

N° 4098.

ITALIE ET NORVÈGE

Accord pour le règlement des paiements relatifs aux échanges commerciaux entre les deux pays. Signé à Rome, le 31 mars 1937.

ITALY AND NORWAY

Agreement for the Regulation of Payments in connection with Goods Transactions between the Two Countries. Signed at Rome, March 31st, 1937.

¹ TRADUCTION. — TRANSLATION.

No. 4098. — AGREEMENT ² BETWEEN THE KINGDOM OF ITALY AND THE KINGDOM OF NORWAY FOR THE REGULATION OF PAYMENTS IN CONNECTION WITH GOODS TRANSACTIONS BETWEEN THE TWO COUNTRIES. SIGNED AT ROME, MARCH 31ST, 1937.

*French official text communicated by the Permanent Delegate of Norway to the League of Nations.
The registration of this Agreement took place April 21st, 1937.*

THE NORWEGIAN GOVERNMENT and THE ITALIAN GOVERNMENT, being desirous of regulating payments in connection with goods transactions between the two countries, have agreed upon the following provisions :

Article 1.

1. Payments in respect of goods of Norwegian origin imported into Italy after the date of the entry into force of the present Agreement shall be effected by payment of the equivalent in Italian lire into the Banca d'Italia, being the bank of the Istituto Nazionale per i Cambi con l'Estero.

2. The Istituto Nazionale per i Cambi con l'Estero shall credit the sums received, converted into Norwegian crowns at the rate of exchange current on the day of payment, as provided in Article 5 of the present Agreement, to a pooled account in Norwegian crowns, not carrying interest, to be opened by it in the name of the Norges Bank.

3. Payments in respect of goods of Italian origin imported into Norway after the date of the entry into force of the present Agreement shall be effected by payment of the equivalent in Norwegian crowns into the Norges Bank.

4. The Norges Bank shall credit 88 per cent of the sums so received to a pooled account in Norwegian crowns, not carrying interest, to be opened by it in the name of the Istituto Nazionale per i Cambi con l'Estero.

5. The Norges Bank shall credit the remaining 12 per cent to a "special account" in Norwegian crowns, not carrying interest, to be opened by it in the name of the Istituto Nazionale per i Cambi con l'Estero. The special account shall be used for the liquidation of outstanding Italian commercial debts. Upon the completion of the liquidation of the said commercial debts, the special account shall be closed, and the whole of the payments into the Norges Bank shall be credited to the pooled account for which paragraph 4 provides.

Article 2.

1. Sums in Norwegian crowns standing to the credit of the pooled Norwegian crown account at the Norges Bank for which the Italo-Norwegian *Modus Vivendi* ³ of August 25th, 1936, provides

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 Came into force April 1st, 1937.

³ Vol. CLXXI, page 377, of this Series.

shall be credited in their entirety to the pooled account for which Article 1, paragraph 4, of the present Agreement provides.

2. Sums in Norwegian crowns paid in after the date of the entry into force of the present Agreement in settlement of imports of Italian goods into Norway effected between July 15th, 1936, and March 31st, 1937, shall be credited as to 88 per cent to the pooled account for which Article 1, paragraph 4, provides, and as to the remaining 12 per cent to the special account for which paragraph 5 of the same Article provides.

Article 3.

1. Sums in Italian lire standing to the credit of the pooled account at the Istituto Nazionale per i Cambi con l'Estero for which the *Modus Vivendi* of August 25th, 1936, provides shall be converted into Norwegian crowns and credited to the pooled Norwegian crown account for which Article 1, paragraph 2, provides. The conversion into Norwegian crowns and transfer to credit of the pooled account shall be effected in the chronological order of the payments received, as and when the necessary funds are available in the pooled account at the Norges Bank for which Article 1, paragraph 4, provides, the conversion being at the rate of exchange current on the day of transfer, as provided in Article 5.

2. Sums in Italian lire paid in after the date of the entry into force of the present Agreement in settlement of imports into Italy of goods of Norwegian origin effected between July 15th, 1936, and March 31st, 1937, shall be credited to the pooled account for which Article 1, paragraph 2, provides, and converted into Norwegian crowns in accordance with the provisions of the said paragraph.

Article 4.

1. The Istituto Nazionale per i Cambi con l'Estero and the Norges Bank shall advise one another daily of all payments received, with particulars in the case of each payment of the amount paid, the name of the party from whom the order for payment proceeds, and the name of the payee, together with any other particulars required for the establishment of the claim. Advices of payments received by the Istituto Nazionale per i Cambi con l'Estero shall further specify the Norwegian crown equivalent of each payment received.

2. The Istituto Nazionale per i Cambi con l'Estero shall advise the Norges Bank at the earliest possible moment of all payments under Article 3, paragraph 1; and the Norges Bank for its part shall advise the Istituto Nazionale per i Cambi con l'Estero of all payments under Article 2, paragraph 1.

3. The Istituto Nazionale per i Cambi con l'Estero shall advise the Norges Bank without delay of all conversions into Norwegian crowns and transfers to the credit of the pooled account under Article 3, paragraph 2.

Article 5.

1. The Istituto Nazionale per i Cambi con l'Estero and the Norges Bank shall fix the rate of exchange as between the Italian lira and the Norwegian crown by common accord; and the said rate shall govern the conversion into lire of debts expressed in Norwegian crowns and the conversion into Norwegian crowns of debts expressed in lire.

2. Debts expressed in currencies other than lire or Norwegian crowns shall be converted into lire in Italy, and into Norwegian crowns in Norway, at the official rates current on the Rome and Oslo Stock Exchanges respectively on the day preceding the day of payment.

