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 Party(ies): Belgium vs. Greece
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¹ date when the request for an advisory opinion or application was filed with the court Registry.

[160/4] Permanent Court of International Justice

<i>Present:</i>	M. Guerrero,	<i>President;</i>
	Sir Cecil Hurst,	<i>Vice-President;</i>
Count	Rostworowski,	<i>Judges;</i>
Mm.	Fromageot,	
	Altamira,	
	Anzilotti,	
	Urrutia,	
	Negulesco,	
Jhr.	van Eysinga,	
Mm.	Nagaoka,	
	Cheng,	
	Hudson,	
	De Visscher,	
	Erich,	
	M. Tenekipes,	<i>Judge ad hoc.</i> [161/5]

In the case of the *Societe commerciale de Belgique*,

between

the Royal Belgian Government, represented by M. F. Muuls, as Agent,

and

the Royal Greek Government, represented by M. Ch. Diamantopoulos, as Agent,

The Court,

composed as above,

delivers the following judgment:

By an Application filed with the Registry of the Court on May 5th, 1938, under Article 40 of the Statute, the Belgian Government instituted proceedings before the Court against the Greek Government.

In submitting the case, the Applicant invoked the Treaty of conciliation, arbitration and judicial settlement of June 25th, 1929, between Belgium and Greece ¹.

After a succinct statement of the facts and arguments adduced in support of the claim, the

¹ 113 *League of Nations Treaty Series*, p. 117.

Application prayed the Court:

"(1) to declare that the Greek Government, by refusing to comply with the arbitral award made in favour of the *Societe commerciale de Belgique*, has violated its international obligations;

(2) to assess the amount of the compensation due in respect of this violation".

On May 5th, 1938, notice of the Application was given to the Greek Government, and on May 10th the communications provided for in Article 40 of the Statute and Article 34 of the Rules of Court were duly despatched.

As the Court does not include upon the Bench a judge of Greek nationality, the Greek Government availed itself of its right under Article 31 of the Statute and nominated M. C. G. Tenekides.

The two Governments appointed as their Agents: the Belgian Government, M. F. Muuls, assisted by Maitres Sand and Levy Morelle, and the Greek Government, M. Ch. Diamantopoulos, assisted by M. Jean Youpis.

By an Order made on June 3rd, 1938, the Court fixed the time-limits for the filing of the Memorial by the Belgian Govern[162/6]ment and of the Counter-Memorial by the Greek Government. The time-limits for the filing of the Reply of the Belgian Government and of the Rejoinder of the Greek Government were fixed by an Order made by the President of the Court on September 30th, 1938. By an Order made on December 1st, 1938, at the request of the Greek Government, the time-limit fixed for the filing of the Rejoinder was extended to December 20th, 1938. The various documents of the written proceedings having been duly filed within the time-limits as thus finally fixed, the case became ready for hearing on December 20th, 1938.

In its Memorial, the Belgian Government prayed the Court:

"A. To declare that the State of Greece, by refusing to execute as regards the payment of its debt the arbitral award given at Paris on July 25th, 1936, in favour of the *Societe commerciale de Belgique*, has violated its international obligations;

B. To order the State of Greece in consequence to pay to the Belgian Government, for the benefit of the *Societe commerciale de Belgique*, the sums due to that Company under the award of July 25th, 1936;

C. To authorize the Belgian Government to assess the additional damages sustained, either by it or by its national, the *Societe commerciale de Belgique*, as the result of the facts set out above."

In its Counter-Memorial, the Greek Government prayed the Court

"to dismiss all the claims formulated against it in this case by the Belgian Government".

In its Reply, the Belgian Government maintained the submissions of its Memorial and added the following:

"May it please the Court:

Subject to the presentation of any amplified submissions in the course of the proceedings and rejecting all submissions to the contrary,

A. To place on record for the benefit of the Belgian Government that the Greek Government declares that it acknowledges without reserve the definitive and obligatory character of all the provisions of the arbitral awards given in favour of the *Societe commerciale de Belgique* on January 3rd and July 25th, 1936.

B. To declare in consequence that the conditions for the settlement of the Greek external public debt must remain foreign to the execution of these awards.

C. To declare that the Greek Government has no right to impose upon the Company or upon the Belgian Government the proposal for a settlement made by it on December 31st, 1936." [163/7]

In its Rejoinder, the Greek Government prayed the Court:

"to dismiss all the claims and submissions formulated against it in the present case by the Belgian Government".

In the course of public sittings held on May 15th, 16th, 17th and 19th, 1939, the Court heard:

on behalf of Belgium, M. F. Muuls, Agent, Maitre Levy Morelle and Maitre Sand; and on behalf of Greece, M. Jean Youpis.

After Counsel for the Belgian Government had presented and explained the claim and the submissions of his Government, Counsel for the Greek Government, in his oral argument on May 17th, 1939, presented the following submissions:

"May it please the Court:

(1) To dismiss the claim of the Belgian Government for a declaration that the State of Greece has violated its international obligations, and to declare that the State of Greece has been prevented by *force majeure* from carrying out the arbitral awards of January 3rd and July 25th, 1936;

(2) To dismiss the claim of the same Government for an order by the Court that the State of Greece should pay to it, for the benefit of the *Societe commerciale de*

Belgique, the sums due to that Company under the award of July 25th, 1936,

Alternatively, to declare that it has no jurisdiction to adjudicate on this claim;

(3) To place on record for the benefit of the Belgian Government that the Greek Government acknowledges that the arbitral awards of January 3rd and July 25th, 1936, have the force of *res judicata*, subject to the express reservation that it is unable to execute them as formulated;

That it is ready to discuss and to conclude with the *Societe commerciale de Belgique* an arrangement for the execution of these awards so far as its budgetary and monetary capacity allows;

That, in principle, the fair and equitable basis for such an arrangement is to be found in the agreements concluded or to be concluded by the Greek Government with the bondholders of its external public debt;

(4) To dismiss all the Belgian Government's submissions to the contrary."

