

No. 8577

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**NETHERLANDS  
and  
PARAGUAY**

**Payments Agreement (with exchange of notes). Signed at  
Asunción, on 13 April 1957**

*Official texts: Dutch and Spanish.*

*Registered by the Netherlands on 22 March 1967.*

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**PAYS-BAS  
et  
PARAGUAY**

**Accord de paiement (avec échange de notes). Signé à Asun-  
ción, le 13 avril 1957**

*Textes officiels néerlandais et espagnol.*

*Enregistré par les Pays-Bas le 22 mars 1967.*

[TRANSLATION — TRADUCTION]

No. 8577. PAYMENTS AGREEMENT<sup>1</sup> BETWEEN THE KINGDOM OF THE NETHERLANDS AND THE REPUBLIC OF PARAGUAY. SIGNED AT ASUNCIÓN, ON 13 APRIL 1957

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The Government of the Kingdom of the Netherlands and the Government of the Republic of Paraguay, recognizing the importance of imparting greater flexibility to the system of payments between the two countries on a multilateral basis, have decided to conclude a Payments Agreement, to which end they have appointed their Plenipotentiaries, namely :

The Government of the Kingdom of the Netherlands: His Excellency Dr. Reijnier Flaes, Envoy Extraordinary and Minister Plenipotentiary accredited to the Government of the Republic of Paraguay;

The President of the Republic of Paraguay, General of the Army Alfredo Stroessner: His Excellency Dr. Raúl Sapena Pastor, Minister for Foreign Affairs;

Who, having exchanged their full powers, found in good and due form, have agreed on the following provisions :

*Article I*

All payments of any kind whatsoever between the Republic of Paraguay and the Kingdom of the Netherlands shall be effected in guilders through the accounts referred to in article II in accordance with the provisions of this Agreement and in conformity with the exchange control regulations in force in each of the two countries. Without prejudice to the foregoing provision, the payments mentioned therein may be effected in currencies other than that agreed upon, provided that the exchange control regulations in force in both countries so permit.

*Article II*

The Nederlandsche Bank N.V. shall open in its books an account in guilders in the name of the Banco Central del Paraguay, which shall be non-interest-bearing and exempt from charges.

Netherlands banks which conduct foreign transactions may likewise open in their books guilder accounts in the names of the Banco Central del Paraguay and of duly authorized Paraguayan banks or other institutions.

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<sup>1</sup> Came into force on 15 April 1957, in accordance with the provisions of the exchange of notes accompanying the Agreement (see pp. 98 to 106 of this volume).

*Article III*

The Banco Central del Paraguay and the Nederlandsche Bank N.V. shall agree on the technical arrangements for giving effect to this Agreement.

*Article IV*

This Agreement shall supersede the Payments Agreement between the Government of the Kingdom of the Netherlands and the Government of the Republic of Paraguay signed on 30 January 1950.

This Agreement shall remain in force for a period of one year from the date of its entry into force. It shall be renewed by tacit consent and may be denounced at any time on three months' notice.

IN WITNESS WHEREOF the aforementioned Plenipotentiaries have signed and sealed this Agreement, in two copies, both being equally authentic, in the Dutch and Spanish languages, in the city of Asunción, capital of the Republic of Paraguay, on 13 April 1957.

For the Government  
of the Kingdom of the Netherlands :

R. FLAES  
Envoy Extraordinary  
and Minister Plenipotentiary

For the Government  
of the Republic of Paraguay :

Raúl SAPENA PASTOR  
Minister for Foreign Affairs

## EXCHANGE OF NOTES

## I

## LEGATION OF THE NETHERLANDS

Asunción, 13 April 1957

Sir,

With reference to the Payments Agreement between the Kingdom of the Netherlands and the Republic of Paraguay signed today, I have the honour to inform you of the following :

In the course of the negotiations it has been agreed that the Republic of Paraguay shall be included in the transferable guilder area. Consequently, the funds in Paraguayan accounts referred to in article II of the Payments Agreement signed today shall be fully transferable in accordance with the provisions which are in force or may in the future be in force in the Netherlands in respect of the transferable guilder area.

