



Treaty Series No. 19 (1962)

Exchange of Notes

between the Government of the
United Kingdom of Great Britain and Northern Ireland
and the Government of the Republic of Paraguay

prolonging with certain amendments the
Agreement on Trade and Payments signed
at Asunción on November 21, 1955

Asunción, November 27, 1961

*Presented to Parliament by the Secretary of State for Foreign Affairs
by Command of Her Majesty
February 1962*

LONDON
HER MAJESTY'S STATIONERY OFFICE
EIGHTPENCE NET

EXCHANGE OF NOTES BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE REPUBLIC OF PARAGUAY PROLONGING WITH CERTAIN AMENDMENTS THE AGREEMENT ON TRADE AND PAYMENTS SIGNED AT ASUNCIÓN ON NOVEMBER 21, 1955

No. 1

Her Majesty's Ambassador at Asunción to the Minister for Foreign Affairs of the Republic of Paraguay

Note No. 60

British Embassy,

Your Excellency,

Asunción, November 27, 1961.

I have the honour to refer to the Agreement on Trade and Payments between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Republic of Paraguay of the 21st of November, 1955,⁽¹⁾ and to subsequent exchanges of Notes between the two Governments of the 26th of June⁽²⁾ and the 25th of August, 1961⁽²⁾ which had the effect of prolonging the said Agreement until the 27th of November, 1961.

2. I now have the honour to propose, on instructions of Her Majesty's Principal Secretary of State for Foreign Affairs, that the said Trade and Payments Agreement shall be prolonged for a further period of five years from the 28th of November, 1961 and that, for this purpose, the Agreement shall be amended as follows:—

- (a) the words "on the basis of the multilateral use of sterling" shall be deleted from the preamble to the Agreement.
- (b) the words "and will freely grant such import and exchange permits as are required for this purpose" shall be deleted from Article 1 of the Agreement.
- (c) Article 4 of the Agreement shall be amended to read:

"(1) Nothing in Article 2 shall entitle the Government of the Republic of Paraguay to claim the benefit of any preference or privilege in force exclusively between the United Kingdom and any one or more of the following territories; other members of the Commonwealth, territories for the international relations of which Governments of members of the Commonwealth are responsible, the Irish Republic, the Republic of South Africa, South West Africa, Kuwait and Burma.

(2) Nothing in Article 2 shall entitle the Government of the United Kingdom to claim the benefit of any preference or privilege

(1) "Treaty Series No. 37 (1956)", Cmd. 9850.

(2) "Treaty Series No. 84 (1961)", Cmd. 1505.

which the Government of the Republic of Paraguay accords or may accord exclusively to any country possessing a common frontier with Paraguay or to Uruguay.

- (3) Nothing in Article 2 shall be construed so as to oblige one Contracting Party to extend to the other the benefit of any treatment, preference or privilege which may be extended to any other foreign country in accordance with obligations incurred by the former Contracting Party as a result of the formation of a customs union, common market or free trade area, or the adoption of an agreement designed to lead to the formation of such a union or area within a reasonable length of time."

(d) Article 7 (2) shall be amended to read:

"(2) Nothing in this Article shall entitle the Government of the United Kingdom to claim the benefit of any special advantages which the Government of the Republic of Paraguay accords or may accord exclusively to:—

(a) any country possessing a common frontier with Paraguay or to Uruguay;

(b) any country in accordance with obligations incurred by the Government of the Republic of Paraguay as a result of the formation of a customs union, common market or free trade area, or the adoption of an agreement designed to lead to the formation of such a union or area within a reasonable length of time."

(e) Last sentence of Article 8 shall be amended to read:

"It shall terminate on the 27th of November, 1966 unless the contracting Governments agree otherwise."

3. The Government of the United Kingdom understand, in relation to Article 7(1) of the Agreement, that the Government of the Republic of Paraguay will, notwithstanding the existence of a unitary exchange system in the territory of the Republic of Paraguay, take all the measures which are within its competence and which do not signify exceptions to the prevailing free exchange system to provide to persons making remittances to the Scheduled Territories exchange facilities and treatment not less favourable than those provided to persons making remittances to other countries for similar purposes.

