

**No. 1174**

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**DENMARK  
and  
SWITZERLAND**

**Payments Agreement. Signed at Berne, on 20 January 1951**

*Official text: German.*

*Registered by Denmark on 16 April 1951.*

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**DANEMARK  
et  
SUISSE**

**Accord de paiements. Signé à Berne, le 20 janvier 1951**

*Texte officiel allemand.*

*Enregistré par le Danemark le 16 avril 1951.*

## TRANSLATION — TRADUCTION

No. 1174. PAYMENTS AGREEMENT<sup>1</sup> BETWEEN THE KING-  
DOM OF DENMARK AND SWITZERLAND. SIGNED  
AT BERNE, ON 20 JANUARY 1951

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With a view to the settlement of payments between Denmark and Switzerland within the framework of the Agreement for the establishment of a European Payments Union, dated 19 September 1950, the Government of Denmark and the Government of Switzerland have agreed as follows :

*Article 1*

All payments arising out of this Payments Agreement shall be made on the basis of an exchange rate of 157.9562 Danish kroner for 100 Swiss francs or 63.3087 Swiss francs for 100 Danish kroner.

This is the " official rate "; it shall not be changed by either Party without previous notification to the other Party.

The National Bank of Denmark (Danmarks Nationalbank) and the National Bank of Switzerland (Schweizerische Nationalbank) shall fix by agreement the maximum spread above or below the official rate which shall be authorized on the markets which they control.

*Article 2*

To ensure the payments to be made from Denmark to Switzerland and from Switzerland to Denmark, the National Bank of Denmark and the National Bank of Switzerland, acting as agents of their respective Governments, shall in accordance with the provisions of article 8 of the Agreement for the establishment of a European Payments Union, dated 19 September 1950, sell each other Danish kroner and Swiss francs at the official rate.

*Article 3*

Under this Agreement payments by persons resident in Denmark to persons resident in Switzerland and *vice versa* may be made for the following purposes :

1. The supply of goods which originate in either of the two countries and have been or are to be imported into the other country. Payments may also be made under this Agreement for goods supplied via a third country or through an agent resident in a third country;

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<sup>1</sup> Came into force on 1 March 1951, in accordance with article 10.

2. Subsidiary costs, such as commissions, brokerage, etc., arising from the exchange of goods between Denmark and Switzerland;
3. Commissions payable by Danish firms to representatives in Switzerland and *vice versa* in connexion with transit operations, irrespective of the source, origin or destination of the goods;
4. Costs of transporting persons or goods by land in Danish or Swiss territory, and carriage charges incurred in continental third countries in connexion with goods exchanged between the two countries or with transit consignments passing through Denmark or Switzerland;
5. Costs incurred in the inter-European or inter-continental transport of persons or goods by Danish or Swiss aircraft or in transporting persons or goods by Danish or Swiss ships;
6. Other costs relating to the transport of goods, such as transshipment and reshipment fees, port dues, demurrage, Customs clearance and forwarding fees, Customs duties, warehouse charges, railway demurrage, cartage, freight rebates, "patronage" discounts, forwarders' commissions, etc.;
7. Premiums and compensation relating to transport and warehouse insurance on goods exchanged between Denmark and Switzerland;
8. The purchase or construction of ships, and costs arising from the chartering by persons resident, in Denmark or Switzerland respectively, of ships or of land or air transport facilities belonging to Switzerland or Denmark respectively;
9. Costs for the operation, maintenance and repair of transport facilities;
10. Costs arising from the exchange of goods between Denmark and Switzerland for purposes of processing and repair;
11. Payments for the rental of machinery, equipment, etc.;
12. Costs for the erection of machinery, industrial plants, etc.;
13. Publicity and advertising expenditure;
14. Danish or Swiss payments in respect of literary property (licences, film rentals, proceeds from the sale of patents, copyrights), patent and trademark fees, and payments under contractual or cartel arrangements;
15. Contributions towards administrative costs (management expenses) made by subsidiary companies owned by Danish or Swiss undertakings and domiciled in the co-contracting country;

