

**No. 724**

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**NORWAY  
and  
ITALY**

**Payments Agreement (with annex, protocol and exchange of notes). Signed at Rome, on 19 November 1949**

*Official text : French.*

*Registered by Norway on 24 February 1950.*

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**NORVÈGE  
et  
ITALIE**

**Accord de paiement (avec annexe, protocole et échange de notes).  
Signé à Rome, le 19 novembre 1949**

*Texte officiel français.*

*Enregistré par la Norvège le 24 février 1950.*

## TRANSLATION — TRADUCTION

No. 724. PAYMENTS AGREEMENT<sup>1</sup> BETWEEN ITALY AND NORWAY.  
SIGNED AT ROME, ON 19 NOVEMBER 1949

With a view to the settlement of reciprocal payments, the Italian Government and the Norwegian Government have agreed as follows :

*Article 1*

The *Norges Bank* shall open in the name of the *Ufficio Italiano dei Cambi* a non-interest-bearing account in Norwegian crowns to be called « Global Account » to which shall be credited the equivalent of all sums intended for the settlement of payments that natural or legal persons resident in Norway may have to make under the Commercial Agreement<sup>2</sup> in force, and all other payments authorized by the Norwegian legislation on exchange control for the benefit of natural or legal persons resident in Italy. The *Ufficio Italiano dei Cambi* and the *Norges Bank* may agree to adopt some other method or payment.

*Article 2*

Payments which have to be made by natural or legal persons resident in Italy under the Commercial Agreement in force, and all other payments authorized by the Italian legislation on exchange control for the benefit of natural or legal persons resident in Norway shall be debited to the account provided for in article 1. The *Ufficio Italiano dei Cambi* and the *Norges Bank* may agree to adopt some other method of payment.

*Article 3*

Deposits by debtors and payments to the beneficiaries shall be made in each of the two countries in its national currency.

<sup>1</sup> Came into force on 19 November 1949, by signature.

<sup>2</sup> See page 75 of this volume.

*Article 4*

(a) The *Ufficio Italiano dei Cambi* shall inform the *Norges Bank* from day to day of all sums deposited with it under the provisions of the present Agreement by means of credit notes expressed in Norwegian crowns, as long as the debit balance of the account provided for in article 1 of the present Agreement does not exceed 3,000,000 Norwegian crowns.

Once that figure is reached, the *Ufficio Italiano dei Cambi* shall issue credit notes in Norwegian crowns as and when funds become available in the said account.

Up to the above-mentioned figure, the *Norges Bank* shall make payments to beneficiaries corresponding to the credit notes issued by the *Ufficio Italiano dei Cambi*.

(b) The *Norges Bank* shall inform the *Ufficio Italiano dei Cambi* from day to day of all sums deposited with it under the provisions of the present Agreement, by means of credit notes expressed in Norwegian crowns, as long as the credit balance of the account provided for in article 1 of the present Agreement does not exceed 3,000,000 Norwegian crowns.

Once that figure is reached, the *Norges Bank* shall continue to accept deposits from Norwegian debtors. Nevertheless it shall only place the amounts received to the credit of the account provided for in article 1 and issue the relevant credit notes as and when funds are made available by the receipt of deposits corresponding to the credit notes issued by the *Ufficio Italiano dei Cambi*.

Up to the above-mentioned figure, the *Ufficio Italiano dei Cambi* shall make the payments to beneficiaries corresponding to the credit notes issued by the *Norges Bank*.

(c) Payments to beneficiaries in both countries shall be made without delay and in the chronological order of the aforesaid deposits.

(d) Payments in advance shall be allowed on condition that they are expressly provided for in the purchase contract, that they comply with commercial usages, and that the beneficiaries have obtained such export permits as may be necessary. The two agencies shall make the payments corresponding to the credit notes received after satisfying themselves that the above conditions have been fulfilled.

*Article 5*

The debtor agency may at any time redeem the whole or part of the balance by a payment in foreign currency accepted by the other agency.

## Article 6

(a) The rate of exchange between the lira and the Norwegian crown shall be fixed on the basis of the arithmetical mean of the closing rates of the USA export dollar quoted on the Rome and Milan stock exchanges the day before this Agreement came into force and of the mean rate of the USA dollar quoted by the *Norges Bank* (at present 1 USA dollar = 7.14286 Norwegian crowns).

