

No. 1005

**GREECE
and
BELGIUM**

**Payments Agreement (with exchange of letters and Protocol).
Signed at Brussels, on 27 December 1948**

Official text: French.

Registered by Greece on 3 January 1951.

**GRÈCE
et
BELGIQUE**

**Accord de paiement (avec échange de lettres et Protocole).
Signé à Bruxelles, le 27 décembre 1948**

Texte officiel français.

Enregistré par la Grèce le 3 janvier 1951.

TRANSLATION—TRADUCTION

No. 1005. PAYMENTS AGREEMENT¹ BETWEEN THE GREEK GOVERNMENT AND THE BELGIAN GOVERNMENT. SIGNED AT BRUSSELS, ON 27 DECEMBER 1948

With a view to regulating the movement of current payments between Greece and the Belgian Monetary Zone, the Greek Government, on the one hand, and the Belgian Government, on the other, acting both on its own behalf and on behalf of the Luxembourg Government in virtue of existing agreements, have agreed upon the following:

Article I

For the purposes of the present Agreement, the Belgian Monetary Zone is understood to mean Belgium, the Grand Duchy of Luxembourg, the Belgian Congo and the Trust Territories of Ruanda-Urundi.

Article II

The National Bank of Belgium, acting as the agent of the Belgian Government, shall open in the name of the Bank of Greece, acting as agent of the Greek Government, a non-interest bearing account in Belgian francs.

The account may not show a debit balance.

Article III

The account referred to in article II above shall be credited with the sums intended to settle any current payments which natural or juridical persons residing in the Belgian Monetary Zone may have to make in favour of natural or juridical persons residing in Greece.

It shall be debited with the sums intended to settle any current payments which natural or juridical persons residing in Greece may have to make in favour of natural or juridical persons residing in the Belgian Monetary Zone.

Article IV

In the case of sums expressed in a currency other than the Belgian franc, the conversion to Belgian francs shall be effected on the basis of the average official rate in force in the National Bank of Belgium, for that currency, on the date of payment.

¹ Came into force on 27 December 1948, as from the date of signature, in accordance with article IX.

Article V

If the gold par value of the Belgian franc is modified, the credit balance of the account referred to in article II of the present Agreement shall be adjusted by the National Bank of Belgium on the date of such modification and in proportion thereto.

Article VI

The National Bank of Belgium and the Bank of Greece shall agree on the arrangements to be made for the application of the present Agreement.

Article VII

On the expiry of the present Agreement the credit balance of the account referred to in article II shall be reimbursed by the National Bank of Belgium to the Bank of Greece in gold or in foreign currency acceptable to the latter.

Article VIII

The gold transfers provided in article VII shall be effected on the basis of the official price for gold ruling on the date of the transfer and under conditions determined by agreement between the National Bank of Belgium and the Bank of Greece.

The transfers of currency provided for in article VII shall be effected on the basis of the average official rates in force in the National Bank of Belgium for such currencies on the date of transfer.

Article IX

The present Agreement shall enter into force on the date of its signature and shall remain in force until 30 June 1949.

On the expiry of that period, it may be renewed for a period of twelve months by a simple exchange of letters between the two Governments.

DONE at Brussels, in two copies, 27 December 1948.

For the Greek Government:
(Signed) TRIANTAFYLLAKOS

For the Belgian Government:
(Signed) GÉRARD

EXCHANGE OF LETTERS

I

THE CHAIRMAN OF THE BELGO-LUXEMBOURG DELEGATION

Brussels, 27 December 1948

Sir,

I have the honour to inform you of the following:

With reference to the Payments Agreement signed this day by the Belgian and Greek Governments, I have the honour to propose that payments in connexion with the following shall be regarded as current payments:

1. The supply of goods;
2. Charges relating to commercial operations, such as charges for transport, insurance, processing, machining, repairs, and other commercial services.

Current payments shall also be understood to include any other payment that the two Governments or the competent authorities designated by them for the purpose may agree to include in the above list.

The two Governments or the competent authorities appointed by them for the purpose shall authorize, to the extent permitted by their respective exchange regulations and on the basis of reciprocity, the transfer of the following payments in accordance with the provisions of article III of the Payments Agreement:

1. Wages, fees;
2. Maintenance and subsistence expenses;
3. Travelling, educational and hospital expenses;
4. Expenditures and receipts of public services (taxes, fines, etc);
5. Periodical settlements of the Postal, Telegraphic and Telephone Administrations and of public transport enterprises;
6. Royalties, fees, subscriptions, royalties due in respect of patents, licences, trade-marks, copyright, etc.

I should be glad if you would inform me of the Greek Government's acceptance of the foregoing.

