

No. 910

UNITED STATES OF AMERICA
and
UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND

Agreement for the use of funds made available in accordance with the terms of the Joint Statement regarding settlement for lend-lease, reciprocal aid, surplus war property and claims made by the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland on 6 December 1945 (with exchange of notes). Signed at London, on 22 September 1948

Exchange of notes constituting an agreement amending the Agreement of 22 September 1948. London, 25 February and 5 March 1949

Exchange of notes constituting an agreement further amending the Agreement of 22 September 1948. London, 20 January 1950

Official texts : English.

Registered by the United States of America on 13 September 1950.

No. 910. AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND FOR THE USE OF FUNDS MADE AVAILABLE IN ACCORDANCE WITH THE TERMS OF THE JOINT STATEMENT REGARDING SETTLEMENT FOR LEND-LEASE, RECIPROCAL AID, SURPLUS WAR PROPERTY AND CLAIMS MADE BY THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND ON 6 DECEMBER 1945². SIGNED AT LONDON, ON 22 SEPTEMBER 1948

The Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland,

Desiring to promote further mutual understanding between the peoples of the United States and of the United Kingdom and the Colonial Dependencies by a wider exchange of knowledge and professional talents;

Considering that Section 32 (*b*) of the United States Surplus Property Act of 1944, as amended by Public Law No. 584, 79th Congress, provides that the Secretary of State of the United States may enter into an agreement for certain educational activities with any foreign government for the use of currencies or credits for currencies of such foreign government acquired as a result of surplus property disposals; and

Considering that paragraph 6 of the Joint Statement Regarding Settlement for Lend-Lease, Reciprocal Aid, Surplus War Property and Claims made by the Government of the United States and the Government of the United Kingdom on 6th December, 1945², (hereinafter designated "the Joint Statement"), provides for acquisition by the Government of the United States from the Government of the United Kingdom of a sum in pounds sterling to an aggregate dollar value not in excess of \$50,000,000 for the purpose, *inter alia*, of carrying out educational programmes in accordance with agreements to be concluded between the two Governments;

¹ Came into force on 22 September 1948, as from the date of signature, in accordance with article 16.

² United Nations, *Treaty Series*, Volume 4, page 92.

Having accordingly agreed as follows:—

Article 1

(a) There shall be established a joint Commission to be known as the United States Educational Commission in the United Kingdom (hereinafter designated "the Commission"), which shall be recognised by the Government of the United States and the Government of the United Kingdom as an organisation created and established to facilitate the administration of the educational programme to be financed by funds made available by the Government of the United Kingdom in accordance with the terms of the present Agreement.

(b) Except as provided in Article 5 hereof, the Commission in the exercise of its powers under the present Agreement shall be exempt from the domestic and local laws of the United States so far as they relate to the use and expenditure of currencies and credits for currencies.

Article 2

(a) Pursuant to the provisions of paragraph 6 of the Joint Statement, the Government of the United Kingdom, within 30 days from the date of signature of the present Agreement, shall make funds available for the purposes of the present Agreement by deposit in the United Kingdom in the name of the Treasurer of the United States a sum in pounds sterling equivalent to the sum of \$1,000,000 in United States currency.

(b) The rate of exchange to be used in determining the sum in pounds sterling to be so deposited shall be the rate which, on the day of deposit, is available to the Government of the United States for its diplomatic and other similar official expenditures in the United Kingdom.

(c) The funds made available by the Government of the United Kingdom under paragraph (a) of this Article (hereinafter designated "the funds") shall be placed at the disposal of the Commission as required for the purposes of the present Agreement by deposit in the United Kingdom in the name of the Treasurer of the Commission, or of such other employee of the Commission as it shall designate, in accounts with one or more banks to be selected by the Secretary of State of the United States.

(d) The funds shall be regarded in the United Kingdom as the property of a foreign government.

Article 3

Subject to the provisions of the present Agreement, the funds shall be used by the Commission for the purposes of—

- (a) financing studies, research, instruction, and other educational activities of or for citizens of the United States in schools and institutions of higher learning located in the United Kingdom or the Colonial Dependencies or of the citizens of the United Kingdom and Colonies in United States schools and institutions of higher learning located outside the continental United States, Hawaii, Alaska (including the Aleutian Islands), Puerto Rico, and the Virgin Islands, including payment for transportation, tuition, maintenance, and other expenses incidental to scholastic activities; or

- (b) furnishing transportation for citizens of the United Kingdom and Colonies who desire to attend United States schools and institutions of higher learning in the continental United States, Hawaii, Alaska (including the Aleutian Islands), Puerto Rico, and the Virgin Islands, and whose attendance will not deprive citizens of the United States of an opportunity to attend such schools and institutions;

provided, however, that as regards expenditure on travel or education abroad the transfer of funds by the Commission shall be subject to the foreign exchange regulations in force from time to time in the United Kingdom or to such special conditions as may be agreed between the Commission and the United Kingdom authorities.