3. Where a creditor has not received the full amount of his claim under the operation of the rate of conversion above provided, a supplementary payment shall be due from the debtor to cover

the difference. Payment-out of the equivalent of such supplementary payments shall be made to creditors immediately upon advice of the receipt of the said supplementary payments without regard to the chronological order for which Article 6 provides.

Article 6.

1. Payments-out to creditors shall be made in the currency of the respective countries, as and when the necessary funds are available, in the chronological order of the payments-in received.

2. The advices of payments received for which Article 4, paragraph 1, provides and the advices of conversions and transfers for which Article 4, paragraph 3, provides, shall rank as orders for payment — that is to say, in the case of advices by the Istituto Nazionale per i Cambi con l'Estero, of the sums in Norwegian crowns therein specified and, in the case of advices by the Norges Bank, of the equivalent in Italian lire of the payments received in Norwegian crowns at the rate of exchange for which Article 5 provides.

The provision of the preceding paragraph to the effect that advices by the Istituto Nazionale per i Cambi con l'Estero to the Norges Bank shall rank as orders for payment of the sums in Norwegian crowns therein specified shall not apply to sums invoiced in Italian lire or in currencies other than Italian lire or Norwegian crowns. Sums invoiced in lire shall be paid out to creditors by the Norges Bank at the rate of exchange current on the day of payment, as fixed under Article 5, paragraph 1; and sums invoiced in currencies other than Italian lire or Norwegian crowns shall be paid out to creditors at the official rate quoted on the Oslo Stock Exchange for the currency in question on the day of payment, provided always that the sum payable to the creditor shall in no case be greater than the sum in Norwegian crowns specified in the advice of payment.

3. The Istituto Nazionale per i Cambi con l'Estero shall debit all such payments-out to the pooled Norwegian crown account to be opened in the name of the Norges Bank. The Norges Bank shall debit all such payments to the pooled Norwegian crown account, or (as the case may be) to the special Norwegian crown account, to be opened in the name of the Istituto Nazionale per i Cambi con l'Estero.

4. The Norges Bank and the Istituto Nazionale per i Cambi con l'Estero shall advise one another without delay of all payments-out made on the strength of the advices of payments-in thereto relating.

Article 7.

1. All advance payments for the purchase of goods of Italian or of Norwegian origin to be imported into Norway or into Italy respectively shall be made in accordance with the provisions of the present Agreement.

2. Advance payments shall not be admissible unless made on the strength of an import licence previously issued by the competent authorities, and in accordance with a specific provision in the purchase contract for the goods and in accordance with commercial usage.

3. Advance payments for purchases of stock-fish (*stoccafisso*) in Norway may not exceed 25 per cent of the total price of stock purchases.

Article 8.

1. Private compensation transactions for goods of Norwegian or of Italian origin shall not be admissible unless already approved and in course of operation at the date of signature of the present Agreement.

2. Nevertheless, it shall be open to the two Governments to conclude special arrangements in respect of compensation transactions, even where the purchases concerned are not made by official authorities of the two countries.

Article 9.

1. The present Agreement shall apply only to goods which, under the regulations in force in the importing country, are deemed to be goods having their origin in the other country.

2. Nevertheless, the present Agreement shall cover the case of imports into Norway of salt of Lybian provenance.

3. For the purpose of the present Agreement, the terms " Italian goods " and " Norwegian goods " shall not include vessels for navigation.

Nevertheless, the two Governments may agree, in particular cases, to authorise the use of the clearing system for payments in respect of the purchase of vessels.

4. Charges and commissions due from Norwegian exporters to their representatives in Italy, and charges and commissions due from Italian exporters to their representatives in Norway, in respect of goods transactions between the two countries, shall be paid through the clearing.

Payments of charges and commissions may also be made by means of deduction from the sums payable into the clearing by the importers of the two countries.

Nevertheless, the two clearing authorities reserve the right to ascertain and check the nature and purpose of such payments, and to satisfy themselves that they genuinely represent the equivalent of the charges and commissions aforesaid.

5. The present Agreement shall not apply to goods in transit.

Article 10.

Each Government shall take the necessary steps, in so far as it is concerned, with a view to the regular operation of the system of payments in settlement of claims for which the present Agreement provides.

Article 11.

1. The two Governments shall settle by common accord any difficulties arising in connection with the execution of the present Agreement.

2. The Istituto Nazionale per i Cambi con l'Estero and the Norges Bank shall concert together as to the technical arrangements necessary to ensure the regular operation of the present Agreement.

Article 12.

If on the expiry of the present Agreement there should be a balance outstanding with the clearing institution of one country in favour of the clearing institution of the other country, the importers of the latter country shall continue to make payment of the equivalent of their imports into the clearing institution of their own country, until such time as the whole of the balance has been liquidated.

Article 13.

The present Agreement shall come into force on April 1st, 1937, and shall remain in force until June 30th, 1938. If not denounced three months before the latter date, it shall be extended by tacit assent from half-year to half-year, subject always to notice of three months before the conclusion of each half-year.

Nevertheless, in the event of circumstances arising after October 1st, 1937, of such a character as to modify the bases of the present Agreement, it shall be open to either of the Contracting Parties to demand the immediate opening of negotiations with a view to remedying such difficulties as may have arisen.

Should such negotiations not lead to satisfactory results within the period of one month, it shall be open to either of the Contracting Parties to denounce the present Agreement at one month's notice, such notice to take effect at the end of the current half-year.

The duration of the present Agreement shall in any case be subject to the same conditions as the Agreement¹ for the Regulation of Goods Transactions signed this day.

In faith whereof the present Agreement has been signed.

Done at Rome, in duplicate, this 31st day of March, 1937.

On behalf of Norway :

(Signed) J. IRGENS.

(Signed) P. PREBENSEN.

On behalf of Italy :

(Signed) CIANO.

¹ See page 349 of this Volume.