

EXCHANGE OF NOTES (DECEMBER 31, 1946 AND FEBRUARY 28, 1947) BETWEEN CANADA AND BELGIUM SUPPLEMENTING THE FINANCIAL AGREEMENT OF OCTOBER 25, 1945 AS AMENDED MAY 2, 1946.

I

*The Ambassador of Belgium
to the Secretary of State for External Affairs*

AMBASSADE DE BELGIQUE

No. 3075/C1:975-E

OTTAWA, December 31, 1946.

Sir:—

I wish to refer to the financial agreement between the Government of Canada and the Government of Belgium signed at Ottawa on October 25, 1945,⁽¹⁾ as amended by the Agreement of May 2, 1946,⁽²⁾ under the authority of The Export Credits Insurance Act.

It is the understanding of my government that The Export Credits Insurance Act has now been amended by the Parliament of Canada to provide that the funds loaned under that Act may be used not only to enable the government receiving the funds to purchase Canadian-produced goods, but also to enable such funds to be used for the purchase of Canadian services and to enable the government receiving such loans to put them at the disposal of any person ordinarily resident in a country of that government to purchase Canadian-produced goods or Canadian services.

I wish, on behalf of my Government to request that, in accordance with the provision of paragraph 2 of the amending Agreement signed on 2nd May, 1946, the Government of Canada approve that these broader purposes and uses of the credit be now made applicable to the financial Agreement between our two Governments.

Subject to this approval, I wish to confirm that the Government of Belgium agrees that the moneys received by it under the financial Agreement of 25th October, 1945, as amended on 2nd May, 1946, will be used only by it or by persons ordinarily resident in Belgium to whom it transfers any of such moneys, and only for the purpose of paying the cost of Canadian services or Canadian-produced goods purchased from exporters and exported to Belgium.

I wish also to confirm our understanding that, in using the credit for these purposes, the various arrangements specified in the exchange of letters on October 25 and 27, 1945, regarding certain matters relating to the financial Agreements will continue in effect.

It is further agreed that, in accordance with recent discussions on the subject, we will be prepared to co-operate with the Department of Finance and the Department of Trade and Commerce in working out mutually suitable arrangements for using the credit for these broader purposes. In particular, we will be prepared to furnish to these Departments information regarding the uses for which the credit is made by the Government of Belgium or by others to whom the credit may be transferred.

Accept, Sir, the renewed assurances of my highest consideration.

A. PATERNOTTE DE LA VAILLEE.

(1) For the text of the Agreement see *Canada Treaty Series*, 1945, No. 22.
(2) For the text of the Agreement see *Canada Treaty Series*, 1946, No. 21.