



Treaty Series No. 72 (1950)

Monetary Agreement

between the Government of the United
Kingdom of Great Britain and Northern
Ireland and the Government of Denmark

Copenhagen, 19th October, 1950

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

LONDON
HIS MAJESTY'S STATIONERY OFFICE

TWOPENCE NET

MONETARY AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF DENMARK

Copenhagen, 19th October, 1950

The Government of the United Kingdom of Great Britain and Northern Ireland and the Danish Government,

Desiring to modify the arrangements⁽¹⁾, ⁽²⁾, ⁽³⁾ agreed between them for the regulation of payments so as to take account of the establishment of the European Payments Union and to conform with the provisions of the Agreement relating to the establishment of the Union which was signed in Paris on 19th September, 1950 (hereinafter referred to as the "European Payments Agreement")⁽⁴⁾,

Have agreed as follows:—

ARTICLE 1

(a) The rate of exchange between the Danish krone and the pound sterling shall be Danish kroner 19·34=£1 and this rate (hereinafter referred to as "the official rate") shall not be varied by either Contracting Government except after giving to the other as much notice as may be practicable.

(b) The Contracting Governments shall enforce the use of the official rate as the basis of all transactions involving a relationship between the pound sterling and the Danish krone.

(c) The Bank of England and Danmarks Nationalbank, as agents of their respective Governments, shall fix by agreement the maximum spread above or below the official rate which will be authorised on the markets which they control.

ARTICLE 2

The Bank of England and Danmarks Nationalbank, as agents of their respective Governments, shall make such arrangements as may be necessary to implement Article 8 of the European Payments Agreement as between those Governments.

ARTICLE 3

(a)—(i) The Government of the United Kingdom shall not restrict the availability of sterling at the disposal of residents of Denmark for transfer to other residents of Denmark or to residents of the Scheduled Territories.

(ii) The Government of the United Kingdom shall not restrict the availability of sterling under the control of Danmarks Nationalbank for making payments in respect of direct current transactions to residents of such countries outside Denmark and the Scheduled Territories as may be agreed between the Bank of England and Danmarks Nationalbank acting as agents of their respective Governments.

(1) "Treaty Series No. 4 (1945)," Cmd. 6671.

(2) "Treaty Series No. 88 (1948)," Cmd. 7592.

(3) "Treaty Series No. 60 (1950)," Cmd. 8055.

(4) "Miscellaneous No. 14 (1950)," Cmd. 8064.

677

(b)—(i) The Danish Government shall not restrict the availability of Danish kroner at the disposal of residents of the Scheduled Territories for transfer to other residents of the Scheduled Territories or to residents of Denmark.

(ii) The Danish Government shall not restrict the availability of Danish kroner under the control of the Bank of England for making payments in respect of direct current transactions to residents of such countries outside Denmark and the Scheduled Territories as may be agreed between the Bank of England and Danmarks Nationalbank acting as agents of their respective Governments.

ARTICLE 4

The Danish Government shall not restrict the acceptance by residents of Denmark of sterling from residents of the Scheduled Territories and, as regards payments in respect of direct transactions, from residents of such countries outside Denmark and the Scheduled Territories as may be agreed between the Bank of England and Danmarks Nationalbank acting as agents of their respective Governments.

ARTICLE 5

The Contracting Governments shall co-operate with a view to assisting each other in keeping capital transactions within the scope of their respective policies.

ARTICLE 6

For the purposes of the present Agreement—

(a) The expression "the Scheduled Territories" shall have the meaning from time to time assigned to it under the United Kingdom Exchange Control Act, 1947;

(b) the expression "Denmark" shall include Greenland and the Faroe Islands;

(c) the expression "payments in respect of direct current transactions" means payments in respect of transactions of the type defined in Article XIX(j) of the Articles of Agreement of the International Monetary Fund⁽⁵⁾ which are made by a principal resident in the country from which payment is made and which relate solely to goods (other than gold bullion, gold coin or gold either in semi-manufactured or in fully manufactured form) imported into, and for use or consumption in, that country and originating in the country to which payment is made or to services rendered to residents in the former country by residents of the latter country.

ARTICLE 7

The Monetary Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Denmark, signed in London on 16th August, 1945⁽⁶⁾, as extended and modified by the Exchanges of Notes between those Governments on 10th November, 1948,⁽⁷⁾ and 18th August 1950,⁽⁸⁾ is hereby abrogated.

⁽⁵⁾ "Treaty Series No. 21 (1946)," Cmd. 6885.

⁽⁶⁾ "Treaty Series No. 4 (1945)," Cmd. 6671.

⁽⁷⁾ "Treaty Series No. 88 (1948)," Cmd. 7592.

⁽⁸⁾ "Treaty Series No. 60 (1950)," Cmd. 8055.

ARTICLE 8

The present Agreement shall come into force on 20th October, 1950. At any time thereafter, either Contracting Government may give notice to the other of its intention to terminate the Agreement and the Agreement shall cease to have effect three months after the date of such notice. It shall in any case be reviewed before 1st July, 1952.

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

Done in Copenhagen, in duplicate, this 19th day of October, 1950.

On behalf of the Government of the United Kingdom of Great Britain and Northern Ireland:

(L.S.) ALEC W. G. RANDALL.

On behalf of the Royal Danish Government:

(L.S.) GUSTAV RASMUSSEN.

PRINTED AND PUBLISHED BY HIS MAJESTY'S STATIONERY OFFICE

To be purchased from

York House, Kingsway, LONDON, W.C.2 429 Oxford Street, LONDON, W.1

P.O. Box 569, LONDON, S.E.1

13a Castle Street, EDINBURGH, 2 1 St. Andrew's Crescent, CARDIFF

39 King Street, MANCHESTER, 2 Tower Lane, BRISTOL, 1

2 Edmund Street, BIRMINGHAM, 3 80 Chichester Street, BELFAST

or from any Bookseller

1950

Price 2d. net

PRINTED IN GREAT BRITAIN