



Treaty Series No. 46 (1937)

## AGREEMENT

between His Majesty's Government in the United Kingdom  
and the Roumanian Government

supplementary to the

# ANGLO-ROUMANIAN PAYMENTS AGREEMENT of May 2, 1936

London, May 27, 1937

*Presented by the Secretary of State for Foreign Affairs  
to Parliament by Command of His Majesty*

LONDON

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AGREEMENT BETWEEN HIS MAJESTY'S GOVERNMENT IN  
THE UNITED KINGDOM AND THE ROUMANIAN GOVERN-  
MENT SUPPLEMENTARY TO THE ANGLO-ROUMANIAN  
PAYMENTS AGREEMENT OF MAY 2, 1936.

*London, May 27, 1937.*

WHEREAS the Anglo-Roumanian Payments Agreement, signed at Bucharest on the 2nd May, 1936<sup>(1)</sup> (hereinafter referred to as the Payments Agreement), and the Anglo-Roumanian Payments (Supplementary) Agreement, signed at Bucharest on the 28th May, 1936<sup>(2)</sup> (hereinafter referred to as the Supplementary Agreement), and the Supplementary Agreement, signed at Bucharest on the 5th December, 1936<sup>(1)</sup> (hereinafter referred to as the Second Supplementary Agreement), make provision to facilitate payments between the United Kingdom and Roumania; and

Whereas the Contracting Governments desire to amend in certain respects the provisions of the Payments Agreement and of the Supplementary Agreement, in order further to facilitate payments between the United Kingdom and Roumania;

Now, therefore, the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Roumania have agreed as follows :—

ARTICLE 1.

Article 3 of the Payments Agreement shall be amended as follows :—

(i) At the end of paragraph (i) there shall be added the words :—

“ Provided that any amounts allocated under this paragraph and not required for the above-mentioned purposes shall be allocated as follows :—

(a) £20,350 for payment within three months of the coming into operation of this Agreement of a debt due to the Co-operative Wholesale Society, Limited, of Manchester.

(b) An amount of £84,000 a year to the purposes stated in paragraph (iv) of this Article.

(c) The balance shall be allocated, at such times and in such manner as shall be agreed between the Clearing Office and the National Bank of Roumania, as to one-half to the settlement of trade debts, and as to the other half to be at the free disposal of the National Bank of Roumania.”

(<sup>1</sup>) See Treaty Series No. 45 (1937), Cmd. 5587.

(<sup>2</sup>) Cmd. 5187.

(ii) In paragraph (ii) "£100,000" shall be substituted for "£50,000."

(iii) In place of paragraph (iii) there shall be substituted the following:—

"(iii) 50 per cent., together with the part of the surplus transferred in accordance with paragraph (i) of this Article and the whole of the surplus arising under paragraph (ii) of this Article, shall be allocated for the settlement of outstanding trade debts and current trade debts. Of the amount so allocated, £400,000 a year, at the rate of £33,333 a month, shall be allocated to outstanding trade debts and the remainder to current trade debts.

Of the amount allocated to current trade debts, one-quarter may be reserved for the purchase of United Kingdom goods on the part of the Roumanian Government."

(iv) In paragraph (iv), in place of the words "5 per cent. to" there shall be substituted the words:—

"The amount to be allocated in accordance with the provisions of paragraph (i) (b) of this Article to the following purposes, namely: interest (not exceeding 5 per cent.) and amortisation payments (not exceeding 3 per cent.) in respect of investments made after the 1st June, 1936, of lei corresponding to outstanding trade debts,"

(v) In place of paragraph (v) there shall be substituted the following:—

"(v) 10 per cent., together with the part of the surplus transferred in accordance with paragraph (i) (c) of this Article, shall be at the free disposal of the National Bank of Roumania."

(vi) There shall be inserted at the end of Article 3 the following proviso:—

"Provided that if any amount which has been allocated for any of the purposes specified in paragraphs (iii) and (iv) of this Article is in the opinion of the Clearing Office and the National Bank of Roumania not required (or is not immediately required) for the purposes to which it has been allocated, such amount may by agreement between the Clearing Office and the National Bank of Roumania be re-allocated (subject to such provisions, if any, for subsequent restoration as may be agreed) to any of the purposes specified in paragraphs (i) to (iv) of the said Article, provided that the amounts so re-allocated in any period of three months shall not exceed 20 per cent. of the amounts allocated to the original purpose during the three months preceding such period."

