

N° 1805.

ALLEMAGNE ET FRANCE

Convention modifiant les modalités
de perception du prélèvement sur
la valeur des importations alle-
mandes en France, avec annexe.
Signée à Paris, le 16 mars 1928.

GERMANY AND FRANCE

Convention modifying the Methods
of collecting the Levy on the
Value of German Imports into
France, with Annex. Signed at
Paris, March 16, 1928.

TEXTE ALLEMAND. — GERMAN TEXT.

N^o 1805. — ABKOMMEN¹ ÜBER DIE ABÄNDERUNG DES ERHEBUNGSVERFAHRENS DER ABGABE VON DER DEUTSCHEN-EINFUHR NACH FRANKREICH, GEZEICHNET IN PARIS, AM 16. MÄRZ 1928.

N^o 1805. — CONVENTION¹ ENTRE L'ALLEMAGNE ET LA FRANCE MODIFIANT LES MODALITÉS DE PERCEPTION DU PRÉLÈVEMENT SUR LA VALEUR DES IMPORTATIONS ALLEMANDES EN FRANCE. SIGNÉE A PARIS, LE 16 MARS 1928.

Textes officiels allemand et français communiqués par le consul général d'Allemagne à Genève. L'enregistrement de cette convention a eu lieu le 1^{er} août 1928.

German and French official texts communicated by the German Consul-General at Geneva. The registration of this Convention took place August 1, 1928.

Um das gegenwärtige Erhebungsverfahren der Abgabe vom Werte der deutschen Wareneinfuhr nach Frankreich nach dem französischen Gesetz vom 21. April 1921 durch ein System von Pauschalzahlungen zu ersetzen, das dem Uebertragungskomitee die nach dem Plan des ersten Sachverständigenkomitees und dem Londoner Protokoll² vom 30. August 1924 vorgesehene Verfügung über die Zahlungen auf Grund dieser Gesetzesbestimmungen auch weiterhin sichert, vereinbaren die Deutsche und die Französische Regierung, unter Vorbehalt der Zustimmung der Reparationskommission und des Uebertragungskomitees, das gegenwärtige Erhebungsverfahren aufzuheben und von einem durch Notenwechsel zu vereinbarenden Zeitpunkt ab durch das folgende Verfahren zu ersetzen :

Artikel I.

Das gegenwärtige Verfahren nach dem französischen Gesetz vom 21. April 1921, nach dem

¹ En vertu d'un arrangement particulier entre les parties contractantes, la convention est entrée en vigueur le 20 mars 1928.

² Vol. XXX, page 75, et vol. XLI, page 249, de ce recueil.

En vue de substituer aux présentes modalités de perception du prélèvement institué par la loi française du 21 avril 1921 sur la valeur des importations allemandes en France, un système de paiements forfaitaires, comportant le maintien de la juridiction du Comité des transferts sur les paiements faits en vertu de ce texte législatif, juridiction prévue par le plan du premier Comité d'experts et par le Protocole de Londres² en date du 30 août 1924,

Les Gouvernements allemand et français conviennent, sous réserve de l'approbation de la Commission des réparations et du Comité des transferts, de suspendre les modalités de perception présentement en vigueur et de les remplacer, à partir d'une date qui sera fixée par un échange de notes, par la procédure suivante :

Article premier.

La procédure actuelle de la loi française du 21 avril 1921, suivant laquelle une fraction

¹ In virtue of a special agreement between the Contracting Parties, the Convention came into force March 20, 1928.

² Vol. XXX, page 75, and Vol. XLI, page 249, of this Series.

¹ TRADUCTION. — TRANSLATION.

No. 1805. — CONVENTION BETWEEN GERMANY AND FRANCE
 MODIFYING THE METHODS OF COLLECTING THE LEVY ON THE
 VALUE OF GERMAN IMPORTS INTO FRANCE. SIGNED AT PARIS,
 MARCH 16, 1928.

With the object of replacing the present method of collecting the levy, instituted under the French Law of April 21, 1921, on the value of German imports into France, by a system of lump payments, while at the same time maintaining the jurisdiction of the Transfer Committee over payments made under the said Law, as provided in the plan of the First Committee of Experts and in the London Protocol of August 30, 1924,

The German Government and the French Government agree, subject to approval by the Reparation Commission and the Transfer Committee, to suspend the method of collection now in force, and to replace it, as from a date to be fixed later by an exchange of notes, by the following procedure :

Article I.

The present procedure under the French Law of April 21, 1921, according to which a proportion of the value of German goods imported into France and into Algeria is collected by the French Customs from the French importers, shall be replaced by a system involving the voluntary surrender on the part of the German exporters of an equivalent amount in foreign exchange, in the manner provided in the following clauses of the present Agreement.

