

No. 519

DENMARK
and
SWEDEN

**Payments Agreement (with protocol). Signed at Stockholm,
on 8 February 1949**

Danish and Swedish official texts communicated by the Permanent Representative of Denmark to the United Nations. The registration took place on 15 August 1949.

DANEMARK
et
SUEDE

**Accord de paiements (avec protocole). Signé à Stockholm,
le 8 février 1949**

Textes officiels danois et suédois communiqués par le représentant permanent du Danemark auprès de l'Organisation des Nations Unies. L'enregistrement a eu lieu le 15 août 1949.

TRANSLATION — TRADUCTION

No. 519. PAYMENTS AGREEMENT¹ BETWEEN DENMARK AND SWEDEN. SIGNED AT STOCKHOLM, ON 8 FEBRUARY 1949

The Danish and Swedish Governments have concluded the following agreement concerning the method of settling payments between the two countries.

Article 1

1. The rate of exchange between Swedish and Danish crowns shall be 74.8966 Swedish crowns to 100 Danish crowns.

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

3. The Contracting 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 Sveriges Riksbank and the Danmarks Nationalbank 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 or sales in the two countries.

Article 2

1. The Sveriges Riksbank (as agent for the Swedish Government) shall, subject to the provisions of article 4 hereof, sell to the Danmarks Nationalbank (as agent for the Danish Government) for Danish crowns to be credited at the official rate to the No. 1 account of the Sveriges Riksbank with the Danmarks Nationalbank, such amounts in Swedish crowns as are required for payments made by persons in Denmark to persons in Sweden in accordance with the currency regulations in force in Denmark.

2. The Danmarks Nationalbank (as agent for the Danish Government) shall, subject to the provisions of article 4 hereof, sell to the Sveriges Riksbank (as agent for the Swedish Government) for Swedish crowns to be credited at

¹ Came into force on 1 February 1949, in accordance with article 8.

the official rate to the No. 1 account of the Danmarks Nationalbank with the Sveriges Riksbank, such amounts in Danish crowns as may be required for payments made by persons in Sweden to persons in Denmark in accordance with the currency regulations in force in Sweden.

Article 3

1. The Sveriges Riksbank or the Danmarks Nationalbank, as the case may be, shall be entitled at any time to reduce the credits of the other bank in Swedish crowns or in Danish 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 banks.

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

Article 4

1. The right to acquire currency of the other country as laid down in article 2 may be exercised while the net credit of the Danmarks Nationalbank of the Sveriges Riksbank respectively in consequence of this agreement does not exceed 30 million Swedish crowns or 40 million Danish 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 this article is exceeded, the surplus shall be paid at the end of each month in gold or in such currency as the Sveriges Riksbank and the Danmarks Nationalbank shall agree upon.

Article 5

If the rate of exchange between the Swedish crown and the Danish 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 Sveriges Riksbank (as agent for the Swedish Government) and the Danmarks Nationalbank (as agent for the Danish 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 Sveriges Riksbank and the Danmarks Nationalbank 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 agreement.

Article 8

This agreement shall be valid retroactively as from 1 February 1949. It may be discontinued at any time on three months' notice.

DONE at Stockholm, 8 February 1949, in duplicate, in the Danish and Swedish languages, both texts being equally authentic.

For the Danish Government:
(Signed) Nils SVENNINGSEN

For the Swedish Government:
(Signed) Östen UNDÉN

P R O T O C O L

In connexion with the conclusion this day of the Payments Agreement between Denmark and Sweden, the Danish Government and the Swedish 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 out of the importation of Danish goods into Sweden or of Swedish goods into Denmark in accordance with arrangements between the Danish and the Swedish Governments.

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

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

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

5. Payments of balances arising out of settlements between the Danish and Swedish 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 Sveriges Riksbank and the Danmarks Nationalbank.

II

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

2. Amortization of bonds payable in Danish or Swedish crowns, but only in so far as the amortization has occurred after 1 January 1948.

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

4. Taxes.

III

Other payments for which the two Governments or the Danmarks Nationalbank or the Sveriges Riksbank may make special arrangements.

DONE at Stockholm, in duplicate, in the Danish and Swedish languages, both texts being equally authentic.

8 February 1949.

For the Danish Government:

(Signed) Nils SVENNINGSEN

For the Swedish Government:

(Signed) Östen UNDÉN