

N° 3637.

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## LETTONIE ET SUÈDE

Echange de notes comportant un arrangement pour le règlement des paiements résultant du commerce de marchandises entre les deux pays. Riga, le 26 mars 1935.

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## LATVIA AND SWEDEN

Exchange of Notes constituting an Arrangement for the Settlement of Payments resulting from Trade in Merchandise between the Two Countries. Riga, March 26th, 1935.

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

No. 3637. — EXCHANGE OF NOTES <sup>2</sup> BETWEEN THE LATVIAN AND SWEDISH GOVERNMENTS CONSTITUTING AN ARRANGEMENT FOR THE SETTLEMENT OF PAYMENTS RESULTING FROM TRADE IN MERCHANDISE BETWEEN THE TWO COUNTRIES. RIGA, MARCH 26TH, 1935.

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*French official text communicated by the Swedish Minister for Foreign Affairs. The registration of this Exchange of Notes took place April 6th, 1935.*

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## I.

SWEDISH LEGATION.

D. No. 32 /1935.

RIGA, March 26th, 1935.

YOUR EXCELLENCY,

I have the honour to inform you that the Swedish Government is in agreement with the Latvian Government in regard to the execution of the following Arrangement for the settlement of payments arising in connection with goods transactions between Sweden and Latvia.

*Article 1.*

The present Arrangement shall apply to debts arising in connection with goods transactions between Sweden and Latvia, including accessory costs, such as transport or insurance charges, commissions and the like. It shall not apply to debts or claims arising in connection with transactions other than goods transactions between Sweden and Latvia.

Debts in connection with goods transactions, which have not been paid on the date of entry into force of the present Arrangement, may be settled through the clearing provided by the present Arrangement, the authorisation of the Clearingkontor in Stockholm and the Devisen Commission attached to the Finance Ministry in Latvia respectively being required for every payment of this kind.

Debts arising in connection with transactions effected in virtue of valid licences accorded by the Latvian Devisen Commission before the entry into force of the present Arrangement shall be settled in the manner, and within the time-limits, provided in such licences.

*Article 2.*

Payments in connection with goods transactions between the two countries shall be made through the clearing to the Clearingkontor in Stockholm and to the Clearing Office attached to the Finance Ministry in Latvia in accordance with the conditions hereinafter indicated.

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<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> Came into force April 1st, 1935.

Swedish purchasers of Latvian goods shall settle their debts to the Latvian vendors by payment of the due sum to the Clearingkontor. The Clearingkontor shall credit the sums received to a general account in French francs, not carrying interest, to be opened in its books in favour of the Clearing Office.

Latvian purchasers of Swedish goods shall settle their debts to the Swedish vendors by payment of the due sum in lats to the Clearing Office. The Clearing Office shall credit the sums received to a general account in French francs, not carrying interest, to be opened in its books in favour of the Clearingkontor.

*Article 3.*

In the case of transactions made out in currencies other than the French franc, the Swedish crown or the lat, the sums received shall be credited in French francs after conversion of the currency concerned into the latter at the last rate quoted on the Paris Stock Exchange before the date of payment.

The parity of the French franc in relation to the Swedish crown shall be based on the rate quoted in Stockholm on the date of payment. The parity of the French franc in relation to the lat shall be based on the middle rate quoted on the Riga Stock Exchange on the date of payment.

Each of the two clearing organisations shall advise the other daily of all payments received, at the same time requesting it to pay the creditors. Payments shall be made in the chronological order of the payments received, within the limits of the available resources of the above-mentioned general accounts.

*Article 4.*

The two Governments shall take the necessary steps, in so far as each is concerned, to compel importers to make use of the clearing provided by the present Arrangement.

It is understood that the Clearing Office shall not accept payments from Latvian importers for goods imported, unless the import has been authorised by the Devisen Commission. The latter may make the permit to import goods conditional on an equivalent export of Latvian products.

*Article 5.*

Where in the case of business relations between two parties, established the one in Sweden and the other in Latvia, there is a possibility of direct compensation of claims in connection with reciprocal purchases and sales of goods, it shall be open to the Clearingkontor and the Devisen Commission attached to the Finance Ministry in Latvia to allow such compensation.

*Article 6.*

The present Arrangement shall apply only to payments for goods imported into one or other of the two countries.

