

No. 149

**UNITED KINGDOM OF GREAT BRITAIN AND
NORTHERN IRELAND
and
POLAND**

Agreement for the settlement of outstanding financial questions (with Exchange of Notes). Signed at London, on 24 June 1946

English and Polish official texts communicated by the Permanent United Kingdom Representative to the United Nations. The registration took place on 26 November 1947.

**ROYAUME-UNI DE GRANDE-BRETAGNE ET
D'IRLANDE DU NORD
et
POLOGNE**

Accord (avec échange de notes) relatif au règlement de questions financières en suspens. Signé à Londres, le 24 juin 1946

Textes officiels anglais et polonais communiqués par le représentant permanent du Royaume-Uni auprès de l'Organisation des Nations Unies. L'enregistrement a eu lieu le 26 novembre 1947.

No. 149. AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE POLISH PROVISIONAL GOVERNMENT OF NATIONAL UNITY FOR THE SETTLEMENT OF OUTSTANDING FINANCIAL QUESTIONS. SIGNED AT LONDON, ON 24 JUNE 1946

The Government of the United Kingdom of Great Britain and Northern Ireland and the Polish Provisional Government of National Unity, desiring to settle by mutual agreement the financial questions outstanding between them, have agreed as follows:—

Article I

The Government of the United Kingdom will make no claim for repayment of the £73 million sterling, in respect of amounts spent on war material, equipment, supplies, &c., for the Polish Armed Forces in the West.

Article II

The Government of the United Kingdom will leave in abeyance at present the question of the repayment of the Military Credits, amounting to a further £47½ million sterling, expended on the salaries and pay of the Polish Armed Forces in the West up to the 5th July, 1945, but reserve their right to reopen discussion of this question.

Article III

In discharge of all claims made by the Government of the United Kingdom in respect of the Polish civil administration including welfare and educational services in the United Kingdom, and the maintenance of Polish refugees in various countries overseas, for which the Government of the United Kingdom advanced the sum of approximately £32 million sterling, the Polish Provisional Government agree to pay and the Government of the United Kingdom agree to accept immediate payment of £3 million sterling in gold and £10 million sterling to be repaid by equal annual instalments of £666,666 over a period of 15 years, the first payment to be made 5 years after the date of the entry of this Agreement into force.

¹ Came into force on 19 June 1947 upon the exchange of the instruments of ratification at London, in accordance with Article VII.

Article IV

For the purpose of making the immediate payment referred to in Article III, the Polish Provisional Government will transfer immediately to the Government of the United Kingdom £3 million sterling from the gold deposited in the Bank of England for account of the Bank Polski, and the Government of the United Kingdom for their part undertake to place no obstacle in the way of the disposal or export of the balance of the gold held in the Bank of England for account of the said Bank Polski, this balance not thereafter to be subject to any conditions or liens.

Article V

(1) In addition to the Polish assets which they have already transferred to the Polish Provisional Government, the Government of the United Kingdom will, subject to the provisions of paragraph (2) of this Article, arrange for the transfer to the Polish Provisional Government of all assets of the former Polish Government which were acquired before the 1st June, 1946, out of monies advanced by the Government of the United Kingdom.

(2) The Polish Provisional Government agree that, for the purpose of assisting the maintenance of welfare and educational services for Polish citizens in the United Kingdom, the Government of the United Kingdom shall continue to use such properties, materials, furniture, equipment, books, cars, &c., of the former Polish Government as are required for those services. The two Governments shall make the necessary arrangements and shall, from time to time, agree how much of such properties, materials, furniture, equipment, books, cars, is no longer required for that purpose.

Article VI

The Government of the United Kingdom will transfer to the Polish Provisional Government free of charge surplus goods to the value of £6 million sterling, now at the disposal of the Government of the United Kingdom, to be selected by representatives of the Polish Provisional Government from lists to be made available to them by the Government of the United Kingdom. It is understood that the £6 million sterling is inclusive of transport, insurance and other charges which may be incurred in despatching the goods to Poland, but in the event of the Polish Provisional Government themselves paying these charges the quantity and value of the goods to be made available under this clause shall be correspondingly increased.

Article VII

The present Agreement shall be ratified and the instruments of ratification shall be exchanged in London as soon as possible. The Agreement shall come into force on the date of the exchange of ratifications.

IN WITNESS WHEREOF the undersigned, duly authorised thereto by their respective Governments, have signed the present Agreement.

DONE in duplicate in London on the 24th day of June, 1946, in the English and Polish languages, both texts being equally authentic.

(Signed) Philip NOEL-BAKER

(Signed) Wilfrid EADY

(Signed) E. DROZNIAK

(Signed) Henryk STRASBURGER

EXCHANGE OF NOTES

No. 1

Mr. Philip Noel-Baker to M. Edward Drozniak

FOREIGN OFFICE

24th June, 1946

Sir,

In connexion with the Financial Agreement signed to-day, I have the honour to confirm on behalf of the Government of the United Kingdom the following understandings which have been reached between the Polish Provisional Government and His Majesty's Government in the United Kingdom:—

- (a) The provisions regarding the transfer of assets shall be without prejudice to the arrangements already in force for the division of the Libraries of the former Polish Government. These arrangements were the subject of Foreign Office Note of the 17th November last and of the Polish Ambassador's reply of the 23rd November last. Subsequent arrangements of detail have been made with M. Drzewieski of the Polish Embassy.
- (b) The question of the disposal of the assets of deceased Poles, now being administered by the existing curators, shall be settled separately.
- (c) His Majesty's Government in the United Kingdom and the Polish Provisional Government will initiate separate discussions on the disposal of the assets of the Social Insurance Committee of the Polish Merchant Navy.
- (d) With reference to Article VI of the Agreement, the Government of the United Kingdom will immediately make available to representatives of the Polish Provisional Government lists of surplus goods at the disposal of the Government of the United Kingdom. The goods selected from the lists by these representatives will be reserved and set aside by the Government of the United Kingdom pending the entry into force of the Agreement by the exchange of ratifications.

If the Polish Government likewise accept the above arrangements, the present Note and your reply to that effect will be regarded as placing on record the understanding between the two Governments in this matter.

I have, &c.

(Signed) Philip NOEL-BAKER

No. 2

M. Edward Drozniak to Philip Noel-Baker

24th June, 1946

Sir,

I have the honour to acknowledge receipt of your letter of to-day's date, of which the text is as follows:—

[*As in No. 1*]

I have the honour to inform you that the Polish Provisional Government accept the above arrangements, and your Note and the present reply will accordingly be regarded as placing on record the understanding between the two Governments in this matter.

(Signed) E. DROZNIAK
President of the National Bank of Poland