

No. 8516

**ROMANIA
and
AUSTRIA**

**Agreement concerning the settlement of outstanding
financial questions (with exchange of notes). Signed
at Bucharest, on 3 July 1963**

Official texts : Romanian and German.

Registered by Romania on 12 January 1967.

**ROUMANIE
et
AUTRICHE**

**Accord relatif au règlement de questions financières
pendantes (avec échange de notes). Signé à Bucarest,
le 3 juillet 1963**

Textes officiels roumain et allemand.

Enregistré par la Roumanie le 12 janvier 1967.

[TRANSLATION — TRADUCTION]

No. 8516. AGREEMENT¹ BETWEEN THE ROMANIAN PEOPLE'S REPUBLIC AND THE REPUBLIC OF AUSTRIA CONCERNING THE SETTLEMENT OF OUTSTANDING FINANCIAL QUESTIONS. SIGNED AT BUCHAREST, ON 3 JULY 1963

The Romanian People's Republic and the Republic of Austria, desiring to reach a final settlement of the outstanding financial questions specified in this Agreement in connexion with Austrian property in Romania, have agreed as follows :

Article 1

The Romanian People's Republic shall pay to the Republic of Austria a lump sum of 1,355,000 United States dollars as full compensation for Austrian property, rights and interests affected up to the date of signature of this Agreement by Romanian measures of nationalization, measures of State administration or other legislative or administrative measures connected with the structural changes in the Romanian national economy, where such property, rights and interests were owned by the Austrian State or by individuals who or bodies corporate which possessed Austrian nationality both on the date on which the measures in question were taken and on the date of signature of this Agreement.

Payment of the lump sum shall also constitute settlement of claims arising out of securities for the external public debt of Romania payable outside the territory of the Romanian State, including bonds issued by Romanian public corporations. Such settlement shall apply to claims of individuals who or bodies corporate which possess Austrian nationality on the date of signature of this Agreement and had title to the security as at 1 January 1962.

The foregoing provisions shall similarly apply to heirs of the persons referred to in the first and second paragraphs of this article, where such heirs possess Austrian nationality on the date of signature of this Agreement.

Article 2

The payment in full of the lump sum referred to in the first paragraph of article 1 shall extinguish the liability of the Romanian People's Republic

¹ Came into force on 27 April 1965, the thirtieth day after the exchange of the instruments of ratification, which took place at Vienna on 29 March 1965, in accordance with article 9.

and of Romanian individuals and bodies corporate vis-à-vis the Republic of Austria and the Austrian individuals and bodies corporate of whose compensation the lump sum referred to in article 1 is intended. Upon the extinction of that liability, the Republic of Austria shall consider all claims of the kinds described in the first and second paragraphs of article 1 to have been finally settled, whether or not they were put forward during the negotiations.

After the entry into force of this Agreement, the Republic of Austria shall not make or in any way support any claims against the Romanian People's Republic which have been settled by virtue of article 1 of this Agreement.

Article 3

The distribution of the lump sum referred to in article 1 shall be the exclusive responsibility of the Republic of Austria. It shall also be the exclusive responsibility of the Republic of Austria to lay down the conditions for the settlement of the external public debt of Romania referred to in the second paragraph of article 1. The aforementioned distribution or settlement shall not give rise to any responsibility on the part of the Romanian People's Republic.

The Austrian Federal Government shall, not later than two years after the payment in full of the lump sum specified in article 1, deliver to the Government of the Romanian People's Republic the original documents (title-deeds, public-debt securities, etc.) or other documents evidencing entitlement to the compensation or settlement referred to in article 1.

Article 4

This Agreement shall not affect obligations arising out of the Trade and Payments Agreement in force between the Romanian People's Republic and the Republic of Austria.

Article 5

For the purpose of distribution of the lump sum specified in article 1, the Romanian People's Republic shall so far as possible furnish to the Republic of Austria, at its request, all such information and documents as may be necessary for verifying the applications made by Austrian claimants.

Article 6

With a view to the application of this Agreement, the Austrian National Bank shall, thirty days after the entry into force of the Agreement, open in the name of the State Bank of the Romanian People's Republic a special

non-interest-bearing account in dollars, entitled “Romanian-Austrian Financial Agreement of 3 July 1963”.

Article 7

The special account referred to in article 6 of this Agreement shall be financed, pending the payment in full of the lump sum provided for in article 1, by withholding 6 per cent of all remittances to Romanian payees for deliveries of Romanian goods direct to Austria (excluding re-exports and transport costs). The amounts withheld shall not, however, exceed a maximum of 500,000 United States dollars per year. After the close of each working day on which such funds have been credited to the special account, the balance of the account shall be placed at the disposal of the Republic of Austria.

