

N° 3986.

FINLANDE ET ITALIE

Accord provisoire pour régler les échanges commerciaux et les paiements y afférents, et protocole additionnel, signés à Rome, le 28 septembre 1936, et échange de notes modifiant l'article 6 de cet accord, Rome, le 26 octobre 1936.

FINLAND AND ITALY

Provisional Agreement regulating Commercial Exchanges and the Payments in respect thereof, and Additional Protocol, signed at Rome, September 28th, 1936, and Exchange of Notes modifying Article 6 of this Agreement, Rome, October 26th, 1936.

¹ TRADUCTION. — TRANSLATION.

No. 3986. — PROVISIONAL AGREEMENT BETWEEN THE REPUBLIC OF FINLAND AND THE KINGDOM OF ITALY REGULATING COMMERCIAL EXCHANGES AND THE PAYMENTS IN RESPECT THEREOF. SIGNED AT ROME, SEPTEMBER 28TH, 1936.

*French official text communicated by the Permanent Delegate a. i. of Finland to the League of Nations.
The registration of this Agreement took place October 26th, 1936.*

THE FINNISH GOVERNMENT and THE ITALIAN GOVERNMENT, being desirous, pending the conclusion of a final agreement between the Republic of Finland and the Kingdom of Italy, of regulating their commercial exchanges and the payments in respect thereof, have agreed upon the following provisions :

Article 1.

Each of the two countries shall of its own accord allow, to the fullest possible extent, the importation of goods originating in and coming from the other country.

Article 2.

L'Istituto Nazionale per i Cambi con l'Estero and the Suomen Pankki (Bank of Finland) shall be authorised to settle, by a system of compensation, payments in respect of commercial exchanges between the two countries effected on or after October 1st, 1936.

Article 3.

In execution of Article 2, there shall be opened at the Istituto Nazionale per i Cambi con l'Estero an Italian lira non-interest-bearing account in the name of the Suomen Pankki, which account shall be credited with the amounts in lire paid in by Italian debtors for Finnish goods imported into Italy on or after October 1st, 1936.

Similarly, there shall be opened at the Suomen Pankki a Finnish mark non-interest-bearing account in the name of the Istituto Nazionale per i Cambi con l'Estero. This account shall be credited with the amounts in Finnish marks paid in by Finnish debtors for Italian goods imported into Finland on or after October 1st, 1936.

Article 4.

The Istituto Nazionale per i Cambi con l'Estero and the Suomen Pankki shall notify each other, without delay, of all payments received from debtors in their respective countries, together with all necessary particulars.

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.

The Istituto Nazionale per i Cambi con l'Estero and the Suomen Pankki shall be authorised to make payments to the creditors concerned, in the chronological order of the above-mentioned payments by debtors and within the limits of the funds available in the accounts specified in Article 3. The notification of payment by a debtor shall carry with it authority to pay the creditor concerned in the manner prescribed in the present provisional Agreement.

The sums thus paid shall be debited to the accounts specified in Article 3.

The conversion into lire or Finnish marks, as the case may be, of the amounts to be paid out shall be effected on the basis of the rate of exchange for Italian lire and Finnish marks, as fixed by mutual agreement in the manner prescribed in Article 6 (*a*) in force on the date of payment.

Article 5.

All advance payments for the purchase of goods of Italian or Finnish origin to be imported into Finland or Italy, as the case may be, shall be settled under the terms of the present provisional Agreement.

To come within the scope of payments in Italy, such advances must refer to an import licence already issued by the competent authorities; they must also be provided for in the contract for the purchase of the goods and must comply with commercial usages.

The two Governments shall, each in so far as concerns itself, take such steps as may be necessary to compel the respective importers and exporters to meet all their obligations in the manner provided for in the present provisional Agreement.

Article 6.

As regards the payments to be made by the importers of both countries in accordance with Article 3 of the present provisional Agreement, conversion into lire or Finnish marks shall be governed by the following rules:

(*a*) The Istituto Nazionale per i Cambi con l'Estero and the Suomen Pankki shall fix, by mutual agreement, the rate of exchange to be applied as between the Italian lira and the Finnish mark; the said rate shall be applied for the conversion into lire of debts expressed in Finnish marks and for conversion into Finnish marks of debts expressed in lire.

(*b*) Debts expressed in a currency other than lire or Finnish marks shall be converted into Finnish marks in Finland and Italian lire in Italy at the official rates at Helsinki and Rome respectively on the day preceding the day of payment.

Exchange operations effected in accordance with paragraphs (*a*) and (*b*) above shall be provisional in character, the debtor not being deemed to have discharged his debt until the creditor shall have received the full amount of his claim. Any supplementary payments which the debtor may be required to make shall likewise be effected through the clearing system.

Article 7.

The private compensation arrangements already approved on behalf of Italy and in operation at the time of signature of the present provisional Agreement shall not be subject to its provisions.

