

ECONOMIC FUSION OF AMERICAN AND BRITISH ZONES OF OCCUPATION IN GERMANY

*Exchange of notes at Washington December 31, 1948, extending agree-
ment of December 2, 1946, as amended*

Entered into force December 31, 1948

Expired March 31, 1949

62 Stat. 3645; Treaties and Other
International Acts Series 1883

The British Ambassador to the Secretary of State

BRITISH EMBASSY,
WASHINGTON, D.C.
December 31, 1948

Ref. 90/137/48
12442

SIR,

I have the honour to refer to the discussions which have taken place between His Majesty's Government in the United Kingdom and the Government of the United States of America on the subject of the extension of the Agreement between the two Governments concerning the British and American Zones of Occupation in Germany.

His Majesty's Government has had under consideration the obligation assumed by the United States Government and His Majesty's Government in the United Kingdom under paragraph 11(b) of the revised Fusion Agreement signed at Washington on December 17, 1947,¹ to consult together before December 1, 1948 to consider the terms and conditions of a new agreement.

His Majesty's Government had hoped that it would be possible to replace the existing Fusion Agreement on January 1, 1949 by a new Agreement to which the French Government would be a party, providing for the economic fusion of the Three Western Zones of Occupation. It now seems clear, however, that until the new arrangements relating to Germany arising out of the six-power talks held last spring in London have matured, it would be desirable to extend the terms of the Bizonal Agreement, as amended, rather than attempt to negotiate a new agreement to include France. His Majesty's Government believe that extension of the agreement for a three-months'

¹ TIAS 1689, *ante*, p. 833.