



Treaty Series No. 38 (1955)

Exchange of Notes

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

extending the Agreement of July 10, 1954 for the
Repayment of Credits granted to the Government of the
United Kingdom by the European Payments Union and
by the Government of Portugal to the Union

Paris, April 28, 1955

*Presented by the Secretary of State for Foreign Affairs to Parliament
by Command of Her Majesty
June 1955*

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Cmd. 9497

EXCHANGE OF NOTES BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF PORTUGAL EXTENDING THE AGREEMENT OF JULY 10, 1954, FOR THE REPAYMENT OF CREDITS GRANTED TO THE GOVERNMENT OF THE UNITED KINGDOM BY THE EUROPEAN PAYMENTS UNION AND BY THE GOVERNMENT OF PORTUGAL TO THE UNION

Paris, April 28, 1955

No. 1

The Head of the Portuguese Delegation to the Organisation for European Economic Co-operation to the Head of the United Kingdom Delegation to that Organisation

Your Excellency.

Paris, 28th April, 1955.

I have the honour to refer to the Agreement of 10th July, 1954,⁽¹⁾ between the Government of the United Kingdom of Great Britain and Northern Ireland and the Portuguese Government concerning the repayment of part of the credits granted by the European Payments Union to the United Kingdom and by Portugal to the Union and to Notes exchanged on 10th July, 1954, between the United Kingdom and Portuguese Delegations to the Organisation for European Economic Co-operation concerning the implementation of certain Articles of the Agreement.⁽¹⁾

2. As Portugal ceased to be a creditor of the Union on the value date of the Union for March 1955, the Agreement lapses within 28 days from that date under the provisions of Article IV unless the two Governments agree that it shall continue in force.

3. The Portuguese Government do not wish the Agreement to lapse and therefore propose that:—

- (a) The Agreement and the Exchange of Notes shall continue in force but that so long as Portugal is not a creditor of the Union all payments under the Agreement shall be suspended;
- (b) if, at any time before the liquidation of the Union, Portugal again becomes a creditor of the Union, the payment of instalments by the Government of the United Kingdom to the Bank of Portugal in accordance with the Agreement shall be resumed on the value date of the Union following the value date on which Portugal has become a creditor of the Union. The two Contracting Governments shall enter into discussions at that time concerning the monthly instalments which would otherwise have fallen due during the period in which Portugal ceased to be a creditor of the Union;
- (c) the residual balance arising out of the provisions of paragraph 2 of the Exchange of Notes, which amounted to 928·5713 units of account after the instalment paid on the value date of the Union for March 1955, shall be taken into account if payments under the Agreement are resumed;

(1) "Treaty Series No. 59 (1954)," Cmd. 9264.

(d) if between the date of this Note and the liquidation of the Union Portugal has not become a creditor of the Union, the Agreement shall be regarded as having terminated and no account shall be taken of the residual balance referred to in (c) above.

4. If the foregoing proposal is acceptable to the Government of the United Kingdom, I have the honour to suggest that this Note, together with your reply to that effect, should be regarded as constituting an agreement between the two Governments in this matter.

I avail, &c.

RUY T. GUERRA.

No. 2

The Head of the United Kingdom Delegation to the Organisation for European Economic Co-operation to the Head of the Portuguese Delegation to that Organisation

Your Excellency,

Paris, April 28, 1955.

I have the honour to acknowledge receipt of your Note of the 28th of April, 1955, which reads as follows :—

[As in No. 1.]

In reply, I have the honour to inform your Excellency that the foregoing proposal is acceptable to the Government of the United Kingdom who agree that your Note and this reply should be regarded as constituting an agreement between the two Governments in this matter.

I have, &c.

HUGH ELLIS-REES.

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