

**No. 233**

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**NORWAY  
and  
SWEDEN**

**Agreement concerning Payments in 1947 (with Protocol and Exchange of Notes). Signed at Stockholm, on 22 November 1946**

*Norwegian and Swedish official texts communicated by the Permanent Representative of Norway to the United Nations. The registration took place on 7 June 1948.*

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**NORVEGE  
et  
SUEDE**

**Accord sur les paiements pendant l'année 1947 (avec Protocole et échange de notes). Signés à Stockholm, le 22 novembre 1946**

*Textes officiels norvégien et suédois communiqués par le représentant permanent de la Norvège auprès de l'Organisation des Nations Unies. L'enregistrement a eu lieu le 7 juin 1948.*

## TRANSLATION — TRADUCTION

No. 233. AGREEMENT<sup>1</sup> CONCERNING PAYMENTS BETWEEN NORWAY AND SWEDEN IN 1947. SIGNED AT STOCKHOLM, ON 22 NOVEMBER 1946

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The Norwegian and Swedish Governments have entered into the following agreement concerning the manner of making payments between the two countries during the year 1947:

*Article 1*

1. The rate of exchange between Swedish and Norwegian crowns shall be 72.425 Swedish crowns for 100 Norwegian crowns.

2. This rate (hereinafter called "the official rate") shall not be changed by either contracting Government unless notice is given to the other Government as far in advance as possible.

3. The contracting Governments shall ensure that the official rate is used as the basis of all transactions which affect the relative values of the two currencies and over which the Governments have control.

4. The Sveriges Riksbank (Bank of Sweden) and the Norges Bank (Bank of Norway), as representatives of their Governments, shall, by agreement between themselves, determine what limits above and below the official rate will be acceptable for purchases and sales in the two countries.

*Article 2*

1. The Sveriges Riksbank (as representative of the Swedish Government) shall sell to the Norges Bank (as representative of the Norwegian Government) amounts in Swedish crowns, pursuant to the provisions of article 4 below, that are necessary for payments which persons in Norway are entitled to make to persons in Sweden in accordance with exchange regulations in force in Norway. Such Swedish crowns shall be sold against Norwegian crowns to be credited at the official rate to the Sveriges Riksbank's account No. 1 with the Norges Bank.

2. The Norges Bank (as representative of the Norwegian Government) shall sell to the Sveriges Riksbank (as representative of the Swedish Government) amounts in Norwegian crowns, pursuant to the provisions of article 4 below, that

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<sup>1</sup> Came into force on 1 January 1947, in accordance with article 9.

are necessary for payments which persons in Sweden are entitled to make to persons in Norway in accordance with exchange regulations in force in Sweden. Such Norwegian crowns shall be sold against Swedish crowns to be credited at the official rate to the Norges Bank's account No. 1 with the Sveriges Riksbank.

### *Article 3*

1. The Sveriges Riksbank shall be entitled at any time to sell to the Norges Bank, against all or part of the Norges Bank's balance in Swedish crowns, either Norwegian crowns at the official rate or gold which shall be kept separate in the Sveriges Riksbank at Stockholm.

2. The Norges Bank is entitled at any time to sell to the Sveriges Riksbank, against all or part of the Sveriges Riksbank's balance in Norwegian crowns, either Swedish crowns at the official rate or gold which shall be kept separate in the Norges Bank at Oslo.

3. The gold kept separate at Stockholm in accordance with the provisions of this article shall be at the free disposal of the Norges Bank and may be exported.

4. The gold kept separate at Oslo in accordance with the provisions of this article shall be at the free disposal of the Sveriges Riksbank and may be exported.

### *Article 4*

The right to purchase the currency of the other country as laid down in article 2 may be exercised as long as the net balance of the Norges Bank or the Sveriges Riksbank, as the case may be, under the terms of this agreement, does not exceed 30 million Swedish crowns or 41.4 million Norwegian crowns, respectively. If the balance in the account mentioned in article 2 exceeds one-third of the aforementioned amount, interest will be paid at the rate of 2 per cent per annum semi-annually on 30 June and 31 December.

### *Article 5*

1. The Swedish Government shall not limit the possibilities for using amounts in Swedish crowns which in accordance with this agreement are placed at the disposal of persons in Norway for transfer to other persons in Norway or payments to persons in Sweden.