The attendance of citizens of the United States at schools and institutions of higher learning located in the United Kingdom or the Colonial Dependencies shall not deprive citizens of the United Kingdom and Colonies of an opportunity to attend such schools and institutions.

Article 4

The Commission may exercise all powers necessary for carrying out the above-mentioned purposes, including the following:—

- (a) Subject to the provisions of Articles 5 and 6, authorize the disbursement of the funds and the making of grants and advances therefrom.

- (b) Plan, adopt, and carry out programmes.
- (c) Recommend to the Board of Foreign Scholarships, provided for in the United States Surplus Property Act of 1944 as amended, students, teachers, professors, research scholars, resident in the United Kingdom or the Colonial Dependencies, and institutions of the United Kingdom or the Colonial Dependencies qualified in the opinion of the Commission to participate in the programmes in accordance with the aforesaid Act.
- (d) Recommend to the aforesaid Board of Foreign Scholarships such qualifications for the selection of participants in the programmes as it may deem necessary.
- (e) Provide for periodic audits of the accounts of the Commission as directed by auditors selected by the Secretary of State of the United States.
- (f) Engage an Executive Officer, administrative and clerical staff and fix and authorize the payment of salaries and wages thereof out of the funds.

Article 5

All expenditures authorized by the Commission shall be made in accordance with budgets to be approved by the Secretary of State of the United States pursuant to such regulations as he may prescribe.

Article 6

The Commission shall not authorize any commitments or create any obligation in excess of the part of the funds actually placed at its disposal at the time of the authorization.

Article 7

(a) The Commission shall consist of twelve members, seven of whom shall be citizens of the United States, five of whom shall be citizens of the United Kingdom and Colonies.

(b) Of the citizens of the United States a minimum of three shall be officers of the United States Foreign Service establishment in the United Kingdom.

(c) The principal officer in charge of the Diplomatic Mission of the United States to the United Kingdom (hereinafter designated the "Chief of Mission") shall be Honorary Chairman of the Commission.

Article 8

(a) The Chief of Mission shall have the power of appointment and removal of the United States citizens on the Commission.

(b) The members of the Commission who are citizens of the United Kingdom and Colonies shall be nominated by the Chief of Mission from a list of names submitted to him by the Government of the United Kingdom, and shall be appointed by the Secretary of State for Foreign Affairs of the United Kingdom.

(c) The members of the Commission shall serve from the time of their appointment until one year from the following 31st December and shall be eligible for reappointment.

(d) Vacancies by reason of resignations, transfers or permanent residence outside of the United Kingdom or the Colonial Dependencies, expiration of terms of service, or otherwise, shall be filled in accordance with the procedure provided in paragraphs (a) and (b) of this Article.

Article 9

The members of the Commission shall serve without compensation, but the Commission may authorize the payment of necessary expenses of members in attending meetings of the Commission.

Article 10

The Commission shall adopt such rules and appoint such committees as it shall deem necessary for the conduct of the affairs of the Commission. All rules adopted by the Commission shall become effective upon approval by the Secretary of State of the United States and the Secretary of State for Foreign Affairs of the United Kingdom.

Article 11

Reports acceptable in form and content to the Secretary of State of the United States and to the Secretary of State for Foreign Affairs of the United Kingdom shall be made annually on the activities of the Commission to the Secretary of State of the United States and the Government of the United Kingdom.

Article 12

The principal office of the Commission shall be in London : but the meetings of the Commission and any of its committees may be held in such other places as the Commission may from time to time determine, and the activities of any of the officers or staff of the Commission may be carried on at such places as may be approved by the Commission.

Article 13

The Executive Officer shall be responsible for the direction and supervision of the programmes and activities of the Commission in accordance with the resolutions and directives of the Commission.

