

No. 269

**FRANCE, BELGIUM, LUXEMBOURG, ITALY
and
NETHERLANDS**

**First Multilateral Monetary Clearing Agreement (with
annex). Signed at Paris, on 18 November 1947**

*French official text communicated by the Representative a.i. of the Netherlands
to the United Nations. The registration took place on 27 July 1948.*

**FRANCE, BELGIQUE, LUXEMBOURG, ITALIE
et
PAYS-BAS**

**Premier accord de compensation monétaire multilatérale
(avec annexe). Signé à Paris, le 18 novembre 1947**

*Texte officiel français communiqué par le représentant a.i. des Pays-Bas auprès
de l'Organisation des Nations Unies. L'enregistrement a eu lieu le 27 juillet
1948.*

TRANSLATION — TRADUCTION

No. 269. FIRST MULTILATERAL MONETARY CLEARING AGREEMENT¹. SIGNED AT PARIS, ON 18 NOVEMBER 1947

The Government of Belgium, acting on its own behalf and on that of the Government of Luxembourg, and the Governments of France, Italy and the Netherlands, desiring to promote the development of inter-European trade and, to this end, as a first stage to establish between themselves closer monetary co-operation, have come to the following agreement:

Article 1. The Contracting Parties will carry out, in the widest possible manner in the conditions indicated in the following articles, multilateral clearing operations in respect of the balances resulting from the operation of the payment agreements already concluded or to be concluded between them.

Article 2. Whenever the sole effect of such clearing is to reduce the existing balances, it shall be applied automatically between the Contracting Parties, without their previous consent being necessary.

Provisionally, in cases where clearing entails the increase of a balance or the formation of a further balance as compared with the position before compensation, the agreement of the countries concerned shall be expressly formulated.

Article 3. The clearing operations referred to in article 2 above shall take place monthly and according to the procedure set forth in the annex to this agreement.

Article 4. The Contracting Parties shall not claim the settlements in gold or foreign currencies provided for in the payment agreements existing between them before the clearing operations referred to in article 2 have taken place. To this end, whenever a settlement is claimable in gold under a payment agreement, in the course of one month, it shall be automatically postponed till the following monthly clearing.

The settlements in gold or in foreign currencies provided for by the agreements, which remain claimable after the conclusion of the clearing operations, shall be made immediately.

¹ Came into force on 18 November 1947, as from the date of signature, in accordance with article 9.

Article 5. The technical problems to which the execution of the clearing operations may give rise shall be examined by a Committee of delegates of the Contracting Parties and of countries occasionally participating in such operations according to the provisions of article 8 below. The delegates shall settle these problems by common agreement.

The Contracting Parties will empower an agent of their choice to prepare and direct the clearing operations according to the procedure laid down in the attached annex and in pursuance of any instructions and powers that may be given him by the Committee of Delegates.

Article 6. Each country that is a party to this agreement will communicate to the said agent:

(a) all the necessary information on the contents and operation of the payment agreements concluded with the other Contracting Parties as well as a monthly statement of the accounts opened under these agreements;

(b) as regards countries participating occasionally in clearing operations in the conditions provided for in article 8, such information as the agent mentioned in article 5 may require.

Article 7. Whenever necessary, the Parties to the agreement will meet in order to examine together such general problems as may arise from the application of this agreement, in consultation with countries occasionally participating in clearing operations according to the provisions of article 8 below.

In particular, they will meet not later than one year after the entry into force of this agreement in order to examine together the possibilities of extending the scope of the clearing mentioned in article 2 and, if necessary, to take steps with a view to more effective monetary co-operation.

Article 8. (1) Subject to the approval of the Contracting Parties, any country may adhere to the present agreement.

(2) Any country shall be entitled, with the approval of the Contracting Parties, to participate occasionally in clearing operations, if it declares its willingness:

(a) to communicate regularly to the agent mentioned in article 5 of this agreement such information as he may require,

(b) to reply, within the time limit fixed by the Committee, to the clearing proposals submitted by the agent for approval,

(c) to agree that countries permanently or occasionally participating in the clearing operations shall communicate regularly to the agent mentioned in article 5 of this agreement the necessary data concerning themselves.

Article 9. This agreement shall enter into force on the date of signature. Each of the Contracting Parties may, for its part, denounce the agreement by giving three months' notice to the other Parties.

Paris, 18 November 1947

Georges BIDAULT
for France

Jules GUILLAUME
for Belgium and Luxembourg

Pietro QUARONI
for Italy

Tjarda VAN STARKENBORGH STACHOUWER
for the Netherlands

ANNEX

TO THE FIRST MULTILATERAL MONETARY CLEARING AGREEMENT

CLEARING PROCEDURE

The agent selected by the Contracting Parties under the provisions of article 5 of the agreement of 18 November 1947 shall prepare and direct the clearing operations in accordance with the procedure described in this annex and with the instructions to be given to him by the Committee of Delegates referred to article 5.

I. On the dates fixed by the Committee of Delegates, the agent shall make certain that he has duly received from the countries concerned all the information necessary for arranging the clearing. He shall make every effort to obtain such information as may not yet have been communicated to him.

II A. In the light of the information thus collected, the agent, having previously reduced the balances by bilateral clearing and having converted the net balances thus obtained to the same unit of account, shall draw up, for all countries signatories of the agreement or occasionally participating in the clearing, a list of operations which, if carried out, would result merely in a reduction of the existing balances.

B. From that list the agent shall select:

(a) The clearing operations which result in an equal reduction of balances between a number of countries, whatever the method of calculation applied;

(b) The clearing operation which correspond most closely to the instructions given him by the Committee of Delegates when the various possible operations between the same number of countries result in unequal reductions of balances, according to the method of calculation adopted.

C. The agent shall inform countries occasionally participating in clearing of all the operations selected under paragraph B above that might be carried out with their agreement.

D. After taking into account the replies received from the latter countries, the agent shall, if necessary, revise the list prepared in accordance with paragraph B above. He shall authorize all the countries concerned to proceed with the operations included in the list, which may have been revised.

III A. The first series of clearing operations having been authorized, the agent shall prepare, for all signatory countries or occasional participators, a second list of operations calculated to bring about, as compared with the position existing after the clearing mentioned in article II above, an increase in certain balances or the formation of new balances.

He shall prepare this list in accordance with instructions which will also be given to him, on this point, by the Committee of Delegates.

B. The agent shall inform the various countries concerned of such additional operations as may thus be carried out with their agreement.

C. As soon as he receives the replies of the countries concerned, he shall authorize such additional clearing operations as these replies may render possible.

IV. The agent shall perform the various duties imposed on him in the time-limits and conditions to be fixed by the Committee of Delegates.

V. The agent shall forward to the signatory countries and also to the countries occasionally participating in clearing operations a monthly detailed statement of the operations carried out.