

No. 3952

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**UNITED STATES OF AMERICA  
and  
FEDERAL REPUBLIC OF GERMANY**

**Exchange of notes (with related notes dated at Bonn on 13 and 29 August 1955) constituting an agreement relating to the settlement of debts of the City of Berlin and public utility enterprises. Bonn/Bad Godesberg, 29 February 1956, and Bonn, 2 March 1956**

*Official texts: English and German.*

*Registered by the United States of America on 26 July 1957.*

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**ÉTATS-UNIS D'AMÉRIQUE  
et  
RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE**

**Échange de notes (avec notes y relatives datées de Bonn les 13 et 29 août 1955) relatif au règlement de dettes de la Ville de Berlin et d'entreprises de services publics de Berlin. Bonn/Bad Godesberg, 29 février 1956, et Bonn, 2 mars 1956**

*Textes officiels anglais et allemand.*

*Enregistré par les États-Unis d'Amérique le 26 juillet 1957.*

No. 3952. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND THE FEDERAL REPUBLIC OF GERMANY RELATING TO THE SETTLEMENT OF DEBTS OF THE CITY OF BERLIN AND PUBLIC UTILITY ENTERPRISES. BONN/BAD GODESBERG, 29 FEBRUARY 1956, AND BONN, 2 MARCH 1956

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I

*The American Embassy to the Ministry for Foreign Affairs of the Federal Republic of Germany*

No. 386

The Embassy of the United States of America presents its compliments to the Federal Ministry for Foreign Affairs and has the honour to refer to the Ministry's note number 507-519-746-71284/55 of the 13th of August, 1955,<sup>2</sup> and to the Embassy's note number 94 of August 29, 1955<sup>3</sup> on the subject of the settlement of the debts of the City of Berlin and of the Berlin public utility enterprises.

In the opinion of the United States Government, the exchange of notes referred to constitutes the agreement provided for in Article 5 (5) of the London Debt Agreement<sup>4</sup> that negotiations on the settlement of these debts are now considered to be practicable. The Ministry has now raised informally with the British, French and American Embassies the question of the form of the negotiations provided for in Article 5 (5).

The United States Government considers that, with the lifting of the exclusion provided in Article 5 (5), the terms of the London Debt Agreement and the appropriate annexes are applicable to the settlement of the external debts of the City of Berlin and of the Berlin public utility enterprises; and in particular, that the external bonded debts of the City of Berlin fall under Annex I, the bonded debts of the public utilities under Annex II, and the miscellaneous debts of the City and of the public utilities, under Annex IV. It, therefore, believes that no further inter-governmental conference is required, but that negotiations may now be undertaken between the debtors and the creditor representatives.

The question of the actual terms of settlement of these debts will naturally be one of the principal objects of the proposed negotiations. The United States

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<sup>1</sup> Came into force on 2 March 1956 by the exchange of the said notes.

<sup>2</sup> See p. 214 of this volume.

<sup>3</sup> See p. 215 of this volume.

<sup>4</sup> Agreement on German External Debts, signed at London on 27 February 1953. See United States of America: *Treaties and Other International Acts Series 2792*.

Government believes that the text of the Agreement and the annexes provides ample flexibility to take into account the special political and economic position of Berlin.

If the Federal Government is in agreement with the views presented above, it is suggested that this note, the identical notes from the British and French Embassies<sup>1</sup> and the replies of the Federal Ministry for Foreign Affairs<sup>1</sup> constitute an interpretation of the London Debt Agreement, and that certified copies of these notes be deposited with the Government of the United Kingdom.

The Embassy of the United States of America avails itself of this opportunity to renew to the Federal Ministry for Foreign Affairs the assurance of its highest consideration.

American Embassy

Bonn/Bad Godesberg, February 29, 1956

## II

*The Ministry for Foreign Affairs of the Federal Republic of Germany  
to the American Embassy*

[GERMAN TEXT — TEXTE ALLEMAND]

[TRANSLATION<sup>2</sup> — TRADUCTION<sup>3</sup>]

*Abschrift*

*Copy*

AUSWÄRTIGES AMT

FEDERAL MINISTRY FOR FOREIGN  
AFFAIRS

507-519-746-5-5-73835/56

507-519-746-5-5-73835/56

VERBALNOTE

NOTE VERBALE

Das Auswärtige Amt beehrt sich, der Botschaft der Vereinigten Staaten von Amerika den Empfang ihrer Verbalnote vom 29. Februar 1956 — No. 386 — betreffend die Schulden der Stadt Berlin und der Berliner öffentlichen Ver-

The Ministry for Foreign Affairs has the honor to acknowledge receipt of note No. 386 of February 29, 1956 from the Embassy of the United States of America concerning the debts of the City of Berlin and of the Berlin public

<sup>1</sup> The following information is given by the Department of State of the United States of America (*Treaties and Other International Acts Series 3545*, p. 2, footnote 1): "Exchanges of notes *mutatis mutandis* dated Feb. 29 and Mar. 2, 1956, between the British and French Embassies, respectively, and the Federal Ministry for Foreign Affairs; not printed."

