

**No. 4557**

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**CEYLON  
and  
BULGARIA**

**Payments Agreement. Signed at Colombo, on 19 June 1956**

*Official text: English.*

*Registered by Ceylon on 11 November 1958.*

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**CEYLAN  
et  
BULGARIE**

**Accord de paiements. Signé à Colombo, le 19 juin 1956**

*Texte officiel anglais.*

*Enregistré par Ceylan le 11 novembre 1958.*

No. 4557. PAYMENTS AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF CEYLON AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BULGARIA. SIGNED AT COLOMBO, ON 19 JUNE 1956

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With a view to facilitate and regulate payments between Ceylon and the People's Republic of Bulgaria, the Government of Ceylon on the one part and the Government of the People's Republic of Bulgaria on the other part have come to the following agreement—

*Article 1*

All current payments enumerated in Article 3 of this Agreement between Ceylon and physical and juristic persons residing in the People's Republic of Bulgaria shall be effected in accordance with the stipulations of this Agreement.

*Article 2*

For this purpose—

- (1) The Central Bank of Ceylon, acting as the agent of the Government of Ceylon, shall open in its books in the name of the Bulgarian National Bank, acting as the agent of the Government of the People's Republic of Bulgaria a non-interest bearing account denominated in pounds sterling, styled "Bulgarian Account".
- (2) The Bulgarian National Bank acting as the agent of the Government of the People's Republic of Bulgaria shall open in its books in the name of the Central Bank of Ceylon acting as the agent of the Government of Ceylon a non-interest bearing account denominated in pounds sterling styled "Ceylonese Account".

*Article 3*

The following payments shall be considered as current payments—

- (1) Payments for purchase of goods by Ceylon from the People's Republic of Bulgaria and for purchase of goods by the People's Republic of Bulgaria from Ceylon, including transit transactions.

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<sup>1</sup> Came into force on 19 June 1956, the date of signature, and was ratified by both Governments on 4 April 1957, in accordance with article 9.

- (2) Payments for services in connection with the exchange of goods referred to in (1) above such as transport charges, freight including charter hire of ships and connected expenses, insurance, arbitration awards, warehousing and customs fees, processing, repairs, agents' commissions, advertising, brokerage and other charges.
- (3) Payments in respect of—
  - (a) Expenses connected with participation in exhibitions and fairs;
  - (b) Expenses in the country of the other contracting party of official delegations and other representatives.
- (4) Such other payments on which the two Governments may agree.

#### *Article 4*

1. All current payments from Ceylon to Bulgaria shall be made by credit to the "Bulgarian Account" in the books of the Central Bank of Ceylon and corresponding debit entries shall be passed in the "Ceylonese Account" in the books of the Bulgarian National Bank.

2. Current payments from Bulgaria to Ceylon may be made by debit to the "Bulgarian Account" in the books of the Central Bank of Ceylon provided however that such payments may be made only up to any credit balance remaining in that account. Corresponding credit entries will be passed in the "Ceylonese Account" in the books of the Bulgarian National Bank.

3. In special cases current payments from Bulgaria to Ceylon as enumerated in Article 3 of this Agreement may be effected otherwise than by the procedure outlined in paragraph (2) above.

#### *Article 5*

For the purpose of this Agreement all contracts and invoices, relating to trade between Ceylon and the People's Republic of Bulgaria shall be expressed in pound sterling.

#### *Article 6*

Balances in the clearing account maintained in terms of Article 2 of this Agreement may by agreement between the Contracting Parties be transferred to clearing accounts maintained by either of the Contracting Parties with other countries.

Balances from clearing accounts maintained by either of the Contracting Parties with other countries, may also by agreement between the two Contracting Parties, be transferred to the clearing account maintained in terms of Article 2 of the Agreement.

*Article 7*

The Central Bank of Ceylon and the Bulgarian National Bank shall by mutual agreement undertake all the necessary technical details for the effective functioning of the present Agreement.

*Article 8*

In the event of this Agreement being terminated, a Mixed Commission shall meet at the request of either party to decide how any balance in the clearing account should be settled.

*Article 9*

This Agreement will become operative on the date of its signature subject to approval or ratification by both Governments and shall be valid for a period of one year.

In case neither of the Contracting Parties shall have given notice three months before the expiry of the said period of its intention to terminate or modify this Agreement, it will automatically be prolonged each time for another period of one year. If either Party gives notice of its intention to modify this Agreement, both parties will meet together to discuss and agree upon the terms of modifications proposed.

DONE in duplicate at Colombo on 19th day of June, 1956 in English both copies being equally authentic.

For the Government  
of Ceylon :

(Signed) S. F. AMERASINGHE

For the Government  
of the People's Republic  
of Bulgaria :

(Signed) I. K. PERPELIEV