4. If the proposals of the Government of the United Kingdom of Great Britain and Northern Ireland as set out in paragraph 2 above are acceptable to the Government of the Republic of Paraguay, and if the understanding set out in paragraph 3 above is equally the understanding of the Government of the Republic of Paraguay, I have the honour to suggest that the present Note and Your Excellency's reply in that sense should be regarded as constituting an agreement between the two Governments in this matter.

I avail myself, &c.

H. F. A. GATES.

The Minister for Foreign Affairs of the Republic of Paraguay to Her Majesty's Ambassador at Asunción

Ministerio de Relaciones Exteriores,

Señor Embajador :

Asunción, 27 de noviembre de 1961.

Tengo el honor de acusar recibo de su nota No. 60, de fecha 27 del corriente mes, en la que se refiere al Convenio Comercial y de Pagos existente entre el Gobierno del Paraguay y el Gobierno del Reino Unido de la Gran Bretaña e Irlanda del Norte, fechado el 21 de noviembre de 1955 y los subsiguientes intercambios de notas entre ambos Gobiernos—26 de junio y 25 de agosto de 1961—por las cuales se prolongó dicho Acuerdo hasta el 27 de noviembre de 1961.

Se refiere, asimismo, Vuestra Excelencia al deseo de su Gobierno de que dicho Convenio Comercial y de Pagos se prolongue por un período de cinco años más, a contar desde el 27 de noviembre de 1961, con las siguientes modificaciones :

- (a) las palabras "sobre la base de la utilización multilateral de la Libra Esterlina" se suprimirán del preámbulo del Convenio.
- (b) las palabras "y otorgarán libremente las licencias de importación y de cambios necesarias para dicho propósito" se suprimirán del Artículo 1° del Convenio.
- (c) el Artículo 4 del Convenio será enmendado para que diga :

"(1) Lo estipulado en el Artículo 2 no facultará al Gobierno de la República del Paraguay a reclamar el beneficio sobre cualquier preferencia o privilegio en vigor exclusivamente entre el Reino Unido y uno o más de los territorios que a continuación se mencionan: otros miembros de la Comunidad Británica de Naciones, territorios para cuyas relaciones internacionales son responsables los Gobiernos de los Miembros de la Comunidad Británica de Naciones, la República Irlandesa, la República de Sudáfrica, Africa Occidental, Kuwait y Birmania.

(2) Lo estipulado en el Artículo 2 no facultará al Gobierno del Reino Unido a reclamar el beneficio sobre cualquier preferencia o privilegio que el Gobierno de la República del Paraguay acuerde o pueda acordar exclusivamente a cualquiera de los países limítrofes con el Paraguay o al Uruguay.

(3) Lo estipulado en el Artículo 2 no será interpretado a modo de obligar a una de las Partes Contratantes a extender a la otra el beneficio de cualquier tratamiento, preferencia o privilegio el cual pueda extenderse a otro país extranjero, de acuerdo con obligaciones contraídas por una Parte Contratante como resultado de la formación de una unión aduanera, mercado común o zona de libre comercio, o la adopción de un convenio concebido para conducir a la formación de tal unión o zona dentro de un período razonable de tiempo."

(d) el Artículo 7 (2) será enmendado para que diga:

“(2) Lo estipulado en este Artículo no facultará al Gobierno del Reino Unido a reclamar el beneficio de ninguna ventaja especial que el Gobierno de la República del Paraguay acuerde o pueda acordar exclusivamente a:

(a) cualquier país limítrofe con el Paraguay o al Uruguay.

(b) cualquier país con el que la República del Paraguay esté obligado como resultado de la formación de una unión aduanera, mercado común o zona de libre comercio, o la adopción de un convenio destinado a conducir a la formación de tal unión o zona dentro de un período razonable de tiempo.”

(e) La última oración del Artículo 8, será enmendada para que diga:

“Y terminará el 27 de noviembre de 1966, a menos que los Gobiernos contratantes adopten de común acuerdo una resolución diferente.”

