

No. 4358

**ITALY
and
IRAN**

**Payments Agreement (with exchange of letters). Signed
at Rome, on 29 January 1958**

Official text: French.

Registered by Italy on 13 June 1958.

**ITALIE
et
IRAN**

**Accord de paiement (avec échange de lettres). Signé à
Rome, le 29 janvier 1958**

Texte officiel français.

Enregistré par l'Italie le 13 juin 1958.

[TRANSLATION — TRADUCTION]

No. 4358. PAYMENTS AGREEMENT¹ BETWEEN ITALY AND IRAN. SIGNED AT ROME, ON 29 JANUARY 1958

With a view to regulating payments between Iran and Italy, the Government of the Italian Republic and the Imperial Government of Iran have agreed as follows :

Article 1

Payments between Italy and Iran shall be effected in Italian lire, in accordance with the exchange control regulations in force in each of the two countries.

The aforesaid payments may also be effected in other currencies to the extent permissible under the exchange control regulations of each of the two countries.

Article 2

Current payments as referred to in article XIX (*i*) of the Articles of Agreement of the International Monetary Fund² shall be authorized under the terms of the present Agreement.

The competent Authorities of the two countries shall, on a basis of reciprocity and in accordance with their respective exchange control regulations, issue the authorizations necessary to enable the above-mentioned payments to be made.

Article 3

1. The Payments Agreement between Iran and Italy signed on 3 February 1952 shall terminate on the day preceding the entry into force of the present Agreement. The "General Account" referred to in article 1 of the Payments Agreement of 3 February 1952 shall be closed and the outstanding balance liquidated in accordance with the relevant arrangements made by the two Governments.

2. Payments relating to obligations assumed during the term of the Payments Agreement of 3 February 1952 which have not been effected in accordance with the terms of that Agreement or of the exchange of letters No. 3, a,³ and 3, b,³ of today's date, shall be effected in accordance with the terms of article 1 above.

¹ Came into force on 10 February 1958, in accordance with article 4.

² United Nations, *Treaty Series*, Vol. 2, p. 40; Vol. 19, p. 280; Vol. 141, p. 355; Vol. 199, p. 308; Vol. 260, p. 432, and Vol. 287, p. 260.

³ See pp. 189 and 193 of this volume.

Article 4

This Agreement shall enter into force on 10 February 1958 and may be denounced at any time on three months' notice.

DONE at Rome, in duplicate, in French, on 29 January 1958.

For the Government
of the Italian Republic
A. CALISSE

For the Imperial Government
of Iran :
MOUSSA NOURY ESFANDIARY

EXCHANGE OF LETTERS

No. 1, *a*

Rome, 29 January 1958

Your Excellency,

With reference to the terms of article 1 of the Payments Agreement between Italy and Iran signed this day,¹ I have the honour to inform you that in accordance with the exchange control regulations at present in force in Italy, the Italian lire envisaged as the means of payment between our two countries shall be lire from the "foreign lire accounts for multilateral payments" opened with authorized Italian Banks.

The Italian Exchange Office shall give due notice to the Bank Melli Iran of any changes made in these regulations.

I would request you to note that, in accordance with the regulations at present in force in Italy, "foreign lire accounts for multilateral payments" may be freely credited, *inter alia*, with :

— The proceeds of the sale through authorized Italian Banks of free currencies or any of the transferable currencies quoted on the Italian foreign exchange market, which are at present those of member countries of the European Payments Union associated with the system of multilateral payments;

— Sums transferred from other "foreign lire accounts for multilateral payments";

— Sums transferred from "foreign accounts in free lire".

Funds available in the aforementioned accounts may be freely used, *inter alia*, for :

— Conversion, by purchase on the Italian foreign exchange market, into any one of the currencies of the member countries of the European Payments Union associated with the system of multilateral payments;

¹ See p. 183 of this volume.

— Transfer to other “foreign lire accounts for multilateral payments” or to “foreign lire accounts for bilateral payments”.

