

## ECONOMIC COOPERATION

*Exchange of notes at Rome April 29, 1949*  
*Entered in force April 29, 1949*

Department of State files

*The American Ambassador to the Minister of Foreign Affairs*

APRIL 29, 1949

### EXCELLENCY:

I have the honor to refer to conversations which have recently taken place between representatives of our two governments relating to the exercise by the Government of Italy of "drawing rights" pursuant to the Agreement for Intra-European Payments and Compensation of 16 October 1948. As a result of such conversations, which concerned particularly the "drawing rights" attributable to dollar assistance furnished by the Economic Cooperation Administration to participating countries for the purposes of the above-mentioned Agreement, an understanding has been reached which I take pleasure in confirming. That understanding is as follows:

1. To the extent that the Agent authorized to perform payments compensations under the Agreement for Intra-European Payments and Compensation utilized drawing rights established in favor of Italy, the Government of Italy will deposit commensurate amounts of lire in the special local currency account established under Article IV of the Economic Cooperation Agreement between Italy and the United States.<sup>1</sup>

2. The amounts to be deposited shall be equivalent to the U.S. dollar value of drawing rights made available by participating countries and exercised in favor of Italy as communicated to the ECA by the agent. This value will be identical with the amount of U.S. dollars allotted to such participating countries in order to obligate them to make such drawing rights available.

3. The rate of exchange governing the computation of amounts of local currency deemed equivalent to the dollar value of drawing rights as set forth in paragraph 2 above shall be the same as those governing deposits made in accordance with Article IV of the Economic Cooperation Agreement between Italy and the United States.

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<sup>1</sup> Agreement signed at Rome June 28, 1948 (TIAS 1789, *ante*, p. 306).