<sup>2</sup> Translation by the Government of the United States of America.

<sup>3</sup> Traduction du Gouvernement des États-Unis d'Amérique.

sorgungsbetriebe zu bestätigen, und erlaubt sich, unter Bezugnahme auf die Verbalnote des Auswärtigen Amts vom 13. August 1955 — 507-519-746-71284/55 — und auf die Note der Botschaft der Vereinigten Staaten von Amerika vom 29. August 1955 — No. 94 — in der gleichen Angelegenheit, folgendes zu erwidern :

Nach Auffassung der Regierung der Bundesrepublik Deutschland stellt der vorgenannte Notenwechsel die in Artikel 5 Absatz 5 des Londoner Schuldenabkommens vorgesehene Einigung dar, dass Verhandlungen über die Regelung dieser Schulden nunmehr für tunlich angesehen werden. Die Botschaft der Vereinigten Staaten von Amerika, die Königlich Britische Botschaft und die Französische Botschaft haben inzwischen mit dem Auswärtigen Amt informell die Frage bezüglich der Form der in Artikel 5 Absatz 5 vorgesehenen Verhandlungen erörtert.

Die Regierung der Bundesrepublik Deutschland ist der Auffassung, dass nach Aufhebung der in Artikel 5 Absatz 5 festgelegten Zurückstellung die Bestimmungen des Londoner Schuldenabkommens und der einschlägigen Anlagen auf die Regelung der Auslandsschulden der Stadt Berlin und der Berliner öffentlichen Versorgungsbetriebe anwendbar sind. Sie ist insbesondere der Meinung, dass die verbrieften Auslandsschulden der Stadt Berlin unter Anlage I fallen, die verbrieften Schulden der öffentlichen Versorgungsbetriebe unter Anlage II und die verschiedenen anderen Schulden der Stadt Berlin und der Berliner öffentlichen Versorgungsbetriebe unter Anlage IV. Sie ist daher der Auffassung, dass eine

utility enterprises, and with reference to the Ministry's note number 507-519-746-71284/55 of August 13, 1955, and to note number 94 of August 29, 1955 from the Embassy of the United States of America on the same subject, wishes to reply as follows :

In the opinion of the Government of the Federal Republic of Germany the exchange of notes referred to constitutes the agreement provided for in Article 5 (5) of the London Debt Agreement that negotiations on the settlement of these debts are now considered to be practicable. The American, British and French Embassies have now raised informally with the Ministry for Foreign Affairs the question of the form of the negotiations provided for in Article 5 (5).

The Government of the Federal Republic of Germany considers that, with the lifting of the deferral provided for in Article 5 (5), the terms of the London Debt Agreement and its pertinent annexes are applicable to the settlement of the external debts of the City of Berlin and of the Berlin public utility enterprises. It is in particular of the opinion that the bonded external debts of the City of Berlin fall under Annex I, the bonded debts of the public utilities under Annex II, and the miscellaneous other debts of the City of Berlin and the Berlin public utility enterprises under Annex IV. It therefore believes that no further inter-governmental conference is required, but that negotiations may now be

weitere Regierungskonferenz nicht erforderlich ist, sondern dass nunmehr Verhandlungen zwischen den Schuldern und den Gläubigervertretern aufgenommen werden können.

Die Frage der tatsächlichen Regulationsbedingungen für die genannten Schulden wird naturgemäss einen Hauptgegenstand der vorgeschlagenen Verhandlungen bilden. Die Regierung der Bundesrepublik Deutschland ist der Auffassung, dass der Wortlaut des Abkommens und seiner Anlagen ausreichenden Spielraum lässt, die besondere politische und wirtschaftliche Lage Berlins zu berücksichtigen.

Die Regierung der Bundesrepublik Deutschland stimmt mit der Auffassung der Regierung der Vereinigten Staaten von Amerika überein, dass die drei gleichlautenden Noten der Botschaft der Vereinigten Staaten von Amerika, der Königlich Britischen Botschaft und der Französischen Botschaft vom 29. Februar 1956 und diese Note sowie die beiden gleichlautenden Noten an die Königlich Britische Botschaft und die Französische Botschaft eine Auslegung des Londoner Schuldenabkommens darstellen und beglaubigte Abschriften dieser Noten bei der Regierung des Vereinigten Königreichs hinterlegt werden sollen.

Das Aussenamt benutzt auch diesen Anlass, die Botschaft der Vereinigten Staaten von Amerika erneut seiner ausgezeichneten Hochachtung zu versichern.

Bonn, den 2. März 1956  
[L.S.]

An die Botschaft der Vereinigten  
Staaten von Amerika  
Mehlem

undertaken between the debtors and the creditor representatives.

The question of the actual terms of settlement of these debts will naturally be one of the principal objects of the proposed negotiations. The Government of the Federal Republic of Germany is of the opinion that the text of the Agreement and its annexes provides adequate flexibility to take into account the special political and economic position of Berlin.

The Government of the Federal Republic of Germany is in agreement with the view of the Government of the United States of America to the effect that the three identical notes of February 29, 1956 from the American, British and French Embassies and the present note, also the two identical notes addressed to the British and French Embassies, constitute an interpretation of the London Debt Agreement, and that certified copies of these notes be deposited with the Government of the United Kingdom.

