

No. 5154

**UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
and
GREECE**

**Exchange of notes constituting an agreement on the final
settlement of the Diverted Cargoes Claims. Athens,
14 May 1959**

Official text: English.

*Registered by the United Kingdom of Great Britain and Northern Ireland on
2 June 1960.*

**ROYAUME-UNI DE GRANDE-BRETAGNE
ET D'IRLANDE DU NORD
et
GRÈCE**

**Échange de notes constituant un accord concernant le règle-
ment définitif des créances relatives aux cargaisons
détournées. Athènes, 14 mai 1959**

Texte officiel anglais.

*Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le
2 juin 1960.*

No. 5154. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF GREECE ON THE FINAL SETTLEMENT OF THE DIVERTED CARGOES CLAIMS. ATHENS, 14 MAY 1959

I

Her Majesty's Ambassador at Athens to the Greek Minister for Foreign Affairs

BRITISH EMBASSY

Athens, May 14, 1959

Your Excellency,

I have the honour to state, on the instructions of Her Majesty's Principal Secretary of State for Foreign Affairs, that Her Majesty's Government in the United Kingdom agree to the payment of the sum of £691,187 to the Royal Greek Government in final settlement of the outstanding claims between the two Governments known as the Diverted Cargoes Claims and summarised in this Embassy's Note No. 216 of the 12th of July, 1957. I annex a copy² for ease of reference.

Her Majesty's Government in the United Kingdom acknowledge that, in settlement of a claim originally made by the Anglo-Saxon Petroleum Company, acting as agents for Her Majesty's Government in the United Kingdom, in respect of certain advance payments, which were made to the Greek firm of Messrs. Vayanis and Cairactidis in connexion with the hire of the vessels *Prodromos* and *Chrysorroë* but which were not subsequently earned, the sum of £15,000 has been paid over by the Greek Government to Her Majesty's Government in the United Kingdom by agreement through the offsetting of accounts, and that Her Majesty's Government in the United Kingdom consequently assign to the Greek Government their claim on the debtors.

If the foregoing proposals are acceptable to the Greek Government, I have further to propose that this Note, together with Your Excellency's reply to that effect, should be regarded as constituting an agreement between the two Governments.

I have the honour to be, with the highest consideration,
Your Excellency's obedient Servant,

Roger ALLEN

¹ Came into force on 14 May 1959 by the exchange of the said notes.

² See p. 72 of this volume.

NOTE OF 12 JULY 1957 FROM HER BRITANNIC MAJESTY'S EMBASSY TO THE ROYAL HELLENIC
MINISTRY FOR FOREIGN AFFAIRS

THE BRITISH EMBASSY

Athens, July 12, 1957

Her Britannic Majesty's Embassy presents its compliments to the Royal Hellenic Ministry for Foreign Affairs and has the honour to refer to its *Note Verbale* No. 71 of March 22 and to previous correspondence regarding the Diverted Cargoes settlement.

Subject to what follows, Her Majesty's Government are now prepared to pay, in final settlement, the sum of £691,187 17s. 6d. in accordance with the enclosed schedule.¹ This figure, as the Ministry will observe, includes the item of £10,659, 12s. 4d., to which the Ministry had drawn the attention of Her Majesty's Embassy on April 30 last, in respect of coal supplied to the British Forces in Greece in 1946.

Her Majesty's Government are not prepared to modify their attitude, as described in the Embassy's *Note Verbale* No. 71 of March 22, over the claim of the Anglo-Saxon Petroleum Company. Her Majesty's Government therefore wish to reaffirm that they are not willing to reduce their claim in respect of shipping from the figure of £124,548 which was accepted by the Ministry for Foreign Affairs in April 1953 and is reproduced in the enclosed schedule.