I have the honour, etc.

(Signed) GÉRARD
Chairman of the Belgo-Luxembourg Delegation

The Chairman of the Greek Delegation
Brussels

II

THE CHAIRMAN OF THE GREEK DELEGATION

Brussels, 27 December 1948

Sir,

I have the honour to acknowledge receipt of your letter of today's date reading as follows:

[See letter I]

I have the honour to inform you of the Greek Government's acceptance of the foregoing.

I have the honour, etc.

(Signed) TRIANTAFYLLAKOS
Chairman of the Greek Delegation

The Chairman of the Belgo-Luxembourg Delegation
Brussels

III

THE CHAIRMAN OF THE GREEK DELEGATION

Brussels, 27 December 1948

Sir,

With reference to the Payments Agreement between the Kingdom of Greece and the Belgo-Luxembourg Economic Union concluded this day, I have the honour to inform you that under the system at present in force in Greece:

1. Shipping companies under the Greek flag enjoy complete freedom to choose the currency in which they assume obligations in respect of any type of operation;

2. Greek traders, whether importers or exporters, enjoy complete freedom with regard to the choice of the flag of the vessels transporting their goods; and

3. The Bank of Greece grants all Greek traders the necessary currency to pay for the carriage of goods imported or exported.

I have the honour, etc.

(Signed) TRIANTAFYLLAKOS
Chairman of the Greek Delegation

The Chairman of the Belgo-Luxembourg Delegation
Brussels

IV

THE CHAIRMAN OF THE BELGO-LUXEMBOURG DELEGATION

Brussels, 27 December 1948

Sir,

I have the honour to acknowledge receipt of your letter of today's date reading as follows:

[See letter III]

I have the honour to inform you of the Belgian Government's acceptance of the foregoing.

I have the honour, etc.

(Signed) GÉRARD

Chairman of the Belgo-Luxembourg Delegation

The Chairman of the Greek Delegation
Brussels

PROTOCOL

The Greek Government and the Belgian Government, considering that the balance of the account to be opened for the Bank of Greece in the National Bank of Belgium, in application of the Payments Agreement signed this date, may not show a debit balance, noting that it is therefore desirable to settle by agreement the exercise of the drawing rights on the Belgo-Luxembourg Economic Union accorded to Greece within the framework of the Agreement for Intra-European Payments and Compensations concluded in Paris on 13 October 1948 (hereinafter referred to as the Paris Agreement), have agreed upon the following:

1. The Belgian Government shall instruct the Agent designated by article 2 of the Paris Agreement to make available to Greece an allotment of 50 million Belgian francs from the amount of the drawing rights on the Belgo-Luxembourg Union accorded to Greece.

This sum shall be deposited by the National Bank of Belgium to the credit of the account opened in application of the Payments Agreement signed this day on the entry into force of that Agreement and shall be deemed, for the purposes of the calculation of the deficit to be effected at the end of the first month, to represent the credit balance of Greece at the beginning of that month.

2. The instalments of the drawing rights on the Belgo-Luxembourg Economic Union to be used in favour of Greece in subsequent months shall be calculated by the compensation Agent in accordance with the provisions of part II of the Paris Agreement and the Agent's instructions in proportion to the monthly deficit reflected in the movement of the account referred to above.

The instalments may not exceed the amount of Belgian francs required to raise the balance of the account to 50 million Belgian francs.

3. In application of article 5 (a) of the Paris Agreement, the Greek Government shall instruct the Agent to ensure that the credit balance of the account referred to above representing the allotment referred in paragraph 1 above shall be excluded from compensation.

4. It is understood that the implementation of the present Protocol, which is intended to permit the application between Greece and the Belgo-Luxembourg Economic Union of the provisions of the Paris Agreement concerning the drawing rights established between the two countries, is subject to the conditions and the reservations established in the said Agreement and in particular those established in articles 12 and 15.

If required, the two Contracting Parties shall make any modifications to the present Protocol necessary to remove any obstacle to the utilization in accordance with the Paris Agreement of the drawing rights accorded to Greece.

5. To the extent that the credit balance of the account of the Bank of Greece in the National Bank of Belgium, existing on the expiry of the Payments Agreement signed this day, is less than or equal to the allotment referred to in paragraph 1 above, it shall, article VII of the Payments Agreement notwithstanding, be used to effect the payments referred to in article 3 of that Agreement.

Only that part of the balance exceeding the amount of the allotment referred to above shall be liable to repayment in gold or in currency in accordance with article VII of the Payments Agreement.

DONE at Brussels, in two copies, 27 December 1948.

For the Greek Government:
(Signed) TRIANTAFYLAKOS

For the Belgian Government:
(Signed) GÉRARD