

No. 4761

**UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND, FRANCE, UNITED STATES
OF AMERICA and FEDERAL REPUBLIC OF GERMANY**

**Finance Convention (with annexes), signed at Bonn on
26 May 1952 (as amended by Schedule III to the Proto-
col on the Termination of the Occupation Régime in
the Federal Republic of Germany, signed at Paris on
23 October 1954)**

Official texts: English, French and German.

*Registered by the United Kingdom of Great Britain and Northern Ireland on
15 June 1959.*

**ROYAUME-UNI DE GRANDE-BRETAGNE
ET D'IRLANDE DU NORD, FRANCE, ÉTATS-UNIS
D'AMÉRIQUE et RÉPUBLIQUE FÉDÉRALE
D'ALLEMAGNE**

**Convention financière (avec annexes), signée à Bonn le
26 mai 1952 (texte amendé conformément à l'annexe III
du Protocole sur la cessation du régime d'occupation
dans la République fédérale d'Allemagne, signé à Paris
le 23 octobre 1954)**

Textes officiels anglais, français et allemand.

*Enregistrée par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le
15 juin 1959.*

No. 4761. FINANCE CONVENTION¹ BETWEEN THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND, FRANCE, THE UNITED STATES OF AMERICA AND THE FEDERAL REPUBLIC OF GERMANY, SIGNED AT BONN ON 26 MAY 1952 (AS AMENDED BY SCHEDULE III TO THE PROTOCOL ON THE TERMINATION OF THE OCCUPATION RÉGIME IN THE FEDERAL REPUBLIC OF GERMANY, SIGNED AT PARIS ON 23 OCTOBER 1954)²

The United States of America, the United Kingdom of Great Britain and Northern Ireland, the French Republic and the Federal Republic of Germany agree as follows :

Article 1

1. In the present Convention the following terms shall, unless the context otherwise requires, have the same meanings as are given to them in Article 1 of the Convention on the Rights and Obligations of Foreign Forces and their Members in the Federal Republic of Germany³ (hereinafter referred to as "the Forces Convention") :

The Federal territory;
The Three Powers;
Other Sending State;
The Power concerned;
The Forces;
Authorities of the Forces;
Members of the Forces;
Accommodation.

2. In the present Convention the following additional terms shall be given the meanings hereinafter indicated :

(a) Authorities of the Power concerned : The authorities of the Power concerned, including the authorities of its Forces.

(b) Deleted.

¹ Came into force on 5 May 1955, the instruments of ratification having been deposited with the Government of the Federal Republic of Germany on the dates indicated below :

Federal Republic of Germany	20 April 1955
United States of America	20 April 1955
France	5 May 1955
United Kingdom of Great Britain and Northern Ireland	5 May 1955

² United Nations, *Treaty Series*, Vol. 331, No. 4758.

³ See p. 3 of this volume.

- (c) Funds for the support of the Forces : Funds of the Federal Republic which are made available in accordance with paragraphs 1 to 3 of Article 4 of the present Convention to the Powers concerned to assist in meeting the costs of the Forces stationed in the Federal territory and their members.

Article 2

The authorities of the Powers concerned and the German authorities shall extend to each other full co-operation and assistance to further the purposes of the present Convention, shall exchange all information available to any of them which may be necessary for the implementation of the present Convention, and shall afford to each other the services of any of their respective agencies to assist in the satisfactory implementation of the present Convention.

Article 3

Deleted.

Article 4

1. (a) From the entry into force of the present Convention until the entry into force of the arrangements for the German Defence Contribution, the Federal Republic will provide a monthly average contribution of DM 600 million as funds for the support of the Forces.

(b) Out of the sum of DM 600 million referred to in sub-paragraph (a) of this paragraph a sum of DM 100 million a month will be earmarked for particular defence measures agreed jointly between the Three Powers and the Federal Republic, which latter sum will include expenditure for the NATO Infrastructure Programme. Payment of claims for Occupation damages can be included.

(c) The provisions of sub-paragraphs (a) and (b) of this paragraph apply in any case only until June 30, 1955. If the arrangements for the German Defence Contribution enter into force after that date, negotiations shall take place between the Federal Republic and the Three Powers concerning the contribution of the Federal Republic to the support of the Forces for the period after June 30, 1955 and before the entry into force of the arrangements for the German Defence Contribution.