#### ARTICLE 2.

The Annex to Article 3 of the Payments Agreement shall be deleted.

## ARTICLE 3.

The first sentence of Article 4 (1) of the Payments Agreement shall be amended by the insertion of the words "or which are to be" after the words "which have been."

## ARTICLE 4.

The following Article shall replace Article 6 of the Payments Agreement and the whole of the Supplementary Agreement:—

## "ARTICLE 6.

(1) Such facilities as may be granted in Roumania for the special exportation of goods to provide foreign exchange for the settlement of outstanding trade debts or for the importation of goods into Roumania shall be available for payment to persons in the United Kingdom in respect of outstanding trade debts or in respect of the supply of goods on terms not less favourable than those granted for similar payments to persons in any other foreign country. In so far as the facilities apply to the export of goods to the United Kingdom the arrangements shall be subject to the approval of both Contracting Governments.

(2) The special approval of the Government of the United Kingdom will not be required for the export of goods specified in the Annex to this Agreement which are exported from Roumania in order to provide payment to persons in the United Kingdom under the arrangements set forth in Article 6A of this Agreement and subject to the obligation to surrender the percentage, if any, of the sterling proceeds that is specified in the Annex.

(3) The list of goods and the percentages of sterling set out in the Annex may be modified by Agreement between the two Contracting Governments and such modifications may be made so as to come into operation on the first day of any month."

## ARTICLE 5.

The following additional Article shall be inserted in the Payments Agreement after Article 6:—

## "ARTICLE 6A.

(1) All debts falling due from persons in the United Kingdom to any person resident or carrying on business outside the United Kingdom in respect of the price of Roumanian goods imported into the United Kingdom under the facilities provided by Article 6 of this Agreement shall be paid in sterling to the Bank of England for the account of the Clearing Office, and shall be allocated by the Clearing Office in accordance with the provisions of paragraph (3) of this Article.

(2) In so far, however, as the Clearing Office is satisfied that the above-mentioned price of any goods includes an amount in respect of freight or other similar charge in respect of those goods, the Clearing Office may authorise such amount to be deducted from the debt payable to the Clearing Office, or may repay such amount, and such amount shall then be payable direct to the exporter or his agent or representative.

(3) Amounts paid to the account of the Clearing Office in accordance with paragraph (1) of this Article shall be allocated as follows :—

(a) The percentage to be surrendered in accordance with the provisions of Article 6 (2), and any percentage to be surrendered in accordance with the provisions of any arrangements approved under Article 6 (1), shall be paid to a non-interest bearing Account to be opened at the Bank of England in the name of the National Bank of Roumania (hereinafter referred to as the General Trade Account) to be used for payments to persons in the United Kingdom for any goods imported into Roumania, provided that the debt in respect of the goods is due to a person in the United Kingdom.

(b) The remainder shall be credited to a non-interest bearing account at the Bank of England (hereinafter referred to as the Compensation Transactions Account) in the name of the Clearing Office.

(4) All amounts credited to the Compensation Transactions Account in accordance with paragraph (3) (b) of this Article shall be recorded in the books of the Clearing Office in separate sub-accounts in the names of the persons or banks in Roumania respectively nominated at the time of payment as the beneficiaries in respect of the corresponding payments made to the Bank of England in accordance with paragraph (1) of this Article. Subject to the provisions of paragraph (5) of this Article, payments shall be made from the Compensation Transactions Account at the sole request of such persons or banks in Roumania or of their nominees, to the extent of the amounts standing to the credit of their respective sub-accounts.

(5) Of the amounts credited to each sub-account in accordance with paragraph (4) of this Article, 50 per cent. shall be available for payments to persons in the United Kingdom in respect of goods grown, produced or manufactured in the United Kingdom and exported to Roumania, and 50 per cent. shall be available for payments to persons in the United Kingdom in respect of any goods imported into Roumania, provided that the debt in respect of which any such payment is made is due to a person in the United Kingdom.