As regards the question of British Underwriters' claim, which has also been mentioned during recent discussions, Her Majesty's Government are prepared to accept the offer made to Her Majesty's Embassy on April 30 last that the Ministry of Finance would support the introduction of the necessary special legislation to enable the underwriters to have further recourse to the Greek courts. This acceptance is subject to Her Majesty's Embassy receiving a written undertaking to this effect and also to it being clearly understood that the acceptance of this offer is without prejudice to Her Majesty's Government and the British Underwriters having the right, should they wish, to pursue the matter by any other means after the latter have had further recourse to the Greek courts.

Subject to the foregoing, Her Majesty's Government are ready to pay the Royal Hellenic Government the sum of £691,187 17s. 6d. in respect of the Diverted Cargoes settlement simultaneously with the repayment by the Royal Hellenic Government of the £2 million which is now due in respect of the Currency Stabilisation Loan and which constitutes, as the Royal Ministry for Foreign Affairs will be aware, a binding treaty obligation of the Royal Hellenic Government.

Her Britannic Majesty's Embassy avails itself of this opportunity to renew to the Royal Hellenic Ministry for Foreign Affairs the assurance of its highest consideration.

¹ See p. 74 of this volume.

Summary re Greek Diverted Cargoes

Due to Greek Government

| | £ | s. | d. |
|---|------------------|----|----|
| 1. Cargoes to Greek Service Ministries | 734,891 | 0 | 0 |
| 2. Dollar element in cargoes converted <i>a</i> 2.80 | 1,446,928 | 0 | 0 |
| 3. Balance from 2 | 1,458,648 | 0 | 0 |
| 4. Inception voyages: £390,621 12s. 4d. plus £24,596 9s. 5d., i.e., excluding any sum (£14,473 14s. 6d.) arising solely from the application of the 2.80 rate | 415,218 | 1 | 9 |
| 5. From the Air Ministry | 9,040 | 9 | 11 |
| 6. From the War Office for coal supplied to British Forces, January—March, 1946 | 10,659 | 12 | 4 |
| | <u>4,075,385</u> | 4 | 0 |

Due to United Kingdom Government

| | £ | s. | d. |
|--|------------------|----|----|
| 1. Claim in respect of shipping | 124,548 | 0 | 0 |
| 2. Due to U.K.C.C., i.e., £1,659,457 plus £7,251 for barley | 1,666,708 | 0 | 0 |
| 3. Due to the War Office for fixed assets | 52,622 | 0 | 0 |
| 4. Due to various Government Departments | 20,696 | 3 | 11 |
| 5. Repairs to ex-German ships : | | | |
| (a) to Ministry of Transport | 84,493 | 14 | 9 |
| (b) to Foreign Office | 10,104 | 6 | 0 |
| 6. Due to Air Ministry, Admiralty and H.M.S.O. | 1,212 | 1 | 10 |
| | <u>1,960,384</u> | 6 | 6 |

Summary

| | £ | s. | d. |
|---|------------------|----|----|
| Due to Greek Government | 4,075,385 | 4 | 0 |
| Less amount due to Her Majesty's Government | 1,960,384 | 6 | 6 |
| | <u>2,115,000</u> | 17 | 6 |
| Due to Greek Government | 2,115,000 | 17 | 6 |
| Less amount already paid | 1,423,813 | 0 | 0 |
| | <u>691,187</u> | 17 | 6 |
| AMOUNT NOW OUTSTANDING | | | |

II

*The Greek Permanent Under-Secretary for Foreign Affairs to Her Britannic Majesty's Ambassador at Athens*MINISTÈRE ROYAL DES AFFAIRES ÉTRANGÈRES¹

Athens, May 14, 1959

Excellency,

I have the honour to acknowledge the receipt of your Note of the day of which the text reads as follows :

[See note I]

I have the honour to confirm that the provisions set out in your Note are acceptable to the Government of Greece who therefore agree that your Excellency's Note and the present reply shall be regarded as constituting an agreement between the two Governments.

Please accept, Excellency the assurance of my highest consideration.

The Permanent Under-Secretary for Foreign Affairs :

P. SKEFERIS

¹ Royal Ministry of Foreign Affairs.