

CANADA

TREATY SERIES, 1947

No. 10

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

AMBASSADE DE BELGIQUE

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

Effective February 28, 1947



OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
KING'S PRINTER AND CONTROLLER OF STATIONERY

1948

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The Minister of the Netherlands to the Minister of Finance

CANADA

Ottawa, January 29, 1947

Dear Mr. Minister,

TREATY SERIES, 1947

I have the honour to refer to your kind letter of January 29, 1947, on record our agreement to continue the understandings regarding the 50% agreement signed on February 5, 1946, as laid down in Mr. Halsey's letter of that date, and to define more clearly the arrangements necessary for putting effect the supplementary agreement signed on this day.

I entirely agree to the understandings set forth in your letter of January 29, 1947, and I can assure you that every effort will be made on our side to co-operate in working out the arrangements mentioned therein.

Availing myself of this opportunity I would like to express my sincere thanks for the friendly co-operation of the Canadian Government to voice my hope that this new agreement may contribute to the strengthening of trade relations between the Netherlands and Canada by leading to a normal peace time situation.

Yours sincerely,

SUPPLEMENTING

SUMMARY

- I. Note, dated December 31, 1946, from the Ambassador of Belgium to the Secretary of State for External Affairs..... \$
- II. Note, dated February 28, 1947, from the Secretary of State for External Affairs, to the Ambassador of Belgium..... 4

Effective February 28, 1947

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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.*

II

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

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA, February 28, 1947.

No. 15

EXCELLENCY,

I have the honour to refer to your note dated December 31, regarding the financial agreement between the Government of Canada and the Government of Belgium signed at Ottawa on October 25, 1945, as amended on May 2, 1946.

By Order in Council dated January 31, 1947, the Government of Canada has authorized the Minister of Finance, after consultation with the Minister of Trade and Commerce, to make such arrangements with the Government of Belgium as are desirable to enable the funds received by the Government of Belgium by way of the loan agreement, in addition to the purposes set out in the said agreement, as amended, to be used also to pay the cost of Canadian services and to enable persons ordinarily resident in Belgium to pay the cost of Canadian-produced goods or the cost of Canadian services.

I wish, therefore, in accordance with that authority, and on the advice of the Minister of Finance, to confirm that the moneys received by the Government of Belgium under the financial agreement dated October 25, 1945, as amended on May 2, 1946, may be used to pay the cost of Canadian services as defined in The Export Credits Insurance Act and may also be made available by your Government to persons ordinarily resident in Belgium to pay the cost of Canadian services or the cost of Canadian-produced goods purchased from an exporter and exported or to be exported from Canada to Belgium.

I wish also to confirm our understanding of the other points set forth in your letter.

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

L. B. PEARSON,
*for the Secretary of State
for External Affairs.*

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