On the other hand, Counsel for the Belgian Government, in his oral reply of the same day, presented the following submissions in the name of the Agent for that Government:

"In view of the Application of the Belgian Government dated May 4th, 1938, together with the submissions and additional submissions of the two Parties,

Noting that the Greek Government expressly acknowledges the definitive and obligatory character of all the provisions of [164/8] the arbitral awards given in favour of the *Societe commerciale de Belgique* on January 3rd and July 25th, 1936, but with reservations which destroy the effect of that acknowledgment,

The Belgian Government submits

THAT THE COURT MAY BE PLEASED:

A. To adjudge and declare that all the provisions of the arbitral awards given in favour of the *Societe commerciale de Belgique* on January 3rd and July 25th, 1936, are without reserve definitive and obligatory for the Greek Government;

B. Consequently to adjudge and declare:

1. That the Greek Government is bound in law to execute the said awards;
2. That the conditions for the settlement of the Greek external public debt, to which the Greek Government desires to subordinate payment of the financial charge imposed upon it, are and must remain foreign to the execution of these awards;
3. That it is without right or title that the Greek Government has sought to impose upon the Company or the Belgian Government, as a condition precedent to payment, either the methods of settlement of its external debt or the sacrifice of other rights of the Company recognized by the arbitral awards;

C. To reject the submissions of the Greek Government."

Counsel for the Greek Government, in his oral rejoinder on May 19th, 1939, submitted in the name of the Agent for that Government:

"That the Court may be pleased:

(1) To dismiss the claim of the Belgian Government for a declaration that the State of Greece has violated its international obligations, and to declare that the State of Greece has been prevented by *force majeure* from executing the arbitral awards of January 3rd and July 25th, 1936;

(2) To dismiss the claim of the same Government for an order by the Court that the State of Greece should pay to it, for the benefit of the *Societe commerciale de Belgique*, the sums due to that Company under the award of July 25th, 1936,

Alternatively, to declare that it has no jurisdiction to adjudicate on this claim;

To declare:

(3) That the Greek Government acknowledges that the arbitral awards of January 3rd and July 25th, 1936, given between itself and the *Societe commerciale de Belgique*, have the force of *res judicata*;

(4) that, by reason of its budgetary and monetary situation, however, it is materially impossible for the Greek Government to execute the awards as formulated; [165/9]

(5) that the Greek Government and the *Societe commerciale de Belgique* should be left to come to an arrangement for the execution of these awards which will correspond with the budgetary and monetary capacity of the debtor;

(6) that, in principle, the fair and equitable basis for such an arrangement is to be found in the agreements concluded or to be concluded by the Greek Government with the bondholders of its external public debt;

(7) to dismiss all the Belgian Government's submissions to the contrary."

At the conclusion of the same hearing, the representatives of the Belgian Government declared that that Government maintained only the submissions presented by it on May 17th; nevertheless, having regard to the fresh submissions of the Greek Government, they requested the Court

"to place on record that

the Belgian Government declares that it has never been its intention to claim on behalf of the Company settlement in full by means of a single payment,

and that

it was in order to avoid any misconception in this respect that it had, after the hearings, substituted for its request that the Greek Government should be ordered to pay as reparation the sums due to the Company under the award, a final submission to the effect that the awards should be declared definitive-and obligatory without reserve, and with the corollaries which such decision involves".

Documents in support of their contentions were filed on behalf of each Party ¹.
The above being the state of the proceedings, the Court must now adjudicate.

*
* *

The facts in which the case originated are as follows:

On August 27th, 1925, an agreement was concluded between the Greek Government and the *Societe commerciale de Belgique* for the construction in Greece by the Belgian Company on behalf of the Greek Government of certain railway lines and for the reconstruction of certain other lines, and for the supply of the equipment necessary for their operation. The contract was ratified by Article 1 of the Greek Decree-Law of October 6th, 1925, Article 2 thereof giving it the force of law; it was published in the Official Journal of the Greek Government on the 8th of the same month. The contract was interpreted, completed and modified by subsequent agreements, but only as regards details. [166/10]

The contract provided that the financing of the works to be undertaken by the Company and the payment for the rolling stock and other supplies to be furnished by the Company were to be covered by a loan to the Greek Government by the Belgian Company, the Greek Government in return issuing bonds to the Company, which were to constitute a debt of the Greek State and were to form part of its external debt.

The contract also provided for the reference to arbitration of any disputes which might arise. The relevant terms of the Article on this subject were as follows:

"All disputes of every kind, whether technical or economic, will be referred to an arbitration commission of three members. Each Party will nominate an arbitrator selected by it, and the third will be nominated by the other two or, in case they should disagree, by the President of the International Court of Arbitration at The Hague. The arbitrators will work on the French text which alone is authoritative.

The proceedings will be conducted as in arbitration cases.

The Parties will be dispensed from observing the ordinary forms of procedure and will be bound to respect the fundamental rules of the rights of defence, in particular the obligation to communicate all documents produced in the course of the proceedings. The decisions of the arbitrators will be final and without appeal."

¹ See list in Annex.

In view of the arbitration which subsequently took place in accordance with the above Article, it is unnecessary to set out any details as to the work to be carried out by the Company under the contract, or as to the difficulties and complaints which arose on either side as to the execution of the contract.

In 1932 the Greek Government was obliged, on account of the general financial crisis, to abandon the gold standard and to default in the service of its debt. It was able to pay the coupon due on April 1st of that year, but not the coupon due on July 1st. The Company, seeing that it was not going to get the money due to it either for interest or amortization on the bonds received by it under the contract, could not continue the payment of its sub-contractors, with the result that the work undertaken by these sub-contractors came to an end.

In view of the default by the Greek Government on the bonds delivered to the Company, the Company decided to resort to arbitration under the provisions of the clause set out above. The proposal which it made to this effect to the Greek Government on July 26th, 1933, was accepted by that Government on September 21st. Considerable delay ensued, however, in organizing the Arbitral Commission and in completing the necessary preliminaries, and it was not until November 29th, [167/11/2] 1935, that the Arbitral Commission was able to begin the hearing of the suit.

On January 3rd, 1936, the Arbitral Commission gave its first award providing for the cancellation of the contract of August 27th, 1925, between the Belgian Company and the Greek Government as from July 1st, 1932, and for the appointment of a body of experts to fix the amount and the method of payment of such sum as should be found to be payable by either Party to the other as the result of the cancellation of the contract.

On July 25th, 1936, the Arbitral Commission gave a second award in which it adopted and gave effect to the report of the experts appointed in pursuance of the earlier award. By this second award, the sum payable by the Greek Government to the Company was fixed at 6,771,868 gold dollars with interest at 5% from August 1st, 1936, account being taken in the fixing of this amount of various sums payable or repayable by one Party to the other. The arbitral award also took note of an arrangement which had been arrived at between the Parties for substituting the Government for the Company in all matters outstanding between the Company

and third parties. By other clauses in the award the Company was released from all further responsibility in connection with works or supplies under the contract, except that it was to hand over to the Government plans and papers relating to the works, plant and machinery obtained at the expense of the Government and certain rolling stock which still remained in Belgium. The Government, on the other hand, was to restore to the Company a letter of guarantee which the Company had deposited for the fulfilment of the contract.

An examination of the terms of these two arbitral awards shows that many questions which have been debated between the Parties in the course of the oral and written proceedings in the present case were also the subject of debate before the Arbitral Commission and were taken into account in its awards. Thus, the question whether any liability on the part of the Greek Government arising from the cancellation of the contract of August 27th, 1925, could be regarded as part of the external debt of Greece and subjected to the same conditions of payment as applied to that debt, was brought before the arbitrators.