2. The Norwegian Government shall not limit the possibilities for using amounts in Norwegian crowns which in accordance with this agreement are

placed at the disposal of persons in Sweden for transfer to other persons in Sweden or payments to persons in Norway.

*Article 6*

If the rate of exchange between Swedish and Norwegian crowns is changed, the balances will be adjusted on the day before the rate is changed at the rate in force previous to the change of the rate. Any balance remaining after the adjustment, to the credit of either party, shall thereafter be so calculated that its equivalent in the currency of such party shall be the same as before the change of the rate.

*Article 7*

The observance of this agreement shall be entrusted to the Sveriges Riksbank (as representative of the Swedish Government) and to the Norges Bank (as representative of the Norwegian Government), and they shall exercise such control over the progress of the payments as may be required for carrying out the agreement. The banks shall work together in order to adapt the observance of the agreement to the circumstances, and they shall otherwise keep in contact concerning all technical questions which might arise relative to the agreement. Even though each country shall be solely responsible for its economic relations with third parties, the banks shall keep each other informed with respect to any matters where the payment relations of either country with third parties may affect the other country's interests.

If the conditions of this agreement are changed, the Sveriges Riksbank and the Norges Bank are authorized to make whatever arrangements concerning modifications or amendments to the agreement which the circumstances might require.

*Article 8*

On the termination of this agreement both parties will make arrangements for the settlement of any outstanding net balances remaining to the credit of either party.

*Article 9*

This agreement shall come into operation on 1 January 1947.

DONE at Stockholm, in two copies in the Swedish and Norwegian languages, both texts being equally authentic, on 22 November 1946.

(Signed) HENR. A. BROCH

(Signed) Tage ERLANDER

## PROTOCOL

In connexion with the agreement made concerning payments between Sweden and Norway in 1947, the Swedish and Norwegian Governments have decided that the agreement shall apply to the following payments, whether or not such payments were made before or after the agreement became effective:

## I

1. Payments originating from the import of Norwegian goods into Sweden and of Swedish goods into Norway pursuant to agreements between the Swedish and Norwegian Governments.
2. Payments for all costs arising in connexion with Swedish-Norwegian trade.
3. Payments for educational and travel expenses, patent fees, licences, and other incorporeal contributions.
4. Payments for ocean freight, charter costs, expenses of Swedish and Norwegian vessels in Swedish and Norwegian ports, and freight and other charges in connexion with Swedish-Norwegian air traffic.
5. Payments of balances arising from settlements between the Swedish and Norwegian railway, postal and telegraph services.
6. Insurance payments and payments for subsistence, pensions, inheritances, agents' commissions (including those on transit business) and the like, and also other current payments, all in accordance with the policies agreed upon between the Sveriges Riksbank and the Norges Bank.

## II

1. Interest and amortization on government and government-guaranteed bonds and notes in accordance with the policies agreed upon between the Sveriges Riksbank and the Norges Bank.
2. Interest on bonds other than those indicated under 1 and also dividends and other profits from capital investments.
3. Interest on bank deposits and also on other financial outstandings.
4. Hiring fees and rentals and other similar recurring payments.
5. Taxes.

## III

Payments pertaining to shipbuilding contracts, purchases of and repairs to vessels.

## IV

Other payments concerning which the two Governments or the Sveriges Riksbank and the Norges Bank may make special arrangements.

DONE at Stockholm, in two copies in the Swedish and Norwegian languages, both texts being equally authentic, on 22 November 1946.

(Signed) HENR. A. BROCH

(Signed) Tage ERLANDER

## EXCHANGE OF NOTES

## I

Stockholm, 22 November 1946

Monsieur le Chargé d'Affaires,

In the agreement signed today between the Swedish and the Norwegian Governments concerning the manner of making payments between Sweden and Norway during 1947, it is stipulated in Article 4 that either country's central bank will be entitled to a credit in the other bank of 30,000,000 Swedish crowns or the equivalent thereof in Norwegian crowns. These credit facilities are intended to allow for any divergencies from an equal balance of payments, which might occur for short periods, and consequently to benefit both countries in equal measure.