I have the honour to be, etc.

A. CALISSE

His Excellency Mr. Moussa Noury Esfandiary
Ambassador of Iran
Chairman of the Iranian Delegation
Rome

No. 1, *b*

Rome, 29 January 1958

Your Excellency,

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

[*See letter 1, a*]

I have taken note of the foregoing, for which I thank you.

I have the honour to be, etc.

MOUSSA NOURY ESFANDIARY

His Excellency Mr. Alberto Calisse
Chairman of the Italian Delegation
Rome

No. 2, *a*

Rome, 29 January 1958

Your Excellency,

With reference to the conversations which led to the conclusion of the Payments Agreement between Iran and Italy signed this day, I have the honour to propose the following :

In the event of a substantial change in the systems of payments on which the aforesaid Payments Agreement is based, either of the two countries may address a request to the other for the immediate opening of negotiations with a view to adapting the present provisions to the new circumstances.

If a new Agreement cannot be concluded within a period of two months from the date of the request for the opening of negotiations, the period of notice specified in article 4 of the Payments Agreement aforesaid shall be reduced to one month.

I would request you to be good enough to confirm your Government's acceptance of the foregoing.

I have the honour to be, etc.

MOUSSA NOURY ESFANDIARY

His Excellency Mr. Alberto Calisse
Chairman of the Italian Delegation
Rome

No. 2, *b*

Rome, 29 January 1958

Your Excellency,

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

[*See letter 2, a*]

I have the honour to confirm my Government's acceptance of the foregoing.

I have the honour to be, etc.

A. CALISSE

His Excellency Mr. Moussa Noury Esfandiary
Ambassador of Iran
Chairman of the Iranian Delegation
Rome

No. 3, *a*

Rome, 29 January 1958

Your Excellency,

With reference to article 3, paragraph 1, of the Payments Agreement between Italy and Iran signed this day, I have the honour to propose the following :

(1) (*a*) The "General Account" in US dollars referred to in article 1 of the Payments Agreement signed on 3 February 1952 shall remain open until 10 June 1958 to permit settlement of credits transmitted by either Party up to the end of the day preceding the entry into force of the Payments Agreement signed this day. Such credits may be used until 10 June 1958.

(b) If the balance in the "General Account" at any time exceeds the limit of the technical credit provided in the second paragraph of article 8, of the Payments Agreement of 3 February 1952, the debtor Party shall, at the request of the creditor Party, immediately provide, by means of a cash transfer in US dollars, such funds as are necessary to settle those payments which, if made, would cause this limit to be exceeded.

(c) The "General Account" shall also be used until 10 June 1958 for the repayment of sums transferred through this account during the term of the payments Agreement of 3 February 1952.

(d) The balance outstanding in the "General Account" on 10 June 1958 shall be paid in cash in US dollars by the debtor Party within a period of three months.

(e) To permit settlement of any of the credits mentioned at (a) above remaining wholly or partly unused on 10 June 1958, each of the two Parties shall make to the other an immediate cash payment in US dollars of the sum required.

(2) The Italian Exchange Office and the Bank Melli Iran shall by agreement make such technical arrangements as may be necessary to apply the provisions of this letter.

(3) The provisions of this letter shall not be affected in any way by any changes which may be made in the Payments Agreement signed this day or by its denunciation and shall in any event remain valid until all the obligations referred to in paragraph 1 above have been met.

I would request you to be good enough to confirm your Government's acceptance of the foregoing.

I have the honour to be, etc.

A. CALISSE

His Excellency Mr. Moussa Noury Esfandiary
Ambassador of Iran
Chairman of the Iranian Delegation
Rome

No. 3, *b*

Rome, 29 January 1958

Your Excellency,

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

[*See letter 3, a*]

I have the honour to confirm my Government's acceptance of the foregoing.

I have the honour to be, etc.

MOUSSA NOURY ESFANDIARY

His Excellency Mr. Alberto Calisse
Chairman of the Italian Delegation
Rome