Article II.

The aggregate payment to be made monthly shall be fixed as follows :

1. The aggregate value in francs of the German imports during the third month preceding the month of payment — as given by the official returns of the French Customs (special trade), compiled in accordance with the rules applied to general foreign trade — shall be taken as a basis. This total shall be converted at first into Reichsmarks, the amount in francs being converted at the average exchange value² of the Reichsmark on the Paris Exchange during the month under consideration.

Not later than the fifteenth day of each month, and, in the first instance, on the fifteenth day of the month preceding the coming into force of the Agreement, the French Government shall communicate to the German Government and the Agent-General for Reparation Payments, the basic figure thus arrived at for computing the payment for the following month.

2. From the sum in Reichsmarks thus obtained shall be deducted the value of the imports coming under the head of deliveries in kind, of imports into the Saar Territory and of other imports which, under the French Law of April 21, 1921, and its executive regulations, are exempt from the levy. The amount to be deducted is determined by its ratio to the aggregate value of German imports into France.

¹ Traduit par le Secrétariat de la Société des Nations, à titre d'information.

¹ Translated by the Secretariat of the League of Nations, for information.

² The average rate of exchange is the average of the first official quotations.

It is fixed in the first instance at an aggregate percentage of 71.5 %. This percentage includes :

- (a) 58 % for imports of deliveries in kind.
- (b) 13.5 % for imports into the Saar Territory and other imports not subject to the levy.

The percentage shall be re-examined at the request of either Government and readjusted, if necessary, to meet existing circumstances as from March 1st, July 1st and November 1st in each year. The request for re-examination shall be notified to the other Government at least one month before each of the above dates.

As soon as a new percentage has been agreed upon it shall be notified to the Agent-General for Reparation Payments. When such a notification takes place before the first day of the month of payment, the new percentage shall be applied as from the beginning of the new period of four months. In other cases, the existing percentage shall be provisionally maintained, subject to a later adjustment of accounts, until the new percentage has been notified to the Agent-General for Reparation Payments and has actually come into force. The amount of the increase or diminution resulting from the adjustment of accounts referred to above shall be equally distributed among the remaining monthly payments for the current period of four months.

3. The levy coefficient of 26 % (or any other coefficient in force at a given date) shall be applied to the sum remaining after the application of the deduction percentage as defined above.

The result of this arithmetical operation shall represent the aggregate amount of the monthly payment to be made. Should this amount, however, be greater than the sum in Reichsmarks standing to the credit of the French Government in the books of the Agent-General for Reparation Payments — that is to say, greater than the sum which, according to the programme of the Reparation Commission and of the Transfer Committee is available, for the month in question, for making payments in respect of the levy on the value of German imports into France — the payment shall be limited to the amount of the available balance.

Article III.

1. The German Government shall compel the chief German exporters, to the number of at least 2,500, by means of individual declarations in conformity with the model appended hereto, and shall further bind them through their representative national unions, to hand over to the Reichsbank, in foreign exchange received for their exports, 30 % of the total amount of their exports which are subject to the levy. The exporters concerned shall at the same time produce to the said Bank a declaration stating their names and also the date, the amount and the nature of the payment effected in foreign exchange.

The names of these exporters shall be notified to the French Government and to the Agent-General for Reparation Payments within a fortnight from the coming into force of the present Convention.

At the request of the German Government, the National Unions of Commerce and Industry shall take the necessary steps to ensure that the said exporters require their customers to pay them in foreign exchange, to the extent of at least 30 % of the total amount of such of their exports as are subject to the levy, thus enabling the exporters to meet their obligation to hand over foreign exchange.

2. The above stipulations are based on the assumption that 30 % of the value of the exports in respect of which these firms are liable to the levy will, on an average, suffice to cover 26 % of the value of the aggregate exports at present subject to the levy. Should experience prove this assumption to be incorrect, the German Government would take the necessary measures to ensure the efficient working of the system.

Article IV.

On the 10th, the 20th and the last day of each month the Reichsbank shall transfer to the credit of the Agent-General for Reparation Payments with the Bank of France, out of the amount

of foreign exchange received from the exporters, a sum in French francs equal to one-third of the amount of the monthly payment, computed as in Article II above, and duly notified to the Reichsbank by the Agent-General for Reparation Payments.

Article V.

1. A special reserve to be invested in French francs, equivalent to 4 million Reichsmarks or a minimum, shall be built up as follows :

Whenever the value of the foreign exchange handed over in the course of one month by the exporters exceeds the amount which the Reichsbank is bound, under Article IV, to transfer during the same month to the credit of the Agent-General, the Reichsbank shall pay the surplus of foreign exchange to the Reichskreditgesellschaft in Berlin, for the purpose of maintaining this reserve.

