

No. 152

**UNITED STATES OF AMERICA
and
ECUADOR**

**Exchange of Notes constituting an agreement relating to a
co-operative educational programme in Ecuador. Quito,
22 January 1945**

*English and Spanish official texts communicated by the Permanent United States
Representative at the seat of the United Nations. The filing and recording
took place on 19 January 1949.*

**ETATS-UNIS D'AMERIQUE
et
EQUATEUR**

**Echange de notes constituant un accord relatif à un pro-
gramme de coopération dans le domaine de l'enseigne-
ment en Equateur. Quito, 22 janvier 1945**

*Textes officiels anglais et espagnol communiqués par le représentant permanent
des Etats-Unis au siège de l'Organisation des Nations Unies. Le classement
et l'inscription au répertoire ont eu lieu le 19 janvier 1949.*

No. 152. EXCHANGE OF NOTES¹ CONSTITUTING AN AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND ECUADOR RELATING TO A CO-OPERATIVE EDUCATIONAL PROGRAMME IN ECUADOR. QUITO, 22 JANUARY 1945

I

The American Ambassador to the Ecuadoran Minister for Foreign Affairs

EMBASSY OF THE UNITED STATES OF AMERICA

No. 18

Quito, January 22, 1945

Excellency:

I have the honor to refer to previous conversations between myself and Mr. Kenneth Holland, President of the Inter-American Educational Foundation, Inc., the Minister of Public Education and other officials of the Government of Ecuador, concerning the possibility of a cooperative program of education in Ecuador.

I have the honor to inform Your Excellency that pursuant to Resolution No. 28² of the First Conference of Ministers and Directors of Education of the American Republics, and pursuant to the expressed desire of the Government of the Republic of Ecuador, the Government of the United States is prepared to undertake a cooperative program of education with the Government of Ecuador, for the purpose of bringing about a better interchange of educational ideas and methods between the two countries.

I have the honor to state that my Government, acting through the Inter-American Educational Foundation, Inc., a corporation of the Office of the Coordinator of Inter-American Affairs, is prepared to make available for such a cooperative program of education the sum of One Hundred Thousand Dollars (\$100,000.00 U. S.) at an agreed minimum rate of exchange, on the understanding that the Government of Ecuador for its part will contribute the sum of Six Hundred Seventy Thousand Sucres (S/670.000,00) being the equivalent of Fifty Thousand Dollars (\$50,000.00 U. S.) at the same rate of exchange, as well as such personnel, supplies and materials as it may see fit to provide within Ecuador.

¹ Came into force on 22 January 1945, by the exchange of the said notes.

² Not printed by the Department of State of the United States of America.

It is proposed that the program be carried on for approximately three years,¹ in accordance with the following general plan.

At the request of Your Excellency's Government and within the limit of the funds set aside for the purpose, the Foundation will send to Ecuador such educational specialists as may be considered necessary in order to collaborate with Your Excellency's Government in the cooperative program, and they shall be acceptable to the Ecuadoran Government. This group shall be under the direction of an official who will be designated as the Special Representative of the Inter-American Educational Foundation, Inc., and will be the representative of the Foundation in Ecuador in connection with this program.

The specific projects and activities to be undertaken and the allocation of program funds therefor, and the methods and procedures and administrative practices to be employed in conducting the program, will be mutually agreed upon by the Minister of Education of the Government of Ecuador and the Special Representative of the Foundation. Such projects will include the sending of Ecuadoran specialists in education to the United States.

It is proposed that the program be carried out through an appropriate organization, section or procedures to be established within the Ministry of Education itself with administrative autonomy and that the said Special Representative shall also be named as the Director of such organization or section and shall administer the program.

Of the funds made available by the United States Government, Seventy Thousand Dollars (\$70,00.00 U. S.) will be set aside and used for paying the salaries and other expenses of the educational specialists furnished by the Foundation, and the balance, together with the funds contributed by the Government of Ecuador, would be made available in Ecuador for the projects and activities mutually agreed upon for the program.

All property purchased with the funds made available in accordance with this proposal will become the property of the Government of Ecuador and shall be used for the cooperative program of education.