Article 14

In the present Agreement :

- (a) The term " Secretary of State of the United States, " wherever used, shall be understood to mean the Secretary of State of the United States of America or any officer or employee of the Government of the United States designated by him to act in his behalf;
- (b) The term " United Kingdom " shall mean the United Kingdom of Great Britain and Northern Ireland, and the term " Colonial Dependencies " shall mean the territories to which the present Agreement may have been extended under Article 17; and
- (c) The term " citizens of the United Kingdom and Colonies " shall mean (i) citizens of the United Kingdom and Colonies as defined in legislation in force in the United Kingdom from time to time, and (ii) other persons belonging to the Colonial Dependencies.

Article 15

The present Agreement shall be reviewed by representatives of the contracting Governments before 31st December, 1951, and may be amended at any time by exchange of notes between the contracting Governments.

Article 16

The present Agreement shall come into force upon the date of signature.

Article 17

(a) The Government of the United Kingdom may at the time of signature or at any time thereafter by notification given to the Government

of the United States declare that the present Agreement shall extend to any of the territories for whose international relations it is responsible, and the Agreement shall, from the date of receipt of the notification, or from such other date as may be specified in the notification, extend to the territories named therein.

(b) The Government of the United Kingdom at any time may by notification given to the Government of the United States declare that the Agreement shall cease to extend to any territory named in the notification, and the Agreement shall from the date of receipt of the notification, or from such other date as may be specified therein, cease to extend to such territory.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto by their respective Governments, have signed the present Agreement.

DONE at London in duplicate, this 22nd day of September, 1948.

For the Government of the United States of America :

Don C. BLISS

For the Government of the United Kingdom of Great Britain and Northern Ireland :

Ernest BEVIN

EXCHANGE OF NOTES

I

*The American Chargé d'Affaires to the British Secretary of State
for Foreign Affairs*

September 22, 1948
London

Sir,

I have the honor to propose that, notwithstanding Paragraph (A) of Article 2 of the Agreement signed this day between our two governments providing for the establishment of the United States Educational Commission in the United Kingdom in pursuance of certain of the provisions of Paragraph 6 of the Joint Statement regarding settlement for Lend-Lease, Reciprocal Aid, Surplus War Property and Claims made by our two governments on the 6th December, 1945, deposit of the total sum in sterling

mentioned in that paragraph shall be made by the Government of the United Kingdom of Great Britain and Northern Ireland in such amounts and at such times during the currency of the Agreement as the Government of the United States may request.

If the Government of the United Kingdom are prepared to accept this proposal, I have the honor to suggest that the present note and your reply shall be regarded as placing their acceptance on record.

I have the honor to be, Sir, your most obedient servant,

Don C. BLISS
Chargé d'Affaires

The Rt. Hon. Ernest Bevin, M. P.
H. M. Secretary of State for Foreign Affairs
Foreign Office
London

II

*The British Secretary of State for Foreign Affairs to the American
Chargé d'Affaires*

FOREIGN OFFICE, S. W. 1

22nd September, 1948

Sir,

In your note of today's date you proposed that, notwithstanding paragraph (a) of Article 2 of the Agreement signed this day between our two Governments providing for the establishment of the United States Educational Commission in the United Kingdom in pursuance of certain of the provisions of paragraph 6 of the Joint Statement regarding Settlement for Lend-Lease, Reciprocal Aid, Surplus War Property and Claims made by our two Governments on the 6th December, 1945, deposit of the total sum in sterling mentioned in that paragraph shall be made by the Government of the United Kingdom of Great Britain and Northern Ireland in such amounts and at such times during the currency of the Agreement as the Government of the United States may request.

2. In reply I have the honour to state that the Government of the United Kingdom accept this proposal, and agree to regard your note and this reply as placing their acceptance on record.

I have the honour to be, with high consideration, Sir, your obedient Servant,

Ernest BEVIN

Mr. Don C. Bliss, Jr.
etc., etc., etc.

1 Grosvenor Square, W. 1

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹
AMENDING THE AGREEMENT OF 22 SEPTEMBER 1948².
LONDON, 25 FEBRUARY AND 5 MARCH 1949

I

*The American Ambassador to the British Secretary of State for
Foreign Affairs*

THE FOREIGN SERVICE OF THE UNITED STATES OF AMERICA
AMERICAN EMBASSY, LONDON

February 25, 1949

Sir,

I have the honor to propose on instructions from my Government that, notwithstanding the provisions of paragraph (a) of Article 7 of the Agreement signed on the 22nd September² between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland providing for the establishment of the United States Educational Commission in the United Kingdom, the Commission shall consist of fourteen members, seven of whom shall be citizens of the United States, seven of whom shall be citizens of the United Kingdom and Colonies.

