

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

**Agreement (with annexes) for the discharge by deliveries of defence equipment of a debt owed to the Government of the Kingdom of Belgium by the Government of the United Kingdom of Great Britain and Northern Ireland. Signed at Paris, on 30 June 1952**

**Exchange of notes constituting an agreement amending the above-mentioned Agreement. Paris, 8 January 1953**

*Official texts: English and French.*

*Registered by the United Kingdom of Great Britain and Northern Ireland on 5 October 1954.*

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

**Convention (avec annexes) en vue d'assurer par des livraisons de biens de défense le remboursement d'une dette due par le Gouvernement du Royaume-Uni de Grande-Bretagne et d'Irlande du Nord au Gouvernement du Royaume de Belgique. Signée à Paris, le 30 juin 1952**

**Échange de notes constituant un accord modifiant la Convention susmentionnée. Paris, 8 janvier 1953**

*Textes officiels anglais et français.*

*Enregistrés par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le 5 octobre 1954.*

No. 2679. AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE KINGDOM OF BELGIUM FOR THE DISCHARGE BY DELIVERIES OF DEFENCE EQUIPMENT OF A DEBT OWED TO THE GOVERNMENT OF THE KINGDOM OF BELGIUM BY THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND. SIGNED AT PARIS, ON 30 JUNE 1952

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The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Kingdom of Belgium,

Having regard to the Agreement for the Establishment of a European Payments Union, signed in Paris on the 19th of September, 1950,<sup>2</sup> and supplementary Protocols Nos. 1<sup>3</sup> and 2<sup>3</sup> to this Agreement,

Having regard to the Decision C(52)193 taken by the Council of the Organisation for European Economic Co-operation at its meeting of June the 30th, 1952, prolonging the financial commitments taken within the framework of the Agreement for the Establishment of a European Payments Union, as well as the Decision C(52)194 by the same Council adopting supplementary Protocol No. 3 to the said Agreement,

Having regard to the Decision C(52)195 and more especially paragraph 5 of this Decision,

Have agreed as follows :

*Article I*

The Government of the United Kingdom of Great Britain and Northern Ireland hereby acknowledges a debt to the Government of the Kingdom of Belgium of Belgian Francs one thousand two hundred and fifty million (1,250 million).

*Article II*

(a) The Government of the United Kingdom of Great Britain and Northern Ireland undertakes to supply to the Government of the Kingdom of Belgium within a period of two years ending on 30th June, 1954, defence equipment to

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<sup>1</sup> Came into force on 30 July 1954, by the exchange of the instruments of ratification, in accordance with article VII.

<sup>2</sup> United Kingdom : "Miscellaneous No. 14 (1950)," Cmd. 8064.

<sup>3</sup> United Kingdom : "Miscellaneous No. 12 (1951)," Cmd. 8372.

the value of Belgian Francs 1,250 million as specified in nature and value in Annex A<sup>1</sup> and Annex B<sup>2</sup> to this Agreement and in accordance with the provisions of these two Annexes.

(b) The repayment by the Government of the United Kingdom of Great Britain and Northern Ireland to the Government of the Kingdom of Belgium of the sum of Belgian Francs 1,250 million referred to in Article I of this Agreement shall be made by deliveries of the defence equipment referred to in paragraph (a) of this Article, and in accordance with the accounting procedure in Annex C<sup>3</sup> to this Agreement, the debt being progressively discharged on receipt by the Government of the Kingdom of Belgium of the items listed in Annex B.

(c) Should it appear likely at any time before the 30th June, 1953, that the Government of the United Kingdom of Great Britain and Northern Ireland may be unable to deliver sufficient goods to meet its commitment under paragraph (a) of this Article, the two Governments shall at the request of either consult together to see whether within the framework of this Agreement arrangements can be made to increase up to a maximum value of 10 % deliveries under any heading in Annex B to this Agreement or to add other goods to those listed in Annex B up to a maximum value of 10 % of the total value of the list.

### Article III

(a) If at the 30th June, 1954, the sum of Belgian Francs 1,250 million has not been repaid in full in accordance with Article II (b) of this Agreement, the outstanding balance shall be repaid on that date except to the extent that either party exercises its option under paragraph (b) of this Article.

