

1948
NEW ZEALAND

Agreement

BETWEEN THE GOVERNMENTS OF NEW ZEALAND
AND THE FRENCH REPUBLIC REGARDING THE
GRANTING OF CREDITS FOR THE PURCHASE OF
WOOL AND OTHER NEW ZEALAND PRODUCTS

(Signed at Wellington 2 July 1947)

Presented to both Houses of the General Assembly by Leave

AGREEMENT BETWEEN THE GOVERNMENT OF
NEW ZEALAND AND THE GOVERNMENT OF THE
FRENCH REPUBLIC REGARDING THE GRANTING
OF CREDITS FOR THE PURPOSE OF FINANCING
PURCHASES OF WOOL AND OTHER PRODUCE OF
NEW ZEALAND

The Government of New Zealand and the Government of the French Republic, wishing to facilitate the purchase by France of wool and other produce of New Zealand, have agreed upon the following provisions :

ARTICLE I

(1) The Reserve Bank of New Zealand acting on behalf of the Government of New Zealand will make available to the Government of the French Republic a credit amounting to Five Million Pounds (£5,000,000) in United Kingdom currency.

(2) This total amount of credit shall be applied by the Government of the French Republic exclusively in payment for New Zealand grown wool or (by mutual agreement between the two Governments) of other New Zealand produce, the said wool and other produce to be purchased in New Zealand and exported to France and the territories of the French Union.

ARTICLE II

The amount of the credit to be drawn during each annual period ending the 30th day of June shall not exceed one-half of the amount of the payments made during that period for the purchases of wool and other produce the subject of this Agreement.

ARTICLE III

(1) Drawings under the credit will cease to take place not later than the 30th day of June 1952 notwithstanding that the total amount aforesaid may not have been utilised by that date.

(2) The total amount of sums drawn under the credit in accordance with Article I above shall be repaid entirely by the Government of the French Republic not later than the 31st day of December 1957.

(3) The Government of the French Republic shall be entitled to repay, before the redemption date, the whole or portions of the sums so drawn.

ARTICLE IV

(1) The Reserve Bank of New Zealand shall open in the name of the Government of the French Republic an account in which shall be recorded all operations under the said credit.

(2) The debit balance from time to time of this account shall bear interest at the rate of two and one-half per centum ($2\frac{1}{2}\%$) per annum.

ARTICLE V

All payments of interest and repayments of principal shall be effected either by lodgments in United Kingdom currency to the credit of the Reserve Bank of New Zealand at the Bank of England or alternatively by payments in New Zealand currency made to the Reserve Bank of New Zealand at Wellington and converted for accounting purposes into United Kingdom currency.

ARTICLE VI

The present agreement which will be submitted for ratification by vote to the French Parliament shall take effect as on and from the date on which the Government of New Zealand is advised of such ratification by the Government of the French Republic.

In witness whereof, the undersigned, duly authorised by their respective Governments, have signed the present Agreement.

Done in duplicate, in Wellington, the 2nd day of July 1947, in English and French, both texts being equally authoritative.

For the Government of New Zealand :

(Sgd.) W. NASH,
Minister of Finance.

For the Government of the French Republic :

(Sgd.) ARMAND GAZEL,
Envoy Extraordinary and Minister Plenipotentiary of
the French Republic to New Zealand.

PROTOCOL OF SIGNATURE

At the time of signature of the agreement of today's date relating to the granting of credits for the purpose of financing purchases of wool and other produce of New Zealand, the Governments of New Zealand and the French Republic agree to set out the methods of applying the agreement in the following terms which shall have the same validity as the agreement itself:—

AD ARTICLE I

Ad paragraph (1): In determining the balance of the credit available no regard shall be had to any repayments which may have been made.

AD ARTICLE II

The utilisation of the credit account will be checked according to the following conditions :

(1) Fifty per cent. of the total amount of the cost, free on board export vessel, of wool and other produce the subject of this Agreement for export from New Zealand to France and the territories of the French Union will be paid by the Reserve Bank of New Zealand to the exporters, or by their written direction to their Bankers in New Zealand, on presentation

(a) Of a copy of the original invoice or a summary of the original invoices, such copy or summary to be duly signed by the Commercial Attaché at the French Legation in New Zealand and also in the case of wool by one of the representatives of the Wool Import Association (Groupement d'Importation de la Laine) in New Zealand ; and

(b) Of a non-negotiable copy of the Bill of Lading.

(2) Such drawings as above shall not be considered as documentary drawings.

AD ARTICLE IV

Ad paragraph (1): The account of the Government of the French Republic shall be operated by the Reserve Bank of New Zealand under the following conditions :

(1) The amount of the drawings and interest thereon will be debited by the Reserve Bank of New Zealand to the account of the Government of the French Republic, and the amount of the repayments of principal and the payments of interest will be credited by the Reserve Bank of New Zealand to the account of the Government of the French Republic, in terms of United Kingdom currency.

(2) The Reserve Bank of New Zealand will forward as soon as practicable by airmail advice of the debits to the said account to the Agent comptable des avoirs à l'étranger (Officer in charge of Funds in Foreign countries), Ministère des Finances, rue de Rivoli, Paris (8ème), who is charged with the centralisation of the operations.

(3) In the case of documentary drawings, the Reserve Bank of New Zealand will debit the said account with the regular Bank Commission charges, which at the present time are in respect of each separate drawing one-eighth per centum ($\frac{1}{8}\%$) on the first £50,000 and one-sixteenth per centum ($\frac{1}{16}\%$) on the excess. No commission for acceptances will be charged.

Ad paragraph (2): Interest accrued during any year ending on the 31st day of December will (subject as herein provided) be settled by a payment made by the Government of the French Republic within fourteen (14) days from that date. Provided that while any portion of the said credit remains available to be drawn and to the extent of such availability the said account of the Government of the French Republic may be used for settlement of such interest and the Reserve Bank of New Zealand is hereby authorised to charge such interest against the said account.

AD ARTICLE V

For the purpose of conversion from New Zealand currency into United Kingdom currency the rate of exchange shall be the rate current for telegraphic transfers between London and Wellington at the date of the particular drawing or repayment of principal or payment of interest as the case may be.

Done in duplicate, by the undersigned, duly authorised by their respective Governments, in Wellington the 2nd day of July 1947 in English and French, both texts being equally authoritative.

For the Government of New Zealand :

(Sgd.) W. NASH,
Minister of Finance.

For the Government of the French Republic :

(Sgd.) ARMAND GAZEL,
Envoy Extraordinary and Minister Plenipotentiary of
the French Republic to New Zealand.

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