

**DENMARK
and
NORWAY**

Payments Agreement valid until 31 March 1948, with two Protocols, signed at Oslo, on 15 April 1947, and Exchange of Notes constituting an amendment to article III of the Protocol. Oslo, 1 November 1947

Danish and Norwegian official texts communicated by the Permanent Representative of Denmark to the United Nations. The registration took place on 16 February 1948.

**DANEMARK
et
NORVEGE**

Accord de paiement valable jusqu'au 31 mars 1948, accompagné de deux protocoles, signés à Oslo, le 15 avril 1947, et échange de notes constituant un amendement à l'article III du Protocole. Oslo, 1er novembre 1947

Textes officiels danois et norvégien communiqués par le représentant permanent du Danemark auprès de l'Organisation des Nations Unies. L'enregistrement a eu lieu le 16 février 1948.

TRANSLATION — TRADUCTION

No. 191. PAYMENTS AGREEMENT¹ BETWEEN DENMARK
AND NORWAY VALID UNTIL 31 MARCH 1948, INCLU-
SIVE. SIGNED AT OSLO, ON 15 APRIL 1947

The Danish and Norwegian Governments have concluded the following Agreement on the manner in which payments shall be made between the two countries up to and including 31 March 1948.

Article 1

1. The rate of exchange between Danish and Norwegian crowns is 96.70 Danish crown to 100 Norwegian crowns.

2. The said rate (hereinafter called "the official rate") shall not be changed by either Government unless notice thereof is given to the other Government as long in advance as possible.

3. The two Governments shall take steps to ensure that the official rate shall be employed for all transactions which the Governments are in a position to control and which involve the reciprocal value of the two currencies.

4. The National Bank of Denmark and the Bank of Norway shall come to an agreement, as agents for their respective Governments, respecting the highest and lowest limits of variation from the official rate which shall be recognized on purchases and sales in the two countries.

Article 2

1. The National Bank of Denmark (as agent for the Danish Government) shall, subject to the provisions of article 4 hereunder, sell the amounts in Danish crowns necessary for payments which persons in Norway are entitled to make to persons in Denmark in accordance with the currency regulations in force in Norway. The said Danish crowns shall be sold for Norwegian crowns, which shall be credited at the official rate to the No. 1 account of the National Bank of Denmark with the Bank of Norway.

¹ Came into force on 15 April 1947, as from the date of signature, in accordance with article 8.

2. The Bank of Norway (as agent for the Norwegian Government) shall, subject to the provisions of article 4 hereunder, sell the amounts in Norwegian crowns necessary for payments which persons in Denmark are entitled to make to persons in Norway in accordance with the currency regulations in force in Denmark. The said Norwegian crowns shall be sold for Danish crowns, which shall be credited at the official rate to the No. 1 account of the Bank of Norway with the National Bank of Denmark.

Article 3

1. The National Bank of Denmark, or the Bank of Norway, as the case may be, shall be entitled at any time to reduce the credits of the other bank in Danish crowns or in Norwegian crowns, as the case may be, by selling the currency of the purchasing country at the official rate or for gold, which shall be held separately by the selling bank.

2. Gold held separately in accordance with the provisions of this article by the selling bank in Copenhagen or Oslo respectively shall be at the free disposal of the other bank and may be exported.

Article 4

1. The right to buy currency of the other country as laid down in article 2 may be exercised while the net credit of the Bank of Norway or of the National Bank of Denmark respectively in consequence of this Agreement does not exceed the sum of 40 million Danish crown or of 41.4 million Norwegian crowns, as the case may be.

2. If the credits in the accounts referred to in article 2 exceed one-third of the sum hereinbefore mentioned, interest shall be paid on the surplus at the rate of two (2) per cent per annum in half-yearly payments on 30 June and 31 December.

3. If either of the limits prescribed in the first paragraph of this article is exceeded, the surplus shall be paid at the end of each month in gold or in such currency as the National Bank of Denmark and the Bank of Norway shall agree upon.

Article 5

If the rate of exchange between the Danish crown and the Norwegian crown is altered, credits subsisting on the day on which the alteration took effect shall be settled at the rate in force before the alteration. The credit at the disposal of either Party after settlement shall thereafter be converted so that

its equivalent in the currency of the other Party shall be the same as it was before the rate was altered.

Article 6

1. The National Bank of Denmark (as agent for the Danish Government) and the Bank of Norway (as agent for the Norwegian Government) shall be responsible for giving effect to this Agreement and shall exercise such control over the development of payments as may be necessary therefor. The banks shall co-operate in adapting the application of the Agreement to the circumstances and shall otherwise maintain contact with one another with respect to all technical questions arising in connexion with the Agreement. Each country shall be solely responsible for its own economic relations with any country not a party to the Agreement; nevertheless, the banks shall keep one another informed of any case where the situation with respect to payments between either country and a third country affects the interests of the other contracting country.

2. If the conditions giving rise to the Agreement should alter, the National Bank of Denmark and the Bank of Norway shall come to an arrangement respecting any alterations or additions to the Agreement which the circumstances may render necessary.