New private compensation transactions shall be permitted only with the consent of both compensation institutions.

Article 8.

The present provisional Agreement shall apply only to goods which, under the laws and regulations in force in the importing country, are deemed to be goods originating in the other country, and it shall not apply to goods traffic in transit.

Article 9.

The Italian Government and the Finnish Government shall agree upon the procedure to be adopted for the settlement of Italian debts in Finland and Finnish debts in Italy arising out of commercial exchanges effected between the two countries prior to the date of the entry into force of the present provisional Agreement.

Article 10.

The two Governments shall agree upon the arrangements to be made to utilise any balance remaining in the accounts mentioned in Article 3.

Any balance which may remain to the credit of Italy shall be used in the first place for the settlement of Finnish claims in arrears.

In any case, a first liquidation shall take place on March 31st, 1937.

Article 11.

The Istituto Nazionale per i Cambi con l'Estero and the Suomen Pankki shall agree upon such technical arrangements as may be necessary to ensure the proper working of the present provisional Agreement.

Article 12.

The present provisional Agreement shall come into force on the date of its signature and shall continue in application until March 31st, 1937. It shall be deemed to be renewed by tacit agreement for quarterly periods unless denounced at one month's notice.

In faith whereof the present provisional Agreement has been signed.

Done at Rome, in duplicate, this 28th day of September, 1936.

On behalf of Finland :

H. v. KNORRING.
Walter GRÄSBECK.

On behalf of Italy :

CIANO.

ADDITIONAL PROTOCOL

TO THE PROVISIONAL AGREEMENT BETWEEN THE REPUBLIC OF FINLAND
AND THE KINGDOM OF ITALY.

On proceeding to sign the present provisional Agreement of this day's date, regulating commercial payments between Finland and Italy, the undersigned have agreed as follows :

Ad Articles 3 and 9.

It is understood that the sale price of sulphur and salt imported from Italy to Finland shall be paid into the clearing account and used exclusively for the settlement of Finnish claims in arrears.

Ad 10, *Paragraph 2.*

It is understood that the first liquidation shall be effected on the basis of the balance remaining after the Italian and Finnish importers concerned shall have made all the payments due in respect of goods imported during the period October 1st, 1936-March 31st, 1937.

In faith whereof the present Additional Protocol has been duly signed.

Done at Rome, in duplicate, this 28th day of September, 1936.

On behalf of Finland :

H. v. KNORRING.

Walter GRÄSBECK.

On behalf of Italy :

CIANO.

EXCHANGE OF NOTES

MODIFYING ARTICLE 6 OF THE PROVISIONAL AGREEMENT OF SEPTEMBER 28TH, 1936, REGULATING COMMERCIAL EXCHANGES AND PAYMENTS IN RESPECT THEREOF BETWEEN FINLAND AND ITALY. ROME, OCTOBER 26TH, 1936.

French official text communicated by the Permanent Delegate a.i. of Finland to the League of Nations. The registration of this Exchange of Notes took place December 4th, 1936.

¹ TRADUCTION. — TRANSLATION.

I.

THE FINNISH CHARGÉ D'AFFAIRES AT ROME TO THE ITALIAN MINISTER FOR FOREIGN AFFAIRS.

ROME, *October 26th, 1936.*

MONSIEUR LE MINISTRE,

With reference to Article 6 of the Provisional Agreement between Finland and Italy dated September 28th, 1936, I am instructed by my Government to request the Italian Government to agree that the Suomen Pankki shall be authorised to convert debts expressed in currencies other than the Italian lira into Finnish marks at the latest known official rate at Helsinki, instead of applying the official rate ruling on the date preceding the date of the payment, as provided in paragraph (b) of the said Article.

Should the Italian Government accept this proposal, the present note and your reply will be deemed to signify that our respective countries are in agreement on this point.

I have the honour to be, etc.

H. v. KNORRING.

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.

II.

THE ITALIAN MINISTER FOR FOREIGN AFFAIRS TO THE FINNISH CHARGÉ D'AFFAIRES AT ROME.

ROME, *October 26th*, 1936.

MONSIEUR LE CHARGÉ D'AFFAIRES,

I am in receipt of your note of to-day's date in the following terms :

“ With reference to Article 6 of the Provisional Agreement between Finland and Italy dated September 28th, 1936, I am instructed by my Government to request the Italian Government to agree that the Suomen Pankki shall be authorised to convert debts expressed in currencies other than the Italian lira into Finnish marks at the latest known official rate at Helsinki, instead of applying the official rate ruling on the date preceding the date of the payment, as provided in paragraph (b) of the said Article.

Should the Italian Government accept this proposal, the present note and your reply shall be deemed to signify that our respective countries are in agreement on this point. ”

I have the honour to inform you that the Italian Government has duly taken cognisance of this note and declares itself in agreement with its terms.

I have the honour to be, etc.

CIANO.