(6) Any sum standing to the credit of the Compensation Transactions Account may at the request of the person or bank

in whose name such sum is recorded in accordance with paragraph (4) of this Article be surrendered to the Special Account; provided that instead of being allocated in accordance with Article 3 of this Agreement any amount so surrendered that was available in the Compensation Transactions Account for disbursement in respect of United Kingdom goods only shall be allocated wholly for the settlement of current trade debts, and any amount so surrendered that was available in the Compensation Transactions Account for disbursement in respect of any goods shall be allocated wholly to the General Trade Account.

(7) Notwithstanding the provisions of paragraphs (3), (4) and (5) of this Article, if the two Contracting Governments approve an arrangement under which the sterling proceeds of a special export of Roumanian goods to the United Kingdom may be devoted to the payment of debts other than debts for the supply of goods to Roumania, the sterling proceeds shall be paid to the Bank of England for the account of the Clearing Office, and shall be allocated for utilisation for the purposes specified in the documents approving the special export."

#### ARTICLE 6.

The Anglo-Roumanian Payments (Technical) Agreement, signed at Bucharest on the 30th May, 1936,<sup>(3)</sup> shall be amended by Agreement between the Clearing Office and the National Bank of Roumania,<sup>(4)</sup> in order to give effect to the alterations required by the present Agreement and any other alterations which may be agreed upon between the Clearing Office and the National Bank of Roumania within the framework of the Payments Agreement as amended by this Agreement and the second Supplementary Agreement.

#### ARTICLE 7.

The present Agreement shall come into force on the 1st June, 1937. It shall remain in operation until the termination of the Payments Agreement (as amended by the present Agreement).

#### ARTICLE 8.

The Payments Agreement and the Second Supplementary Agreement shall remain in force, save in so far as amended by the present Agreement. These three Agreements may be terminated on the first day of any month by either Government giving notice to the other on or before the first day of the previous month, beginning with the 1st January, 1938.

<sup>(3)</sup> Cmd. 5187.

<sup>(4)</sup> Cmd. 5471.

The Supplementary Agreement shall cease to operate from the date when the present Agreement comes into force.

In witness whereof the undersigned, duly authorised by their respective Governments thereto, have signed the present Agreement and have affixed thereto their seals.

Done in duplicate at London this Twenty-seventh day of May, 1937, in the English and Roumanian languages, both texts being equally authentic.

For the Government of the United Kingdom of Great Britain and Northern Ireland:

WALTER RUNCIMAN.

For the Government of Roumania:

BASILE GRIGORCEA.

ANNEX.

List of Goods, with Percentage of Sterling Proceeds, to which Article 6 of the Payments Agreement applies.

Goods.	Percentage of Sterling Proceeds. Per Cent.	Goods.	Percentage of Sterling Proceeds. Per Cent.
1. Down and feathers ...	40	24. Meat extracts ...	20
2. Pig and horse hair ...	40	25. Medicinal plants ...	20
3. Ceramic products ...	30	26. Onions and garlic ...	20
4. Crayfish ...	30	27. Straw brooms... ..	20
5. Friezes ...	30	28. Straw ... ..	20
6. Hemp-seed ...	30	29. Skins, raw and cured	20
7. Paraffin (solid) ...	30	30. Sulphuric acid ...	20
8. Paraffin (wax) ...	30	31. Tobacco ... ..	20
9. Pitch ... ..	30	32. Alabaster, and alabaster articles ...	15
10. Petroleum coke ...	30	33. Barrels of oak ...	15
11. Parquet flooring ...	30	34. Buckles for trans-mission belts ...	15
12. Waste from the spinning of hemp and jute ... ..	30	35. Butter ... ..	15
13. Sunflower oil ... ..	30	36. Cheese ... ..	15
14. Tiles ... ..	30	37. Caolin ... ..	15
15. Berets ... ..	25	38. Demijohns ... ..	15
16. Molasses ... ..	25	39. Eggs ... ..	15
17. Timber... ..	25	40. Farinaceous pastes ...	15
18. Acetic acid ... ..	20	41. Glassware ... ..	15
19. Animal gut ... ..	20	42. Mica ... ..	15
20. Broom straw ... ..	20	43. Plywood ... ..	15
21. Cattle horns ... ..	20	44. Ropes and rope strings	15
22. Cellulose ... ..	20	45. Shavings in bales ...	15
23. Cured skin parings ...	20	46. Veneer ... ..	15

