

No. 17903

**BELGIUM and LUXEMBOURG
and
HUNGARY**

Agreement concerning the compensation of Belgian and Luxembourg interests nationalized in Hungary (with annex and memorandum). Signed at Budapest on 1 February 1955

Authentic text: French.

Registered by Belgium on 20 July 1979.

**BELGIQUE et LUXEMBOURG
et
HONGRIE**

Accord concernant l'indemnisation des intérêts belges et luxembourgeois nationalisés en Hongrie (avec annexe et mémorandum). Signé à Budapest le 1^{er} février 1955

Texte authentique : français.

Enregistré par la Belgique le 20 juillet 1979.

[TRANSLATION — TRADUCTION]

AGREEMENT¹ BETWEEN BELGIUM AND THE GRAND DUCHY OF LUXEMBOURG, ON THE ONE HAND, AND THE HUNGARIAN PEOPLE'S REPUBLIC, ON THE OTHER HAND, CONCERNING THE COMPENSATION OF BELGIAN AND LUXEMBOURG INTERESTS NATIONALIZED IN HUNGARY

The Belgian Government and the Luxembourg Government, on the one hand, and the Hungarian Government, on the other hand, desiring to settle questions relating to the compensation of Belgian and Luxembourg interests affected by the Hungarian nationalization measures and, above all, by Decree-Law No. 20/1949, have concluded the following Agreement:

Article 1. The purpose of this Agreement is to determine the arrangements for payment by the Hungarian Government of a lump-sum global compensation for Belgian and Luxembourg property, rights and interests affected by the Hungarian nationalization measures.

Article 2. The following shall be considered to be Belgian and Luxembourg interests affected by the Hungarian nationalization measures:

- (a) Partial or complete holdings which Belgian or Luxembourg individuals or bodies corporate have directly or indirectly in Hungarian public corporations affected by the Hungarian nationalization measures;
- (b) Establishments affected by the Hungarian nationalization measures owned in Hungary by Belgian or Luxembourg individuals and bodies corporate;
- (c) Claims of Belgian or Luxembourg individuals and bodies corporate against Hungarian public companies or corporations affected by the Hungarian nationalization measures, in which such individuals or bodies corporate have, directly or indirectly, a partial or complete holding;
- (d) Rights conferred on Belgian or Luxembourg individuals and bodies corporate by the provisions of articles 24 and 26 of the Treaty of Peace signed at Paris on 10 February 1947,² inasmuch as such rights relate to property, rights or interests affected by the Hungarian nationalization measures;
- (e) Rights arising from patents, trade marks and patterns registered prior to 1 September 1949 and affected by the Hungarian nationalization measures.

A table listing the principal Belgian and Luxembourg claimants to nationalization compensation known at the time of the signing of this Agreement is annexed to this Agreement for purposes of guidance (annex 1).

Article 3. This Agreement does not relate to:

- (1) Belgian or Luxembourg property, rights and interests affected by the Hungarian nationalization measures for which special agreements have been reached previously;

¹ Came into force on 10 September 1955, the date of the exchange of the instruments of ratification, which took place at Brussels, in accordance with article 12.

² United Nations, *Treaty Series*, vol. 41, p. 135.

- (2) Claims other than those referred to in article 2, paragraph (c) above, which Belgian or Luxembourg nationals have against Hungarian debtors and, more particularly, claims arising from commercial transactions;
- (3) Assets and bank accounts belonging to Belgian or Luxembourg nationals;
- (4) Benefits arising from life insurance policies taken out by Belgian or Luxembourg nationals;
- (5) Bonds issued by the Hungarian State, provinces or communes and by firms in which the Hungarian State, provinces or communes had a majority holding prior to 1 September 1939.

Article 4. The nationalization compensation to be paid under this Agreement shall be raised to indemnify all the interests specified in article 2 which, directly or indirectly, were Belgian or Luxembourg in nature at the time of the nationalization measure and at the time of the signing of this Agreement.

The Hungarian Government shall transmit to the Belgian Government or to the Luxembourg Government for consideration and settlement, as appropriate, all claims addressed by a Belgian or Luxembourg party or by their beneficiaries based on the Hungarian nationalization measures that affected an interest specified in article 2.

Article 5. The global compensation to be paid by the Hungarian Government for the Belgian and Luxembourg interests specified in article 2 shall be set at 95 (ninety-five) million Belgian francs.

Payment of this sum shall be made to the Belgian Government, in accordance with the arrangements agreed by the signatory Governments.

Article 6. Payment in full of the sum mentioned in article 5 above shall release both the Hungarian State and Hungarian individuals and bodies corporate from liability in respect of the totality of the Belgian or Luxembourg property, rights and interests referred to in article 2.

The Belgian Government and the Luxembourg Government undertake, subject to fulfilment by Hungary of its obligations, not to support against the Hungarian Government or before an arbitral or judicial body claims relating to interests which are to benefit from the aforesaid Agreement.

After payment in full of the lump-sum global compensation, the Hungarian Government shall be given possession, as far as possible, of the instruments representing the Belgian and Luxembourg property, rights and interests compensated under this Agreement, including the receipts issued by the Legation of Hungary in Brussels at the time of the deposit of the shares of nationalized companies.