En relación al Artículo 7 (1) del Convenio, no obstante la existencia de un sistema unitario de cambio en el territorio de la República del Paraguay, tomará todas las medidas que estén dentro de su competencia y las cuales no signifiquen excepciones al actual sistema de libre cambio, para proveer a las personas que efectúan remesas a los Territorios Especificados, facilidades de cambio y tratamiento no menos favorable que las que se proveen a personas que efectúan remesas a otros países para propósitos similares.

Al respecto, cábeme manifestar a Vuestra Excelencia la conformidad de mi Gobierno para la prórroga del referido Convenio por el tiempo indicado y las modificaciones señaladas.

En consecuencia, esta nota y la de Vuestra Excelencia que contesto, constituirán un Acuerdo formal entre nuestros dos Gobiernos sobre el asunto de que se trata.

Aprovecho, etc.

RAÚL SAPENA PASTOR.

[Translation of No. 2]

Ministry for Foreign Affairs,

Your Excellency,

Asunción, 27th of November, 1961.

I have the honour to acknowledge receipt of your Note No. 60 of the 27th of this month, which refers to the Agreement on Trade and Payments existing between the Government of Paraguay and the Government of the United Kingdom of Great Britain and Northern Ireland, dated the 21st of November, 1955 and the subsequent Exchange of Notes between both Governments—26th of June and the 25th of August, 1961—by which the said Agreement was prolonged until the 27th of November, 1961.

Likewise Your Excellency refers to the wish of your Government that the said Agreement on Trade and Payments should be prolonged for a

further period of five years, from the 27th of November, 1961 with the following modifications:

(a) the words "on the basis of the multilateral use of sterling" shall be deleted from the preamble to the Agreement.

(b) the words "and will freely grant such import and exchange permits as are required for this purpose" shall be deleted from Article 1 of the Agreement.

(c) Article 4 of the Agreement shall be amended to read:

"(1) Nothing in Article 2 shall entitle the Government of the Republic of Paraguay to claim the benefit of any preference or privilege in force exclusively between the United Kingdom and any one or more of the following territories; other members of the Commonwealth, territories for the international relations of which Governments of members of the Commonwealth are responsible, the Irish Republic, the Republic of South Africa, South West Africa, Kuwait and Burma.

(2) Nothing in Article 2 shall entitle the Government of the United Kingdom to claim the benefit of any preference or privilege which the Government of the Republic of Paraguay accords or may accord exclusively to any country possessing a common frontier with Paraguay or to Uruguay.

(3) Nothing in Article 2 shall be construed so as to oblige one Contracting Party to extend to the other the benefit of any treatment, preference or privilege which may be extended to any other foreign country in accordance with obligations incurred by the former Contracting Party as a result of the formation of a customs union, common market or free trade area, or the adoption of an agreement designed to lead to the formation of such a union or area within a reasonable length of time."

(d) Article 7(2) shall be amended to read:

"(2) Nothing in this Article shall entitle the Government of the United Kingdom to claim the benefit of any special advantages which the Government of the Republic of Paraguay accords or may accord exclusively to:—

(a) any country possessing a common frontier with Paraguay or to Uruguay;

(b) any country in accordance with obligations incurred by the Government of the Republic of Paraguay as a result of the formation of a customs union, common market or free trade area, or the adoption of an agreement designed to lead to the formation of such a union or area within a reasonable length of time."

(e) Last sentence of Article 8 shall be amended to read:

"It shall terminate on the 27th of November, 1966 unless the contracting Governments agree otherwise."

In relation to Article 7(1) of the Agreement, notwithstanding the existence of a unitary exchange system in the territory of the Republic of Paraguay, it will take all the measures which are within its competence and which do not signify exceptions to the prevailing free exchange system to provide to persons making remittances to the Scheduled Territories exchange facilities and treatment not less favourable than those provided to persons making remittances to other countries for similar purposes.

In this respect I have the honour to inform Your Excellency of my Government's agreement to the prolongation of the Agreement under reference for the period indicated and with the amendments as set out.

In consequence, this Note and that of Your Excellency to which I reply, will constitute a formal Agreement between our two Governments upon the subject with which it deals.

I avail, &c.

RAÚL SAPENA PASTOR.

Printed and published by
HER MAJESTY'S STATIONERY OFFICE

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