<i>Goods.</i>	<i>Percentage of Sterling Proceeds. Per Cent.</i>	<i>Goods.</i>	<i>Percentage of Sterling Proceeds. Per Cent.</i>
47. Alcohols (except wine alcohol and ethylic alcohol) ... ..	10	83. Vegetables ... ..	10
48. Bacon ... ..	10	84. Naphtenic acids ... ..	5
49. Crushed and dried bones and bone flour	10	85. Acetone and acetone oil ... ..	Nil
50. Chair seats ... ..	10	86. Baskets... ..	Nil
51. Caviar ... ..	10	87. Beer ... ..	Nil
52. Fat (lard, dripping)... ..	10	88. Butanol ... ..	Nil
53. Fruit (except walnuts)	10	89. Castings ... ..	Nil
54. Filtering soil... ..	10	90. Charcoal ... ..	Nil
55. Furniture ... ..	10	91. Chemicals ... ..	Nil
56. Glue ... ..	10	92. Enamelled baths ... ..	Nil
57. Goose liver (foie gras)	10	93. Enamelled oil cooking stoves ... ..	Nil
58. Honey ... ..	10	94. Enamelled vases ... ..	Nil
59. Home-woven materials	10	95. Lambs ... ..	Nil
60. Leather shoes ... ..	10	96. Lanterns ... ..	Nil
61. Manganese ... ..	10	97. Lamp black ... ..	Nil
62. Marble and marble articles ... ..	10	98. Liqueurs ... ..	Nil
63. Natural bitumen ... ..	10	99. Malt candy ... ..	Nil
64. Pastes of game, fowl or liver ... ..	10	100. Malt extract ... ..	Nil
65. Pyrites... ..	10	101. Mineral waters ... ..	Nil
66. Plaster of Paris ... ..	10	102. Ozocerite ... ..	Nil
67. Potatoes ... ..	10	103. Parts (cast and forged) ... ..	Nil
68. Sausages of all kinds and tinned hams ... ..	10	104. Peas ... ..	Nil
69. Salted or smoked hams ... ..	10	105. Pea flour ... ..	Nil
70. Salted or smoked meat ... ..	10	106. Red peppers, crushed	Nil
71. Salt ... ..	10	107. Rush mats ... ..	Nil
72. Snails ... ..	10	108. Roumanian carpets ... ..	Nil
73. Starch ... ..	10	109. Rubber carpets ... ..	Nil
74. Sugar and sugar products ... ..	10	110. Rubber pipes ... ..	Nil
75. Scooters ... ..	10	111. Rubber footwear ... ..	Nil
76. Talc ... ..	10	112. Rubber horseshoes ... ..	Nil
77. Tinned fowl and game	10	113. Rubber heels and soles	Nil
78. Tin ash... ..	10	114. Sheet-iron (galvanised)	Nil
79. Toys ... ..	10	115. Sheet-iron (black) ... ..	Nil
80. Tinned fish ... ..	10	116. Sheep ... ..	Nil
81. Tinned vegetables, meat and fruit ... ..	10	117. Spokes ... ..	Nil
82. Trussed poultry ... ..	10	118. Tuica ... ..	Nil
		119. Vines for grafting ... ..	Nil
		120. Vines with roots ... ..	Nil
		121. Wine ... ..	Nil
		122. Wine alcohol and ethylic alcohol ... ..	Nil
		123. Wheel bands ... ..	Nil
		124. Yeast, dried ... ..	Nil

The goods specified in this list remain subject to such laws, regulations and other arrangements as are or may be in operation in Roumania and in the United Kingdom with regard to the export and import of the goods in question.

BASILE GRIGORCEA.

W. R.