

Consolidated Act 1988-04-11 no. 279 on foreign exchange, etc.**Part 1. On the convertibility of Danmarks Nationalbank's banknotes**

1. The Royal Bank Commissioner may release Danmarks Nationalbank from the obligation to convert the banknotes issued by the bank into gold and to purchase gold, so that the access to convert coins into gold shall also be discontinued.

2. – (1) After consultation with the Minister of Finance, the Royal Bank Commissioner may, on behalf of the Danish government, conclude an agreement with Danmarks Nationalbank specifying the detailed conditions for the release from the obligation to convert the bank's banknotes into gold and to purchase gold, cf. section 1.

(2) Under the agreement, Danmarks Nationalbank must, for as long as the bank does not convert its banknotes into gold, undertake an obligation to act in compliance with the Royal Bank Commissioner in respect of the bank's trade in foreign exchange and related issues.

(3) Guidelines for the foreign-exchange policy to be conducted while the Act is in force shall be laid down after negotiation between Danmarks Nationalbank and the Royal Bank Commissioner.

Part 2. On measures relating to import and export of goods

3. – (1) The Minister for Industry shall seek to phase out the import regulations existing at the time when the Act enters into force, to the extent that trade-policy interests, the safeguarding of fair competition terms for the Danish business sector, or Denmark's agreements or cooperation with other countries, do not prevent this.

(2) Taking the issues stated in (1) into consideration, the Minister for Industry may temporarily transfer goods to a restricted list. However, such transfer shall only take place with the approval of the committee mentioned in section 13, unless the Minister for Industry deems that the transfer cannot await negotiations in this respect without detriment to the intended objective. In that case the Minister for Industry shall without delay notify the committee of the measures taken.

4. – (1) The Minister for Industry shall lay down rules for the issue and use of import licences.

(2) The Minister may determine that a handling fee shall be payable for the issuance of import licences; such fee shall not exceed 0.25 per cent of the nominal value of the licence, however the minimum handling fee for each licence shall be kr. 2.

5. – (1) For private transactions concerning exchange of goods with abroad, permission shall be required from the Minister for Industry.

(2) The Minister may set up a committee with representatives from the main business sectors to submit recommendations concerning the granting of permission as stated in (1).

6. – (1) For trade-policy or supply reasons, or to take account of Denmark's agreements or cooperation with other countries, the Minister for Industry may implement temporary measures to regulate the export of goods from Denmark. However, it cannot be stipulated under this provision that such export shall take place via a central export body.

(2) In respect of goods that primarily belong under the Ministry of Agriculture or the Ministry of Fisheries, measures under (1) shall be taken by the relevant minister.

Part 3. On payment conditions, etc. vis-à-vis abroad

7. – (1) After negotiations with Danmarks Nationalbank and consultation with the Minister of Finance, the Minister for Taxation, the Minister for Foreign Affairs, the Minister for

Agriculture, the Minister for Fisheries and the Royal Bank Commissioner, the Minister for Industry may issue regulations concerning purchase and sale of or other transactions relating to foreign exchange, payments to and from abroad or on foreign account, time allowed for payment and other payment conditions, as well as import and export of cash, bills of exchange, cheques and securities, including coupons, etc.

(2) Under observance of the procedure described in (1), the Minister for Industry may prescribe that any gold, minted or unminted, or cash, receivables, bills of exchange, cheques and securities, including coupons, etc. denominated in foreign currencies and owned by individuals, companies or legal entities resident or operating in Denmark, must be offered for purchase to Danmarks Nationalbank or anyone authorised by Danmarks Nationalbank in this respect, and may prescribe the rules under which such assets may be acquired.

8. – (1) Under observance of the procedure described in section 7(1), the Minister for Industry may issue regulations concerning transfer and delivery of securities, including coupons, and purchase of securities, including coupons, by individuals, companies or legal entities that are not resident in and do not operate in Denmark.

(2) Under observance of the procedure described in section 7(1), the Minister for Industry may issue regulations concerning capital accounts of any type, including pledging and acceptance of collateral, with individuals, companies or legal entities that are not resident in and do not operate in Denmark.

Part 4. On the administration of the Act

9. Should the Minister for Industry transfer his or her obligations under the Act to the Agency for Industry and Trade, the Minister may lay down rules on right of appeal, including that appeals cannot be brought before a higher administrative authority.

10. (Repealed.)

11. (Repealed.)

12. After consultation with the Minister for Foreign Affairs, the Minister for Agriculture and the Minister for Fisheries, the Minister for Industry may set up a committee to act as advisor to the government in commercial issues that are governed by this act.

13. From among its members, the Folketing (Parliament) shall elect a committee of 17 members. The relevant Minister shall report to this committee on more substantial measures that are implemented pursuant to the provisions of this Act.

14. – (1) The Minister for Industry may order that information be provided concerning Denmark's economic relations with abroad, as well as information on stocks of goods in Denmark and on domestic turnover and output. Such orders may also be issued by the Minister for Agriculture or the Minister for Fisheries, cf. section 6(2).

(2) The Minister may generally require that all information necessary to implement the objective of the Act be provided.

Part 5. Penalty clauses

Validity and scope of the Act

15. – (1) Anyone who submits incorrect or misleading information in relation to decisions pursuant to this Act, or who in connection with an application for permission or a licence

under the Act conceals information of significance to the decision of the case, shall be liable to a fine, detention or imprisonment for up to 2 years.

(2) Anyone who violates section 5(1), or disregards terms and conditions stipulated in a permission or a licence granted pursuant to the Act, shall be liable to the same penalties.

(3) Where violations as stated in (1) and (2) are due to negligence, the penalty shall be a fine.

(4) Anyone who omits to provide information requested pursuant to section 14, shall be liable to a fine.

(5) Regulations issued pursuant to sections 3, 4, 6, 7 and 8, may stipulate that the penalty for violation of the regulations shall be a fine, detention or imprisonment for up to 2 years. For violations committed due to negligence, the penalty shall be a fine only.

(6) For violations committed by limited liability companies, cooperative societies, etc. the company or society as such may be liable to a fine.

(7)-(8) (Repealed.)

16. Cases relating to violation of this Act or regulations issued pursuant thereto shall be treated as police court cases. The legal remedies stated in Parts 68, 69, 71 and 72 of the Administration of Justice Act shall be applicable to such cases to the same extent as to cases that fall within the remit of the Public Prosecutor according to the general rules of law.

17. – (1) This Act shall enter into force on 1 January 1965.

(2) Provisions laid down under the former legislation on commercial measures, supply of goods, etc. and on foreign exchange, etc. shall remain in force until repealed by the relevant minister.

18. – (1) Parts 2 and 4 of the Act shall not apply in the Faroe Islands.

(2) The Act shall not apply in Greenland.

(3) By Royal Decree the Act or some of its provisions may, however, enter into force in Greenland with the derogations warranted by conditions in Greenland.