

No. 995

**UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
and
CHILE**

**Payments Agreement (with exchange of notes). Signed at
Santiago, on 24 June 1948**

Official texts: English and Spanish.

*Registered by the United Kingdom of Great Britain and Northern Ireland on 20 December
1950.*

**ROYAUME-UNI DE GRANDE-BRETAGNE
ET D'IRLANDE DU NORD
et
CHILI**

**Accord de paiement (avec échange de notes). Signé à Santiago,
le 24 juin 1948**

Textes officiels anglais et espagnol.

*Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le 20 décembre
1950.*

No. 995. PAYMENTS AGREEMENT¹ BETWEEN THE GOVERNMENTS OF THE UNITED KINGDOM AND OF THE REPUBLIC OF CHILE. SIGNED AT SANTIAGO, ON 24 JUNE 1948

The Government of the United Kingdom of Great Britain and Northern Ireland (hereinafter referred to as the Government of the United Kingdom) and the Government of the Republic of Chile (hereinafter referred to as the Chilean Government) have agreed as follows:—

Article I

(i) All trade and financial payments between residents of Chile and residents of the Scheduled Territories shall be settled in sterling.

(ii) Payments due to or from residents of the Scheduled Territories which must necessarily be made in Chilean pesos shall be settled by the purchase or sale of sterling by residents of Chile, in accordance with the provisions of Article II.

(iii) All other payments expressed in currencies other than sterling and Chilean pesos which may be settled in sterling shall be converted into and settled in sterling on the basis of the official rates in London.

Article II

The Banco Central de Chile shall quote buying and selling rates for sterling based on the Bank of England's middle rate for the United States dollar and the corresponding rates for the United States dollar fixed by the Chilean authorities.

Article III

The Banco Central de Chile shall maintain a No. 1 Account with the Bank of England. This Account shall be designated a Chilean Transferable Account.

Article IV

(i) Such other Accounts of the Banco Central de Chile and of other residents of Chile as may be agreed between the Bank of England and the Banco Central de Chile shall also be designated Chilean Transferable Accounts.

¹ Came into force on 24 June 1948, as from the date of signature, in accordance with article XII.

(ii) Accounts of residents of Chile not so designated shall be known as Chilean Accounts.

Article V

All sterling payments to residents of Chile which residents of the Scheduled Territories or of countries outside the Scheduled Territories are permitted to make under the Exchange Control Regulations in force in the United Kingdom shall be made to Chilean Accounts or to Chilean Transferable Accounts.

Article VI

(i) The Government of the United Kingdom shall not restrict the availability of sterling standing to the credit of any Chilean Transferable Account for making—

- (a) transfers to other residents of Chile;
- (b) payments to residents of the Scheduled Territories; or
- (c) payments in respect of current transactions to residents of countries outside Chile and the Scheduled Territories as may be agreed between the contracting Governments.

(ii) The Government of the United Kingdom shall not restrict the availability of sterling standing to the credit of any Chilean Account for making—

- (a) transfers to a Chilean Transferable Account or to another Chilean Account; or
- (b) payments to residents in the Scheduled Territories.

Article VII

The Chilean Government shall not restrict the acceptance by residents of Chile of sterling at the disposal of residents of the Scheduled Territories and, in respect of current transactions, of residents of such countries outside Chile and the Scheduled Territories as may be agreed between the Government of the United Kingdom and the Chilean Government.

Article VIII

The Chilean Government shall not restrict the availability and transfer to the Scheduled Territories of any Chilean pesos arising from current transactions permitted under the Exchange Control Regulations in force in Chile from time to time and accruing to residents of the Scheduled Territories.

Article IX

The Chilean Government will take all the necessary measures to ensure that remitters to the Scheduled Territories shall be accorded exchange facilities

in no way less favourable than those accorded to remitters to other countries for similar purposes.

Article X

The Bank of England and the Banco Central de Chile, as Agents of their respective Governments, will maintain contact on all technical questions arising out of the Agreement.

Article XI

For the purposes of the present Agreement—

- (a) the expression "Scheduled Territories" shall have the meaning from time to time assigned to it under the Exchange Control Act, 1947;
- (b) the expression "Chilean Account" shall mean an account of a resident of Chile which is for the time being recognised by the Bank of England as a Chilean Account for the purposes of this Agreement.

