

**No. 726**

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**NORWAY  
and  
PORTUGAL**

**Payments Agreement. Signed at Lisbon, on 28 November 1949**

*Official text : French.*

*Registered by Norway on 24 February 1950.*

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**NORVÈGE  
et  
PORTUGAL**

**Accord de paiement. Signé à Lisbonne, le 28 novembre 1949**

*Texte officiel français.*

*Enregistré par la Norvège le 24 février 1950.*

## TRANSLATION — TRADUCTION

No. 726. PAYMENTS AGREEMENT<sup>1</sup> BETWEEN NORWAY AND PORTUGAL. SIGNED AT LISBON, ON 28 NOVEMBER 1949

The Norwegian Government of the one part and the Portuguese Government of the other part have agreed on the following provisions :

*Article 1*

1. To ensure the necessary means for payments in Norway to persons residing in the Portuguese monetary area and for payments in the Portuguese monetary area to persons residing in Norway, the *Norges Bank*, acting as agent of the Norwegian Government, and the *Banco de Portugal*, acting as agent of the Portuguese Government, shall sell each other crowns against escudos and vice versa.

2. For the purpose of giving effect to the preceding paragraph, the *Norges Bank* shall open a crown account at the *Banco de Portugal* and the *Banco de Portugal* shall open an escudo account at the *Norges Bank*.

*Article 2*

1. The *Banco de Portugal* undertakes on request to place at the disposal of the *Norges Bank* the necessary amounts in Portuguese escudos against crediting of the account of the *Banco de Portugal* at the *Norges Bank* with the equivalent value in Norwegian crowns.

The *Norges Bank* undertakes on request to place at the disposal of the *Banco de Portugal* the necessary amounts in Norwegian crowns against crediting of the account of the *Norges Bank* at the *Banco de Portugal* with the equivalent value in Portuguese escudos.

2. In accordance with the legal provisions and regulations in force, the *Banco de Portugal* shall supply the *Norges Bank*, against payment in escudos, with the local currencies necessary to effect any payment in the territories of the Portuguese monetary area where such local currencies are legal tender.

<sup>1</sup> Came into force on 28 November 1949, as from the date of signature, in accordance with article 11.

### Article 3

1. The *Norges Bank* shall be entitled at all times to sell to the *Banco de Portugal*, against all or part of the balances in crowns held by the latter in virtue of this Agreement, either escudos at the official rate of exchange or gold at a rate to be fixed by agreement. The *Norges Bank* may also, subject to the approval of the *Banco de Portugal*, sell to it any third currency at the official purchase price ruling in the latter bank.

2. The *Banco de Portugal* shall be entitled at all times to sell to the *Norges Bank*, against all or part of the balances in escudos held by the latter in virtue of this Agreement, either crowns at the official rate or gold at a rate to be fixed by agreement. It may also, subject to the approval of the *Norges Bank*, sell to it any third currency at the official purchase price previously quoted by the latter.

### Article 4

1. Should the balance resulting from the setting-off of the accounts referred to in article 1 above at any time exceed 4 million crowns or an equivalent amount in escudos, the creditor issuing institution may request that the amount of the excess be paid in United States dollars.

2. If the official rate of exchange should be changed in accordance with article 8 below, the amount stated in the preceding paragraph and expressed in that one of the two currencies which has been devaluated shall be adjusted in proportion to the variation in the rate of exchange.

### Article 5

1. The assets in escudos (and the assets in local currencies referred to in article 2) held by persons residing in Norway may be used either for transfers between persons residing in Norway or for payments in favour of persons residing in the Portuguese monetary area.

2. The assets in crowns held by persons residing in the Portuguese monetary area may be used either for transfers between persons in that area or for payments in favour of persons residing in Norway.

### Article 6

The Contracting Parties shall assist each other with a view to keeping the transfers of capital between the Portuguese monetary area and Norway within

the limits of their respective policies, and with a view in particular to preventing such transfers as do not serve any direct economic or commercial purpose.

#### Article 7

So long as this Agreement remains in force, the two Governments shall assist each other with a view to applying it with such flexibility as the circumstances may require. The *Banco de Portugal* and the *Norges Bank*, acting as agents of their respective Governments, shall keep in contact with each other with respect to all technical questions arising out of the Agreement, and shall co-operate closely in all matters connected with the control of foreign exchanges which may affect the Portuguese monetary area and Norway.

#### Article 8

1. Transactions arising out of the carrying out of this Agreement shall be made at the average official rate of exchange between the Norwegian crown and the Portuguese escudo. This rate shall be fixed by agreement between the *Norges Bank* and the *Banco de Portugal*.

2. The *Norges Bank* and the *Banco de Portugal* shall fix by agreement the maximum fluctuations which shall be authorized on the markets controlled by them.

3. Payments required to be made in currencies other than the Norwegian crown or the Portuguese escudo shall be converted into one or other of those two currencies. The conversion shall be made at the average rate of exchange between the currency concerned and the currency in which payment has to be made.

#### Article 9

If the official rate of exchange should be changed, the accounts existing between the *Banco de Portugal* and the *Norges Bank* under this Agreement shall be closed and the balances shall be set off at the official rate previously in operation.

If the final balance is expressed in that one of the two currencies which has been devaluated, it shall be adjusted in proportion to the variation in the official rate of exchange between the crown and the escudo.

*Article 10*

On the expiry of this Agreement, the balance in crowns held by the *Banco de Portugal* and the balance in escudos held by the *Norges Bank* shall be set off at the official rate of exchange. The credit balance shall be paid immediately either in the currency of the creditor issuing institution or in United States dollars.

*Article 11*

This Agreement, which shall be subject to revision and adjustment] after mutual consultation, shall come into force on the date of its signature. It shall remain in force for one year and shall be renewable from year to year by tacit consent, unless two months' notice is given to the contrary.

The validity of the monetary arrangement between the *Banco de Portugal* and the *Norges Bank* signed at Lisbon on 16 August 1946 shall expire as from the moment when this Agreement comes into force.

DONE at Lisbon, on 28 November 1949, in duplicate.

For Norway :  
(Signed) Alf HASSEL

For Portugal :  
(Signed) José CAEIRO DA MATTA