The provisions in the awards other than that relating to the payment of the \$6,771,868 have been carried out by the Greek Government. A law was adopted in November 1936 substituting the Greek Government for the Company in all the latter's relations with third parties, and the letter of guarantee was returned to the Company. [168/12]

As regards the payment of the sum declared to be due to the Company, nothing has been achieved. Letters from the Company as to the payment by the Government of the sum due provoked no response.

In December 1936, the Belgian Company sent two delegates to Athens in the hope that they might be able to conclude an agreement with the Greek Government as to the payment of the debt.

After a visit to the Ministry of Finance on December 21st, the delegates submitted in writing a proposal on behalf of the Company that the Government should pay \$4,000,000 at once and the balance in quarterly instalments. On December 31st the Greek Government replied that it could not depart from its views as to the character of its debt to the Company; it considered this to be a part of the Greek public debt, with the result that the same methods of payment must apply to it as to the public external debt, and the interest payments must be arranged on the same basis, i.e., the same percentages would be paid as in the case of the public debt interest, and the

balance would remain in suspense until a final settlement was arrived at as regards the public external debt. As in the case of other external loans on a gold basis, payment could not be made in gold as provided in the original contract and in the arbitral awards. Pending the conclusion of a definitive arrangement as regards the Greek public external debt, the Government would make an immediate payment of \$300,000.

The note went on to point out that the obligations undertaken by the Government in substitution for the Company in respect of liabilities to third parties were involving it in an expenditure of \$1,000,000, and that the Company had in hand a sum amounting to \$1,800,000 representing the interest returnable to the Government and the interest on sums deposited with it by third parties by way of guarantee.

The terms offered by the Greek Government in its note of December 31st, 1936, were not acceptable to the Belgian Company. The representatives of the Company replied on January 5th, 1937, urging that the contents of the note from the Greek Government, if insisted on, would amount to a refusal to recognize the terms of the arbitral awards, that these awards had confirmed the commercial character of the Company's debt, that the debt was no part of the Greek external debt, and was not a debt of the payment of which the bondholders could complain. They said the offer of \$300,000 was quite inadequate and that the financial position of the Company necessitated [169/13] the payment by the Greek Government of a substantial sum.

The negotiations led to nothing. Another offer made by the Company was refused by the Government, with the result that, on May 21st, 1937, the Company withdrew its offers and applied to the Belgian Government for its protection.

In 1933, at the time of the default on the Greek public debt, investigations were made at the request of the Greek Government by the Financial Committee of the League of Nations as to the position of the Greek finances. Extracts from the reports of the Financial Committee are included among the documents which have been submitted to the Court and confirm the contention that the financial position of the Greek Government was difficult.

Negotiations have also been carried on by the Greek Government with the bondholders as to the service of the external debt. Agreements have been made from time to time as regards the

service of the debt during particular periods. Copies of these agreements are included among the annexes to the documents of the written proceedings. Under these agreements a percentage only of the sums due for interest is to be paid, nothing is to be paid in respect of sinking fund, and a clause is inserted that, if more favourable terms are given by the Greek Government to other external loans of or guaranteed by the Greek State, equally favourable treatment should be given to the loans covered by the agreements.

On June 14th, 1937, the Belgian Government took up the case of the Belgian Company. Basing his action on the Greek note of December 31st, 1936, the Belgian Minister at Athens approached the Greek Government and asked for a re-examination of the case in order to avoid a dispute between the two Governments. No answer, save an acknowledgment of receipt, was received until September 6th, 1937, when the Greek Government sent a reply maintaining the position it had taken up in the note of December 31st, 1936, viz., that it regarded its debt to the Company as part of the external debt of the country, and one that could only be met on the same footing as the external debt. The financial position of the country and the difficulties as to foreign exchange, as well as the engagements it had entered into with the bondholders, obliged the Government to propose an arrangement for the liquidation of the debt on a long term basis with a rate of interest appropriate to the conditions then existing. [170/14]

On December 22nd, 1937, the Belgian Minister addressed a further note to the Greek Government maintaining that it followed from the note of September 6th that the Greek Government refused to accept as binding the awards given by the Arbitration Commission and that the note disregarded essential stipulations in the awards. In these circumstances — the note went on — the Belgian Government could only regard the diplomatic negotiations as having failed and proposed that the dispute should be referred to the Permanent Court of International Justice by a special agreement.

The Greek Government declined to accede to this proposal on the ground that the case was not within the jurisdiction of the Court; thereupon the Belgian Government instituted the present proceedings unilaterally by an Application filed on May 4th, 1938.

The Application of the Belgian Government asked the Court to declare that the Greek Government, by refusing to carry out the arbitral awards in favour of the Belgian Company, had violated its international obligations.

This same argument was repeated and developed at length in the Memorial filed by the Belgian Government. It was the refusal of the Greek Government to carry out the principal provision in the arbitral awards, i.e., the payment of the sum awarded, which constituted the violation of the international obligations incumbent upon Greece.

In its Counter-Memorial the Greek Government disputed the allegation that it had refused to carry out the arbitral awards: "Il n'est nullement vrai que le Gouvernement hellénique ait refusé d'exécuter la sentence arbitrale; á aucun moment, il n'a songé á mettre en doute sa valeur ni á refuser son exécution; il est par contre respectueux de la chose jugée...." It was also maintained in the Counter-Memorial that the Greek Government had carried out the provisions of the award other than the payment of the large sum awarded, and that as regards the financial part of the awards it had made an offer which was as large as its financial position would permit. It was argued that the Greek Government had neither refused to carry out the awards nor disregarded the acquired rights of the Belgian Company, and contended that the Greek Government had committed no act which was contrary to international law. The Counter-Memorial therefore asked for the rejection of the Belgian submissions. « It was also said that: "Il est bien entendu que la sentence arbitrale maintient par elle-même toute sa valeur dans les rapports entre le Gouvernement hellénique et la société belge, et aucune confirmation par la Cour de cette sentence n'est nécessaire ni possible en droit." [171/15]

The Belgian Reply treated the above declarations of the Greek Government as changing the character of the dispute between the two Parties. Though continuing to maintain that in fact the Greek Government had refused to carry out the awards and therefore maintaining the submissions of the Memorial, the Reply asked the Court to take note of the declaration by the Greek Government that it acknowledged without reserve the obligatory character of the arbitral awards, and to hold that in consequence the conditions for the payment of the Greek external debt had nothing to do with the execution of the arbitral awards, and that the Greek Government had no right to impose on the Company or on the Belgian Government the settlement indicated in the note of December 31st, 1936.

In its Rejoinder the Greek Government continued to maintain, as in its Counter-Memorial, that the Belgian claim was unjustified in law and should be rejected. There was no refusal by the Greek Government to carry out the financial part of the awards. Payment of the

sum fixed therein was impossible for it by reason of its financial and monetary position and because of the agreements with the bondholders of the public external debt.

