



Treaty Series No. 59 (1959)

Agreement

between the Government of the
United Kingdom of Great Britain and Northern Ireland
and the Government of the Turkish Republic
on Technical Matters relating to the
Agreement on Commercial Debts Owed
by Residents of Turkey of May 11, 1959

[With Annex]

Ankara, June 13, 1959

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

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AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE TURKISH REPUBLIC ON TECHNICAL MATTERS RELATING TO THE AGREEMENT ON COMMERCIAL DEBTS OWED BY RESIDENTS OF TURKEY OF 11th MAY, 1959

The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Turkish Republic, desiring to establish the technical rules of application of the Agreement on Commercial Debts owed by Residents of Turkey signed at Paris on the 11th of May, 1959⁽¹⁾ (hereinafter referred to as "the Multilateral Agreement") have agreed as follows:—

ARTICLE I

1. The provisions of the present Agreement shall apply to any debts, as defined in Articles 3 and 4 of the Multilateral Agreement, owed by a person resident in Turkey, as original debtor or guarantor, to a person resident in the United Kingdom and in territories for whose international relations the United Kingdom Government are responsible (hereinafter referred to as "a United Kingdom creditor").

2.—(a) The list provided for in sub-paragraph (i) of Article 4 of the Multilateral Agreement is annexed to the present Agreement.

(b) The international Agreement mentioned in sub-paragraph (v) of Article 4 of the Multilateral Agreement is the North Atlantic Treaty signed at Washington on the 4th of April, 1949.⁽²⁾

ARTICLE II

1. The Central Bank of the Republic of Turkey (hereinafter referred to as "the Central Bank") shall prepare as soon as possible the lists described below. The Central Bank shall send these lists to the Board of Trade of the United Kingdom (hereinafter referred to as "the Board of Trade") which shall, in accordance with Article 14 of the Multilateral Agreement, make all the enquiries necessary to determine whether all the debts contained in these lists are still outstanding and inform the Central Bank of the results.

(a) List 1 shall contain debts due to United Kingdom creditors which were to have been paid in August 1958 under the Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Turkish Republic relating to certain Sterling Payments to be made to United Kingdom Exporters or Merchants signed at London on the 17th of January, 1955,⁽³⁾ as modified by the Protocol signed at Ankara on the 28th of February, 1957.⁽⁴⁾

(1) "Miscellaneous No. 8 (1959)," Cmnd. 767.
(2) "Treaty Series No. 56 (1949)," Cmd. 7789.
(3) "Treaty Series No. 8 (1955)," Cmd. 9373.
(4) "Treaty Series No. 20 (1957)," Cmnd. 117.

- (b) List 2 shall contain debts due to United Kingdom creditors (comprising approximately one-half of the total number) (i) who have no claims in List 1 and whose total claims do not exceed £1,000; or (ii) who have outstanding claims which after payment of any debts due to them contained in List 1, do not exceed £1,000.
- (c) List 3 shall contain debts, other than those contained in Lists 1 and 2, due to United Kingdom creditors set out in the chronological order of the dates of registration in the records of the Central Bank of applications made by Turkish importers for transfer visas or for authority for the transfer of sterling in respect of these debts.

2. The Central Bank may send List 3 in parts, but shall send each part at such time as shall enable the Board of Trade to complete its enquiries for the purpose of verification of the debts contained in such part before the dates on which they fall due for payment under the present Agreement.

ARTICLE III

1. The Turkish Government shall pay to United Kingdom creditors the following sums in respect of the principal (including contractual interest due before 1st January, 1964 and contractual moratorium interest due before 11th May, 1959) of the claims of these creditors:—

(a) Before 1st April, 1960—£1,485,357;

(b) Between 1st April, 1960 and 31st March, 1961—£1,980,714;

(c) In each of the ten subsequent years an amount in the currency in which the claim is expressed, to be determined in accordance with Article 7 of the Multilateral Agreement.

2.—(a) The amount referred to in paragraph 1 (a) of this Article shall be paid in four equal instalments on 31st July, 31st October and 31st December, 1959 and 31st March, 1960.

(b) The amounts referred to in paragraphs 1 (b) and 1 (c) of this Article shall be paid in four equal instalments on 30th June, 30th September, 31st December and 31st March.

3. In addition, the Turkish Government shall pay to United Kingdom creditors on the 31st of December in each year any moratorium interest or contractual moratorium interest due after 11th May, 1959, in accordance with Article 10 of the Multilateral Agreement.

ARTICLE IV

1. The payments made in accordance with paragraph 1 of Article III of this Agreement shall be used as follows:—

(a) Firstly, to pay the debts contained in List 1.

(b) Secondly, to pay the debts contained in List 2.

(c) Thirdly, to pay the debts contained in List 3 in the order in which they appear in that List.

2. If it is not possible to verify by 31st July, 1959, all the debts contained in List 2, those debts verified shall be paid on that date and the balance of the instalment due on 31st July, 1959, shall be used to pay debts contained in List 3. The debts contained in List 2 not verified by that date shall, after verification, be paid out of the next instalment due.

ARTICLE V

1. Payments under Article III of this Agreement shall be made by the Central Bank, acting as the Agent of the Turkish Government. The Central Bank shall on each of the dates fixed in paragraphs 2 and 3 of Article III of this Agreement remit the necessary amounts in sterling to the commercial bank in the United Kingdom designated by the Central Bank, together with payment instructions in favour of each of the creditors due for payment in accordance with paragraph 3 of Article III and Article IV of this Agreement.

2. When paying each instalment and making each payment of moratorium interest or contractual moratorium interest, the Central Bank shall give the Board of Trade, through the British Embassy in Ankara, a list of the debts which are to be paid with the said instalment or a list of the payments of moratorium interest and contractual moratorium interest which are to be made, as the case may be.

ARTICLE VI

For the purposes of Articles 5, 8 (a) and 14 of the Multilateral Agreement, the appropriate institution in the United Kingdom shall be the Board of Trade, and for the purposes of Article 8 (c) of that Agreement the commercial bank in the United Kingdom designated by the Central Bank for the purposes of paragraph 1 of Article V of this Agreement.

ARTICLE VII

The Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Turkish Republic relating to certain Sterling Payments to be made to United Kingdom Exporters or Merchants signed at London on the 17th of January, 1955 and the Protocol modifying it, signed at Ankara on the 28th of February, 1957, are cancelled with effect from the date of coming into force of the Multilateral Agreement.

ARTICLE VIII

The present Agreement shall enter into force on the date of signature and shall remain in force for as long as the Multilateral Agreement applies to the United Kingdom.

In witness whereof, the undersigned, being duly authorised thereto, have signed this Agreement.

Done in duplicate in Ankara this thirteenth day of June, 1959.

For the Government of the United Kingdom of Great Britain and Northern Ireland. For the Government of the Republic of Turkey.

B. A. B. BURROWS.

OGUZ GÖKMEN.

ANNEX

List of special contracts referred to in Article I 2 (a)

<i>U.K. Firm</i>	<i>Turkish Exporter</i>	<i>Commodity</i>	<i>Amounts due in respect of debts owed by residents of Turkey</i>
European Grain and Shipping Agency, Ltd.	Ali Raif ve Şeriki Istanbul	Tobacco	£137 16 4
" "	Mehmet Dölen, Istanbul	Tobacco	£1,628 14 0
" "	Etibank, Ankara	Copper	£6,174 14 5
Kidel Trading Co., Ltd.	Çukobirlik, Adana	Cotton	£5,752 3 2

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