

**No. 4559**

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**CEYLON  
and  
ROMANIA**

**Payments Agreement. Signed at Colombo, on 16 March  
1956**

*Official text: English.*

*Registered by Ceylon on 11 November 1958.*

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**CEYLAN  
et  
ROUMANIE**

**Accord de paiements. Signé à Colombo, le 16 mars 1956**

*Texte officiel anglais.*

*Enregistré par Ceylan le 11 novembre 1958.*

No. 4559. PAYMENTS AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF CEYLON AND THE GOVERNMENT OF THE RUMANIAN PEOPLE'S REPUBLIC. SIGNED AT COLOMBO, ON 16 MARCH 1956

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With a view to facilitate and regulate payments between Ceylon and the Rumanian People's Republic, the Government of Ceylon on the one part and the Government of the Rumanian People's Republic 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 Rumanian People's Republic shall be effected in accordance with the stipulation of this Agreement.

*Article 2*

For this purpose, the Central Bank of Ceylon, acting as the agent of the Government of Ceylon, shall open in its books in the name of the State Bank of the Rumanian People's Republic, acting as the agent of the Government of the Rumanian People's Republic a non-interest bearing account denominated in pounds sterling, styled "Rumanian Account".

On the other hand the State Bank of the Rumanian People's Republic, acting as the agent of the Government of the Rumanian People's Republic, 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 Rumanian People's Republic and for purchase of goods by the Rumanian People's Republic from Ceylon, including transit transactions.
- (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

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<sup>1</sup> Came into force on 19 April 1957, in accordance with article 9.

and Customs fees, processing, repairs, agents' commissions, advertising, brokerage and other charges.

(3) Payments in respect of—

- (a) Expenses and profits of transit transactions.
- (b) Charges connected with participation in exhibitions and fairs.
- (c) Expenses in the country of the other Contracting Party of official delegations and other representatives.
- (d) Rights and fees in connection with patents, licences, trade marks and other similar rights.

(4) Other payments on which the two Governments may agree.

Provided that the subject matter of the transactions, the payments for which are sought to be brought under Article 3 (3) and Article 3 (4) is first agreed by both Contracting Parties.

#### *Article 4*

The Contracting Parties will allow a reciprocal non-interest bearing swing credit of £100,000 in the above mentioned clearing accounts.

Should the balance in the clearing accounts exceed the limit of swing credit provided for in the present Agreement, the debtor party will endeavour to settle the amount in excess of the swing credit within three months by increased deliveries of goods.

Should, after the expiry of the said period of three months, the balance still exceed the swing credit, the debtor party shall forth-with settle the amount in excess of the swing credit at the request of the creditor party, in transferable pounds sterling or any other currency in which the two Contracting Parties may agree.

#### *Article 5*

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

#### *Article 6*

Balances in the clearing accounts 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 accounts maintained in terms of Article 2 of the Agreement.

#### Article 7

The Central Bank of Ceylon and the State Bank of the Rumanian People's Republic 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, the following stipulations will apply :

- (a) The net balance in the two accounts maintained under the present Agreement shall be determined as on the day of termination of this Agreement. The debtor party will endeavour to settle the net balance in so far as it will not be included into a new agreement by delivery of goods within a period of six months.
- (b) If, after the lapse of the said six months, the balance shall not have been settled, the debtor party shall be obliged to settle it immediately at the request of the creditor party in transferable pounds sterling or in any other currency on which the two Contracting Parties may agree.
- (c) The settlement of the outstanding contracts and commitments, payments for which may not have been completed within the said period of six months after the effective date of termination of this Agreement shall be re-negotiated by both Contracting Parties having due regard to the terms and conditions of such contracts and commitments.

#### Article 9

This Agreement enters into force immediately after it has been approved or ratified by both Governments and shall be valid for 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 the Sixteenth March, 1956, in English, both copies being equally authentic.

For the Government  
of Ceylon :

(Signed) S. F. AMERASINGHE

For the Government  
of the Rumanian People's  
Republic :

(Signed) I. MINCU