At the beginning of the oral hearings, the Belgian Agent repeated the submissions of the Reply, but without withdrawing those of the Memorial. Similarly, the arguments addressed to the Court by the Belgian Counsel were largely devoted to showing that there had been refusal to carry out the arbitral awards and intentional disregard of its terms by the Greek Government.

At the conclusion of the oral reply by the Belgian Counsel on May 17th, the submissions of the Belgian Government were given a new form. The allegation that Greece in refusing to execute the arbitral awards had violated her international obligations, and the claim that the Court should order Greece to pay the amount awarded together with additional damages, disappeared. Similarly, the submission in the written Reply asking the Court to place on record for the benefit of Belgium that the Greek Government declared that it acknowledged without reserve the obligatory character of the arbitral awards disappeared; it was replaced by a statement placing on record the fact that the Greek Government declared that it acknowledged the obligatory character of the awards, but that the declaration was accompanied by reserves which destroyed the effect of the acknowledgement. The Belgian Government therefore asked the Court to say that all the provisions of the awards were binding on the Greek Government without reserve and added certain subsidiary and, in its view, consequential [172/16] demands. At a subsequent hearing the Belgian Counsel also asked the Court to take note that the Belgian Government had never intended to insist on a single lump sum payment in favour of the Belgian Company, and that it was in order to avoid any misconception on this point that the Belgian Government had substituted its final submission seeking from the Court a declaration as to the definitive and obligatory character of the awards for its previous demand for an order by the Court that the Greek Government should pay by way of reparation the sum due to the Company under the awards.

No objection was made by the Greek Agent to the abandonment by the Belgian Agent of the submissions alleging that the Greek Government had violated its international obligations by refusing to pay the arbitral awards in favour of the Company. He must indeed be taken to have assented to their being dropped, as he stated that if the two Belgian claims were withdrawn the first two Greek submissions as presented on the last day of the hearings would have no

importance.

Except as regards the abandonment of the two submissions which were directed particularly to the Belgian submissions that had been withdrawn, the Greek submissions have not undergone any fundamental change in the course of the proceedings. After asking the Court to reject the Belgian contention that there had been a refusal on the part of the Greek Government to execute the arbitral awards, the Greek submissions prayed the Court to declare that the Greek Government acknowledges these awards as having the force of *res judicata*, even if for financial reasons it was unable to pay the sum adjudged to be due to the Belgian Company.

In these submissions in their final form, stress is laid upon the need of negotiations between the Parties for the conclusion of an agreement as to the execution of the awards (No. 5); a view which appears to be shared by the representatives of the Belgian Government, as at the close of the hearing on May 19th the Belgian Counsel intimated that if, after the legal situation has been determined, the Belgian Government should have to deal with the question of payment, it would have regard to the legitimate interests of the Company, to the ability of Greece to pay and to the traditional friendship between the two countries. In this spirit it would be disposed to conclude a special agreement with a view to settling *ex aquo et bono* any difficulties which might arise in regard to proposals made by Greece for instalment payments. [173/17]

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These are the circumstances in which the Court is now called upon to adjudicate on the case before it.

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The Court has not failed to consider the question whether the Statute and Rules of Court authorize the parties to transform the character of a case as profoundly as the Belgian Government has done in this case.

It is to be observed that the liberty accorded to the parties to amend their submissions up

to the end of the oral proceedings must be construed reasonably and without infringing the terms of Article 40 of the Statute and Article 32, paragraph 2, of the Rules which provide that the Application must indicate the subject of the dispute. The Court has not hitherto had occasion to determine the limits of this liberty, but it is clear that the Court cannot, in principle, allow a dispute brought before it by application to be transformed by amendments in the submissions into another dispute which is different in character. A practice of this kind would be calculated to prejudice the interests of third States to which, under Article 40, paragraph 2, of the Statute, all applications must be communicated in order that they may be in a position to avail themselves of the right of intervention provided for in Articles 62 and 63 of the Statute. Similarly, a complete change in the basis of the case submitted to the Court might affect the Court's jurisdiction.

The Court, however, considers that the special circumstances of this case as set out above, and more especially the absence of any objection on the part of the Agent for the Greek Government, render it advisable that it should take a broad view and not regard the present proceedings as irregular.

*

The submissions before the Court are therefore those presented by the Belgian Government at the hearing on May 17th and those presented by the Greek Government on May 19th. With regard to the latter, it is to be noted however that, as has been said above, submissions Nos. 1 and 2 are to be regarded as abandoned, because the claims of the Belgian Government as to the violation of international obligations and the award by the Court of the sums due to the *Societe commerciale de Belgique*, against which these submissions were directed and the rejection of which they sought, have been withdrawn. The only submissions remaining before the Court are therefore Nos. 3, 4, 5, 6 and 7. [174/18]

With regard to its jurisdiction to adjudicate on these submissions, it is sufficient for the Court to observe that the Greek Government has raised no objection; on the contrary, it has submitted arguments on the merits and has asked for a decision on the merits. In regard to this point, the Parties are therefore in agreement.

It should however be added that, since the arbitral awards to which these submissions relate are, according to the arbitration clause under which they were made, "final and without

appeal", and since the Court has received no mandate from the Parties in regard to them, it can neither confirm nor annul them either wholly or in part.

*

Submission A of the Belgian Government prays the Court "to adjudge and declare that all the provisions of the arbitral awards given in favour of the *Societe commerciale de Belgique* on January 3rd and July 25th, 1936, are without reserve definitive and obligatory for the Greek Government".

Taken literally, this submission appears to ask the Court to examine the arbitral awards and to confirm their terms. For the reason stated above, the Court cannot do this.

If regard be had to the origin of this submission, however, it will be seen that this is not the intention of the Belgian Government.

In its Reply, the Belgian Government for the first time presented a submission praying the Court "to place on record for the benefit of the Belgian Government that the Greek Government declares that it acknowledges without reserve the definitive and obligatory character of all the provisions of the arbitral awards given in favour of the *Societe commerciale de Belgique* on January 3rd and July 25th, 1936". This submission was due to certain passages in the Counter-Memorial to the effect that the Greek Government had never at any time intended to throw doubt upon the validity of the arbitral awards or to refuse to carry them out; the financial conditions of the country had alone prevented the Greek Government from complying with the awards and had obliged it to propose an arrangement to the Company. In asking the Court to place these declarations on record, the Belgian Government's object clearly was to have on record the agreement thus arrived at regarding the validity of the awards and to exclude any reservation which the Greek Government might have sought to attach to its recognition of *res judicata*. The same idea is clearly expressed in the second paragraph of the preamble which precedes the final submissions presented by the Belgian Government at the hearing on May 17th. [175/19/3]

Accordingly, submission A of the Belgian Government is founded on the fact that the Greek Government has acknowledged that the arbitral awards have the force of *res judicata*: it does not ask the Court either to examine the arbitral awards or to confirm them; its object is simply to get the Court to record the legal situation established by the arbitral awards between

the Parties as a result of the Greek Government's acknowledgement of the validity and binding force of those awards.

