

N° 1549.

**GRANDE-BRETAGNE
ET GRÈCE**

Accord en vue du règlement de la dette de guerre de la Grèce envers la Grande-Bretagne, signé à Londres, le 9 avril 1927, et échange de notes y relatif, de la même date.

**GREAT BRITAIN
AND GREECE**

Agreement for the Settlement of the War Debt of Greece to Great Britain, signed at London, April 9, 1927, with Exchange of Notes relating thereto, of the same Date.

No. 1549. -- AGREEMENT FOR THE SETTLEMENT OF THE WAR DEBT OF GREECE WITH GREAT BRITAIN. SIGNED AT LONDON, APRIL 9, 1927.

*Texte officiel anglais communiqué par le Ministère des Affaires étrangères de Sa Majesté britannique.
L'enregistrement de cet accord a eu lieu le 11 octobre 1927.*

Whereas the Government of the Greek Republic are indebted, as at the 31st March, 1927, to His Majesty's Government in Great Britain, after deduction of all claims in respect of damages caused by the British troops in Greece, for the sum of £21,441,450, represented by Greek sterling Treasury Bills held by His Majesty's Treasury ;

And whereas the two Governments desire to arrive at a friendly agreement for the funding of this debt on terms compatible with the economic and financial capacity of Greece ;

Now, therefore, the Right Honourable Winston Leonard Spencer CHURCHILL, Chancellor of the Exchequer of Great Britain, and M. Demetrius CACLAMANOS, Envoy Extraordinary and Minister Plenipotentiary of Greece, duly authorised thereto by their respective Governments, subject to such ratification as may be required, have agreed as follows :

(1) In view of the terms of Article 2 of the Agreement of the 10th February, 1918, relating to military supplies, and of the further provisions of Article 4 of the Agreement of the 31st August, 1925, the British Government agree to remit all claims on Greece in respect of the military material supplied under the Agreement of the 10th February, 1918.

(2) In full and final settlement of the balance of the War Debt, the Greek Government agree to pay, and His Majesty's Government to accept, the following scale of payments representing a present value of approximately £6,950,000, viz. :

	£
For the year 1926	50,000
For the year 1927	200,000
For the year 1928	200,000
For the year 1929	250,000
For the year 1930	300,000
For the years 1931 to 1935 inclusive .	350,000 a year.
For the years 1936 to 1987 inclusive .	400,000 a year.

The payment for the year 1926 shall be regarded as having been discharged and satisfied by the payments made by Greece since the 1st January, 1926; the payments for subsequent years shall be made in sterling at the Bank of England, London, in equal half-yearly instalments on the 1st June and the 1st December of each year, so that the first payment shall be made on the 1st June, 1927, and the final payment on the 1st December 1987.

¹ TRADUCTION. — TRANSLATION.N^o 1549. — ACCORD EN VUE DU RÈGLEMENT DE LA DETTE DE GUERRE DE LA GRÈCE ENVERS LA GRANDE-BRETAGNE. SIGNÉ A LONDRES, LE 9 AVRIL 1927.

English official text communicated by His Britannic Majesty's Foreign Office. The registration of this Agreement took place October 11, 1927.

Considérant que le Gouvernement de la République hellénique est débiteur, au 31 mars 1927, envers le Gouvernement de Sa Majesté en Grande-Bretagne, déduction faite de toutes les créances afférentes aux dommages causés par les troupes britanniques en Grèce, d'une somme de £ 21.441.450, représentée par des bons du Trésor hellénique, libellés en sterling et détenus par le Trésor de Sa Majesté ;

Et considérant que les deux gouvernements sont animés du désir d'aboutir à un accord amical en vue de la consolidation de cette dette à des conditions compatibles avec la capacité économique et financière de la Grèce ;

Le très honorable Winston Leonard Spencer CHURCHILL, chancelier de l'Échiquier de Grande-Bretagne, et M. Demetrius CACLAMANOS, envoyé extraordinaire et ministre plénipotentiaire de Grèce, dûment autorisés à cet effet par leurs gouvernements respectifs, sont, en conséquence, sous réserve de toute ratification qui pourra être nécessaire, convenus de ce qui suit :

1^o Vu les termes de l'article 2 de l'Accord du 10 février 1918 relatif aux fournitures militaires, et vu les dispositions complémentaires de l'article 4 de l'Accord du 31 août 1925, le Gouvernement britannique convient de délimiter le montant de toutes les créances sur la Grèce en ce qui concerne le matériel militaire fourni aux termes de l'Accord du 10 février 1918.

2^o Afin de régler complètement et définitivement le solde de la Dette de guerre, le Gouvernement hellénique convient d'acquitter, et le Gouvernement de Sa Majesté convient d'accepter l'échelle de paiements suivante, représentant une valeur actuelle de £ 6.950.000 approximativement :

	£
Pour l'année 1926	50.000
Pour l'année 1927	200.000
Pour l'année 1928	200.000
Pour l'année 1929	250.000
Pour l'année 1930	300.000
De 1931 à 1935 inclusivement	350.000 par an.
De 1936 à 1987 inclusivement	400.000 par an.

Le paiement pour l'année 1926 sera considéré comme ayant été dûment réglé au moyen des versements effectués par la Grèce depuis le 1^{er} janvier 1926 ; les paiements pour les années ultérieures seront effectués en sterling à la Banque d'Angleterre, à Londres, par versements semestriels égaux, le 1^{er} juin et le 1^{er} décembre de chaque année, de sorte que le premier versement sera effectué le 1^{er} juin 1927, et le dernier, le 1^{er} décembre 1987.

¹ Traduit par le Secrétariat de la Société des Nations.

¹ Translated by the Secretariat of the League of Nations.

