



Treaty Series No. 16 (1951)

Exchange of Notes

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

regarding the Settlement of
outstanding Commonwealth War Claims
against Thailand

Bangkok, 4th May and 8th November, 1950, and 3rd January, 1951

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

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EXCHANGE OF NOTES BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THAILAND REGARDING THE SETTLEMENT OF OUTSTANDING COMMONWEALTH WAR CLAIMS AGAINST THAILAND

*Bangkok, 4th May and 8th November, 1950, and
3rd January, 1951*

No. 1

*From the Thai Minister for Foreign Affairs to His Majesty's
Ambassador at Bangkok*

*Ministry for Foreign Affairs,
Saranrom Palace,*

M. l'Ambassadeur,

4th May, 1950.

I have the honour to refer to my Note No. 4456/2493 dated 27th March,⁽¹⁾ by which I informed your Excellency that Phya Komarakul Montri has been entrusted with preliminary discussion with the representative, or representatives, of the Commonwealth Governments concerned in the matter of a lump sum payment of British war claims.

A report has been received from Phya Komarakul Montri on the result of his conversations with your Excellency, the Minister of India and the Consul-General for Australia.

I have now the honour to propose, in the name of His Majesty's Government, that all pending British war claims under the Formal Agreement for the Termination of the State of War between Thailand and Great Britain and India⁽²⁾ and the Final Peace Agreement between the Government of Thailand and the Government of Australia⁽¹⁾ concluded respectively on 1st January and 3rd April, 1946, be settled by a lump sum payment of £5,245,000 with the following understanding:—

1. All cash and properties remaining at present in the custody of the Committee for the Control and Management of Affairs or Properties of Certain Aliens in time of Crisis shall lapse to His Majesty's Government, except the mining leases and the existing properties of the Bangkok Dock Company, of which restoration formed a part of the claims already submitted to the British Commonwealth-Thai Claims Committee.

2. The sterling advances made by the Thai authorities to the tin mining companies shall be deducted immediately from the above-mentioned lump sum, and the tical advances shall be repaid by the companies in accordance with the relevant agreements.

3. After payment of the lump sum, no further claim, whatsoever, shall be made against His Majesty's Government by virtue of the Formal Agreement⁽²⁾ and the Final Peace Agreement⁽¹⁾ above mentioned and the Memorandum of Understanding dated 6th January, 1947,⁽²⁾ on the British Commonwealth-Thai Claims Committee.

(1) Not printed.

(2) "Treaty Series No. 10 (1951)," Cmd. 8140.

4. Upon the payment of the lump sum, the balance of the frozen assets belonging to His Majesty's Government and their instrumentalities as well as to Thai individuals and corporations in the territories of the United Kingdom, Canada, Australia, New Zealand, Union of South Africa, India, Pakistan, Ceylon, Burma and other British territories shall immediately be released.

5. As the lump sum agreed upon is a ceiling compensation, any balance left after payment to the claimants shall be returned to His Majesty's Government.

May I add that, in making the above proposal, His Majesty's Government do so in a spirit of compromise and with the sincere desire to bring about a settlement of this long-pending question which has unfortunately marred the harmonious development of the good friendly relations between our two countries.

If the proposal is agreeable to your Excellency's Government, I would suggest that this Note and your Excellency's reply thereto shall be regarded as constituting and placing upon record the agreement reached between the two Governments in this matter. Such agreement will have the effect of abrogating the "war claim clauses" in the Formal Agreement⁽²⁾ and the Final Peace Agreement,⁽¹⁾ together with the Memorandum of Understanding of 6th January, 1947.⁽²⁾

In conclusion, I have the honour to inform your Excellency that the same proposal has been made to-day to the Minister of India and the Consul-General for Australia.⁽¹⁾

I avail, &c.
(Sd.) WARAKAN BANCHA,
Minister for Foreign Affairs.