In the negotiations covering the agreement, it was decided that the banks should try to arrange the payments so that the credit facilities in question would not be utilized unnecessarily or one-sidedly. If during the validity of the agreement the credit limits established in article 4 should be exceeded by either side, the excess amount is to be settled not later than the end of the following month in gold or in whatever freely convertible currency might be decided upon by the two central banks. If a balance in either direction should be outstanding at the end of the contract year, such will—unless otherwise agreed upon—be applied

to any similar payment facilities which might be provided for within the framework of a new agreement.

I have the honour to be, etc.

(Signed) Tage ERLANDER

Mr. Henrik A. Broch  
Norwegian Chargé d'Affaires, etc.  
Stockholm

II

Stockholm, 22 November 1946

Sir,

I have the honour to acknowledge receipt of your letter of today as follows:

[See note I]

I have the honour of confirming that the Norwegian Government agrees with the foregoing.

I have the honour to be, etc.

(Signed) HENR. A. BROCH

His Excellency  
The Prime Minister, T. Erlander  
Acting Minister of Foreign Affairs, etc.  
Stockholm

III

Stockholm, 22 November 1946

*Confidential*

Monsieur le Chargé d'Affaires,

In the credit agreement between Sweden and Norway of 13 April 1944 (reconstruction credit) it is stipulated that the notes issued under the agreement will be 3-1/2 per cent interest per annum. Inasmuch as the Swedish Govern-

ment, which on long-term foreign loans running for a maximum of thirty years now intends to apply interest at 3 per cent, is willing in this regard to reduce the interest on the Norwegian reconstruction credit to 3 per cent at the end of the year, this interest will consequently be reduced to 3 per cent per annum starting on 1 January 1947. The outstanding balance of the credit in question may also be utilized after the end of 1946.

I have the honour to be, etc.

(Signed) Tage ERLANDER

Mr. Henrik A. Broch  
Norwegian Chargé d'Affaires, etc.  
Stockholm

#### IV

Stockholm, 22 November 1946

*Confidential*

Sir,

I have the honour to acknowledge receipt of your letter of today as follows:

[*See note III*]

On instructions from my Government, I have the honour to report that it is the Norwegian Government's assumption that the said letter anticipates nothing with regard to the negotiations which in due time will be undertaken concerning article 6 in the credit agreement between Norway and Sweden of 13 April 1944.

I have the honour to be, etc.

(Signed) Henr. A. BROCH

His Excellency  
The Prime Minister, T. Erlander  
Acting Minister of Foreign Affairs, etc.  
Stockholm



## V

Stockholm, 22 November 1946

*Confidential*

Monsieur le Chargé d'Affaires,

In connexion with an agreement made today concerning payments between Sweden and Norway, I am pleased to report that, regardless of the position to be taken during 1947 on the question of what currencies are to be used in settling balances which might exceed the mutual limits established in the payment agreement, the Swedish side is willing to accept pounds from Norway in an amount corresponding to a maximum of four million Swedish crowns in such settlement in so far as is necessary for certain educational expenses.

I have the honour to be, etc.

(Signed) Tage ERLANDER

Mr. Henrik A. Broch  
Norwegian Chargé d'Affaires, etc.  
Stockholm

## VI

Stockholm, 22 November 1946

*Confidential*

Sir,

I have the honour to acknowledge receipt of your letter of today as follows:

[See note V]

I have the honour to be, etc.

(Signed) Henr. A. BROCH

His Excellency  
The Prime Minister, T. Erlander  
Acting Minister of Foreign Affairs, etc.  
Stockholm

## VII

Stockholm, 22 November 1946

*Confidential*

Monsieur le Chargé d'Affaires,

I have the honour to report that at your Government's suggestion the Swedish Government agrees to extending the validity of the agreement made on 14 June 1945, concerning a credit of 15 million Swedish crowns and designated as Credit Agreement B, for another year from 31 December 1946.

I have the honour to be, etc.

(Signed) Tage ERLANDER

Mr. Henrik A. Broch  
Norwegian Chargé d'Affaires, etc.  
Stockholm

## VIII

Stockholm, 22 November 1946

*Confidential*

Sir,

I have the honour to acknowledge receipt of your letter of today as follows:

[See note VII]

I have the honour to be, etc.

(Signed) Henr. A. BROCH

His Excellency  
The Prime Minister, T. Erlander  
Acting Minister of Foreign Affairs, etc.  
Stockholm