

No. 1025

**DENMARK
and
ITALY**

**Payments Agreement. Signed at Copenhagen, on 4 October
1950**

Official text: French.

Registered by Denmark on 15 January 1951.

**DANEMARK
et
ITALIE**

Accord de paiement. Signé à Copenhague, le 4 octobre 1950

Texte officiel français.

Enregistré par le Danemark le 15 janvier 1951.

TRANSLATION—TRADUCTION

No. 1025. PAYMENTS AGREEMENT¹ BETWEEN DENMARK AND ITALY. SIGNED AT COPENHAGEN, ON 4 OCTOBER 1950

With a view to regulating payments between Denmark and Italy, the Danish Government of the one part and the Italian Government of the other part have agreed on the following provisions:

Article 1

(a) For all current payments to be made in Italy by persons resident in Denmark under the exchange regulations in force in the latter country, the Danmarks Nationalbank (acting as agent for the Danish Government) may purchase lire against kroner at the rate of exchange referred to in article 3 below from the Ufficio Italiano dei Cambi (Italian Exchange Office) (acting as agent for the Italian Government).

(b) For all current payments to be made in Denmark by persons resident in Italy under the exchange regulations in force in the latter country, the Ufficio Italiano dei Cambi (acting as agent for the Italian Government) may purchase kroner against lire at the rate of exchange referred to in article 3 below from the Danmarks Nationalbank (acting as agent for the Danish Government).

(c) In pursuance of the provisions of the foregoing paragraphs, the Danmarks Nationalbank shall open in favour of the Ufficio Italiano dei Cambi a non-interest-bearing account in Danish kroner to be known as the "kroner account"; and the Ufficio Italiano dei Cambi shall open in the name of the Danmarks Nationalbank a non-interest-bearing account in lire to be known as the "lire account". These accounts shall at no time show a debit balance.

Article 2

(a) The Danmarks Nationalbank shall be entitled at any time to sell to the Ufficio Italiano dei Cambi against all or part of the balance in kroner held by the latter under this Agreement, at the rate of exchange provided in article 3, the lire standing to its credit in the "lire account" referred to in article 1 (c).

(b) The Ufficio Italiano dei Cambi shall be entitled at any time to sell to the Danmarks Nationalbank against all or part of the balance in lire held by the latter under this Agreement, at the rate of exchange provided in article 3, the kroner standing to its credit balance in the "kroner account" referred to in article 1 (c).

¹ Came into force on 15 October 1950, in accordance with article 6.

Article 3

(a) Transactions in pursuance of this Agreement shall be effected at the rate of exchange between the krone and the lira.

(b) This rate of exchange shall be fixed by agreement between the Danmarks Nationalbank and the Ufficio Italiano dei Cambi according, on the one hand, to the U. S. dollar value of the krone and, on the other hand, to quotations of the U. S. dollar "*Conti valutarî esportazioni e rimesse*" (arithmetical average of the closing rates quoted on the Rome and Milan Stock Exchanges) in Italy. This rate of exchange may be altered, whenever necessary owing to alterations in the said rates, by agreements to be concluded to that effect between the Danmarks Nationalbank and the Ufficio Italiano dei Cambi.

Article 4

In order to ensure that the value of the balances referred to in article 1 (c) remains unchanged in relation to the unit of account of the European Payments Union in accordance with article 27 of the Agreement of 19 September 1950 for the Establishment of a European Payments Union and paragraph 6 of the Instructions to the Agent of 24 August 1950, the two Contracting Parties undertake, if the value of their currencies is altered in relation to the unit of account of the European Payments Union, so to readjust the balances that the values expressed in the unit of accounts of the European Payments Union may remain the same after as before such alteration.

Article 5

(a) The Danmarks Nationalbank and the Ufficio Italiano dei Cambi shall deal with all technical questions arising out of this Agreement.

(b) The two institutions may also provide by agreement for decentralizing payments through authorized Danish and Italian banks.

Article 6

This Agreement, which supersedes the Payments Agreement of 2 March 1946 and article 1 of the Additional Protocol of 18 June 1949, shall come into force on 15 October 1950; it shall remain in force for an indefinite period and may be denounced at any time by either party on three months' notice.

Provided, since the balances in the accounts referred to in article 1 (c) must be settled in accordance with the Agreement on the Establishment of a European Payments Union, of which the two countries are Contracting Parties, that if the said Agreement is terminated or one of the two countries withdraws or is

suspended from the Union, the application of this Agreement shall be suspended immediately and the two Governments shall consult immediately, or if possible before such an event occurs, on measures for settling payments.

DONE at Copenhagen, in two copies, on 4 October 1950.

For Denmark:

(Signed) Sandager JEPPESEN

For Italy:

(Signed) VENTURINI