Inasmuch as the specialists to be sent to Ecuador by the Foundation will be United States citizens and employees of the United States Government and also non-residents of Ecuador, it is suggested that they shall be exempt from all income taxes and social security taxes with respect to income on which they are obliged to pay income or social security taxes to the Government of the United States of America, and from payment of customs and import duties and other taxes on their personal effects and equipment and supplies for their own

¹ See paragraph 16, page 288.

use, and from investment and deposit requirements and other foreign exchange controls on funds brought into Ecuador for their normal living expenses.

I should be glad if Your Excellency would be so good as to confirm to me your approval of this general proposal, with the understanding that the details for the establishment and organization of the proposed cooperative program shall be further discussed and settled by written agreement between the Foundation and the Minister of Education.

Please accept, Excellency, the renewed assurances of my highest and most distinguished consideration.

R. M. SCOTTEN

His Excellency Señor Doctor Camilo Ponce Enríquez
Minister for Foreign Affairs
Quito

II

The Ecuadoran Minister for Foreign Affairs to the American Ambassador

SPANISH TEXT — TEXTE ESPAGNOL
REPÚBLICA DEL ECUADOR
MINISTERIO DE RELACIONES EXTERIORES
28-DDP-5

Quito, a 22 de Enero de 1945

Señor Embajador:

Tengo a honra responder a la atenta nota de Vuestra Excelencia, signada con el número 18 y de fecha 22 del mes en curso, en la que, con referencia a las conversaciones que ha mantenido con el señor Ministro de Educación Pública y con el señor Kenneth Holland, Presidente de la "Inter-American

TRANSLATION¹ — TRADUCTION²
REPUBLIC OF ECUADOR
MINISTRY OF FOREIGN RELATIONS
28-DDP-5

Quito, January 22, 1945

Mr. Ambassador:

I have the honor to reply to Your Excellency's courteous note number 18 of the 22nd of the current month, in which, with reference to the conversations held with the Minister of Public Education and Mr. Kenneth Holland, President of the "Inter-American Educational Foundation Inc." and other

¹ Translation by the Government of the United States of America.

² Traduction du Gouvernement des Etats-Unis d'Amérique.

Educational Foundation Inc.” y otros funcionarios del Gobierno del Ecuador, sobre la posibilidad de emprender un programa cooperativo de educación, me informa que el Gobierno de los Estados Unidos está dispuesto a acceder al deseo del Gobierno ecuatoriano para realizar aquel proyecto que, indiscutiblemente, serviría para un intercambio más intenso de ideas y métodos de educación entre los dos países.

2. Me manifiesta Vuestra Excelencia que el Gobierno de los Estados Unidos, por intermedio de la “Inter-American Educational Foundation Inc.” cooperaría a dicho programa educacional con la suma de \$100.000, a un tipo de cambio mínimo, siempre que, por su parte, el Gobierno del Ecuador destine al efecto una cantidad equivalente a \$50.000, al mismo tipo de cambio, así como el personal y más elementos que crea necesarios proveer.

3. Expresa Vuestra Excelencia que el Gobierno de Estados Unidos, por intermedio de la Fundación, enviará los especialistas que fueren necesarios para colaborar con el personal ecuatoriano. El personal de especialistas deberá estar bajo la dirección de un funcionario norteamericano que será el representante especial de la Fundación.

4. Indica que, de acuerdo con las resoluciones adoptadas con el Señor Ministro de Educación, los proyectos y actividades a llevarse a cabo, así como los demás detalles referentes al desenvolvimiento del programa de cooperación educacional, tendrán que ser aportados, oportunamente, de común

officials of the Government of Ecuador concerning the possibility of undertaking a cooperative program of education, you inform me that the United States Government is prepared to comply with the Ecuadoran Government's desire to carry out that project which assuredly would serve to stimulate the exchange of educational ideas and methods between the two countries.

2. Your Excellency informs me that the United States Government, acting through the “Inter-American Educational Foundation Inc.” will cooperate in the said educational program by making available the sum of \$100,000 at a minimum rate of exchange—provided that the Government of Ecuador for its part allocates for that purpose an amount equivalent to \$50,000 at the same rate of exchange—as well as such personnel and other essentials as it may consider necessary to provide.

3. Your Excellency states that the United States Government acting through the Foundation, will send such specialists as may be necessary to collaborate with the Ecuadoran personnel. The specialized personnel is to be under the direction of a North American official who will be the special representative of the Foundation.

4. You indicate that, in accordance with the decisions made in agreement with the Minister of Education, the projects and activities to be undertaken, as well as the other details related to the development of the cooperative educational program, must be duly carried out by mutual agree-

acuerdo entre los funcionarios ecuatorianos y los especialistas de Estados Unidos de Norte América.