(b) If at the 30th June, 1954, the sum of Belgian Francs 1,250 million has not been repaid in full in accordance with Article II (b) of this Agreement :

1. The Government of the United Kingdom of Great Britain and Northern Ireland shall have the option to discharge the whole or part of the outstanding balance through delivery by the 30th September, 1954, of all or some of the undelivered items of Annex B to this Agreement ;
2. the Government of the Kingdom of Belgium shall have the option to call for the discharge of the whole or part of the outstanding balance through delivery by 30th September, 1954, of all or some of the undelivered items of Annex B to this Agreement.

<sup>1</sup> See p. 122 of this volume.

<sup>2</sup> See p. 124 of this volume.

<sup>3</sup> See p. 126 of this volume.

(c) In the event of either Government exercising the option in paragraph (b) of this Article any balance of the Belgian Francs 1,250 million, still outstanding on the 30th September, 1954, shall be repaid on that date to the Government of the Kingdom of Belgium by the Government of the United Kingdom of Great Britain and Northern Ireland.

(d) Payment of the outstanding balance under paragraph (a) or (c) of this Article shall be made in Brussels at the National Bank of Belgium in Belgian Francs in accordance with the payments arrangements then existing between the two countries.

(e) In the event of a change in the parity existing at the 30th June, 1952, between the Belgian Franc and the unit of account of the European Payments Union as defined in Article 26 of the Agreement for the Establishment of a European Payments Union, of 19th September, 1950, the amount to be repaid under this Article shall be adjusted by converting such amount into units of account at the parity existing at 30th June, 1952, and reconverting such units of account into Belgian Francs at the parity existing on the date of payment. If on that date there is no parity between the unit of account and the Belgian Franc, the reconversion shall be made at the parity obtaining at the date of the withdrawal of Belgium from the Union or of the liquidation of the Union.

(f) While recognising that the prime objective of this Agreement is to ensure delivery to Belgium of defence equipment within the periods specified, the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Kingdom of Belgium shall contact each other not later than 30th September, 1954, should the need arise, and shall explore the possibility of proceeding, before the 31st December, 1954, and for settlement under the payments arrangements existing at the time, with deliveries of the defence equipment covered by the contracts which in the absence of agreement shall lapse.

#### *Article IV*

(a) The Government of the United Kingdom of Great Britain and Northern Ireland undertakes to ensure that deliveries under this Agreement shall not be subject to any United Kingdom taxes from which goods for export through normal commercial channels would be exempt.

(b) The payments to be made by the Government of the United Kingdom of Great Britain and Northern Ireland under Articles III and V of this Agreement shall for the whole period in question be effected free of all tolls and taxes whatsoever, present or future, which might be levied on such payments by the Government of the United Kingdom or any subordinate agency thereof.

#### *Article V*

The balance outstanding for the time being of the debt of the Government of the United Kingdom of Great Britain and Northern Ireland shall bear interest

at the rate of  $3\frac{1}{4}$  % per annum with effect from the value date of the operations of the Agent of the European Payments Union relating to the month of June, 1952. Interest shall be calculated for the initial period to the 31st December, 1952, and thereafter half-yearly and shall be due for payment within seven days of the dates in question. It shall be payable in Belgian Francs in Brussels at the National Bank of Belgium in accordance with the payments arrangements then existing between the two countries.

*Article VI*

The two Governments agree to consult together in the event of any difficulties arising in the fulfilment of this Agreement.

*Article VII*

(a) This Agreement shall be ratified and the instruments of ratification shall be exchanged at Paris.

(b) This Agreement, together with the three Annexes which form an integral part of it, shall come into effect on the day of the exchange of the instruments of ratification : it shall come into effect provisionally on the value date of the operations of the Agent of the European Payments Union relating to the month of June, 1952.

DONE at Paris, in twin copies, in English and in French, both texts having equal validity, the 30th June, 1952.