16. Remuneration for Danish or Swiss services paid in the form of wages, salaries, fees, directors' fees or attendance fees, payments made to artistes and persons engaged in sports, cash payments and premiums, pensions and annuities arising from an employment relationship, payments for technical assistance, building commissions, etc.;
17. Profits earned by a firm in Denmark on transactions in Switzerland or by a firm in Switzerland on transactions in Denmark;
18. Profits on transit operations earned by firms in Denmark or Switzerland, irrespective of the source, origin or destination of the goods;
19. Compensation for damage arising from the exchange of goods between Denmark and Switzerland or otherwise;
20. Taxes, fines, court costs and other payments made to the public authority;
21. Membership fees paid to societies, associations and international organizations, costs of diplomatic and consular representation;
22. Subsistence and maintenance payments, alimony, social insurance payments (premiums, annuities, compensation, etc.);
23. Interest and differences in exchange arising in connexion with payments made under this Agreement;
24. Travelling, living, schooling and study expenses and costs of hospitalization and medical treatment;
25. Proceeds from the liquidation of assets of any kind in cases of need (hardship cases);
26. Proceeds from the liquidation of assets of any kind standing to the credit of a person returning to Denmark or Switzerland on the day of his departure from Switzerland or Denmark, including severance pay arising from cancelled labour contracts;
27. Current savings of Danish nationals resident in Switzerland and of Swiss nationals resident in Denmark;
28. Payments relating to insurance or reinsurance transactions between the two countries;
29. Costs for the maintenance of and current repairs to immovable property;
30. All kinds of yield on property, interest, dividends, company profits, ground rent, house rent, farm rent, etc., and contractual amortizations;

31. Inheritances and legacies;
32. Balances resulting from the periodical settlements between the Danish and Swiss railway administrations and other public transport undertakings and the postal, telegraph and telephone administrations. The balances of the railway administrations may, with the consent of the two countries, be cleared through the Central Railway Clearing Office (*Bureau central des compensations*) at Brussels;
33. Any other payments permitted by mutual agreement between the National Bank of Denmark and the Swiss Clearing Office (*Schweizerische Verrrechnungsstelle*).

#### *Article 4*

All payments provided under article 3 shall be effected through the "A accounts" which each of the banks of issue shall open in its books in favour of the other, in its own currency, or which the approved Danish and Swiss banks shall be authorized to open in favour of each other.

#### *Article 5*

Either bank of issue may cede to the approved banks of its country the sums in the currency of the co-contracting country which the said approved banks require in order to ensure the payments defined in article 3.

The approved banks may likewise use their assets in the "A account" with the approved banks of the co-contracting country for the same payments, or may transfer them to the "A account" of the bank of issue of their own country or to that of an approved bank of their own country.

#### *Article 6*

The National Bank of Denmark and the National Bank of Switzerland shall come to an understanding as to the technical measures necessary for the application of this Agreement.

#### *Article 7*

The accounts provided for in article 8 of the Agreement of 15 July 1940 respecting payments between the two countries shall be closed, and the balances standing to those accounts shall be transferred to the "A account" of the National Bank of Denmark with the National Bank of Switzerland.

#### *Article 8*

This Agreement shall apply also to the Principality of Liechtenstein so long as it is bound to Switzerland by a Customs Union Treaty.

*Article 9*

The Trade and Payments Agreement of 15 July 1940 between Denmark and Switzerland, the Agreement of 6 March 1941 respecting the financial claims of one country against the other, and all supplementary agreements are hereby repealed.

*Article 10*

This Agreement shall come into force on 1 March 1951 and may be denounced by either Party at any time subject to three months' notice.

If the Agreement for the establishment of a European Payments Union should cease to apply, either generally or as regards either of the two countries, the Contracting Parties shall come to an understanding with regard to the settlement of payments arising from current and future transactions.

For the Government of Denmark :

(Signed) H. J. HANSEN

For the Government of Switzerland :

(Signed) SCHAFFNER