5. En nombre del Gobierno del Ecuador expreso a Vuestra Excelencia la satisfacción con que se ha visto el empeño del Gobierno Norteamericano por cooperar al esfuerzo educacional del país y agradezco a Vuestra Excelencia por las oportunas y eficientes gestiones llevadas a cabo para convertir en realidad aquel anhelo ecuatoriano.

6. El Ministerio de Educación, en momento adecuado, procederá a establecer el Organismo que, con autonomía administrativa, se encargue, dentro de los lineamientos del Convenio, del desarrollo científico y eficiente del programa acordado.

7. Por mi parte, al aprobar las bases generales sobre las que deberá establecerse el Convenio de cooperación educacional, debo manifestar a Vuestra Excelencia que, dentro de las posibilidades no omitiré esfuerzo alguno para el buen éxito del programa y para que este ensayo de cooperación constituya nuevo motivo para el mejor conocimiento de nuestros dos países.

8. Con respecto a la posibilidad de que se conceda a funcionarios Norteamericanos ciertos privilegios y exenciones constantes en la nota a que respondo, creo que no es posible pronunciarse de momento, pues habrá que hacer un detenido estudio de la Legislación ecuatoriana, para ver de conformar la concesión de dichos privi-

ment between the Ecuadoran officials and the North American specialists.

5. In the name of the Ecuadoran Government, I wish to express to Your Excellency the satisfaction with which the intention of the North American Government to cooperate in this country's educational endeavors is regarded, and I thank Your Excellency for the timely and effective steps taken to bring to fruition that aspiration on the part of Ecuador.

6. The Ministry of Education will, in due time, proceed to establish the Organization with administrative autonomy which, within the framework of the Agreement, will take charge of the Scientific and effective development of the program agreed upon.

7. For my part, in giving my approval to the general basis on which the Cooperative Education Agreement is to be effected, I must inform Your Excellency that I will not fail to make every possible effort tending toward the success of the program, and to the end that this test of cooperation may become a new factor for a better understanding between our two countries.

8. With respect to the possibility that certain privileges and exemptions specified in the note to which I am replying may be granted to North American officials, I do not believe it possible to make a definite statement at this time; for a careful study of Ecuadoran legislation will have to be made in order to determine how to

legios con las disposiciones legales pertinentes.

Válgome de esta oportunidad para renovar a Vuestra Excelencia las seguridades de mi más alta y distinguida consideración,

C. PONCE ENRÍQUEZ

Al Excelentísimo
Señor Don Robert Mc. Gregor Scotten
Embajador Extraordinario y
Plenipotenciario de los
Estados Unidos de América

reconcile the granting of such privileges with the pertinent legal provisions.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

C. PONCE ENRÍQUEZ

His Excellency
Mr. Robert McGregor Scotten
Ambassador Extraordinary and Pleni-
potentiary of the United States of
America

A CONTRACT

BETWEEN THE PRESIDENT OF THE INTER-AMERICAN EDUCATIONAL FOUNDATION, INC., AND THE ECUADORAN MINISTER OF PUBLIC EDUCATION

The REPUBLIC OF ECUADOR (hereinafter called the "Republic"); and the INTER-AMERICAN EDUCATIONAL FOUNDATION, INC., a corporation of the Office of the Coordinator of Inter-American Affairs and an agency of the Government of the United States of America (hereinafter called the "Foundation"), have decided to enter into the following contract to undertake a cooperative educational program to promote Inter-American understanding by bringing about a better interchange of educators, educational ideas and methods between Ecuador and the United States, pursuant to Resolution 28 adopted by the First Conference of Ministers and Directors of Education of the American Republics held in Panama in September and October 1943.

1. The said cooperative educational program shall include:

a. Furnishing by the Foundation of a small Field Staff of educational specialists for service in Ecuador in carrying out the cooperative educational program;

b. Grants to permit Ecuadoran educators to go to the United States for specialized training, to lecture, to teach and to interchange ideas and experience with United States educators;

c. Exploration and survey in Ecuador of local needs, and resources for carrying out educational projects at the primary and secondary school levels and in teacher education;

d. Development, adaptation, and exchange of suitable teaching materials for teachers at the primary, secondary and teacher education levels;

e. Local projects needed to implement the program in Ecuador.