For the Government of the Kingdom of Belgium :

Cte. DE MEEUS D'ARGENTEUIL

For the Government of the United Kingdom of Great Britain and Northern Ireland :

Hugh ELLIS-REES

## ANNEX A

## ADMINISTRATIVE PROCEDURE

1. The defence equipment to be supplied in accordance with the terms of Article II (a) of this Agreement shall be that listed in Annex B.
2. As soon as possible and, in any case, not later than the 15th September, 1952, the two Governments shall agree upon the detailed list of items to be furnished to the Belgian Government: this detailed list once precisely defined shall form an integral part of this Agreement and shall be substituted for the present provisional Annex B. The two Governments shall also agree upon and specify before the 15th September, 1952, the firm price of each article to be supplied to the Belgian Government.
3. The Belgian Government shall place with the United Kingdom Government as soon as possible and not later than the 30th September, 1952, definite orders for the defence equipment referred to in paragraph 2 of this Annex.
4. In accordance with Article II of this Agreement the United Kingdom Government assumes responsibility for the execution of the orders in paragraph 3 of this Annex.
5. Inspection of the production of the defence equipment and technical clearance for delivery shall be carried out by the competent Department of the Government of the United Kingdom in accordance with the procedure in force for supply to the United Kingdom Armed Forces. A duly accredited representative of the Belgian Government shall have the right to be present at these operations. Any observations he may wish to formulate shall be addressed to the competent United Kingdom Government Department. The inspection notes drawn up by the competent United Kingdom Departments and bearing the signature of the accredited representative of the Belgian Government shall constitute acceptance of the equipment from the point of view of technical specifications and quality of that Government. A copy of the inspection note, together with the pro-forma invoices, shall be sent to the Belgian Government before despatch of the defence equipment in question.
6. Transfer of ownership shall occur at the moment the goods are physically received by the Belgian Department of National Defence at places to be agreed. Physical receipt shall also determine the value date for the accounting entries alike for the discharge of the capital sum as for the calculation of interest payments.

DONE at Paris, 30th June, 1952.

For the Government of the Kingdom of Belgium :  
Cte. DE MEEUS D'ARGENTREUIL

For the Government of the United Kingdom of Great Britain and Northern Ireland :  
Hugh ELLIS-REES

## ANNEX B

## LIST OF DEFENCE EQUIPMENT

1. The list in paragraphs 2 and 3 of this Annex sets out the defence equipment which the Belgian Government undertakes to order from the United Kingdom Government to an amount corresponding to 1,250 million Belgian Francs and which in consequence the United Kingdom Government undertakes to supply to the Belgian Ministry of National Defence. The quantities appearing in this list shall be fixed in detail in the definitive Annex B which shall be substituted for the present Annex in accordance with paragraph 2 of Annex A. The prices of the defence equipment mentioned in paragraphs 2 and 3 of this Annex shall be agreed between the two Governments.

## 2.

<i>Serial No.</i>	<i>Quantity</i>	<i>Description</i>
1	5	Meteor Mk 7 Aircraft
2	20	Conversion sets for converting Mk 4 to Mk 7 Meteor Aircraft
3	12	Communication Aircraft (Doves)
4		Spare parts for Aircraft engine and nacelles (Squadron pattern Form 110)
5	91	Sets VHF TR 1934
	64	Sets VHF TR 1935
6		Flying Clothing (Pilots)
7		Aircraft Dinghies
8	10,600 miles	Wire, D10 or WD/1-TT
9	18	Winding Machines (for Wire at Serial 8)
10	30,000	Flash lamps (pocket)
11	2	Pontoon sets (Rafts CL-50/60)
12		Material for roadmaking :
	16	Cranes
	7	Crushers
13	12	Sets Bailey Bridging (Large)
14	22	Water purification Plant
15	84	Electric Generating Plant (for C90 AA)
16	348	Electric Lighting Sets plus spares consisting of :
	77	Electric Lighting Sets No. 2 (1 ½ Kw)
	11	Electric Lighting Sets No. 3 (3.5 KVA)
	250	Electric Lighting Sets No. 4 (6 Kw)
	10	Electric Lighting Sets No. 5 (15 KVA)
17		Field Kitchen Equipment
18	2,500	Landrovers 4 × 4 (¼ Ton) (British components)
19	500	Bedford Lorries 4 × 2 (3 Ton) (British components)
20	1,000	Bedford Lorries 4 × 4 (3 Ton) General Service Vehicles (British components)
21	420	Bedford Lorries 4 × 4 (3 Ton Tipper) (British components)
22	100	Tractors (4/5 Tons) each with 2 semi-trailers (6/7 Tons)
23		Parachuting Equipment
24		Cartridges 0.380" (Revolver)
25	50	Public Address systems comparable to TIQ-2 with spares
	6	Ditto. Comparable to TIQ-3 with spares
26	136	Trucks, comparable to K-43 (1 ½ Ton 4 × 4 Telephone Construction)
27	19	Trucks, comparable to K-44 (1 ½ Ton—4 × 4—Earth auger and pole setter)

