise provide in respect of the order of payment in exceptional cases.

Article 6.

The Deutsche Verrechnungskasse and the Nederlandsch Clearinginstituut reserve the right by mutual agreement to take such technical measures in regard to payments as they may deem necessary.

Both institutions shall be entitled to refund to the debtors amounts paid in, which they do not regard as coming under the provisions of the present Agreement, without the consent of the party for whom such amounts were intended.

Article 7.

To facilitate clearing, the direct clearing of claims (including customary and reasonable expenditure incurred in the country of the debtor party in connection with transport, Customs, office expenses, salaries and wages of agencies or branches, commissions and travelling expenses incurred for business purposes) shall be allowed. The competent authorities in both countries shall draw up rules of guidance by mutual agreement for dealing with such cases.

Article 8.

Payments into the *Deutsche Verrechnungskasse* may be made only by German debtors who have received permission to do so by means of a foreign exchange certificate (*Devisenbescheinigung*) issued by the competent German control authority or foreign exchange authority.

The Netherlands Government reserves the right to make payments into the Nederlandsch Clearinginstituut conditional on the issue of a similar permit.

Article 9.

Direct clearing of claims arising in connection with goods transactions between Germany and the Netherlands shall be permissible only with the assent of the competent authorities in both countries. Clearing transactions, the permission for which was granted by the competent German authority before September 24th, 1934, may be completed.

Foreigners' Special Accounts for Payments in Germany (*Ausländersonderkonten für Inlandzahlungen*) opened at a German foreign exchange bank in favour of Netherlands firms shall be allowed to continue; but new accounts of this kind shall not be opened without the consent of the competent authorities in both countries.

Article 10.

Part payment of German exports of goods to the Netherlands in blocked credit marks (*Kreditsperrmark*) or registered marks (*Registermark*) shall be permissible only with the consent of the competent authorities in both countries. Where permission for such payments was granted by the competent German authority before September 24th, 1934, the transactions in question may be completed.

Article 11.

Subject always to the provision in Article 2, paragraph 1, sub-paragraph No. 5, expenditure incurred by German sea-going vessels in Netherlands harbours and Netherlands sea-going vessels in German harbours, and other payments in connection with the maritime carrying trade of both countries, shall not come under the clearing.

The German Government shall make foreign exchange available, as far as possible, for the payment of maritime freights of goods exported from Germany which are carried in Netherlands bottoms. In the allocation of foreign exchange for maritime freights in general, the German Government shall accord as favourable treatment to the freights of Netherlands vessels as to the freights of sea-going vessels of any other country.

The German Government shall further take steps to enable Netherlands shipping companies to obtain permission to set off expenditure incurred in connection with the conduct of their business in Germany against the receipts derived from such business. Expenditure incurred in connection with the conduct of business shall be deemed to include office expenses, wages and salaries, ship-chandlery, commissions, maintenance and installation charges, dock fees, professional outlay, freight rebates, local charges (berthing, loading and reloading dues and the like) and German bunker coal charges (in foreign, as well as in German, ports).

Article 12.

In the allocation of foreign exchange for the purchase of raw materials and foodstuffs, the German imports of which habitually pass through the Netherlands and form part of the Netherlands intermediary trade, the German Government shall not take any steps to reduce the traditional share of the Netherlands in the supply of such goods to Germany.

Article 13.

A proportion, to be determined by a separate agreement, of the sums paid into the account at the Nederlandsch Clearinginstituut in virtue of the present Treaty shall be transferred to a free account of the Reichsbank at the Nederlandsche Bank N. V.

In addition, 18 per cent of the total sums received by the Nederlandsch Clearinginstituut in virtue of the present Treaty shall be assigned, until further notice, for the liquidation of claims credited to the Special Account of the Nederlandsche Bank N.V. at the Reichsbank and other claims of Netherlands creditors in connection with German imports of goods or other transactions involving payments of the kind specified in Article 2 of the present Treaty (including maritime freight transactions) for which the requisite foreign exchange has not hitherto been available. The two Governments shall come to an agreement not later than January¹ 15th, 1935, as to what claims are to be liquidated under the provisions of this paragraph. The two Governments may agree to reduce the percentage above specified, should the volume of goods transactions appear to justify such a step.

¹ The Parties later agreed to read " March " in lieu of " January " in the above text.

Article 14.

Netherlands creditors with claims of the kind specified in the first sentence of paragraph 2 of Article 13, which have not yet been credited to the Special Account of the Nederlandsche Bank N.V. at the Reichsbank or to a suspense account at a foreign exchange bank, may require the debtor to pay in forthwith the equivalent value of the claim in Reichsmarks to a special trustee account at a German foreign exchange bank¹, converted at the middle rate of the currency concerned quoted on the Berlin Stock Exchange on the last stock exchange day preceding the date of payment. If on the settlement of a debt in the manner provided for in the second paragraph of Article 13 above the Reichsmark amount due proves to be more than the amount paid into the Trustee Account, the debtor shall be liable for the difference. If less, the balance shall be refunded to the debtor.