Article XII

The present Agreement, which shall be subject to review and adjustment after mutual consultation, shall come into force on the day of its signature. At any time thereafter either Government may give notice to the other of its intention to terminate the Agreement and the Agreement shall cease to have effect three months after date of such notice. It shall terminate three years after the date of its coming into force unless the contracting Governments agree otherwise.

IN WITNESS WHEREOF, the undersigned, being duly authorised by their respective Governments, have signed the present Agreement and have affixed thereto their seals.

DONE in Santiago, in duplicate, this twenty-fourth day of June, 1948, in the English and Spanish languages, both texts being equally authentic.

[L.S.]

[L.S.]

J. H. LECHE

Germán VERGARA

EXCHANGE OF NOTES

I

*His Majesty's Ambassador at Santiago to the Chilean Minister
for Foreign Affairs*

BRITISH EMBASSY

Santiago, 24th June, 1948

Your Excellency,

With reference to the Payments Agreement which we have signed to-day, I write to confirm that it is understood between our two Governments that the obligation in Article VII not to restrict the acceptance of sterling does not imply that the negotiation of the relative sterling may be effected other than in accordance with the Chilean Exchange Control system.

2. I also write to explain in connexion with this same Article and Article VI (i) (c) that it is inherent in the Transferable Account system that transfers of sterling from any Transferable Account to the Account of a resident of another country included in the Transferable Account area in payment of current transactions shall not be restricted either by the Government of the United Kingdom or by the Government of the recipient country.

3. Transfers of sterling between Chile and countries outside the Scheduled Territories and the Transferable Account area in payment of current transactions may be made only as agreed between the Banco Central de Chile and the Bank of England acting as agents for their respective Governments.

4. For Your Excellency's information, the countries at present included in the Transferable Account area are:—

Dutch Monetary Area	Anglo-Egyptian Sudan
Norway	Ethiopia
Spanish Monetary Area	Iran
Finland	Sweden
Czechoslovakia	Siam
Egypt	U.S.S.R.
Poland	

I avail, &c.

(Signed) J. H. LECHE

En cuanto a los demás párrafos de la comunicación de Vuestra Excelencia, me es muy honroso expresarle que he tomado debida nota de su contenido.

Me valgo, &c.

(Firmado) Germán VERGARA

TRANSLATION¹ — TRADUCTION²

Santiago, 24th June, 1948

M. l'Ambassadeur,

I have the honour to acknowledge to Your Excellency receipt of your courteous communication dated to-day and which, translated, reads as follows:—

[See note I]

In acknowledging receipt to Your Excellency of this communication, I wish to confirm that the first paragraph thereof faithfully reflects the interpretation given by this Government to Article VII of the Payments Agreement.

As regards the other paragraphs of Your Excellency's communication, I have the honour to state that I have taken due note of their contents.

I avail, &c.

(Signed) Germán VERGARA

III

*The Chilean Minister for Foreign Affairs to His Majesty's
Ambassador at Santiago*

SPANISH TEXT — TEXTE ESPAGNOL

Santiago, 24 de junio de 1948

Señor Embajador:

Con referencia al Acuerdo de Pagos que he tenido el honor de firmar en el día de hoy con Vuestra Excelencia, queda entendido entre nuestros Gobiernos que el comercio de cobre, del salitre y del yodo, se hará conforme a arreglos especiales.

Me valgo, &c.

(Firmado) Germán VERGARA

¹ Translation by the Government of the United Kingdom of Great Britain and Northern Ireland.

² Traduction du Gouvernement du Royaume-Uni de Grande-Bretagne et d'Irlande du Nord.

TRANSLATION¹ — TRADUCTION²

Santiago, 24th June, 1948

M. l'Ambassadeur,

With reference to the Payments Agreement which I have had the honour of signing to-day with Your Excellency, it is understood between our two Governments that trade in copper, nitrate and iodine shall be subject to special arrangements.

I avail, &c.

(Signed) Germán VERGARA

IV

*His Majesty's Ambassador at Santiago to the Chilean Minister
for Foreign Affairs*

BRITISH EMBASSY

Santiago, 24th June, 1948

Your Excellency,

I have the honour to acknowledge receipt of your Note of 24th June which, in translation, reads as follows:—

[See note III]

In reply I have the honour to inform Your Excellency that the foregoing sets out the understanding between our two Governments in this matter.

I avail, &c.

(Signed) J. H. LECHE

¹ Translation by the Government of the United Kingdom of Great Britain and Northern Ireland.

² Traduction du Gouvernement du Royaume-Uni de Grande-Bretagne et d'Irlande du Nord.