The transferable guilder area at present includes the countries belonging to the European Payments Union (excluding Turkey) and their respective

monetary areas, and Afghanistan, Brazil, Chile, Ethiopia, Finland, Iran, Yemen Lebanon, Saudi Arabia, Sudan, Syria, Tangiers, Thailand and Uruguay. Under the provisions at present in force in the Netherlands, transferable guilder accounts may be credited with all current payments of any kind whatsoever effected by residents of the Netherlands for the account of residents of countries belonging to the transferable guilder area, which shall include the Republic of Paraguay. They may also be credited with the equivalent in guilders of convertible currencies sold in the Amsterdam foreign exchange market or of currencies of countries belonging to the European Payments Union which are quoted in the said market, and with amounts transferred from free guilder accounts or other transferable guilder accounts. Transferable guilder accounts may be debited with current payments effected by residents of countries belonging to the transferable guilder area, which shall include the Republic of Paraguay, for the account of residents of the Netherlands. The funds may also be used for the purchase of currencies of countries belonging to the European Payments Union which are quoted in the Amsterdam foreign exchange market, and for transfers to other transferable guilder accounts.

In the event that the guilder becomes fully convertible, the Paraguayan accounts referred to in article II of the said Payments Agreement shall automatically become freely convertible guilder accounts.

The Nederlandsche Bank N.V. shall inform the Banco Central del Paraguay of the date on which the Republic of Paraguay has been included in the transferable guilder area, and the payments system referred to in this note shall enter into force with effect from the said date.

I have the honour to inform you that this note and your affirmative reply shall constitute an agreement between the two Governments with respect to the foregoing.

Accept, Sir, etc.

R. FLAES

His Excellency Dr. Raúl Sapena Pastor  
Minister for Foreign Affairs  
Asunción

## II

## REPUBLIC OF PARAGUAY

Asunción, 13 April 1957

Sir,

I take pleasure in acknowledging receipt of your note of today's date, reading as follows :

[See note I]

In reply, I am to inform you that my Government agrees with the proposal contained in the note reproduced above, and consequently that note and the present note shall constitute an agreement supplementing the Agreement in question.

Accept, Sir, etc.

Raúl SAPENA PASTOR

His Excellency Dr. Reijnier Flaes  
Envoy Extraordinary and Minister Plenipotentiary  
of the Kingdom of the Netherlands  
Asunción

## III

## REPUBLIC OF PARAGUAY

Asunción, 13 April 1957

Sir,

With reference to article IV of the Payments Agreement between the Republic of Paraguay and the Kingdom of the Netherlands signed today, I have the honour to propose, on behalf of my Government, that the said Agreement shall enter into force on 15 April 1957, as from the commencement of banking hours on that date.

In the event that this proposal meets with the approval of your Government, this note and your favourable response of the same date and in identical terms shall constitute a supplementary agreement governing the entry into force of the Agreement in question.

Accept, Sir, etc.

Raúl SAPENA PASTOR

His Excellency Dr. Reijnier Flaes  
Envoy Extraordinary and Minister Plenipotentiary  
of the Kingdom of the Netherlands  
City

## IV

## LEGATION OF THE NETHERLANDS

Asunción, 13 April 1957

Sir,

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

[See note III]

In reply, I am to inform you that, inasmuch as the Paraguayan proposal meets with the approval of my Government, the text reproduced above and the present note shall constitute a supplementary agreement concerning the date of entry into force of the Agreement in question.

Accept, Sir, etc.

R. FLAES

His Excellency Dr. Raúl Sapena Pastor  
Minister for Foreign Affairs  
Asunción

## V

## LEGATION OF THE NETHERLANDS

Asunción, 13 April 1957

Sir,

I have the honour to draw your attention to the fact that, in the course of the negotiations which preceded the conclusion of the Payments Agreement between the Kingdom of the Netherlands and the Republic of Paraguay signed today, it was agreed as follows :

Commercial operations between the two countries shall receive the same treatment as that accorded to transactions payable in a freely convertible or a transferable currency.

This note and your affirmative response shall constitute a supplement to the said Agreement.

Accept, Sir, etc.

R. FLAES

His Excellency Dr. Raúl Sapena Pastor  
Minister for Foreign Affairs  
Asunción

## VI

## REPUBLIC OF PARAGUAY

Asunción, 13 April 1957

Sir,

I take pleasure in acknowledging receipt of your note of today's date, reading as follows :

[See note V]

In reply, I am to inform you that my Government agrees with the proposal contained in the note reproduced above, and consequently that note and the present note shall constitute a supplement to the Agreement in question.

Accept, Sir, etc.

Raúl SAPENA PASTOR

His Excellency Dr. Reijnier Flaes  
Envoy Extraordinary and Minister Plenipotentiary  
of the Kingdom of the Netherlands  
Asunción

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