2. I have further the honor to propose (1) that paragraph (c) of Article 7 should be amended to read as follows: “(c) The principal officer in charge of the Diplomatic Mission of the United States to the United Kingdom (hereinafter designated the “Chief of Mission”) or his nominee shall be Honorary Chairman of the Commission. The Chief of Mission, whether present at any meeting of the Commission or not, shall have the power to cast the deciding vote, if occasion arises”; (2) that paragraph (b) of Article 8, should be deleted and the following paragraph substituted: “(b) The Secretary of State for Foreign Affairs of the United Kingdom shall have the power of appointment and removal of members of the Commission who are citizens of the United Kingdom and Colonies”.

3. If the Government of the United Kingdom are prepared to accept the foregoing proposals, I have the honor to suggest that the present note and your reply to that effect shall be regarded as placing on record the agreement of our two Governments on this matter.

Accept, Sir, renewed assurances of my highest consideration.

Lewis W. DOUGLAS

The Rt. Hon. Ernest Bevin, M. P.
Secretary of State for Foreign Affairs
Foreign Office
London, S. W. 1

¹ Came into force on 5 March 1949, by the exchange of the said notes.

² See page 66 of this volume.

II

*The British Permanent Undersecretary of State for Foreign Affairs
to the American Ambassador*

FOREIGN OFFICE, S.W. 1

(LC 776/55/452)

5th March, 1949

Your Excellency,

I have the honour to acknowledge the receipt of your note of the 25th February, 1949, in which you proposed that, notwithstanding paragraph (a) of Article 7 of the Agreement signed on the 22nd September, 1948, between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland providing for the establishment of the United States Educational Commission in the United Kingdom, the Commission shall consist of fourteen members, seven of whom shall be citizens of the United States, seven of whom shall be citizens of the United Kingdom and Colonies.

2. You furthermore proposed

[*See paragraph 2 of note I*]

3. I have the honour to inform Your Excellency that the Government of the United Kingdom of Great Britain and Northern Ireland accept the above proposals and will regard your note and the present reply as constituting an agreement between our two Governments in this matter.

I have the honour to be, with the highest consideration, Your Excellency's obedient Servant,

William STRANG

His Excellency
The Honourable Lewis W. Douglas
etc., etc., etc.
1 Grosvenor Square, W. 1

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹
FURTHER AMENDING THE AGREEMENT OF 22 SEPTEMBER
1948². LONDON, 20 JANUARY 1950

I

The American Chargé d'Affaires ad interim to the British Minister of State

EMBASSY OF THE UNITED STATES OF AMERICA
AMERICAN EMBASSY, LONDON

January 20, 1950

Excellency,

In order to provide for the continued operation of the United States Educational Commission in the United Kingdom established pursuant to the Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the United States of America signed in London on September 22nd, 1948², I have the honor to propose that, the Government of the United Kingdom shall make funds available for the purposes of the said Agreement, in addition to the sum mentioned in paragraph (a) of Article 2 thereof, by deposit in the United Kingdom in the name of the Treasurer of the United States of a sum in pounds sterling not exceeding the equivalent of the sum of \$2,000,000 in United States currency in amounts and at times requested by the Government of the United States.

If the Government of the United Kingdom agree to the above proposal, I have the honor further to propose that this Note together with Your Excellency's reply in that sense shall constitute an agreement between our respective Governments.

Accept, Excellency, the renewed assurances of my high consideration,

J. C. HOLMES
Chargé d'Affaires ad interim

The Rt. Hon. Hector McNeil, M.P.
Minister of State
Foreign Office
S. W. 1

¹ Came into force on 20 January 1950, by the exchange of the said notes.

² See page 66 of this volume.

II

The British Minister of State to the American Chargé d'Affaires ad interim

FOREIGN OFFICE, S. W. 1.

No. CRL 25/10

20th January, 1950

Sir,

I have received your note of this day's date which reads as follows :—

[*See note I*]

In reply I have the honour to inform you that the Government of the United Kingdom accept the proposal contained in your note and confirm that that note together with the present reply shall constitute an agreement between our respective Governments.

I have the honour to be, with high consideration, Sir, your obedient
Servant,

(For the Secretary of State)

Hector McNEIL

The Honorable Julius C. Holmes
etc., etc., etc.
1, Grosvenor Square, W. 1