<i>Serial No.</i>	<i>Quantity</i>	<i>Description</i>
28	42	Trailers, comparable to K-37 (5 Ton cable hauler)
29	120	Trailers (22 Ton. Type 20T full low bed)
30	435	Trailers (2 ½ Ton. 2W. Utility pole type)
31	300	Field cable. 7 pair. Type Y3/WB/1600. I.R.V. graded and miles compounded
32	40	Sets V.H.F. Murphy : 4 Channel (108-122 MC) plus spares
33	130	Sets V.H.F. Murphy : Single Channel pre-selected from four within the band 108-122 MC plus spares

3. Items of equipment which may be substituted on the basis of an agreement between the two Governments to be reached before the 15th September, 1952.

<i>Serial No.</i>	<i>Quantity</i>	<i>Description</i>
34		Spare parts for Dockyards
35		Naval and electronic refurbishing equipment for A.M. (Algérides)
36	5,000 rounds	4" ammunition
37		2-pounder Ammunition 2" Rocket flares 2" Rocket targets
38	2	Sets of equipment for static G.C.I. stations
39	10,000 rounds	17-pounder A.P.D.S
40		20 mm Cartridges H.E.I.
41		Concertina Wire
42	60	Trailers (for Director M22) <sup>a</sup>
43	70	Lorries, General Service (4 Ton 6 × 6) <sup>a</sup>
44	175	Lorries, Tractors (6 Ton 6 × 6) <sup>a</sup>

<sup>a</sup> If British types are acceptable these items may be substituted for aircraft spares at Serial 4 to the same value.

DONE at Paris, the 30th June 1952.

For the Government of the Kingdom of Belgium :  
Cte. DE MEEUS D'ARGENTEUIL

For the Government of the United Kingdom of Great Britain and Northern Ireland :  
Hugh ELLIS-REES

## ANNEX C

### ACCOUNTING PROCEDURE

1. Upon the application of the present Agreement an account entitled "30th June, 1952, Agreement Account—United Kingdom" shall be opened in the books of the Belgian Treasury. It shall be denominated in Belgian Francs. It shall be debited immediately with the sum of 1,250 million Belgian Francs.



2. Upon the despatch of each consignment of defence equipment under the terms of this Agreement the Ministry of Supply shall forward a pro-forma invoice to le Ministère de la Défense Nationale de Belgique, Service Général des Approvisionnements des Forces Armées, setting out the description of the goods concerned and their price in Belgian Francs as shown in the contracts corresponding to the items in the list to be drawn up under the provisions of paragraph 2 of Annex A. On receipt, as defined in paragraph 6 of Annex A, of the goods the account will be credited with the corresponding amount of Belgian Francs under advice to the Ministry of Supply.

3. The account will be closed when the total of the defence equipment delivered under this arrangement reaches the amount of 1,250 million Belgian Francs, or in default thereof when payment of the balance has been made by the Government of the United Kingdom in accordance with the terms of Article III of the Agreement. The Belgian Treasury shall communicate to the United Kingdom Treasury a monthly Statement of Account showing the balance of indebtedness at the beginning of the month, the extent to which it has been reduced during the month by receipted deliveries, indicating each item and the balance outstanding at the end of the month.

DONE at Paris, 30th June, 1952.