This rate of exchange shall be revised only when a variation of over 2 per cent occurs between the prevailing rate and the rate fixed on the basis of the arithmetical mean of the closing rates of the USA export dollar quoted on the Rome and Milan stock exchanges on three consecutive business days and of the mean rate of the USA dollar quoted by the *Norges Bank* (at present 1 USA dollar = 7.14286 Norwegian crowns).

The revised rate of exchange shall be applied the day after the said variation has been noted.

The *Ufficio Italiano dei Cambi* and the *Norges Bank* shall communicate to each other by telegraph any USA dollar rates that might lead to the fixing of a new rate of exchange.

The foregoing provisions shall be revised and modified at the request of either of the two Governments in the event of any fundamental change in the exchange system at present in force in Italy or in Norway.

(b) Deposits made in Italy in respect of debts expressed in Norwegian crowns and in Norway in respect of debts expressed in lire shall be calculated at the rate of exchange between the lira and the Norwegian crown in force on the day of deposit.

Until funds become available in the other country, as stipulated in article 4, the above-mentioned deposits shall constitute full discharge of the debt.

(c) When issuing credit notes in Norwegian crowns, the *Ufficio Italiano dei Cambi* shall convert into Norwegian crowns all sums in lire deposited by Italian debtors at the rate of exchange between the lira and the Norwegian crown in force on the day of transfer.

(d) Payments to beneficiaries in Italy of credit notes issued by the *Norges Bank* shall be made at the rate of exchange between the lira and the Norwegian crown in force on the day on which the deposit was credited to the account provided for in article 1.

*Article 7*

If the value of the Norwegian crown is reduced in relation to the lira and if this charge is the result of an increase in the official rate of the USA dollar at Oslo, the credit balance of the account in Norwegian crowns referred to in article 1 above on the day of the change in rate shall be adjusted in the same proportion by the *Norges Bank*.

*Article 8*

On the expiry of the present Agreement, the balance remaining after outstanding transactions have been settled shall, if it is not carried over under a new agreement, be discharged by the debtor country, at the request of the creditor country, by the transfer of approved foreign currency, unless it is agreed to utilize it for financing deliveries of commodities from the debtor party.

*Article 9*

The competent authorities of the two countries may, by mutual agreement, allow clearing transactions.

Settlement of such transactions shall be made through special accounts in Norwegian crowns opened at the *Norges Bank* in the name of the *Ufficio Italiano dei Cambi* and at the *Ufficio Italiano dei Cambi* in the name of the *Norges Bank*.

*Article 10*

The *Ufficio Italiano dei Cambi* and the *Norges Bank* shall agree on the technical measures necessary to ensure the working of the present Agreement.

*Article 11*

The present Agreement supersedes the Payments Agreement between the two countries signed on 20 July 1946.<sup>1</sup> It shall come into force on the same date as the Commercial Agreement signed this day<sup>2</sup> and shall be valid until 30 June 1950. It shall be renewed for a period of one year, and subsequently from year to year, unless denounced by one or other of the two Contracting Parties at one month's notice.

DONE at Rome, in duplicate, on 19 November 1949.

For Italy :  
(Signed) Carlo SFORZA

For Norway :  
(Signed) Hans FAY

<sup>1</sup> United Nations, *Treaty Series*, volume 17, page 273.

<sup>2</sup> See page 75 of this volume.

## ANNEX

## TO THE PAYMENTS AGREEMENT BETWEEN ITALY AND NORWAY

The Italian Government and the Norwegian Government have agreed that the provisions of Articles 1 and 2 of the Payments Agreement signed this day shall apply to payments in respect of :

- (a) exchanges of commodities under the provisions of the Commercial Agreement signed this day, and accessory expenses relating thereto such as : all types of transport costs (sea, river, land and air), forwarding, warehousing, customs clearance and insurance charges, commissions, etc.;
- (b) expenses incurred (excluding bunkering charges) in Italian ports by Norwegian ships and in Norwegian ports by Italian ships, such as : port expenses and dues, including outlay incurred by the master, normal ship's supplies, ordinary repairs, etc.;
- (c) maintenance of the Norwegian diplomatic and consular posts in Italy and the Italian diplomatic and consular posts in Norway, and expenses of each country's diplomatic or official missions and cultural institutions in the other;
- (d) periodical settlements by the postal, telegraph and telephone administrations, and the profits accumulated by air navigation and road transport companies;
- (e) consular charges and fees due to the authorities of the other country, as well as taxes, fines, legal expenses, etc.;
- (f) wages, salaries, pensions, fees, grants, allowances, hospitality and other similar expenses, artists' and sportsmen's fees;
- (g) living expenses in Italy and in Norway respectively of the families of Italian nationals settled in Norway and of Norwegian nationals settled in Italy;
- (h) patent rights, manufacturers' licences, royalties, authors' rights, film exhibition rights, and in general any debts in respect of intellectual and artistic property;
- (i) travelling and subsistence expenses, school fees, hospital and treatment expenses;
- (l) subscriptions to newspapers, reviews and periodicals, and advertising expenses;
- (m) any other payment, after agreement between the *Ufficio Italiano dei Cambi* and the *Norges Bank*.

