

No. 9401

**BULGARIA
and
AFGHANISTAN**

Payments Agreement. Signed at Sofia on 19 October 1967

Authentic texts: Bulgarian, Dari and English.

Registered by Bulgaria on 5 February 1969.

**BULGARIE
et
AFGHANISTAN**

Accord de paiements. Signé à Sofia le 19 octobre 1967

Textes authentiques: bulgare, dari et anglais.

Enregistré par la Bulgarie le 5 février 1969.

PAYMENTS AGREEMENT¹ BETWEEN THE PEOPLE'S REPUBLIC OF BULGARIA AND THE KINGDOM OF AFGHANISTAN

With reference to Article 7 of this Trade Agreement between the People's Republic of Bulgaria and the Kingdom of Afghanistan, signed on 19th October, 1967 in Sofia, Bulgaria, the Government of the People's Republic of Bulgaria and the Government of the Kingdom of Afghanistan, desiring to facilitate and regulate payments between the two countries on the basis of equality and mutual benefit, have agreed as follows:

Article 1

All payments for goods and services between the Bulgarian Foreign Trade Organisations as autonomous juridical persons who are authorised by the Bulgarian Government and Afghan physical and juridical person who are authorised by the Afghan Government, shall be effected in accordance with the foreign exchange and other regulations being in force or which may come into force in either country.

Article 2

The Bulgarian Foreign Trade Bank, acting as agent of the Government of the People's Republic of Bulgaria, shall open in its books in the name of Da Afghanistan Bank an account in U.S. clearing dollars, entitled the "Account Kingdom of Afghanistan", Da Afghanistan Bank, acting as agent of the Government of the Kingdom of Afghanistan, shall open in its books in the name of the Bulgarian Foreign Trade Bank an account in U.S. clearing dollars, entitled the "Account of the People's Republic of Bulgaria". Both accounts shall be non-interest bearing, except as provided for in Article 5. Both banks shall not charge each other any fees, telegraphic charges, or expenses whatsoever, incurred in connection with the above-mentioned accounts.

Article 3

a) The account "People's Republic of Bulgaria" shall be credited with the values of exported goods and services rendered by physical and juridical persons

¹ Came into force on 16 May 1968, on the date of the exchange of notes which took place at Kabul to the effect that it had been ratified according to the constitutional procedures of both countries, in accordance with article 11.

residing in the People's Republic of Bulgaria in favour of physical and juridical persons residing in the Kingdom of Afghanistan.

The same account shall be debited with the values of exported goods and services rendered by physical and juridical persons residing in the Kingdom of Afghanistan in favour of physical and juridical persons residing in the People's Republic of Bulgaria.

b) The account "Kingdom of Afghanistan" shall be credited with the values of the exported goods and services rendered by physical and juridical persons residing in the Kingdom of Afghanistan in favour of physical and juridical persons residing in the People's Republic of Bulgaria.

The same account shall be debited with the values of exported goods and services rendered by physical and juridical persons residing in the People's Republic of Bulgaria in favour of physical and juridical persons residing in the Kingdom of Afghanistan.

Article 4

For the purpose of this agreement all contracts concerning the exchange of goods and services, invoices, as well as payment orders, shall be expressed in U.S. dollars.

Article 5

For the purpose of facilitating the payments both Contracting Parties shall grant each other a non-interest bearing swing credit on the accounts mentioned in Article 2 of this Agreement amounting to clearing dollars 150.000.

If this swing credit is exceeding, the excess amount will bear an interest of 3% per annum.

Article 6

If after the expiry of this Agreement the clearing accounts opened in accordance with Article 2 show a balance in favour of either Party, the Debtor Party will settle this balance through delivery of goods within 6 month's period from the date of the expiry of the Agreement. If at the end of this period the balance shall not have been settled, representatives of both Contracting Parties shall consult each other within a further 3 month's period with a view to settle the balance. If during this period the balance has not been still settled, the Debtor Party undertakes to settle it immediately in U.S. dollars or in any other convertible currency determined by the Contracting Parties.

Article 7

The U.S. Clearing Dollars referred to in this Agreement shall be deemed to be equal to the U.S. dollar with a gold content of 0.888671 grams of fine gold

per dollar. In the event of a change in the gold content of the U.S. dollar, the accounts maintained under this Agreement shall be reconciled and offset as of the day such change took place, and the resulting not balance adjusted in proportion to the change. At the same time, the swing credit stipulated in Article 5 of this Agreement shall be adjusted in proportion to the change.

In the same way will be rectified the amounts stated in the concluded, but not entirely fulfilled contracts as on the date of the change in the dollar rate, as well as the unpaid documents related to the fulfilment of the present Agreement.

Article 8

The Bulgarian Foreign Trade Bank and the Da Afghanistan Bank shall agree within three months period on additional technical matters necessary for the execution of this Agreement.

Article 9

The provisions of this Agreement shall apply to all transactions concluded under this Agreement but not executed before expiration of this Agreement.

Article 10

By mutual consent of the competent organs of the Contracting Parties for each particular case may be effected transfers on the accounts mentioned in the present Agreement to a third country with which the People's Republic of Bulgaria and the Kingdom of Afghanistan have concluded Payments Agreements.

Article 11

This Agreement shall enter into force on the date of exchange of notes in Kabul of its approval and/or ratification by relevant authorities of both countries in accordance with the constitutional procedures of each Contracting Party, and shall remain in force until 3 years.

The validity of this Agreement will be automatically extended for another period of one year, unless either Contracting Party gives notice in writing of its intention to terminate or revise this Agreement six months before the termination of its validity.

Both Contracting Parties agree that this Agreement shall be implemented retroactively from the date of the signing thereof.

DONE in Sofia on the 19th October, 1967, in triplicate in the Bulgarian, Dari and English languages. In case of different interpretations the English text shall be authentic.

On behalf of the Government
of the People's Republic
of Bulgaria:
O. TIHOMIROV

On behalf of the Government
of the Kingdom
of Afghanistan:
M. A. OMAR