2. During the first twelve months after the entry into force of the arrangements for the German Defence Contribution, the Federal Republic will make available as funds for the support of the Forces a total amount of DM 3,200 million. These funds shall be made available as follows :

DM 400 million a month for the first two months;
DM 300 million a month for the next four months;
DM 200 million a month for the last six months.

If the arrangements for the German Defence Contribution enter into force after June 30, 1955, these provisions shall not apply, and negotiations shall take place between the Federal Republic and the Three Powers concerning the contribution of the Federal Republic to the support of the Forces for a period not exceeding twelve months after the entry into force of the arrangements for the German Defence Contribution.

3. The Three Powers recognise the right of the Federal Republic to propose that the provisions of paragraph 2 of this Article be re-examined should it consider that the burden imposed by the build-up of the agreed German forces justifies such re-examination. In this event, the Signatory States will examine all the relevant factors and if found necessary will agree to amend the above provisions on funds for the support of the Forces.

4. In accordance with the spirit of Article 3 of the North Atlantic Treaty¹ the Federal Republic agrees that at the end of the period laid down in paragraph 2 of this Article it will be prepared to negotiate with other member Governments of the North Atlantic Treaty Organisation who have forces stationed in the Federal territory in respect of questions relating to the support (for example, goods and services) of those forces having regard to the requirements of the forces of the Federal Republic.

5. Funds to be made available in accordance with paragraphs 1 to 3 of this Article for one period of time may be utilised in other periods in accordance with the provisions of paragraph 6 of this Article. The Three Powers will be responsible for allocating or re-allocating among the Powers concerned, after consultation with the Federal Government, the amount made available in accordance with this Article. The provisions of Article 5 of the present Convention shall apply to the expenditure of these funds except to the extent that such funds are expended in accordance with sub-paragraph (a) of paragraph 6 of this Article.

6. The only expenditures chargeable to the funds for the support of the Forces made available in accordance with paragraphs 1 to 3 of this Article shall be :

(a) amounts expended on payment authorisations issued after the entry into force of the present Convention to satisfy liabilities for accommodation, goods, materials or services procured or ordered before the entry into force of the present Convention by the authorities of the Powers concerned as a charge to occupation costs or mandatory expenditures, to the extent that such amounts are not covered by unexpended occupation costs and mandatory expenditure funds remaining available to the Three Powers for the purpose after the entry into force of the present Convention;

¹ United Nations, *Treaty Series*, Vol. 34, p. 243; Vol. 126, p. 350, and Vol. 243, p. 308.

- (b) amounts expended on payment authorisations issued before the end of the period covered by paragraph 2 of this Article under the Deutsche Mark budgets of the Powers concerned established in accordance with Article 5 of the present Convention. To the extent that the funds provided under paragraph 1 of this Article have not been fully expended to meet payment authorisations issued before the end of the period covered by that paragraph they will remain available to the Forces for a period of eighteen months for the liquidation of liabilities then outstanding which are chargeable to the funds for the support of the Forces. A corresponding procedure will apply to the funds made available in accordance with paragraph 2 of this Article; however, the latter funds will remain available to the Forces after the end of the relevant period for twelve months; and
- (c) amounts expended for such other purposes as may be agreed between the Federal Republic and the Three Powers.

7. The Three Powers undertake to make a consistent effort to ensure that the carry-over will not increase and shall be substantially reduced as rapidly as possible. The authorities of the Three Powers and the Federal Republic will co-operate fully for this purpose and will assist each other by exchanging relevant information and in any other appropriate ways. The carry-over within the meaning of this paragraph is that part of the funds made available by the Federal Republic for occupation costs and mandatory expenditures which has not been disbursed, together with that part of the funds made available in accordance with paragraph 1 of this Article which has similarly not been disbursed.

Article 5

1. Funds for the support of the Forces shall be expended exclusively for that purpose. The Three Powers undertake to keep the costs chargeable to these funds to the minimum compatible with the military efficiency of the Forces of the Powers concerned, and to utilise the funds efficiently and economically.

2. Budgets will be established by each of the Powers concerned, and the expenditure of funds for the support of the Forces shall be in accordance with such budget categories and within such limits of amount as are established in the estimates prepared by the Powers concerned at the time of the agreement on the sum to be made available under the present Convention. Each of the Powers concerned may freely transfer amounts among the different categories of its budget provided that such transfers result in a change of not more than 10 per cent in the amount originally established for any major category. Advance notice of such transfers will be given to the Federal Republic in order to enable it to make its recommendations. Transfers which result in a change of