(3) On or before the 1st June, 1927, the Greek Government will issue and deliver to the British Treasury a Serial Bond substantially in the form shown in the annex to this Agreement in respect of each of the instalments to be paid under the provisions of Article 2 of this Agreement. The payments due under these Bonds shall be made without deduction for, and shall be exempt from, any and all taxes and other public dues, present or future, imposed by the authority of the Greek Government or any political or local taxing Authority in Greece. Interest at the rate of 6 per cent. shall be charged on any instalment due and not paid at the due date.

(4) If at any time while the payments under Article 2 of this Agreement are continuing it appears that the aggregate payments effectively received by Great Britain under Allied War Debt Funding Agreements and on account of Reparations or of Liberation Bonds exceed the aggregate payments effectively made by Great Britain to the Government of the United States of America in respect of war debts, an account shall be drawn up by the British Treasury, interest at 5 per cent. being allowed on both sides of the account ; and if that account shows that the receipts exceed the payments, Great Britain will credit Greece against the payments next due by Greece under Article 2 of this Agreement with such proportion of that excess as the payments effectively made by Greece under Article 2 of this Agreement bear to the aggregate sums effectively received by Great Britain under all Allied War Debt Funding Agreements. Thereafter a similar account will be drawn up by the British Treasury each year, and any further excess of the receipts over the payments shall each year give rise to a credit to Greece of a proportion of such excess calculated in the manner indicated above. On the other hand, any deficit shall be made good by an increase in the payments next due by Greece, up to a similar proportion of such deficit, within the limit of the total amount of the credits already allowed to Greece under this Article. For the purpose of this Article any capital sums which may hereafter be realised by Great Britain in respect of Reparations or of Liberation Bonds will be taken at their annual value, taking account of amortisation.

(5) Save as provided in Article 2 of the present Agreement the British and Greek Governments mutually renounce all claims and counter-claims arising out of the various Agreements relating to the war debt of Greece to Great Britain.

(6) As from the coming into force of this Agreement, His Majesty's Government will waive the requirement of Article 4 of the Agreement (No. VI) of the 10th February, 1918, that the assignment by Greece of security to any external loan should be subject to their assent.

(7) Upon the execution of this Agreement and the delivery to Great Britain of the bonds provided for in Article 3, duly executed, His Majesty's Government will cancel and return to Greece the Greek Treasury Bills which they at present hold representing the war debt funded by this Agreement.

(8) Nothing in this Agreement shall affect the payments to be made by Greece in execution of Article 7 of the Agreement of the 31st August, 1925, as modified by the Agreement of the 8th October, 1925, relating to the net debt post-war supplies.

Signed in duplicate at London on the ninth day of April, 1927.

On behalf of Great Britain:
Winston S. CHURCHILL.

On behalf of Greece:
D. CACLAMANOS.

ANNEX.

FORM OF BOND.

Dated 1927. Maturing , 19 .

The Government of the Greek Republic, for value received, promises to pay to the Government of His Britannic Majesty, or order, on , 19 , the sum of pounds sterling at the Bank of England, London.

The payment due under this bond shall be exempt from all Greek taxation, present or future.

This bond is issued by the Government of the Republic of Greece pursuant to the agreement of the ninth day of April, 1927, for the settlement of the War Debt of Greece to Great Britain.

LETTER FROM THE CHANCELLOR OF THE EXCHEQUER TO THE GREEK MINISTER
IN LONDON.

TREASURY CHAMBERS.

9th April, 1927.

YOUR EXCELLENCY,

On the occasion of the signature of the Agreement for the funding of the Greek War Debts to Great Britain, I desire to emphasise to Your Excellency the friendly attention with which His Majesty's Government are following the efforts of the Greek Government to restore the financial situation of Greece and to stabilise Greek currency. I am convinced that the settlement of the Greek War Debt to Great Britain will contribute to this end ; and I wish to assure you that His Majesty's Government would view with the utmost sympathy any well considered plan of financial reconstruction framed on adequate lines, and will gladly give such a plan the fullest support that may be in their power. His Majesty's Government are the more ready to give this support in view of, and in return for, the waiver by the Greek Government, as part of the debt funding agreement, of their claim to the balance of the credits arising from the agreement of 10th February, 1918.

Yours very faithfully,

Winston S. CHURCHILL.

His Excellency
The Greek Minister.

REPLY OF THE GREEK MINISTER TO THE CHANCELLOR OF THE EXCHEQUER.

No. 1012.

LEGATION DE GRÈCE,
51, Upper Brook Street,
London, W.1.

9th April, 1927.

SIR,

I have the honour to acknowledge receipt of the letter under the same date, by which you have been so good as to inform me that on the occasion of the signature of the Agreement for the funding of the Greek War Debt to Great Britain, you desire to emphasise to me the friendly attention with which His Britannic Majesty's Government are following the efforts of my Government

to restore the financial situation of Greece and to stabilise Greek currency. Furthermore you express the conviction that the settlement of the Greek War Debt to Great Britain will contribute to this end, and you kindly assure me that His Britannic Majesty's Government would view with the utmost sympathy any well considered plan of financial reconstruction framed on adequate lines, and will gladly give such a plan the fullest support that may be in their power. You also state that His Britannic Majesty's Government are the more ready to give this support in view of and in return for the waiver by my Government, as part of the Debt funding Agreement, of their claim to the balance of the credits arising from the agreement of roth February, 1928.

I wish, in expressing to you my sincere thanks for the above assurances given in the name of His Britannic Majesty's Government, to take account of the contents of your letter on behalf of my Government.

I have the honour to be, with the highest consideration, Sir, Your most obedient humble Servant,

D. CACLAMANOS.

To the Right Honourable,
Winston Churchill, C.H., M.P.,
Chancellor of the Exchequer.