

FEDERAL REPUBLIC
OF GERMANY



Treaty Series No. 50 (1959)

Exchange of Notes

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

on the Repayment of the Debt by the United
Kingdom Government to the Federal German Government
on the Liquidation of the European Payments Union

Paris, April 10, 1959

*Presented to Parliament by the Secretary of State for Foreign Affairs
by Command of Her Majesty
June 1959*

LONDON
HER MAJESTY'S STATIONERY OFFICE
FOURPENCE NET

The Head of the United Kingdom Delegation to the Organisation for European Economic Co-operation to the Head of the Federal German Delegation

Your Excellency,

Paris, April 10, 1959.

1. I have the honour to refer to the Decision of the Council of the Organisation for European Economic Co-operation dated the 30th of December, 1958, confirming the termination of the Agreement of the 19th of September, 1950,⁽¹⁾ for the Establishment of a European Payments Union at the close of business on the 27th of December, 1958; to the Agreement of the 10th of July, 1954,⁽²⁾ between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Federal Republic of Germany (hereinafter referred to as "the Federal Government") concerning the repayment of part of the credits granted by the European Payments Union to the United Kingdom and by the Federal Government to the Union; and to the Exchanges of Letters of the 10th of July, 1954,⁽²⁾ and the 26th of July, 1957,⁽³⁾ between the Heads of the United Kingdom and German Delegations to the Organisation for European Economic Co-operation relating to the Agreement of the 10th of July, 1954.

2. The Council of the Organisation for European Economic Co-operation has established by its Decision of the 30th of January, 1959, that, on the liquidation of the European Payments Union in accordance with the provisions of Annex B to the Agreement of the 19th of September, 1950, there is a debt of Two hundred and sixty seven million nine hundred and thirteen thousand three hundred and seventy five units of account due from the United Kingdom Government to the Federal Government.

3. The United Kingdom Government propose that

- (a) in accordance with Article V of the Agreement of the 10th of July, 1954, and paragraph 2 of the Exchange of Letters of that date, the debt of Two hundred and sixty seven million nine hundred and thirteen thousand three hundred and seventy five units of account referred to in paragraph 2 above shall be converted into deutschemarks at the rate of exchange communicated by the Federal Government for the purposes of the final operations of the European Payments Union, namely, one unit of account equals 4·20 deutschemarks;
- (b) the debt of One thousand one hundred and twenty five million two hundred and thirty six thousand one hundred and seventy five deutschemarks established by virtue of sub-paragraph (a) above shall be repaid by the United Kingdom Government to the Federal Government in accordance with the provisions of the Agreement of the 10th of July, 1954, as amended by the Exchanges of Letters of the 10th of July, 1954, and the 26th of July, 1957.

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

(2) "Treaty Series No. 62 (1954)," Cmd. 9267.

(3) "Treaty Series No. 68 (1957)," Cmd. 291.

4. If the foregoing proposals are acceptable to the Federal Government, I have the honour to suggest that this Note together with Your Excellency's reply in that sense should be regarded as constituting an Agreement between the two Governments in this matter which shall enter into effect on this day's date.

I have, &c.

HUGH ELLIS-REES.

No. 2

The Head of the Federal German Delegation to the Organisation for European Economic Co-operation to the Head of the United Kingdom Delegation

Your Excellency.

Paris, April 10, 1959.

I have the honour to acknowledge the receipt of your Note of the 10th of April, 1959, reading as follows:—

[As in No. 1.]

In reply, I have the honour to inform Your Excellency that the Government of the Federal Republic of Germany agree with the proposals made in your Note and will regard that Note and this reply as constituting an Agreement between the two Governments entering into force with effect from the date of Your Excellency's Note.

I have, &c.

K. WERKMEISTER.

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