During the period of validity of the Romanian-Austrian Payments Agreement of 12 July 1950, the Austrian National Bank shall effect the credits provided for in the first paragraph of this article by withholding the appropriate percentage of the amounts to be remitted.

If the Payments Agreement for the time being in force expires before the lump sum specified in article 1 has been paid in full, the Romanian People's Republic shall ensure that the financing of the special account in accordance with the provisions of the first paragraph of this article is effected several times a year in accordance with the procedure then applicable to payments for goods deliveries between the Romanian People's Republic and the Republic of Austria.

Article 8

The State Bank of the Romanian People's Republic and the Austrian National Bank shall agree upon the technical procedure for transfers with respect to the withholding of funds provided for in article 7.

Article 9

This Agreement shall be subject to ratification. The exchange of the instruments of ratification shall take place at Vienna as soon as possible.

The Agreement shall enter into force on the thirtieth day after the exchange of the instruments of ratification.

DONE at Bucharest on 3 July 1963 in duplicate, in the Romanian and German languages, both texts being equally authentic.

For the Romanian People's
Republic :

Corneliu MĂNESCU

For the Republic
of Austria :

KREISKY

EXCHANGE OF NOTES

I

Bucharest, 3 July 1963

Sir,

With reference to the Agreement between the Republic of Austria and the Romanian People's Republic concerning the settlement of outstanding financial questions signed this day, I have the honour to inform you of the following :

In the course of the negotiations relating to article 1 of the said Agreement, it was fully agreed between our delegations that measures taken by the Allied Control Commission or the Allied Council affecting the property rights and interests of one of the Contracting States, or of individuals who or bodies corporate which are nationals of that State, in the territory of the other State cannot constitute grounds for claims for compensation against either of the Contracting States.

I should be grateful if you would signify your agreement to the above.

Accept, Sir, etc.

KREISKY

His Excellency Mr. Corneliu Mănescu
Minister for Foreign Affairs
Bucharest

II

Bucharest, 3 July 1963

Sir,

I have the honour to acknowledge receipt of your note of 3 July 1963, reading as follows :

[See note I]

I have the honour to confirm my agreement to the contents of your note.

Accept, Sir, etc.

Corneliu MĂNESCU

His Excellency Dr. Bruno Kreisky
Federal Minister for Foreign Affairs
Bucharest

III

Bucharest, 3 July 1963

Sir,

With reference to the Agreement between the Republic of Austria and the Romanian People's Republic concerning the settlement of outstanding financial questions signed this day, I have the honour to inform you of the following :

In the course of the negotiations, it was fully agreed between the two Contracting Parties that Austrian claims arising out of credits granted by Germany to Romania between the years 1938 and 1944 cannot, after the entry into force of this Agreement, constitute grounds for Austrian claims against the Romanian State or Romanian individuals or bodies corporate.

It was likewise fully agreed between the two Contracting Parties that Romanian or Austrian claims arising out of letters of credit which were issued during the aforementioned period through the Romanian-German clearing system but which were not used cannot be asserted after the entry into force of this Agreement.

I should be grateful if you would signify your agreement to the above.

Accept, Sir, etc.

KREISKY

His Excellency Mr. Corneliu Mănescu
Minister for Foreign Affairs
Bucharest

IV

Bucharest, 3 July 1963

Sir,

I have the honour to acknowledge receipt of your note of 3 July 1963, reading as follows :

[See note III]

I have the honour to confirm my agreement to the contents of your note.

Accept, Sir, etc.

Corneliu MĂNESCU

His Excellency Dr. Bruno Kreisky
Federal Minister for Foreign Affairs
Bucharest

V

Bucharest, 3 July 1963

Sir,

With reference to the provision in the first paragraph of article 7 of the Agreement between the Republic of Austria and the Romanian People's Republic concerning the settlement of outstanding financial questions signed this day whereby transport costs are to be excluded from the value of Romanian goods deliveries to Austria, I have the honour to inform you of the following :

It was fully agreed between the two Contracting Parties that, as concerns the application of the aforementioned provision, the Austrian National Bank and the State Bank of the Romanian People's Republic shall be empowered to decide upon the technical procedures for facilitating so far as possible the practical implementation of the measures referred to in that provision.

I should be grateful if you would signify your agreement to the above.

Accept, Sir, the assurances of my highest consideration.

KREISKY

His Excellency Mr. Corneliu Mănescu
Minister for Foreign Affairs
Bucharest

VI

Bucharest, 3 July 1963

Sir,

I have the honour to acknowledge receipt of your note of 3 July 1963, reading as follows :

[See note V]

I have the honour to confirm my agreement to the contents of your note.

Accept, Sir, etc.

Corneliu MĂNESCU

His Excellency Dr. Bruno Kreisky
Federal Minister for Foreign Affairs
Bucharest