The cooperative program of education shall be limited to relatively few projects, each of which is of special interest to the Government of Ecuador, in order that definite results may be obtained and that such results will be indicative of the cooperation existing between the Government of Ecuador and the Government of the United States in the important field of public education.

The Ministry of Education considers the solution of the following problems as being particularly important:

- a. The training of school administrators (school directors, school inspectors, provincial directors of education, etc.)
- b. The orientation of technical and vocational schools, both urban and rural, at the secondary level.
- c. Orientation of schools of teacher education.
- d. Orientation of preschool education.

2. The Field Staff shall be under the direction of an official who shall have the title of "Special Representative, Inter-American Educational Foundation, Inc.," and who shall be the representative of the Foundation (a corporation having juridic personality) in connection with the program to be undertaken in accordance with this agreement. The Special Representative and other members of the Field Staff shall be acceptable to the Minister of Public Education (hereinafter called the "Minister").

3. There shall be created in the Ministry of Public Education a special technical service which shall have the name of "Servicio Cooperativo Interamericano de Educación" (hereinafter called the "Servicio"), which shall act as an intermediary between the Government of Ecuador and the Inter-American Educational Foundation, Inc., and which shall carry out the cooperative program. The Special Representative of the Foundation shall be named as Director of the Servicio.

4. The program shall consist of individual projects. The kind of work and the specific projects to be undertaken in the execution of this agreement and the allocation of funds therefor shall be agreed upon in writing by the Minister of Public Education and the Special Representative of the Foundation, and shall be carried out by the Director of the Servicio in conformity with policies prescribed jointly by the Minister and the Special Representative of the Foundation. The Ecuadoran educators to be sent to the United States and the terms of their scholarships or grants shall be mutually agreed upon in writing by the Minister and the Special Representative.

5. The Foundation shall determine and pay the salary and other expenses payable directly to members of the Field Staff in an amount not to exceed Seventy Thousand Dollars (\$70,000) U. S. currency, which it will retain in the United States, and shall in addition deposit in the Banco Central del Ecuador in Quito (or in any other bank which may be mutually agreed upon by the Minister and the Special Representative of the Foundation) to the account of the Servicio Cooperativo Interamericano de Educación, the sum of Thirty Thousand Dollars (\$30,000) U.S. currency, the total contribution of the United States Government to this program being therefore One Hundred Thousand Dollars (\$100,000).

The Republic shall deposit in the same bank and to the account of the Servicio Cooperativo Interamericano de Educación the sum of Six Hundred Seventy Thou-

sand Sucres (S/.670.000), being the equivalent of Fifty Thousand Dollars, at the rate of exchange of 13.4 sucres per dollar. Said contribution shall be in addition to the Government's regular budget for education.

The payments shall be made by the parties on the dates and in the amounts specified:

	<u>United States of America</u>	<u>Ecuador</u>
March 20, 1945	\$10,000.00 U. S. C.	S/. 220,000.00
January 20, 1946.....	\$10,000.00 U. S. C.	S/. 220,000.00
January 20, 1947	\$10,000.00 U. S. C.	S/. 230,000.00
Total to be deposited	\$30,000.00 U. S. C.	S/. 670,000.00
Salaries and travel to be paid to personnel from the United States	\$70,000.00 U. S. C.	
Total	\$100,000.00 U. S. C.	

The funds deposited by either party for any particular year are not to be drawn against until the funds for the same year are deposited by the other party. Funds paid over by either party and not matched by the other party within thirty (30) days, shall be returned to the contributor.

6. Inasmuch as the program funds will be used entirely for the benefit of Ecuador, the funds introduced into Ecuador by the Foundation for the purpose of the cooperative program shall be exempt from taxes, service charges, investment or deposit requirements, and other currency controls, and shall be converted into sucres at a rate of exchange of not less than 13.4 sucres per dollar. Similarly where it is necessary to convert sucres into dollars for the financing of scholarships or grants or other expenditures in the United States, the sucres shall be converted into dollars at the rate of exchange of not more than 13.5 sucres per dollar.

7. In view of the fact that many purchases of materials and supplies and other disbursements relating to the execution of the Program, must necessarily be made in the United States of America, the Minister and the Special Representative of the Foundation may agree to withhold from the payments to be made by the Foundation into the said Servicio bank account, as provided in clause 5 hereof, an amount deemed to be necessary to pay for such purchases and disbursements in the United States of America. Said amount shall be considered as if deposited under the terms of this agreement. Any funds so withheld by the Foundation for such purposes and not expended or obligated therefor, shall be deposited in the said Servicio bank account at any time upon the mutual agreement of the Minister and the Special Representative of the Foundation.