Article 7

On the expiry of this Agreement any outstanding net balance in favour of one of the Parties shall be settled, unless otherwise agreed between the Parties, in accordance with conditions of payment of the kind prescribed in article 4 and such conditions shall be laid down in a new arrangement.

Article 8

This Agreement shall enter into force on the date of its signature and shall apply as from the date agreed on by the National Bank of Denmark and the Bank of Norway. Clearing agreements between the National Bank of Denmark and the Bank of Norway shall cease to have the effect from the same date.

DONE at Oslo in duplicate, in the Danish and Norwegian languages, both texts being equally authentic.

Oslo, 15 April 1947.

For the Royal Danish Government:
(Signed) Oscar OXHOLM

For the Royal Norwegian Government:
(Signed) Einar GERHARDSEN

PROTOCOL

In connexion with the conclusion of the Payments Agreement between Denmark and Norway, which shall be valid until 31 March 1948, inclusive, the Danish Government and the Norwegian Government agree that it shall apply to the following payments, whether they fall due before or after the coming into force of the Agreement:

I

1. Payments arising out of the importation of Danish goods into Norway or of Norwegian goods into Denmark in accordance with arrangements between the Danish and the Norwegian Governments.

2. Payments of all expenses arising in connexion with the exchange of goods between Denmark and Norway.

3. Payments of expenses of study or travel, patent fees, licences and other incorporeal credits.

4. Payments of marine freight, freight charges, expenses of Danish or Norwegian ships in Norwegian or Danish harbours, and freights and other expenses in connexion with air travel between Denmark and Norway.

5. Payments of balances arising out of settlements between the Danish and Norwegian railway, postal and telegraph authorities.

6. Insurance payments, and payments of maintenance allowances, pensions, legacies, agents' commissions (including those of forwarding agencies), and the like, and other current payments made according to the principles agreed between the National Bank of Denmark and the Bank of Norway.

II

1. Interest on bonds, bank credits and other financial credits, and on dividends and other yield from capital investments.

2. Hire, rent, and other recurring payments of the same kind.

3. Taxes.

III

Expenses for repairs to ships, purchase of ships and payments in respect of shipbuilding contracts entered into after 1 April 1947.

IV

Other payments for which the two Governments or the National Bank of Denmark and the Bank of Norway may make special arrangements.

DONE at Oslo in duplicate in the Danish and Norwegian languages, both texts being equally authentic.

Oslo, 15 April 1947.

For the Royal Danish Government:
(*Signed*) Oscar OXHOLM

For the Royal Norwegian Government:
(*Signed*) Einar GERHARDSEN

PROTOCOL

The Danish Government and the Norwegian Government are agreed that the balance in favour of the National Bank of Denmark arising from the Danish-Norwegian clearing shall be carried over to a special account in the National Bank of Denmark on the date on which the payments agreement signed between Denmark and Norway on 15 April 1947 comes into force.

The amount in the special account shall be carried over in Danish crowns, by instalments to the account referred to in article 2 of this Agreement in proportion as the payments situation between the two countries shows a more permanent credit in favour of Norway.

The two banks may nevertheless dispose of the aforesaid credit in other ways by arrangement with their respective Governments.

DONE at Oslo in duplicate in the Danish and Norwegian languages, both texts being equally authentic.

Oslo, 15 April 1947.

For the Royal Danish Government:
(*Signed*) Oscar OXHOLM

For the Royal Norwegian Government:
(*Signed*) Einar GERHARDSEN

EXCHANGE OF NOTES¹ CONSTITUTING AN AMENDMENT
TO ARTICLE III OF THE PROTOCOL

I

ROYAL DANISH EMBASSY

Oslo, 1 November 1947

Dear Foreign Minister,

With reference to the results of the conversations held at Copenhagen on 13 and 14 October of this year concerning the payment situation between Denmark and Norway, I have the honour to state that the Danish Government, by way of contribution to the settlement of the Norwegian credit in Denmark, consents to the inclusion of the expenses for repairs to ships, purchase of ships and payments in respect of shipbuilding contracts, irrespective of the date of conclusion of the contract, in the Danish-Norwegian payments Agreement of 15 April 1947 for the remainder of the currency of the Agreement.

Both sides reserve the right to call for materials for repair or new construction, to be delivered in kind or to be paid for in the currency spent on their purchase.

I should be happy to hear that the Norwegian Government agrees with the foregoing.

I am, etc.

(Signed) E. WEDEL-HEINEN.
Chargé d'Affaires, etc.

Mr. Halvard M. Lange
Foreign Minister
Royal Danish Foreign Department

¹ Came into force on 1 November 1947, by the exchange of the said notes.

II

ROYAL FOREIGN AFFAIRS DEPARTMENT

Oslo, 1 November 1947

Dear Chargé d'Affaires,

In a letter of today's date you have been good enough to write to me as follows:

[*See note I*]

I have the honour to confirm that the Norwegian Government agrees with the foregoing.

I am, etc.

(*Signed*) Halvard M. LANGE

Mr. Erik Wedel-Heinen
Danish Chargé d'Affaires,
etc., etc.