In its submission No. 3, the Greek Government prays the Court to declare "that the Greek Government acknowledges that the arbitral awards of January 3rd and July 25th, 1936, given between itself and the *Societe commerciale de Belgique* have the force of *res judicata*". Recognition of an award as *res judicata* means nothing else than recognition of the fact that the terms of that award are definitive and obligatory. Moreover, the Belgian Government has constantly used this latter expression as equivalent to the expression "recognition of *res judicata*", and the Greek Government has raised no objection. It follows that the Greek submission No. 3 corresponds to the Belgian submission A. Though it is true that the latter submission asks the Court to declare that the provisions of the arbitral awards are "without reserve" definitive and binding upon the Greek Government, it is likewise true that submission No. 3 contains no reservation. The Court will consider later whether the subsequent submissions of the Greek Government are to be regarded as implying a reservation respecting its recognition of *res judicata*. For the moment it will suffice to note that the two Parties are in agreement: the Belgian Government asks the Court to say that the arbitral awards have the force of *res judicata*, and the Greek Government asks the Court to declare that it recognizes that they possess this force.

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Submission B of the Belgian Government prays the Court

"Consequently to adjudge and declare:

1. That the Greek Government is bound in law to execute the said awards;
2. That the conditions for the settlement of the Greek external public debt to which the Greek Government desires to subordinate payment of the financial charge imposed upon it, are and must remain foreign to the execution of these awards;
3. That it is without right or title that the Greek Government has sought to impose upon the Company or the Belgian Government, as a condition precedent to payment, either the methods of settlement of its external debt or the sacrifice of other rights of the Company recognized by the arbitral awards". [176/20]

Two observations are necessary here.

The submission is expressly presented as a consequence of the preceding submission and therefore of the existence of *res judicata*. It is in fact clear that everything in the three paragraphs

of this submission follows logically from the definitive and obligatory character of the arbitral awards. If the awards are definitive and obligatory, it is certain that the Greek Government is bound to execute them and to do so as they stand: it cannot therefore claim to subordinate payment of the financial charge imposed upon it to the conditions for the settlement of the Greek external public debt, since that has not been admitted in the awards. Nor can it make the sacrifice of any right of the Company recognized by the awards a condition precedent to payment.

Since the Greek Government states that it recognizes the arbitral awards as possessing the force of *res judicata*, it cannot contest this submission of the Belgian Government without contradicting itself. It does not in fact contest it; its submissions regarding the execution of the awards proceed from another point of view, as will presently be seen. The Court may therefore say that the Belgian submission B is neither necessary nor disputed.

The second observation to be made concerns the words "in law" which, in No. 1 of submission B, qualify the obligation of the Greek Government to carry out the arbitral awards. In the opinion of the Court, these words mean that the Belgian Government here adopts the strictly legal standpoint regarding the effects of *res judicata*, a standpoint which, in fact, does not preclude the possibility of arrangements which, without affecting the authority of *res judicata*, would take into account the debtor's capacity to pay.

*

It is precisely the standpoint of fact and of considerations as to what would be fair and equitable, as opposed to that of strict law, which the Greek Government adopts in its submissions 4, 5 and 6; after having recognized that the arbitral awards possess the force of *res judicata*, it asks the Court, in these submissions, to declare:

"(4) that, by reason of its budgetary and monetary situation however, it is materially impossible for the Greek Government to execute the awards as formulated;

(5) that the Greek Government and the *Societe commerciale de Belgique* should be left to come to an arrangement for the execution of these awards which will correspond with the budgetary and monetary capacity of the debtor; [177/21]

(6) that, in principle, the fair and equitable basis for such an arrangement is to be found in the agreements concluded or to be concluded by the Greek Government with the bondholders of its external public debt".

In order to appreciate the precise import of these submissions, it should above all be

borne in mind that, according to the clear declarations made by the Parties during the proceedings, the question of Greece's capacity to pay is outside the scope of the proceedings before the Court. It was in order to show that the Belgian submission to the effect that Greece had violated her international obligations — a submission now abandoned — was ill-founded that the Greek Government was led to give a general description of the budgetary and monetary situation of the country. It is not therefore likely that the Greek Government's intention was to ask the Court for a decision on this point in its submission No. 4. In the opinion of the Court, submission No. 4 only raises the question of Greece's capacity to pay in connection with submission No. 5, that is to say the claim that the Greek Government and the *Societe commerciale de Belgique* should be left to negotiate an arrangement corresponding with the budgetary and monetary capacity of the debtor.

It follows that, notwithstanding the word "however", submission No. 4 implies no reservation regarding the recognition of *res judicata* in No. 3; it proceeds from a standpoint other than that of the rights acknowledged by the arbitral awards. It also follows that submission No. 4 could be entertained by the Court only if it entertained No. 5: only in that case would it have to consider whether the budgetary and monetary situation of Greece would call for negotiations.

The Court however cannot entertain the Greek Government's submission No. 5. Apart from any other consideration, it is certain that the Court is not entitled to oblige the Belgian Government — and still less the Company which is not before it — to enter into negotiations with the Greek Government with a view to a friendly arrangement regarding the execution of the arbitral awards which that Government recognizes to be binding: negotiations of this kind depend entirely upon the will of the parties concerned. It is scarcely necessary to add that, if the Court cannot invite the Greek Government and the *Societe commerciale de Belgique* to agree upon an arrangement corresponding to the budgetary and monetary capacity of the debtor, still less can it indicate the bases for such an arrangement. Submission No. 6 must therefore also be rejected.

Nor could submission No. 4 of the Greek Government be entertained if it were regarded as a plea in defence designed to obtain from the Court a declaration in law to the effect [178/22] that the Greek Government is justified, owing to *force majeure*, in not executing the awards as formulated. For it is clear that the Court could only make such a declaration after having itself

verified that the alleged financial situation really exists and after having ascertained the effect which the execution of the awards in full would have on that situation; in fact, the Parties are in agreement that the question of Greece's capacity to pay is outside the scope of the proceedings before the Court.

Nevertheless, though the Court cannot admit the claims of the Greek Government, it can place on record a declaration which Counsel for the Belgian Government, speaking on behalf of the Agent for that Government who was present in Court, made at the end of the oral proceedings. This declaration was as follows: "If, after the legal situation had been determined, the Belgian Government should have to deal with the question of payments, it would have regard to the legitimate interests of the Company, to the ability of Greece to pay and to the traditional friendship between the two countries."

This declaration, made after the Greek Government had presented its final submissions, is in a general way in line with the Greek submissions. It enables the Court to declare that the two Governments are, in principle, agreed in contemplating the possibility of negotiations with a view to a friendly settlement, in which regard would be had, amongst other things, to Greece's capacity to pay. Such a settlement is highly desirable.

