

No. 32

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

Monetary Agreement. Signed at London, on 6 March 1945

Came into force on 1 January 1945, in accordance with the provisions of Article 10 thereof, by signature.

English official text communicated by the Permanent United Kingdom Representative to the United Nations. The filing and recording took place on 23 June 1947.

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

Accord monétaire. Signé à Londres, le 6 mars 1945

Entré en vigueur le 1er janvier 1945, conformément aux dispositions de son Article 10, par signature.

Texte officiel anglais communiqué par le représentant permanent du Royaume-Uni auprès de l'Organisation des Nations Unies. Le classement et l'inscription au répertoire ont eu lieu le 23 juin 1947.

No. 32. MONETARY AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF SWEDEN, LONDON, ON 6 MARCH 1945

The Government of the United Kingdom of Great Britain and Northern Ireland of the one part, and the Government of Sweden of the other part, have agreed as follows:—

Article 1

(i) The rate of exchange between the Swedish krona and the £ sterling shall be Swedish kronor $16 \cdot 90 =$ £1.

(ii) This rate (hereinafter referred to as “the official rate”) shall not be varied by either of the Contracting Governments except after giving to the other as much notice as may be practicable.

(iii) In all territories where they have jurisdiction the Contracting Governments shall enforce the use of the official rate as the basis of all transactions involving a relationship between the two currencies.

(iv) The Bank of England and Sveriges Riksbank, as agents of their respective Governments, shall fix by mutual agreement the maximum spread above or below the official rate which will be authorised on the markets which they control.

Article 2

(i) The Bank of England (acting as agents of the Government of the United Kingdom) shall sell to Sveriges Riksbank (acting as agents of the Swedish Government), against Swedish kronor to be credited at the official rate to the Bank of England’s No. 1 Account with Sveriges Riksbank, such sterling as may be required for payments which residents of Sweden, under the exchange regulations in force in Sweden, are permitted to make to residents of the sterling area.

(ii) Sveriges Riksbank (acting as agents of the Swedish Government) shall sell to the Bank of England (acting as agents of the Government of the United Kingdom), against sterling to be credited at the official rate to Sveriges Riksbank’s No. 1 Account with the Bank of England, such Swedish kronor as may

be required for payments which residents of the sterling area, under the exchange regulations in force in that area, are permitted to make to residents of Sweden.

Article 3

(i) The Bank of England shall have the right at any time to sell to Sveriges Riksbank against all or part of the sterling balances held by that Bank either Swedish kronor at the official rate or gold to be set aside at the Bank of England in London.

(ii) Sveriges Riksbank shall have the right at any time to sell to the Bank of England against all or part of the Swedish kronor balances held by that Bank either sterling at the official rate or gold to be set aside at Sveriges Riksbank in Stockholm.

(iii) Gold set aside in Stockholm in accordance with the provisions of this Article shall be at the Bank of England's free disposal and may be exported.

(iv) Gold set aside in London in accordance with the provisions of this Article shall be at Sveriges Riksbank's free disposal and may be exported.

Article 4

(i) The Government of the United Kingdom shall not restrict the availability of sterling at the disposal of residents of Sweden for making—

- (a) transfers to other residents of Sweden;
- (b) payments to residents of the sterling area; or
- (c) transfers to residents of countries outside Sweden and the sterling area to the extent to which these may be authorised by the United Kingdom under the arrangements contemplated in Article 8 (iii) hereof.

(ii) The Swedish Government shall not restrict the availability of Swedish kronor at the disposal of residents of the sterling area for making—

- (a) transfers to other residents of the sterling area;
- (b) payments to residents of Sweden; or
- (c) transfers to residents of countries outside the sterling area and Sweden to the extent to which these may be authorised by the Swedish Government under the arrangements contemplated in Article 8 (iii) hereof.

Article 5

To the extent to which Sveriges Riksbank require sterling area currencies, other than sterling, for the purpose of providing for payments in the countries where such currencies are legal tender, Sveriges Riksbank shall purchase them through the Bank of England against payment in sterling.

Article 6

The Contracting Governments shall co-operate with a view to assisting each other in keeping capital transactions within the scope of their respective policies, and in particular with a view to preventing transfers which do not serve direct and useful economic or commercial purposes.

Article 7

Any sterling held by Sveriges Riksbank shall be held and invested only as may be agreed by the Bank of England, and any Swedish kronor held by the Bank of England shall be held and invested only as may be agreed by Sveriges Riksbank.

Article 8

(i) If, during the currency of this Agreement, either of the Contracting Governments adheres to a general international monetary agreement, the terms of the present Agreement shall be reviewed with a view to making any amendments that may be required.

(ii) While the present Agreement continues in force the Contracting Governments shall co-operate to apply it with the necessary flexibility according to circumstances. The Bank of England and Sveriges Riksbank, as agents of their respective Governments, will maintain contact on all technical questions arising out of the Agreement and will collaborate closely on exchange control matters affecting the sterling area and Sweden.

(iii) As opportunity offers the Contracting Governments shall seek with the consent of the other interested parties—

- (a) to make Swedish kronor at the disposal of residents of the sterling area and sterling at the disposal of residents of Sweden available for making payments of a current nature to residents of countries outside the sterling area and Sweden; and

(b) to enable residents of countries outside the sterling area and Sweden to use sterling at their disposal to make payments of a current nature to residents of Sweden and to use Swedish kronor at their disposal to make payments of a current nature to residents of the sterling area.

(iv) Notwithstanding that each of the Contracting Governments shall be alone responsible for its monetary relations with third parties, they shall maintain contact wherever the monetary relations of the one affect the interests of the other.

Article 9

For the purposes of the present Agreement—

(i) The expression "the sterling area" shall have the meaning from time to time assigned to it by the exchange control regulations in force in the United Kingdom.

(ii) Transactions between the Bank of England and Sveriges Riksbank are to be considered as transactions between the sterling area and Sweden.

(iii) Transactions entered into by the Government of any territory within the sterling area or by the Swedish Government are to be considered as transactions entered into by a resident of the sterling area or Sweden, respectively.

Article 10

The present Agreement, which shall be subject to review and adjustment after mutual consultation, shall be deemed to have come into force on the 1st day of January, 1945. At any time thereafter either Contracting Government may give written notice to the other of its intention to terminate the Agreement and the Agreement shall cease to have effect three months after the date of such notice. It shall terminate five years after the date of its coming into force unless the two Contracting Governments agree otherwise.

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

DONE in London, in duplicate, the 6th day of March, 1945.

(L.S.)

Anthony EDEN

(L.S.)

Erik BOHEMAN