For the Government of the Kingdom of Belgium :

Cte. DE MEEUS D'ARGENTEUIL

For the Government of the United Kingdom of Great Britain and Northern Ireland :

Hugh ELLIS-REES

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EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT AMENDING THE AGREEMENT OF 30 JUNE 1952<sup>1</sup> BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE KINGDOM OF BELGIUM. PARIS, 8 JANUARY 1953<sup>2</sup>

ÉCHANGE DE NOTES CONSTITUANT UN ACCORD MODIFIANT LA CONVENTION DU 30 JUIN 1952<sup>1</sup> ENTRE LE GOUVERNEMENT DU ROYAUME-UNI DE GRANDE-BRETAGNE ET D'IRLANDE DU NORD ET LE GOUVERNEMENT DU ROYAUME DE BELGIQUE. PARIS, 8 JANVIER 1953<sup>2</sup>

## I

*The United Kingdom Delegate to O.E.E.C. to the Head of the Belgian Mission*

Paris, 8th January, 1953

Mr. Minister,

I have the honour to refer to our recent consultations held in accordance with Article VI of the Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Kingdom of Belgium for the discharge by deliveries of defence equipment of a debt owed to the Government of the Kingdom of Belgium by the Government of the United Kingdom of Great Britain and Northern Ireland signed at Paris on the 30th June, 1952 (hereinafter referred to as "The Agreement"). It is my understanding that the outcome of these consultations is as follows :—

1. In order to facilitate the operation of the Agreement the Belgian Government are ready and intend within the framework of the Agreement to place contracts direct with the United Kingdom suppliers for the items in the following serials of Annex B to the Agreement, namely, 8, 13, 18, 19, 20, 21, 22, 29, 31 and, subject to the provisions of the contracts, to accept delivery direct from these suppliers, the debt of the United Kingdom Government to the Belgian Government being progressively discharged in accordance with Article II (b) of the Agreement on receipt of the items.

2. The Belgian Government recognise that, subject to the fundamental principles of the Agreement reaffirmed in the penultimate paragraph of this Note the United Kingdom Government assume no responsibility for the quality, quantity or other specifications of individual items in these serials these being questions

<sup>1</sup> See p. 113 of this volume.

<sup>2</sup> Came into force on 8 January 1953 by the exchange of the said notes.

<sup>1</sup> Voir p. 113 de ce volume.

<sup>2</sup> Entré en vigueur le 8 janvier 1953 par l'échange desdites notes.

which concern the contracts. The United Kingdom Government, however, will use its good offices to facilitate the placing of these contracts in a form and on terms acceptable to the Belgian Government and also to facilitate their execution. The contracts placed by the Belgian Government shall quote firm prices and these prices shall be inserted against the relevant serials in Annex B and for the purposes of the Agreement shall be definitive. The contracts shall provide for delivery as soon as possible and in any case not later than the 30th June, 1954.

3. Rejection by the Belgian Authorities in accordance with the provisions of the contracts referred to in paragraph 2 above of an item or of items to be furnished under these contracts, inability to conclude a contract or contracts, or default by the supplier in the execution of a contract or contracts leaves the debt of the United Kingdom intact for the purposes of the Agreement to the extent of the value of the item or items concerned in accordance with Article II (b) of the Agreement to be discharged in accordance with the terms of the Agreement and subject to the provisions of this Note.

4. Our two Governments agree that contracts may be placed by the Belgian Government within the framework of the Agreement direct with United Kingdom suppliers for items in addition to those specified in paragraph 1 above.

5. The two Governments agree that it is necessary to change the date of 30th September, 1952, laid down in paragraph 3 of Annex A to the Agreement for the placing of firm orders by the Belgian Government. They agree that for the defence equipment to be supplied in accordance with the terms of the Agreement as amended by the provisions of this Note the date shall be the 31st March, 1953. This change is without prejudice to the principle of delivery as soon as possible of all items covered by the Agreement and by this Exchange of Notes and without prejudice to the terminal dates for delivery established in the Agreement.

6. It is the responsibility of the United Kingdom Government to furnish, the financial resources necessary for the payment of the contracts within the framework of the Agreement in accordance with a procedure to be established.

The two Governments take this occasion to recall the inter-governmental nature of the Agreement and to reaffirm that its prime objective is to ensure the discharge of the debt owed by the Government of the United Kingdom of Great Britain and Northern Ireland to the Government of the Kingdom of Belgium by delivery of defence equipment within the periods specified. The two Governments agree that save as amended by this Note and your reply thereto the Agreement remains in force in all respects.

If the Government of the Kingdom of Belgium approve the foregoing proposals I have the honour to suggest that the present Note and your reply to that effect shall be regarded as an agreed amendment to the Agreement which shall enter into force immediately.

I have, &c.

H. ELLIS-REES