For these reasons,

The Court,

by thirteen votes to two,

1. Admits submission A of the Belgian Government and submission No. 3 of the Greek Government and, noting the agreement between the Parties, states that the arbitral awards made on January 3rd and July 25th, 1936, between the Greek Government and the *Societe commerciale de Belgique* are definitive and obligatory;

2. Dismisses the other submissions of the two Parties.

The present judgment has been drawn up in French and English, the French text being authoritative. [179/23]

Done at the Peace Palace, The Hague, this fifteenth day of June, one thousand nine hundred and thirty-nine, in three copies, one of which will be deposited in the archives of the Court and the others will be communicated to the Government of the Kingdom of Belgium and to the Government of the Kingdom of Greece, respectively.

(Signed) J. G. Guerrero,
President.

(Signed) J. Lopez Olivan,
Registrar.

Jonkheer van Eysinga and Mr. Hudson, Judges, declare that they are unable to concur in the judgment given by the Court and, availing themselves of the right conferred upon them by Article 57 of the Statute, have appended to the judgment the separate opinions which follow.

(Initialed) J. G. G.

(Initialed) J. L. O.

[180/24] Dissenting Opinion by Jonkheer Van Eysinga.

[*Translation.*]

The present case was brought before the Court by an Application, dated May 4th, 1938, in which the Belgian Government asked for compensation to be awarded to the *Societe commerciale de Belgique* by reason of the alleged refusal of the Greek Government to execute the arbitral award of July 25th, 1936, under which it was to pay to the said Belgian Company the sum of 6,771,868 gold dollars of the United States of America; this refusal constituting, according to the Belgian Application, a violation of the international obligations of Greece. In response, the Greek Government simply prayed the Court to dismiss the claim.

The fact that the Greek Government, in its Counter-Memorial, departing from the attitude adopted by it during the negotiations which took place after the delivery of the award of July 25th, 1936, and prior to the submission of the Application, acknowledged that the award possessed the force of *res judicata*, led the Belgian Government to amend its submissions, and this amendment, in its turn, led to the amendment of the Greek submissions.

As a result of this development in the course of the proceedings, the Court has before it two sets of final submissions each consisting of five claims asking the Court to "adjudge and declare" in the one case and to "declare" in the other. On both sides this development of the proceedings has been accepted, and consequently the Court must adjudicate on the two sets of submissions as if they had been presented by means of a special agreement.

However extensive the amendments to the submissions on either side, the case upon which the Court has to adjudicate remains the same. The Belgian Government wishes Greece to execute the award of July 25th, 1936 — besides this award there was another of January 3rd, 1936 — in so far as concerns the payment of 6,771,868 gold dollars; the Greek Government believes that it has sound reasons for not doing so; and each Party prays the Court to uphold the submissions which it presents in order to secure the fullest acceptance of its contentions.

Final submission A of the Belgian Government is as follows:

"May it please the Court:

A. To adjudge and declare that all the provisions of the arbitral awards given in favour of the *Societe commerciale de [181/25] Belgique* on January 3rd and July 25th, 1936, are without reserve definitive and obligatory for the Greek Government".

Final submission No. 3 of the Greek Government is as follows:

"May it please the Court to declare:

(3) That the Greek Government acknowledges that the arbitral awards of January 3rd and July 25th, 1936, given between itself and the *Societe commerciale de Belgique*, have the force of *res judicata*".

It follows from these two submissions that the Belgian Government and the Greek Government agree in acknowledging that the awards of 1936 have the force of *res judicata*. But it is not enough to accept the two submissions and "declare" that the awards of 1936 are definitive and obligatory.

For on the one hand the Belgian submission A, the terms of which are categorical, is followed by submissions B 1, B 2 and B 3, which pray the Court to adjudge and declare that certain consequences of the awards of 1936, which the Greek Government had sought to evade, are essential. I agree with the view of the judgment that these submissions are correct, but I consider that Belgium is entitled to have this recorded in the operative part of the judgment.

On the other hand, the Greek submission No. 3 which is less categorical is followed by submissions Nos. 4, 5 and 6, which are linked to submission No. 3 by a significant "however". Certainly the Greek Government acknowledges that the awards of 1936 have the force of *res judicata*, but it also asks the Court to say that it is materially impossible for it to execute the awards as formulated (submission No. 4), that negotiations should be begun for an arrangement corresponding with the budgetary and monetary capacity of Greece (submission No. 5) and that, in principle, the fair and equitable basis for such an arrangement is to be found in the agreements concluded or to be concluded by the Greek Government with the bondholders of its external public debt (submission No. 6). Greece is also entitled to have the Court adjudicate on these submissions.

Whereas the final Belgian submissions adopt an exclusively legal standpoint, the Greek submissions Nos. 4 and 6 take another standpoint. What the Greek submission No. 4 asks the

Court to do is to adjudicate upon the financial and monetary capacity of Greece, even though the intention of the Parties at an earlier stage of the proceedings may have been to leave this question aside. On the basis of the finding asked for by the Greek submission No. 4 — a finding to the effect that it is materially impossible for the Greek Government to execute the awards of 1936 as formulated — the Court, according to [182/26] submission No. 5, should leave it to the Greek Government and the Belgian Company to come to an arrangement which would correspond with the budgetary and monetary capacity of Greece and which, according to the Greek submission No. 6, should, in principle, be based on the agreements already concluded or to be concluded with the bondholders of the Greek external debt.

The Court no doubt has jurisdiction to entertain submission No. 4. It is a question of ascertaining a fact: the budgetary and monetary situation of Greece. The ascertainment of this fact in its turn requires an expert report, for the Court cannot adjudicate simply on the basis of what the two Parties — notwithstanding their statements that this question should remain outside the scope of these proceedings — have put before it regarding the financial and monetary capacity of Greece. Accordingly the Court should apply Article 50 of the Statute which provides that it "may, at any time, entrust any individual, body, bureau, commission or other organization that it may select, with the task of carrying out an enquiry or giving an expert report".

Only after such an expert report could the Court adjudicate on Greek submissions Nos. 4 to 7 and upon Belgian submission C.

(Signed) V. Eysinga.

[183] Separate Opinion by Mr. Hudson.

While the result which I would reach in this case does not differ greatly from that reached by the Court, the reasoning which I should adopt for reaching it differs on some important points from that which the Court has adopted.

* * *

In my view, the principal object of the Belgian submissions in their final form was to obtain from the Court a pronouncement as to the juridical nature and effect of the arbitral awards of January 3rd and July 25th, 1936. This is indicated both by the text of the Belgian submissions A and B, and by the fact that this text embodies modifications which clearly changed the object sought to be accomplished by the earlier formulations contained in the written Reply of the Belgian Government. It is confirmed, also, by the declaration made on behalf of the Belgian Government at the close of the oral proceedings, in which its final submissions were described as *tendant à voir proclamer le caractère définitif et obligatoire des sentences, sans aucune réserve, avec les corollaires que cette décision comporte*. In other words, the Belgian Government does not confine itself to asking the Court to declare that certain matters dealt with in the arbitral awards are now *res judicata* and recognized to be such by the Greek Government; it goes further and seeks a judgment establishing with the Court's authority the obligatory character of the awards.

