

CANADA

TREATY SERIES, 1947

No. 9

Signed at Ottawa, January 29, 1947

SUPPLEMENTARY FINANCIAL AGREEMENT

BETWEEN

CANADA

AND

THE NETHERLANDS

Signed at Ottawa, January 29, 1947

(Together with an Exchange of Notes)

Effective January 29, 1947



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

1948

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CANADA

The Acting High Commissioner for Canada
to the Secretary for External Affairs of the Union of South Africa

OFFICE OF THE HIGH COMMISSIONER FOR CANADA

CAPE TOWN, January 22, 1947

Sir,

SUPPLEMENTARY FINANCIAL AGREEMENT

I have the honour to refer to your letter of the 19th December, 1946, in regard to the temporary suspension of the preferential rate of duty on wool tops and combed wool guaranteed to the Union under the Canadian-Union Wool Agreement of 1932, for a period of six months, up to the 30th June, 1947.

I now have the honour to inform you that the Union Government has agreed to the temporary suspension of the preferential rate of 10 cents per weight on wool tops and combed wool for the period 1st January to 30th June, 1947.

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I am authorized by my Government to inform you that they accept the arrangement set out in the above Note and agree that your Note and this shall constitute an agreement between the Government of Canada and the Government of the Union of South Africa which shall enter into effect from January 1, 1947, subject to the condition mentioned.

I have the honour to be,

Sir,

Your obedient servant,

A. J. PICK

Acting High Commissioner



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2. Clause two of the Principal Agreement is struck out and the following substituted therefor:

SUPPLEMENTARY FINANCIAL AGREEMENT BETWEEN THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE NETHERLANDS.

Signed at Ottawa, January 29, 1947

SUPPLEMENTARY AGREEMENT ENTERED INTO THIS 29TH DAY OF JANUARY, 1947

BETWEEN:

THE MINISTER OF FINANCE OF CANADA,

of the First Part,

and

THE GOVERNMENT OF THE NETHERLANDS

represented by its Minister Plenipotentiary to Canada,

of the Second Part:

WHEREAS by agreement dated the 5th February, 1946, hereinafter called the Principal Agreement,* the Government of Canada agreed to make a loan to the Government of the Netherlands not exceeding One Hundred and Twenty-Five Million Dollars.

WHEREAS the Government of the Netherlands has requested that the proceeds of the loan granted under the Principal Agreement, may, in addition to the purposes set out in the Principal Agreement, also be used,—

- (a) to pay the cost of Canadian services, and
- (b) to enable persons ordinarily resident in the Netherlands to pay the cost of Canadian-produced goods or the cost of Canadian services.

WHEREAS by Chapter 49 of the Statutes of Canada of 1946 the Export Credits Insurance Act was amended to enable the borrowing countries to use the proceeds of any loan granted under the Export Credits Insurance Act for the additional purposes set out in the preceding paragraph.

WHEREAS the Minister Plenipotentiary of the Government of the Netherlands to Canada has been duly authorized by the Government of the Netherlands to execute this agreement on behalf of the Government of the Netherlands.

NOW THEREFORE THIS AGREEMENT WITNESSETH that the parties hereto covenant and agree with each other as follows:—

1. Clause one of the Principal Agreement is struck out and the following substituted therefor:

“1. In this agreement the terms ‘exporter’, ‘Canadian-produced goods’, ‘cost of Canadian-produced goods’ and ‘Canadian services’ have the meaning assigned to them by the Export Credits Insurance Act of Canada as amended or any regulations made thereunder.”

* For the principal agreement see *Canada Treaty Series, 1946, No. 19.*

2. Clause two of the Principal Agreement is struck out and the following substituted therefor:

"2. Subject to the terms and conditions of this Agreement, the Minister on behalf of Canada agrees to lend to the Government of the Netherlands, such amounts not exceeding One Hundred and Twenty-Five Million Dollars (Canadian) (less any amounts advanced to the Government of the Netherlands under the said Agreement of 1st May, 1945) as may from time to time be requisitioned from the Minister by the Government of the Netherlands to enable the Government of the Netherlands or any person ordinarily resident in the Netherlands to purchase from exporters, and to pay the cost of Canadian-produced goods exported or to be exported from Canada to the Netherlands and to pay the cost of Canadian services."

3. Clause four of the said Principal Agreement is struck out and the following substituted therefor:

"4. The Government of the Netherlands agrees that the moneys received by it under this agreement and the said agreement of 1st May, 1945, will be used only by it or by persons ordinarily resident in the Netherlands to whom it transfers any of such moneys, and only for the purpose of paying the cost of Canadian-produced goods purchased from exporters and exported or to be exported to the Netherlands and the cost of Canadian services."

IN WITNESS WHEREOF the parties hereto have caused these presents to be signed on the day and year first above mentioned.

Witness:

R. B. BRYCE.

G. BEELAERTS VAN BLOKLAND.

D. C. ABBOTT,
Minister of Finance of Canada.

J. W. M. SNOUCK HURGRONJE,
for the Government of the Netherlands.

* For the principal agreement see Canada Treaty Series, 1946, No. 18.

APPENDIX

EXCHANGE OF NOTES (JANUARY 29, 1947) BETWEEN CANADA AND
THE NETHERLANDS RELATING TO THE SUPPLEMENTARY
FINANCIAL AGREEMENT OF JANUARY 29, 1947.

I

The Minister of Finance of Canada to the Minister of the Netherlands

OTTAWA, January 29, 1947.

Dear Sir,

In signing with you today a supplementary agreement to the financial agreement between the Netherlands and Canada signed on February 5, 1946, I wish to confirm our agreement that, in using the credit for the broader purposes provided by the supplementary agreement, the various understandings specified in my letter of February 5, 1946, regarding matters relating to the financial agreement will continue in effect.

I find it necessary at this time, on behalf of the Canadian Government, to ask your agreement to more clearly defined arrangements whereby your purchasing authorities will agree in advance with our Departments of Trade and Commerce and Finance on the program of purchases for which this credit will be used, and also on arrangements for furnishing these Departments with detailed information concerning the expenditure of the funds obtained under the credit agreement. The specific arrangements for clearing of the program in advance and for the furnishing of information regarding the use made of the funds are to be worked out by the appropriate authorities on your side with the two Departments and embodied in a separate exchange of letters. I can assure you that the Canadian Departments will make every effort to arrange with your purchasing agencies and your Legation methods of co-operation intended to make possible the efficient and prompt use of the credits in accordance with these understandings, and to furnish the Canadian Government with the information it requires in order to fulfil the responsibilities which Parliament has placed upon it in this legislation.

I would appreciate confirmation from you that your understanding of the points mentioned above is the same as that which I have expressed.

Yours very truly,

D. C. ABBOTT.

II

The Minister of the Netherlands to the Minister of Finance

OTTAWA, January 29, 1947.

Dear Mr. Minister,

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

I entirely agree to the understandings set forth in your letter of January 29, 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 to you my sincere thanks for the friendly co-operation of the Canadian Government, and to voice my hope that this new agreement may contribute to the strengthening of trade relations between the Netherlands and Canada by leading them into normal peace time channels.

Yours sincerely,

SNOUCK HURGRONJE.

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