The Ministry for Foreign Affairs avails itself of this opportunity to renew to the Embassy of the United States of America the assurance of its highest consideration.

Bonn, March 2, 1956  
[L.S.]

Embassy of the United States  
of America  
Mehlem

NOTES RELATING TO THE AGREEMENT OF 29 FEBRUARY AND  
2 MARCH 1956

## I

*The Ministry for Foreign Affairs of the Federal Republic of Germany  
to the American Embassy*

[GERMAN TEXT — TEXTE ALLEMAND]

[TRANSLATION<sup>1</sup> — TRADUCTION<sup>2</sup>]*Abschrift**Copy*

AUSWÄRTIGES AMT

MINISTRY FOR FOREIGN AFFAIRS

507-519-746-71284/55

507-519-746-71284/55

## VERBALNOTE

## NOTE VERBALE

Das Auswärtige Amt beehrt sich, der Botschaft der Vereinigten Staaten von Amerika in der Angelegenheit betreffend die in Artikel 5 Absatz 5 des Abkommens über deutsche Auslandsschulden vom 27. Februar 1953 erwähnte Regelung der Schulden der Stadt Berlin und der Berliner öffentlichen Versorgungsbetriebe folgendes mitzuteilen :

Die Regierung der Bundesrepublik Deutschland und der Senat von Berlin halten den Zeitpunkt für gekommen, in dem Verhandlungen über eine Regelung der genannten Schulden aufgenommen werden sollen.

Das Auswärtige Amt wäre deshalb für eine Mitteilung dankbar, ob auch die Regierung der Vereinigten Staaten von Amerika die Aufnahme von Verhandlungen über die Regelung der zuvor erwähnten Schulden für tunlich ansieht.

The Ministry for Foreign Affairs has the honor to inform the Embassy of the United States as follows on the subject of the settlement of the debts of the City of Berlin and of the Berlin public utility enterprises, mentioned in Article 5 (5) of the Agreement on German External Debts of February 27, 1953 :

The Government of the Federal Republic of Germany and the Senat of Berlin consider that the moment has come to engage in negotiations for the settlement of these debts.

The Ministry for Foreign Affairs would therefore be grateful for a communication as to whether the United States Government, too, considers that negotiations for the settlement of the above-mentioned debts are practicable.

<sup>1</sup> Translation by the Government of the United States of America.

<sup>2</sup> Traduction du Gouvernement des États-Unis d'Amérique.

Gleichlautende Verbalnoten wurden an die Königlich Britische und die Französische Botschaft gerichtet.

Das Auswärtige Amt benutzt auch diesen Anlass, die Botschaft der Vereinigten Staaten von Amerika erneut seiner ausgezeichneten Hochachtung zu versichern.

Bonn, den 13. August 1955

[L. S.]

An die Botschaft der Vereinigten  
Staaten von Amerika  
Mehlem

Identical notes have been addressed to the British and French Embassies.<sup>1</sup>

The Ministry for Foreign Affairs avails itself also of this opportunity to renew to the Embassy of the United States of America the assurance of its highest consideration.

Bonn, August 13, 1955

[L. S.]

Embassy of the United States  
of America  
Mehlem

## II

### *The American Embassy to the Ministry for Foreign Affairs of the Federal Republic of Germany*

No. 94

The Embassy of the United States of America presents its compliments to the Federal Ministry for Foreign Affairs and has the honor to refer to its note number 507-519-746-71284/55 of the 13th of August, 1955, on the subject of the settlement of the debts of the City of Berlin and of the Berlin public utility enterprises.

In accordance with Article 5 (5) of the Agreement on German External Debts of February 27, 1953, the Federal Ministry for Foreign Affairs states that the Government of the Federal Republic and the Senat of Berlin consider that the moment has come to engage in negotiations for the settlement of these debts.

The Government of the United States of America also considers that negotiations for the settlement of these debts are now practicable.

The Embassy of the United States of America assumes that the Senat of Berlin will send separately to the Allied Kommandatura a formal statement that it shares the same view.

The Embassy of the United States of America suggests that, upon receipt by the Allied Kommandatura of the note of the Berlin Senat,<sup>1</sup> certified true copies

<sup>1</sup> Not printed by the Department of State of the United States of America.

of the notes originated by the Federal Ministry for Foreign Affairs,<sup>1</sup> the British Embassy,<sup>1</sup> the French Embassy,<sup>1</sup> and the Embassy of the United States of America should be deposited in the archives of the Government of the United Kingdom and Northern Ireland for transmission to governments which are signatories of or which accede to the Agreement on German External Debts.

American Embassy

Bonn, August 29, 1955

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<sup>1</sup> The following information is given by the Department of State of the United States of America (*Treaties and Other International Acts Series 3545*, p. 7, footnote 2) : "Exchanges of notes *mutatis mutandis* dated Aug. 13 and 29, 1955, between the British and French Embassies, respectively, and the Federal Ministry for Foreign Affairs ; not printed."