It is true that the two arbitral awards given at Paris in 1936 were *souveraines et sans appel*. The agreement of the Greek Government and the *Société commerciale de Belgique* to this effect was expressed both in the contract of August 27th, 1925, and in the *compromis* of August 30th, 1934. Yet this agreement did not preclude the Belgian Government, which has espoused the claim of the *Société commerciale de Belgique*, from asking for an examination and confirmation of the awards by this Court. That is what, it seems to me, the Belgian Government has done.

The Court's jurisdiction to deal with these Belgian submissions follows from the consent of the Greek Government. For the Greek Government has not only refrained from objecting to

the jurisdiction of the Court; it has also asked for the rejection of the Belgian submissions on the merits. See the *Upper Silesia Minorities Case*, Series A, No. 15, pages 24-25. [184]

Even on this interpretation of their principal object, however, the Belgian submissions ought to be dismissed. The arbitration which led to the awards of January 3rd and July 25th, 1936, was between the Greek Government and the *Société commerciale de Belgique*; it was held in pursuance of a provision in the contract of August 27th, 1925, concluded between the Greek Government and the *Société commerciale DC Belgium*. Hence, it is quite clear that the juridical character of the two awards is not derived from the law which governs the relations of States. As was said in the *Serbian Loans Case*, Series A, Nos. 20/21, page 41, "any contract which is not a contract between States in their capacity as subjects of international law is based on the municipal law of some country". The contract of 1925 and the arbitral awards of 1936 are governed not by international law but by national law, and the national law applicable to them is that of Greece. See the *Serbian Loans Case*, Series A, Nos. 20/21, pages 41-44; the *Brazilian Loans Case*, *id.*, pages 121-122. This being true, it would seem that if the Court undertook to pronounce upon the legal character and effect of the two arbitral awards, it would have to apply Greek law.

This phase of the case has not been presented to the Court by the Parties. No indications have been furnished to the Court as to the relevant provisions of the applicable Greek law, either with respect to the arbitral clause in the contract or with respect to the awards handed down in execution of that arbitral clause. Nor has the Court been supplied with information which would enable it to determine whether the procedure followed by the arbitral commission at Paris was that prescribed by the law applicable. Under these circumstances, I think the Court is not called upon to undertake a research to *find* the Greek law applicable. Where international law is to be applied, the Court should not hesitate to go beyond the presentation by the parties before it, and it must conduct whatever research may be necessary for *finding* the applicable law. Where municipal law is to be applied, a party which asks for relief should furnish to the Court the materials necessary for its *finding* the applicable law; and where as in this case no such materials are furnished to the Court, it would seem that the Court is not obliged to institute the research necessary for that purpose, that on the contrary it is free to deny the relief sought without instituting such a research.

This precise situation would seem to have been envisaged by the Court in the *Brazilian Loans Case* in 1929, when it said, Series A, Nos. 20/21, page 124: [185]

"Though bound to apply municipal law when circumstances so require, the Court, which is a tribunal of international law, and which, in this capacity, is deemed itself to know what this law is, is not obliged also to know the municipal law of the various countries. All that can be said in this respect is that the Court may possibly be obliged to obtain knowledge regarding the municipal law which has to be applied. And this it must do, either by means of evidence furnished it by the parties or by means of any researches which the Court may think fit to undertake or to cause to be undertaken. "

Additional reasons would seem to call for the dismissal of two parts of the Belgian submission B.

By its submission B, 2, the Belgian Government asks the Court to say that the conditions adopted for the settlement of the Greek external debt are and must remain foreign to the execution of the arbitral awards of 1936. Certainly the Court should not attempt to prescribe for the future in this way; such action might hamper the future negotiations which both Parties regard to be necessary.

The Belgian submission B, 3, seems to refer to an attitude alleged to have been taken up by the Greek Government at some time in the past; at any rate, the submission is susceptible of this construction. In my opinion, the premise that the Greek Government had at some time sought to "impose" certain conditions on the Company or on the Belgian Government, has not been established before the Court, and for this reason, as well as for others, the submission should be dismissed.

* * *

On the Greek side, submissions (5) and (6) should be dismissed on the ground that no legal basis exists for the invitation to which submission (5) refers. The Court may have power in some circumstances to invite two States represented before it to engage in negotiations with a view to the settlement of their dispute. In my opinion, it would not be justified in this case in requiring such negotiations to be undertaken by the Belgian and Greek Governments, nor in laying down the basis for such negotiations as desired by the Greek Government.

Submission (4) of the Greek Government gives more difficulty. Though it was doubtless presented partly for the purpose of laying a foundation for submissions (5) and (6), I cannot say that such was its only purpose.

In the first place, the text of submission (4) may be regarded as formulating a reservation to the Greek Government's recognition of the principle of *res judicata* in connection with the arbitral awards of 1936. Indeed, in the Greek submission (3) of May 17th, this formulation was avowedly put as a reservation [186] to the Greek Government's recognition of the application of that principle; and the same meaning seems to be carried in submission (4) of May 19th by the word *toutefois*. On this interpretation, submission (4) would raise a question as to the legal effect of the budgetary and monetary situation of Greece - a question which was discussed at length by Counsel for the Greek Government in his presentation of the exception of *force majeure*; in my judgment that question would call for an examination of the municipal law applicable. On this interpretation, submission (4), like the Belgian submissions, would have to be dismissed.

Another possible interpretation of submission (4) would be that the Court is simply called upon to determine, as a fact, that on account of the budgetary and monetary situation of Greece, it is materially impossible for the Greek Government to carry out the arbitral awards according to their terms. In the written Rejoinder and in the earlier part of the oral proceedings, it was stated that the Greek Government did not ask the Court to deal with the question of Greece's capacity to pay; that Government was free to change its intention in this regard, however. On this interpretation, submission (4) would have the effect of raising the question of Greece's capacity to pay. I think the submission, thus interpreted, should be dismissed for want of proof of the alleged impossibility. Most of the statistics presented to the Court pertain to the budgetary and monetary situation of Greece at an earlier period, and they relate only indirectly to the situation as it now exists. The Court is not asked to order an enquiry by experts, and the proofs furnished do not seem to me to call for that course to be taken.

Emphasis is placed by the Greek Government's submission (4) upon the precise terms of the arbitral awards. The award of July 25th, 1936, fixed the sum to be paid by the Greek Government to the *Société commerciale DC Belgique*; it provided for interest at the rate of 5 % from August 1st, 1936, but it did not otherwise provide for any period of time within which the Greek Government was to make payment of the sum due. In the declaration made on behalf of

the Belgian Government on May 19th, it was said that the Belgian Government had never intended to demand a single payment in full of the sum due, the inference being that it does not so intend now. This being the case, it would seem to be unnecessary to enquire into the Greek Government's capacity to make a single payment in full of the sum due; to this extent, submission (4), viewed as a request for a finding of fact, ceased to have any object after the Belgian declaration. [187]

As to submission (3) of the Greek Government, I agree that the Court may take note of the Greek Government's recognition of the principle of *res judicata* as applied to the two arbitral awards of 1936, but I think that in admitting submission (3) the operative part of the judgment should not go further than this.

