

No. 3625

DENMARK
and
URUGUAY

**Payments Agreement (with exchange of letters). Signed
at Montevideo, on 9 September 1953**

Official texts: Danish and Spanish.

Registered by Denmark on 11 December 1956.

DANEMARK
et
URUGUAY

**Accord de paiement (avec échange de lettres). Signé à
Montevideo, le 9 septembre 1953**

Textes officiels danois et espagnol.

Enregistré par le Danemark le 11 décembre 1956.

[TRANSLATION — TRADUCTION]

No. 3625. PAYMENTS AGREEMENT¹ BETWEEN THE KINGDOM OF DENMARK AND THE REPUBLIC OF URUGUAY. SIGNED AT MONTEVIDEO, ON 9 SEPTEMBER 1953

His Majesty the King of Denmark and the Government of the Republic of Uruguay, being desirous of facilitating and developing trade relations between the two countries, have decided to conclude a Payments Agreement and have for this purpose appointed as their plenipotentiaries :

His Majesty the King of Denmark, Count Kield Knuth-Winterfeldt, His Envoy Extraordinary and Minister Plenipotentiary; and the National Council of Government of the Republic of Uruguay, Dr. Fructuoso Pittaluga, Minister of Foreign Affairs, who have concluded the following Agreement :

Article 1

The Danmarks Nationalbank (National Bank of Denmark), acting on behalf of the Danish Government, shall open an account in United States dollars in the name of the Banco de la República Oriental del Uruguay (Bank of the Republic of Uruguay), acting on behalf of the Uruguayan Government.

Article 2

Payments for goods of Uruguayan origin imported into Denmark and all other current payments from Denmark to Uruguay authorized under the exchange control regulations in force in Denmark shall be credited to the account mentioned in article 1.

Article 3

Payments for goods of Danish origin imported into Uruguay and all other current payments from Uruguay to Denmark authorized under the exchange control regulations in force in Uruguay shall be debited to the account mentioned in article 1.

Article 4

With regard to the making of payments to designated payees, the Danmarks Nationalbank and the Banco de la República shall report to each other from day to day on all deposits received by them in accordance with the provisions of the foregoing articles.

¹ Came into force on 8 September 1955, in accordance with the provisions of article 11.

Article 5

In the event that the credit balance of the account mentioned in article 1 is insufficient to meet payments from the Banco de la República to Denmark, the Danmarks Nationalbank shall continue to execute payment orders of the Banco de la República up to the amount of \$US500,000.

Article 6

As long as the credit balance of the account mentioned in article 1 does not exceed the sum of \$US500,000, the Banco de la República shall continue to execute payment orders of the Danmarks Nationalbank.

Article 7

If the credit or debit balance of the account mentioned in article 1 exceeds the sum of \$US500,000, the debtor shall, at the creditor's request, pay the excess amount in United States dollars or in such other currency as may be agreed upon by the two banks.

Article 8

If at the expiration of this Payments Agreement the account mentioned in article 1 shows a balance in favour of either Contracting Party, the debtor shall settle the said balance through the export of goods within a period of six months from the date of such expiration.

Any balance that remains on the expiry of the six-month period shall be settled by payment in United States dollars or in such other currency as may be agreed upon by the two banks.

Article 9

The Danmarks Nationalbank and the Banco de la República Oriental del Uruguay shall come to an agreement on the technical banking procedures that will most effectively facilitate the application of this Agreement.

Article 10

The present Agreement shall supersede the Danish-Uruguayan Agreement of 30 September 1939 concerning commercial payments between the Kingdom of Denmark and the Republic of Uruguay.

Article 11

This Agreement shall come into force ten days after notice has been received of its final approval in accordance with the constitutional procedures of the Contracting Parties, and it shall remain in force for one year.

Unless notice of termination is given not later than three months before the date of its expiry, this Agreement shall be considered to be renewed by tacit consent for one-year periods.

IN WITNESS WHEREOF this Agreement is signed in two identical copies in the Danish and Spanish languages, both being equally authentic, in the city of Montevideo on 9 September 1953.

K. KNUTH-WINTERFELDT
F. PITTALUGA

EXCHANGE OF LETTERS

I

DANISH LEGATION

Montevideo, 9 September 1953

His Excellency Dr. Fructuoso Pittaluga
Minister of Foreign Affairs
City

Sir,

With reference to the Payments Agreement signed today¹ between our two countries, I have the honour to inform you of my agreement to the following provisions, which are to be considered an integral part of the said Agreement.

1. The products imported into one country from the other under this Agreement shall be used exclusively for domestic consumption or for processing by the industries of the importing country.

Notwithstanding the foregoing provision, products exchanged under this Agreement may, subject to immediate notification to the other Contracting Party, be sold by either Party: to the Scandinavian countries and Finland, on the part of Denmark and to the countries regarded as neighbouring countries on the part of Uruguay, solely for domestic consumption in both cases.

2. If either Party objects to such trade, it shall be suspended, and the two Parties shall forthwith come to an agreement on suitable measures for avoiding any harmful effects which might result to either Party from that trade.

¹See p. 158 of this volume.

3. The conversion of Danish kroner into dollars, and of dollars into Danish kroner, shall be effected in Denmark at the buying and selling rates of the Danmarks Nationalbank for United States dollars.

The conversion of Uruguayan pesos into dollars, and of dollars into Uruguayan pesos, shall be effected in Uruguay at the official buying and selling rates of the Banco de la República for United States dollars.

I have the honour to be, etc.

K. KNUTH-WINTERFELDT

II

MINISTRY OF FOREIGN AFFAIRS

Montevideo, 9 September 1953

His Excellency Count Kield Knuth-Winterfeldt
Minister of Denmark
City

Sir,

I have the honour to acknowledge receipt of your note of today's date, reading as follows and containing proposals which are to be considered an integral part of the Payments Agreement signed this day :

[See letter I]

I have the honour to inform you that the Government of the Republic of Uruguay agrees with these proposals which shall be considered an integral part of the said agreement.

I have the honour to be, etc.

F. PITTALUGA