8. All contracts necessary to carry out the terms of the projects mutually agreed to as herein provided shall be made in the name of the Servicio and shall

be signed by the Minister and the Director of the Servicio. Personnel to be paid out of Program funds deposited in Ecuador shall be selected by the Director of the Servicio, subject to the approval of the Minister. The general policies and procedures for the execution of the Program and for the disbursement and accounting of funds, for the purchase, use, inventory, control and disposition of property, and any other administrative matters, shall be determined or established by mutual agreement between the Minister and the Special Representative of the Foundation. No disbursement from the said Servicio bank account may be made without the signed authorization of the Director of the Servicio or his delegate and of the Minister or his delegate. Checks for an amount of more than Three Thousand Suces (S/.3,000) also should bear both signatures. The books and records of the Servicio relating to the said cooperative educational program shall be open at all times for inspection by representatives of the Republic and of the Foundation, and the Director of the Servicio shall render financial reports to the Republic and to the Foundation at such Intervals as may be agreed upon between the Minister and the Special Representative of the Foundation.

9. The Foundation shall use its best efforts to obtain such assistance and cooperation of the Office of the Coordinator of Inter-American Affairs and other agencies, both public and private, in the United States, as may be appropriate for the execution of the said cooperative educational program. The Republic, in addition to its cash contribution as provided herein, shall (a) appoint specialists, in agreement with the Director of the Servicio, to collaborate with the Field Staff of the Foundation; (b) make available office space, furnishings and such other facilities, materials, equipment and supplies as it may conveniently provide for the said program; and (c) lend the general assistance thereto of the other Departments of the Republic.

10. The funds payable by the Foundation under this agreement or paid by the parties hereto into the said Servicio bank account shall continue to be available for the said cooperative educational program during the existence of this agreement, without regard to annual periods or fiscal years.

In the event that upon the expiration of each twelve-month period of this agreement, and again six months before its final expiration, the Foundation deems that the funds which it has set aside for the payment of salaries and other expenses directly payable to members of the Field Staff, as provided in Clause 5 hereof, will be more than is needed for the purpose, the Foundation will thereupon advise the Republic of the surplus which it can accordingly make available for projects and such additional sum shall be paid into the Servicio bank account or be otherwise disposed of pursuant to this agreement.

The Minister and the Special Representative of the Foundation shall determine by mutual agreement the disposition of any unobligated funds and of any personal property remaining in the control of the Servicio upon the termination of this agreement.

11. All rights and privileges which are enjoyed by governmental and official divisions or agencies of the Republic shall accrue to the Servicio. Such rights and privileges shall include, for example, free postal, telegraph, and telephone service, special government rates on transportation companies, and also freedom and immunity from excise, stamp, property, income and all other taxes, as well as from consular charges and customs duties upon imports for the use of the Servicio in the cooperative educational program. The Foundation shall enjoy the same rights and exemptions with respect to its acts and property relating to the cooperative program.

12. All materials, equipment, and supplies purchased with program funds shall become and remain the property of the Republic and shall be devoted to the program.

13. Any right, power, or duty conferred by this agreement upon either the Minister, the Special Representative of the Foundation, or the Director of the Servicio, may be delegated by the recipient thereof to representatives in writing, provided that such representatives are satisfactory to the other parties. Regardless of the naming of said representatives, the Minister and the Special Representative of the Foundation shall have the right to refer any matter directly to one another for discussion and decision.

14. This agreement may be amended from time to time if deemed advisable by the parties hereto, such amendments to be in writing and signed by the representatives of the Republic and the Foundation.

15. The Executive Power of the Republic will take the necessary steps to obtain the legislation, decrees, orders or resolutions necessary to carry out the terms of this agreement.

16. This agreement shall be in force for a period of three years from the date hereof, and may be extended by mutual agreement for additional periods.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their duly authorized representatives, in English and in Spanish, in the City of Quito, on the 22nd day of January, 1945.

Republic of Ecuador
By Alfredo VERA
Ministro de Educación Publica

Inter-American Educational Foundation, Inc.
By Kenneth HOLLAND
President