(Signed) Manley O. Hudson.

[188/32] Annex.

Documents Submitted to the Court.

I. — Documents filed on behalf of the Belgian Government.

A. — *In the course of the written proceedings:*

1. Letters from the Greek Minister for For. Aff. to the Belgian Minister in Athens, dated September 21st and October 31st, 1933.
2. Letter from the *Societe commerciale de Belgique* to the Greek Ministers of Communications and Finance, dated December 30th, 1933.
3. Letter from the Belgian Minister in Athens to the Greek Foreign Minister, dated April 30th, 1934.
4. Minutes of the meeting of the Arbitration Commission, July 11th, 1934.
5. Letter from the Greek Ministry of Communications to the Company, dated September 11th, 1934.
6. Special Agreement for Arbitration of August 30th, 1934.
7. Arbitral Award of January 3rd, 1936.
8. Arbitral Award of July 25th, 1936.
9. Letter from the Company to the Greek Ministers of Finance and Communications, dated August 3rd, 1936.
10. Emergency Law *sub* No. 361 — 1936.
11. Letter from the Company to the Greek Minister of Finance, dated September 19th, 1936.
12. Letter from the Greek Ministry of Finance to the *Societe nationale de Credit a l'Industrie*, Brussels, dated September 29th, 1936.
13. Letter from the Company to the Greek Minister of Finance, dated September 15th, 1936.
14. *Note verbale* from the Belgian Minister in Athens to the Greek Ministry for For. Aff., dated December 11th, 1936.
15. Letter from the delegates of the Company to the Greek Minister of Finance, dated December 21st, 1936.
16. Note from the Greek Government to the delegates of the Company, dated December 31st, 1936.

17. Letter from the delegates of the Company to the Greek Minister of Finance, dated January 5th, 1937.
18. Letter from the Company to the Greek Minister of Finance, dated May 21st, 1937.
19. Letter from the Belgian Minister in Athens to the President of the Council of Ministers of Greece, dated June 14th, 1937.
20. Letter from the Greek Ministry for For. Aff. to the Belgian Minister in Athens, dated June 28th, 1937.
21. Letter from the Belgian Minister in Athens to the President of the Council of Ministers of Greece, dated July 12th, 1937.
22. Letter from the Belgian Minister in Athens to the President of the Council of Ministers of Greece, dated August 9th, 1937.
23. Letter from the *Societe nationale de Credit a l'Industrie*, Brussels, to the Greek Ministry of Finance, dated October 20th, 1936.
24. *Note verbale* from the Greek Ministry for For. Aff. to the Belgian Minister in Athens, dated September 6th, 1937.
25. *Note verbale* from the Greek Ministry for For. Aff. to the Belgian Minister in Athens, dated September 6th, 1937. [189/33]
26. *Note verbale* from the Belgian Minister in Athens to the Greek Ministry for For. Aff., dated December 22nd, 1937.
27. *Note verbale* from the Greek Ministry for For. Aff. to the Belgian Minister in Athens, dated February 17th, 1938.
28. Extract from the report of the Third Expert, July 11th, 1936 (Compensation claimed by the Government — Damages for failure to carry out programme completely).
29. Extract from the report of the Third Expert, July 11th, 1936 (Compensation claimed by the Government — Damages for delay).
30. Opinion of the Third Expert, March 20th, 1936, concerning penalties imposed on the Company for delay in delivery of rolling-stock.
31. Note handed by the Belgian Minister in Athens to the Greek Minister for For. Aff., February 21st, 1927.
32. Some characteristics of the conventions concluded by the Greek Government between 1924 and 1926 for the carrying out and financing of public works.

33. Extract from the report of the Third Expert, July nth, 1936 (Compensation claimed by the Company — Opinion on the merits).
34. Extract from the *Messenger d'Athenes* of October 6th, 1938: "A country at work."
35. Extracts from the account of the work of the International Financial Commission for the year 1937.
36. *Messenger d'Athenes* of November 7th, 8th and 9th, 1937. — Extracts from the speech of M. Metaxas at Patras.
37. Extract from the *Messenger d'Athenes*, August 3rd, 1938: "The work of August 4th, illustrated by figures."
38. *Messenger d'Athenes* of August 4th, 1938. — Extract from the message of the head of the Government to the Hellenic people.

B. — *In the course of the oral proceedings:*

— Convention of August 27th, 1925, between the Greek Government and the *Societe commerciale de Belgique*, and Additional Agreements.

II. — Documents filed on behalf of the Greek Government.

A. — *In the course of the written proceedings:*

1. Railway map of the Kingdom of Greece showing the lines covered by the Convention of August 27th, 1925.
2. Extracts from the Convention of August 27th, 1925, concerning the cost of the work to be carried out by the Company.
3. Extracts from conventions and agreements as regards the nature of the gold loan.
4. Agreement concluded between the Greek Government and bond-bearers of its external debt (Sept. 1932 — *in English, with French translation*).
5. Agreement of. November 1933 (*in English, with French translation*).
6. Agreement of August 1936 (*in English, with French translation*).
7. Holding of the Bank of Greece in gold and foreign currency.

8. Report of the Financial Committee to the Council of the League of Nations, June 30th, 1933 (doc. of the L. N. C. 387. M. 194 — 1933. II. A).

B. — *In the course of the oral proceedings:*

1. Communication from the Council of Foreign Bondholders and from the League Loans Committee, published in the London Press on March 2nd, 1939 (*in English and French*).
2. Budget of the Greek State (years 1936-1937, 1937-1938, 1938-1939).
3. [190/34] Remittances from Greek emigrants abroad (years 1930, 1932, 1936, 1937, 1938).
4. Service of the Foreign Public Debt (years 1936-1937, 1937-1938, 1938-1939).
5. Extraordinary expenditure on national defence (apart from ordinary expenditure) (years 1935-1936 to 1939-1940).
6. Percentage of consumption of cereals covered by home produce (years 1936-1938).
7. Sums paid for imported cereals (years 1936, 1937).
8. Holdings of the Bank of Greece in gold and foreign currency (years 1933-1938).
9. Bank of Greece: statistics of the holdings of the Bank and of currency circulation (years 1936-1938).
10. Deficit in the balance of payments (years 1936-1938).
11. Index of economic activity (years 1928, 1932-1938).
12. Index of quotations on the Athens stock-market (years 1928-1938).
13. Cost of living index for forty-four towns of Greece (years 1931-1939).