The payments specified above may be made whatever the due date of the debt from which they arose.

DONE at Rome, in duplicate, on 19 November 1949.

For Italy :  
(Signed) Carlo SFORZA

For Norway :  
(Signed) Hans FAY

## P R O T O C O L

The Italian Government and the Norwegian Government, taking into consideration the clauses concerning drawing rights of the Agreement for Intra-European Payments and Compensations concluded in Paris on 7 September 1949, and in order that Norway should be given the opportunity of using the drawing right established in her favour by Italy, have agreed on the following provisions :

So long as the available balance of the drawing right established by Italy in favour of Norway is over 3,000,000 Norwegian crowns, the amount of that balance shall replace for Norway the limit laid down in article 4 of the Payments Agreement signed this day.

If the available balance of the drawing right falls below 3,000,000 Norwegian crowns, or is completely exhausted, the limit to be applied under article 4 of the Payments Agreement shall be the amount specified therein.

The present Protocol forms an integral part of the Payments Agreement signed this day between Italy and Norway and shall be valid for the same period.

DONE at Rome, in duplicate, on 19 November 1949.

For Italy :  
(Signed) Carlo SFORZA

For Norway :  
(Signed) Hans FAY

## E X C H A N G E   O F   N O T E S

## I

*The Chairman of the Italian delegation  
to the Chairman of the Norwegian delegation*

Rome, 19 November 1949

Sir,

Referring to the talks which have recently been held, I have the honour to confirm the Italian Government's agreement on the following :

The *Norges Bank*, by common agreement with the *Ufficio Italiano dei Cambi*, shall ascertain the balance standing to the credit of the sterling account (« new account ») provided for in article 4 of the Payments Agreement between Italy and Norway of 20 July 1946.

Apart from a sum of £84,025 reserved for the payment of the inclusive sum referred to in article 1 of the Agreement of 12 June 1948, between Italy and Norway for the reciprocal settlement of deliveries suspended on account of the war, the balance of the said account shall be immediately transferred to the credit of the account in Norwegian crowns referred to in article 1 of the Payments Agreement signed this day, after conversion into Norwegian crowns at the present rate of exchange between the pound sterling and the crown (1 pound sterling = 20 Norwegian crowns).

Please inform me whether the Norwegian Government agrees to the foregoing.

The Chairman of the Italian delegation :

(Signed) Tommaso NOTARANGELI

## II

*The Chairman of the Norwegian delegation  
to the Chairman of the Italian delegation*

Rome, 19 November 1949

Sir,

You have been good enough to send me the following communication :

[See note I]

I have the honour to inform you that the Norwegian Government agrees to the foregoing, and to be, etc.

The Chairman of the Norwegian delegation :

(Signed) Paul KOAR

## III

*The Chairman of the Norwegian delegation  
to the Chairman of the Italian delegation*

Rome, 19 November 1949

Sir,

With reference to the last paragraph of the Annex to the Payments Agreement signed this day, please confirm that the expenses (excluding bunkering expenses)



to be paid in Italy by Norwegian shipping companies, referred to in the Annex to the *Aide-mémoire* from the *Ministero degli Affari Esteri* dated 25 June 1949, that were outstanding on the date of signature of the Payments Agreement may be settled in accordance with the provisions of the said Agreement.

The Chairman of the Norwegian delegation :

(Signed) Paul KOHT

#### IV

*The Chairman of the Italian delegation  
to the Chairman of the Norwegian delegation*

Rome, 19 November 1949

Sir,

You have been good enough to send me the following communication :

[See note III]

I confirm that I am in agreement with you on the foregoing. Yours, etc.

The Chairman of the Italian Delegation :

(Signed) Tommaso NOTARANGELI