No exception to this rule shall be allowed except by common agreement of the two Governments.

*Article 7.*

The present Arrangement shall come into force on April 1st, 1935, and shall remain in force until denounced by either of the Contracting Parties at one month's notice.

On the expiry of the present Arrangement, the importers of whichever of the two countries has a balance in its favour in the other country shall continue to pay in the equivalent value of their imports, in accordance with the provisions of the present Arrangement, until such time as a corresponding amount of claims has been completely liquidated.

In the event of any essential change in the rates quoted at the time of the conclusion of the present Arrangement for the purpose of the conversions to which Article 3, paragraph 2, relates, negotiations shall immediately take place with a view to determining a new basis for such conversions.

I have the honour to be, etc.

(Signed) P. DE REUTERSWÄRD.

His Excellency  
Monsieur K. Ulmanis,  
Prime Minister and Minister for Foreign Affairs  
of the Republic of Latvia,  
etc., etc., etc.

II.

LATVIAN MINISTRY  
OF FOREIGN AFFAIRS,  
RIGA.

No. A. 8665.

RIGA, *March 26th*, 1935.

MONSIEUR LE MINISTRE,

I have the honour to inform you that the Latvian Government is in agreement with the Swedish Government in regard to the execution of the following Arrangement for the settlement of payments arising in connection with goods transactions between Latvia and Sweden.

*Article 1.*

The present Arrangement shall apply to debts arising in connection with goods transactions between Latvia and Sweden, including accessory costs, such as transport or insurance charges, commissions and the like. It shall not apply to debts or claims arising in connection with transactions other than goods transactions between Latvia and Sweden.

Debts in connection with goods transactions, which have not been paid on the date of entry into force of the present Arrangement, may be settled through the clearing provided by the present Arrangement, the authorisation of the Devisen Commission attached to the Finance Ministry in Latvia and the Clearingkontor in Stockholm respectively being required for every payment of this kind.

Debts arising in connection with transactions effected in virtue of valid licences accorded by the Latvian Devisen Commission before the entry into force of the present Arrangement shall be settled in the manner, and within the time-limits, provided in such licences.

*Article 2.*

Payments in connection with goods transactions between the two countries shall be made through the clearing to the Clearing Office attached to the Finance Ministry in Latvia and to the Clearingkontor in Stockholm in accordance with the conditions hereinafter indicated.

Swedish purchasers of Latvian goods shall settle their debts to the Latvian vendors by payment of the due sum to the Clearingkontor. The Clearingkontor shall credit the sums received to a general account in French francs, not carrying interest, to be opened in its books in favour of the Clearing Office.

Latvian purchasers of Swedish goods shall settle their debts to the Swedish vendors by payment of the due sum in lats to the Clearing Office. The Clearing Office shall credit the sums received to a general account in French francs, not carrying interest, to be opened in its books in favour of the Clearingkontor.

*Article 3.*

In the case of transactions made out in currencies other than the French franc, the lat or the Swedish crown, the sums received shall be credited in French francs after conversion of the currency concerned into the latter at the last rate quoted on the Paris Stock Exchange before the date of payment.

The parity of the French franc in relation to the Swedish crown shall be based on the rate quoted in Stockholm on the date of payment. The parity of the French franc in relation to the lat shall be based on the middle rate quoted on the Riga Stock Exchange on the date of payment.

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It is understood that the Clearing Office shall not accept payments from Latvian importers for goods imported, unless the import has been authorised by the Devisen Commission. The latter may make the permit to import goods conditional on an equivalent export of Latvian products.

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Where in the case of business relations between two parties, established the one in Latvia and the other in Sweden, there is a possibility of direct compensation of claims in connection with reciprocal purchases and sales of goods, it shall be open to the Devisen Commission attached to the Finance Ministry in Latvia and the Clearingkontor to allow such compensation.

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In the event of any essential change in the rates quoted at the time of the conclusion of the present Arrangement for the purpose of the conversions to which Article 3, paragraph 2, relates, negotiations shall immediately take place with a view to determining a new basis for such conversions.

I have the honour to be, etc.

(Signed) K. ULMANIS.

His Excellency  
Monsieur Patrik C. R. de Reuterswård,  
Swedish Minister,  
Riga.