No. 2

From His Majesty's Ambassador at Bangkok to the Acting Thai Minister for Foreign Affairs

*British Embassy,
Bangkok, 8th November, 1950.*

Excellency,

I have the honour to inform your Excellency, on the instructions of His Majesty's Government in the United Kingdom, that they on their own behalf and on the behalf of the other interested Commonwealth Governments, other than His Majesty's Government in the Commonwealth of Australia and the Government of India, but in agreement with His Majesty's Government in the Commonwealth of Australia and the Government of India, accept the proposals made in the Note of his Excellency the Minister for Foreign Affairs, No. 6458/2493 of 4th May, 1950, for the settlement of all outstanding Commonwealth war claims against Thailand, on the understanding that the lump sum shall amount to £5,224,220 and that claims of the Government of Burma or Burmese nationals (including corporations) shall be excluded from the settlement, and subject to the acceptance by His Thai Majesty's Government of the following conditions:—

- (a) Clauses of the Formal Agreement dated 1st January, 1946,⁽²⁾ which shall be regarded as having lapsed as a result of this settlement are Article 2 (c), (d) and (e) and Article 3.

⁽¹⁾ Not printed.

⁽²⁾ "Treaty Series No. 10 (1951)," Cmd. 8140.

(b) All cash and property remaining in the custody of the Thai Committee for the Control and Management of Affairs or Properties of Certain Aliens in time of Crisis on the date on which the agreement in settlement of war claims comes into force shall lapse to His Thai Majesty's Government with the exception of:

- (i) the existing properties of the Bangkok Dock Company, Limited, restoration of which was claimed in the claim submitted by the company to the British Commonwealth-Thai Claims Committee;
- (ii) Tin mining leases, the restoration of which has been claimed, and for which compensation in lieu has neither been claimed nor awarded; and
- (iii) other property, the restoration of which has been claimed and for which compensation in lieu has neither been claimed nor awarded.

These properties shall be restored to the claimants free of cost and encumbrances, and no liens or charges or expenses incurred in connexion with or charged against the property at the date of its restoration to the owners shall be enforceable unless the advances or expenses to which they relate have been agreed to by the respective Governments interested in the property or by, or on behalf of, the owners.

- (c) Clauses 6 (a) and 9 of the Memorandum of Understanding dated 6th January, 1947,⁽²⁾ shall be continued in force and His Thai Majesty's Government will give appropriate executive instructions to their revenue authorities to ensure that monies derived from compensation awarded to Commonwealth war claimants shall not be taxed except as provided in Clause 9 of the Memorandum of Understanding.⁽²⁾ The remaining clauses of the Memorandum of Understanding shall be regarded as having lapsed.

2. I agree that the Note of his Excellency the Minister for Foreign Affairs dated 4th May, this Note, and, provided His Thai Majesty's Government can accept the conditions set out in this Note, your Excellency's eventual reply, shall be regarded as constituting a formal record of the settlement of all outstanding Commonwealth war claims against Thailand.

I avail, &c.

(Sd.) R. WHITTINGTON.

No. 3

*From the Thai Minister for Foreign Affairs to the
British Chargé d'Affaires at Bangkok*

*Ministry for Foreign Affairs,
Saranrom Palace,*

M. le Chargé d'Affaires,

3rd January, 1951.

I have the honour to acknowledge the receipt of your Note No. 1505/197/50 of 8th November, 1950, addressed to his Excellency the Acting Minister for Foreign Affairs, stating that His Britannic Majesty's Government in the United Kingdom on their own behalf and on the behalf of the interested Commonwealth Governments, other than the Governments of Australia and India, but in agreement with the Government of Australia

(2) "Treaty Series No. 10 (1951)," Cmd. 8140.

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and the Government of India, accept the proposals made in my Note No. 6458/2493 of 4th May, 1950, for the settlement of all outstanding war claims against Thailand on the understanding that the lump sum shall amount to £5,224,220 and that claims of the Government of Burma or Burmese nationals (including corporations) shall be excluded from the settlement, and subject to the acceptance by His Majesty's Government of the conditions therein stated.

In reply, I have the honour to inform you that His Majesty's Government agree to the above proposal and that my Note dated 4th May, 1950, your Note under reference and my present Note shall be regarded as constituting a formal record of the settlement of all outstanding Commonwealth war claims against Thailand.

I avail, &c.
(Sd.) WARAKAN BANCHA,
Minister for Foreign Affairs.

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