Article 15.

Each Government shall set up a Government Committee composed of officials of the Ministries concerned. It shall be the duty of the said Committees to deal, in permanent direct consultation with one another, with all questions relating to the application of the present Treaty. The two Governments shall notify one another of the composition of the said Government Committees.

Article 16.

To ensure as far as possible the smooth operation of the payments system, the two Contracting Parties shall regulate the movements of the exchange of goods as required.

With this object, the Government Committees to which Article 15 relates shall be instructed, amongst other things, to keep a continuous check on the movements of goods and shipping, and to take the necessary steps, in agreement, with reference to the position of the clearing accounts.

Article 17.

The present Treaty shall be ratified. It shall come into force on the fifteenth day after the exchange of the instruments of ratification, which exchange shall take place at the earliest possible date in Berlin.

Article 18.

The present Treaty shall remain in force until December 31st, 1936, but may be denounced as from the end of any calendar month by giving three months' notice or, in the event of substantial changes in the conditions on the basis of which it was concluded, 14 days' notice.

If the Treaty lapses as a result of denunciation or expiry of the period for which it is concluded, obligations which have arisen before such denunciation or expiry in connection with transactions coming under the clearing shall continue after the lapse of the Treaty to be met by payments into the clearing in accordance with the provisions of the Agreement.

If on the lapse of the Treaty there should be a balance outstanding on the payments into either of the two clearing institutions, the liquidation through the clearing, in the manner provided by the Treaty, of the obligations to which Article 2 of the Treaty relates may continue until the whole of the balance is cleared.

Done in duplicate, in German and Dutch, at The Hague, the 5th day of December, 1934.

Dr. KOEHLER.

H. M. HIRSCHFELD.

¹ The Parties later agreed to read " to the ' Netherlands Trustee Account ' at the Deutsche Verrechnungskasse " in lieu of " to a special trustee account at a German foreign exchange bank " in the above text.

EXCHANGE OF NOTES.

I.

THE PRESIDENT
OF THE NETHERLANDS DELEGATION.

THE HAGUE, *December 5th*, 1934.

SIR,

I have the honour to confirm the conclusion of the following arrangement in connection with to-day's signature of the Clearing Agreement between the Netherlands and German Governments, that is to say :

The Contracting Governments will provisionally apply the Clearing Agreement in so far as payments by German debtors into the Deutsche Verrechnungskasse and payments by Netherlands debtors in the Netherlands and Netherlands Indies into the Nederlandsch Clearinginstituut are concerned, from December 10th, 1934, with retroactive effect as from December 1st, 1934.

In so far as payments into the Nederlandsch Clearinginstituut by Netherlands debtors in Surinam and Curaçao are concerned, the Netherlands Government will inform the German Government as soon as possible as to the date fixed for the provisional application of the Agreement. It shall, however, be open to the said debtors to make such payments into the Nederlandsch Clearinginstituut in discharge of their obligations before the date fixed.

The provisional regulations at present in force in regard to clearing transactions between the Netherlands and Germany shall lapse as from the date of the provisional application of the Clearing Agreement signed this day.

I have the honour to be, etc.

H. M. HIRSCHFELD.

To the President
of the German Delegation,
Dr. Koehler,
The Hague.

II.

THE PRESIDENT
OF THE GERMAN DELEGATION.

THE HAGUE, *December 5th*, 1934.

SIR,

I have the honour to confirm the conclusion of the following arrangement in connection with to-day's signature of the Clearing Agreement between the German and Netherlands Governments, that is to say :

The Contracting Governments will provisionally apply the Clearing Agreement in so far as payments by German debtors into the Deutsche Verrechnungskasse and payments by Netherlands debtors in the Netherlands and Netherlands Indies into the Nederlandsch Clearinginstituut are concerned, from December 10th, 1934, with retroactive effect as from December 1st, 1934.

In so far as payments into the Nederlandsch Clearinginstituut by Netherlands debtors in Surinam and Curaçao are concerned, the Netherlands Government will inform the

German Government as soon as possible as to the date fixed for the provisional application of the Agreement. It shall, however, be open to the said debtors to make such payments into the Nederlandsch Clearinginstituut in discharge of their obligations before the date fixed.

The provisional regulations at present in force in regard to clearing transactions between Germany and the Netherlands shall lapse as from the date of the provisional application of the Clearing Agreement signed this day.

I have the honour to be, etc.

Dr. KOEHLER.

To the President
of the Netherlands Delegation,
Dr. Hirschfeld,
The Hague.