Any withdrawals from the said reserve under the terms of paragraph 3 below shall be made good by paying in surpluses of foreign exchange subsequently received by the Reichsbank, so that the reserve may be reconstituted as soon as possible.

2. From the coming into force of the present Convention, the Reichskreditgesellschaft shall pay into the said reserve the sum of four million Reichsmarks referred to above, which it will draw from the supplies of foreign exchange already in its possession and arising from exports.

The amount thus advanced by the Reichskreditgesellschaft shall be repaid out of the surplus of foreign exchange received from exporters, which has to be transferred by the Reichsbank to the Reichskreditgesellschaft.

3. Whenever the value of the foreign exchange surrendered by the exporters in the course of one month proves less than the amount which the Reichsbank is bound under Article II to transfer during the same month to the credit of the Agent-General for Reparation Payments with the Bank of France, the Reichskreditgesellschaft shall draw from the special reserve a sum equal to the amount of the deficit and transfer it to the said credit.

4. The special reserve shall be under the control of the Finance Minister of the Reich. The French Government and the Agent-General for Reparation Payments shall at all times be given any information they may request in regard to the said reserve, and its amount shall be regularly notified on the 1st of each month, unless the said amount be equivalent to at least four million Reichsmarks.

Article VI.

The value in Reichsmarks of the payments made by the Reichsbank and the Reichskreditgesellschaft shall be calculated on the basis of the average rate of exchange quoted on the Berlin Exchange on the day preceding the day of payment. It is agreed that this amount shall be paid by the Agent-General for Reparation Payments to whichever of the two banks has effected the transfer as soon as he has received telegraphic notice of the transfer from the Bank of France.

The Reichsbank, for its part, shall undertake payment to the exporters of the value of the foreign exchange handed over by them.

Article VII.

It is agreed that, subject to any restrictions which may be prescribed by the Transfer Committee, the Agent-General for Reparation Payments shall transfer to the French Government any sums which may have been placed to his credit with the Bank of France by the Reichsbank and the Reichskreditgesellschaft.

Article VIII.

The sole purpose of the present Convention is to modify the method of collecting the levy on the value of German imports into France. Payments effected in accordance with the above

stipulations are therefore juridically the same in all respects as the levy made under the law of April 21, 1921, and its executive regulations.

The coming into force of the present Convention is therefore entirely without prejudice to the respective juridical standpoints of the two Contracting Parties, as regards the levy on the value of German imports into France.

Article IX.

1. Subject to the provisions of paragraph 3 below, the present Convention may, if it does not in practice yield results which are deemed satisfactory by one or other of the two Parties, be denounced by either Government on giving three months notice, but not before the end of six months from the date of its coming into force, so that the period of denunciation would begin to run as from that date.

2. The two Governments will use their best endeavours to prevent any difficulties to which the application of the present Agreement might give rise. Desirous of establishing the new system as firmly as possible and thus avoiding a return to the former system, they undertake not to give notice of denunciation until they have attempted by fresh negotiations to find means of remedying any defects revealed by the application of the new system.

3. Nevertheless, if during any given month the monthly sum paid should, as a result of the inadequacy of the foreign exchange handed over by exporters and the exhaustion of the special reserve, fall below the amount payable, and if the deficit should not be covered before the 20th of the following month, the Convention shall lapse on the expiration of the latter month.

4. Should the present Agreement expire in accordance with the provisions of paragraph 1 or paragraph 3 above, the previous situation shall be restored as from the date of the expiration, it being understood that the legal reservations stipulated in Article VIII in the case of the two Parties shall be maintained.

In faith whereof, the respective Plenipotentiaries, holding full powers found to be in good and due form, have signed the present Convention and have thereto affixed their seals.

Done in Paris in duplicate, in French and in German, on March 16, 1928.

(L. S.) (Signed) VON HOESCH.

(L. S.) (Signed) BRIAND.

ANNEX.

No.

DECLARATION BINDING GERMAN EXPORTERS.

The undersigned firm hereby pledges itself to hand over immediately to the Reichsbank, in foreign exchange, and against repayment of an equivalent amount in Reichsmarks, 30 % of the sums received in payment for all its exports to France and to Algeria, and when doing so, to fill up a form showing the name of the firm, the date when the foreign exchange was handed over, its nature, and the aggregate total.

(Place and date)
 (Name or seal of the firm)
 (Signature)

Reichskommissariat
 für Reparationslieferungen,
 Berlin, W. 9.