

No. 8808

**GREECE
and
BRAZIL**

**Exchange of notes constituting a provisional trade and
payments agreement. Athens, 30 July 1960**

Official text : French.

Registered by Greece on 23 October 1967.

**GRÈCE
et
BRÉSIL**

**Échange de notes constituant un accord provisoire de
commerce et de paiements. Athènes, 30 juillet 1960**

Texte officiel français.

Enregistré par la Grèce le 23 octobre 1967.

[TRANSLATION — TRADUCTION]

No. 8808. EXCHANGE OF NOTES CONSTITUTING A PROVISIONAL TRADE AND PAYMENTS AGREEMENT¹ BETWEEN GREECE AND BRAZIL. ATHENS, 30 JULY 1960

I

EMBASSY OF THE UNITED STATES OF BRAZIL

No. 42

Athens, 30 July 1960

Sir,

I have the honour to inform you that the Government of Brazil, desiring further to develop trade relations between Brazil and Greece, proposes to the Royal Government of Greece the following Provisional Agreement to regulate trade and payments between the two countries :

PROVISIONAL TRADE AND PAYMENTS AGREEMENT

Article I

Payments arising out of trade operations between the United States of Brazil and the Kingdom of Greece shall be regulated by this Provisional Agreement, subject to the foreign exchange regulations in force in the two countries.

Article II

The Bank of Brazil shall open an account in United States dollars in the name of the Bank of Greece, to be styled "Bank of Greece — Brazil-Greece Provisional Agreement Account", hereinafter referred to as "the Account".

Article III

Payments in respect of the following items shall be effected directly by the Bank of Brazil and the Bank of Greece through the Account :

(a) Exports and imports of goods intended for consumption or processing in the two countries;

¹ Came into force on 30 July 1960 by the exchange of the said notes.

(b) Commercial and banking expenses relating to such exports and imports, e.g., freight charges, commissions, insurance and reinsurance premiums, commercial and bank interest and other expenses incidental to the transactions;

(c) Other operations which shall, in each case, be approved in advance by the Bank of Brazil and the Bank of Greece.

Article IV

Invoices relating to the transactions regulated by this Provisional Agreement be drawn up in United States dollars.

Article V

Transfers relating to consular receipts shall not be effected through the Account.

First paragraph. Consular receipts collected by Greece in Brazil shall at all times during the term of this Provisional Agreement be transferred through the free foreign exchange market.

Second paragraph. During the term of this Provisional Agreement, the competent Greek authorities shall, whenever so requested, release the foreign exchange equivalent in freely convertible United States dollars for the transfer of consular receipts collected by Brazil in Greece.

Article VI

The transactions regulated by this Provisional Agreement may be effected through banks or banking institutions authorized, in their respective countries, to engage in foreign exchange operations and to operate under the terms of this Provisional Agreement. In order to be included in the Account, such transactions must be transferred to the Bank of Brazil or the Bank of Greece, as the case may be.

Article VII

The Contracting Parties shall grant each other a reciprocal revolving credit of \$500,000.

Sole paragraph. Interest at the rate of 3 % per annum shall be payable on the balance of the Account and shall be computed every six months or, as and when the occasion arises, upon closure of the Account, to which it shall be debited or credited.

Article VIII

Upon the expiry of this Provisional Agreement in accordance with the terms of article XII, the Account referred to in article II shall remain open for a further period of 90 (ninety) days for the receipt of payments arising out of operations approved by the authorities of the two countries during the term of this Provisional Agreement which are still outstanding. Payments arising out of new transactions effected with a view to liquidating the debit balance shall also be made to the Account during the said further period. After the expiry of the said period of 90 (ninety) days, the net balance shall be liquidated by the debtor Bank, in freely convertible

currency, in the manner to be agreed on by the two official Banks and subject to the following conditions :

- I. Any amount in excess of the limit of the reciprocal credit shall be paid immediately;
- II. 50 (fifty) per cent of the remainder shall be paid within the following 30 (thirty) days, that is to say, up to the 120th (one hundred and twentieth) day from the date of expiry of the Provisional Agreement ;
- III. The residue shall be paid within the following 30 (thirty) days, that is to say, up to the 150th (one hundred and fiftieth) day after the expiry of the Provisional Agreement.

Article IX

Goods exported from Brazil to Greece and from Greece to Brazil under the terms of this Provisional Agreement shall be assigned solely to domestic consumption or to processing by industries in the importing country.

First paragraph. The re-export of goods purchased under the terms of this Provisional Agreement shall be permitted only by way of exception and subject to prior agreement, in each case, between the Bank of Brazil and the Bank of Greece.

Second paragraph. Goods so re-exported shall be paid for in the currency specified, in each case, by the country of origin of the goods.

Article X

The expiry of this Provisional Agreement shall not affect the period of validity of export and import licences granted during its term.

Article XI

The Bank of Brazil and the Bank of Greece shall agree on the technical arrangements necessary to the execution of this Provisional Agreement.

Article XII

This Provisional Agreement shall enter into force on the date of its signature and shall remain in force for a term of six months.

First paragraph. It shall nevertheless automatically cease to be valid if, during the period of the said six months, the Contracting Parties conclude another instrument regulating their reciprocal trade and payments.

Second paragraph. After the expiry of the period of six months referred to in this article, the Contracting Parties shall agree on the arrangements necessary to the regulation of their reciprocal trade and of the payments arising out of such trade.

If the Royal Government of Greece agrees with these proposals, this note and your reply in identical terms shall constitute a formal Provisional Agreement between the Brazilian Government and the Royal Government of Greece on the subject in question.

Accept, Sir, etc.

Antonio MENDES VIANNA
Ambassador of the United States of Brazil

His Excellency Mr. Constantin Tsatsos
Acting Minister for Foreign Affairs
Athens

II

Athens, 30 July 1960

Sir,

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

[See note I]

Accept, Sir, etc.

C. TSATSOS
Acting Minister for Foreign Affairs

H. E. Mr. Antonio Mendes Vianna
Ambassador Extraordinary and Plenipotentiary
of the United States of Brazil
Embassy of the United States of Brazil
Athens