Article 7. The Hungarian Government shall regard as finally settled all Hungarian public claims in respect of Belgian or Luxembourg claimants relating to property, rights and interests referred to in this Agreement. In particular, persons benefiting under this Agreement shall be finally released from all fiscal obligations arising from Hungarian legal or statutory provisions and relating both to the property, rights and interests which they own and which have been subjected to Hungarian nationalization measures and to the compensation due to them on account of those measures. Such compensation shall, moreover, be paid net of any future tax or charge.

Article 8. The Hungarian Government undertakes henceforth not to permit the use of trade marks or brands and trade names registered as the property of Belgian or

Luxembourg individuals or bodies corporate without the express consent of those individuals or corporations.

Article 9. Belgian or Luxembourg claims arising from Hungarian legislative acts or other measures implemented after the signing of this Agreement shall not be settled by the payment of the global compensation provided for in article 1.

Article 10. In the event of any dispute concerning the implementation of this Agreement, the Governments concerned shall endeavour to reach an amicable settlement through an Intergovernmental Commission composed of one or more Hungarian members and an equal number of Belgian or Luxembourg members.

This Intergovernmental Commission shall meet within six weeks after either party makes known the issue in dispute and the composition of its delegation.

Article 11. For the purpose of facilitating the distribution of the lump-sum global compensation, the Hungarian Government shall provide, at the request of the other Contracting Party, such information as may be necessary to enable the Belgian and Luxembourg authorities to consider applications from Belgian and Luxembourg claimants entitled to compensation.

The Belgian Government and the Luxembourg Government shall transmit to the Hungarian Government as soon as possible the names of all individuals and bodies corporate whose property, rights and interests have been acknowledged to be Belgian or Luxembourg interests within the meaning of article 2 and who are therefore entitled to benefit under this Agreement.

Article 12. This Agreement shall be ratified.

The exchange of the instruments of ratification shall take place at Brussels as soon as possible. The Agreement shall enter into force on the date of that exchange.

DONE in triplicate at Budapest, on 1 February 1955.

For the Belgian
Government:

[Signed]

LECOCQ

For the Luxembourg
Government:

[Signed]

LECOCQ

For the Hungarian
Government:

[Signed]

Roos

ANNEX 1 TO THE AGREEMENT BETWEEN BELGIUM AND THE GRAND DUCHY OF LUXEMBOURG, ON THE ONE HAND, AND THE HUNGARIAN PEOPLE'S REPUBLIC, ON THE OTHER HAND, CONCERNING THE COMPENSATION OF BELGIAN AND LUXEMBOURG INTERESTS NATIONALIZED IN HUNGARY, SIGNED AT BUDAPEST ON 1 FEBRUARY 1955

LIST OF THE PRINCIPAL BELGIAN OR LUXEMBOURG CLAIMANTS TO NATIONALIZATION COMPENSATION KNOWN AT THE TIME OF THE SIGNING OF THE AGREEMENT

- Compagnie Générale des Conduites d'eau, 426, Quai des Venues, in Liège, for its interests in Conduites d'eau Ister (Ister Magyar Vizművek, Ujpest).
- Compagnie Financière Belge des Pétroles "Petrofina", 111, rue du Commerce, in Brussels, for its interests in Magyar Belga Asványolaj Rt.
- Les Filatures Chapuis à Bellevaux-Verviers, Boîte Postale 71, in Verviers, for its interests in Burettfonógyár Rt.

- Kolendelving N.V., 7, rue d'Arenberg, in Brussels, for its interests in Charbonnages de Puzstavám (Puzstavámi Érdekeltségek Rt. azelőtt Puzstavámi Szénbánya Rt).
- Société Générale de Belgique, 3, Montagne du Parc, in Brussels, for its interests in Industrie Textile Grab (Grab-féle Textilipar Rt).
- Messieurs R. et V. Haegman, 91, rue Léopold 1^{er}, in Brussels, for their interests in "Egri és Visontai Borpincészet Rt".
- Messieurs Poels et Cie, 55, Meir, in Antwerp, for their interests in "Poels et Cie à Pápa" (Poels és Tsa Bacon Huskonzervgyár Kft. Pápa).
- Messieurs Solvay et Cie, 33, rue Prince Albert, in Brussels, for their interests in "Hungária Vegyi- és Kohóművek Rt".

MEMORANDUM

With reference to the Agreement concluded this day between the Belgian Government and the Luxembourg Government, on the one hand, and the Hungarian Government, on the other hand, concerning the compensation of Belgian and Luxembourg interests nationalized in Hungary, the Belgian and Luxembourg Governments confirm that, since the said Agreement does not cover either Belgian or Luxembourg interests governed by the Hungarian legislation on land reform or the rights conferred on Belgian or Luxembourg individuals or bodies corporate by the provisions of articles 24 and 26 of the Treaty of Peace signed at Paris on 10 February 1947, inasmuch as these rights do not relate to property, rights or interests affected by the Hungarian nationalization measures, or the buildings which were nationalized in accordance with Decree-Law No. 4 of 17 February 1952, they desire that an arrangement be devised as soon as possible to compensate the above-mentioned interests and rights not covered by the Agreement concluded this day.

The Hungarian Government has, however, explained that certain elements of a legal and technical nature relating to the issues mentioned above are still being examined and studied and that, accordingly, it is not in a position at the present time to make a statement concerning when it will be able to begin negotiations on the issues in question.

DONE at Budapest, in triplicate, on 1 February 1955.

For the Belgian
Government:

[Signed]

LECOCQ

For the Luxembourg
Government:

[Signed]

LECOCQ

For the Hungarian
Government:

[Signed]

Roosz