

No. 1667

**UNITED STATES OF AMERICA
and
HONDURAS**

**Agreement for a co-operative program of agriculture.
Signed at Tegucigalpa, on 30 January 1951**

Official texts: English and Spanish.

Registered by the United States of America on 20 March 1952.

**ÉTATS-UNIS D'AMÉRIQUE
et
HONDURAS**

**Accord relatif à un programme de coopération agricole.
Signé à Tegucigalpa, le 30 janvier 1951**

Textes officiels anglais et espagnol.

Enregistré par les États-Unis d'Amérique le 20 mars 1952.

No. 1667. AGREEMENT¹ FOR A COOPERATIVE PROGRAM OF AGRICULTURE BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF HONDURAS. SIGNED AT TEGUCIGALPA, ON 30 JANUARY 1951

The Government of the United States of America and the Government of Honduras

Have agreed as follows :

Article I

Pursuant to the General Agreement for Technical Cooperation, signed by the two governments at Tegucigalpa on January twenty-six, 1951², a cooperative program of agriculture shall be initiated in Honduras. The obligations assumed herein by the Government of Honduras will be performed by it through the Ministry of Development, Agriculture and Labor of Honduras (hereinafter referred to as the "Ministry"). The obligations assumed herein by the Government of the United States of America will be performed by it through the Institute of Inter-American Affairs, a corporate agency of the Government of the United States of America (hereinafter referred to as the "Institute"). The Ministry, on behalf of the Government of Honduras, and the Institute, on behalf of the Government of the United States of America, shall participate jointly in all phases of the planning and the administration of the cooperative program. This Agreement and all activities carried out pursuant to it shall be governed by the terms and conditions of the said General Agreement for Technical Cooperation.

Article II

The objectives of this cooperative program of agriculture are :

1. To promote and strengthen understanding and good-will between the peoples of the United States of America and Honduras and to further secure growth of democratic ways of life;
2. To facilitate the development of agriculture in Honduras through cooperative action on the part of the two governments; and

¹ Came into force on 30 January 1951, as from the date of signature, in accordance with article XVIII.

² United Nations, *Treaty Series*, Vol. 99, p. 49.

3. To stimulate and increase the interchange between the two countries of knowledge, skills and techniques in the field of agriculture.

Article III

It is agreed that this cooperative program of agriculture will include :

1. The furnishing by the Institute of a field party of specialists (hereinafter referred to as the " Field Party ") to collaborate in carrying out the cooperative program of agriculture;

2. The development and carrying out of activities of the following types :

(a) Studies and surveys of the needs of Honduras in the field of agriculture, and of the resources which are available to meet these needs; and the formulation of a program adequate to enable it to meet such needs;

(b) The initiation and administration of projects in the field of agriculture, pursuant to written operational agreements between the Minister of Agriculture (hereinafter referred to as the " Minister ") and the Chief of Field Party, which may include the introduction, development, and distribution of better plant and animal varieties; livestock and range management, including animal disease control and the development of livestock water supplies; soil and water conservation; adjustments in land use, including the development of irrigation; forestry; grain storage; agricultural extension; the introduction and distribution of better agricultural implements; and the promotion of better methods of cultivation and land management; purchase of equipment, supplies, and materials needed in carrying out the said program;

(c) Related training activities.

Article IV

The Field Party shall be of such size and composition as the Institute shall deem advisable, and shall be under the direction of the Chief of Field Party who shall be the representative in Honduras of the Institute in connection with the program covered by this Agreement. The Chief of Field Party and the other members of the Field Party shall be selected and appointed by the Government of the United States of America but shall be acceptable to the Government of Honduras.

Article V

A special technical service to be known as the Servicio Técnico Inter-Americano de Cooperación Agrícola (hereinafter referred to as the " STICA ") shall be established by the Government of Honduras within the Ministry and shall act as the administrative agency for carrying out the cooperative program

of agriculture. The Chief of Field Party shall be the Director of the STICA (hereinafter called the " Director "). Members of the Field Party may become officers or employees of the STICA under such terms and conditions as may be agreed upon by the Minister and the Chief of Field Party.

Article VI

1. Each project, constituting a part of the cooperative program, shall be embodied in a written operational agreement which shall be agreed upon and signed by the Minister, the Director of the STICA, and the Chief of Field Party, shall define the kind of work to be done, shall make the allocation of funds therefor and may contain such other matters as the parties shall desire to include. Upon substantial completion of any project, a Completion Memorandum shall be drawn up and signed by the Minister, the Director of the STICA, and the Chief of Field Party, which shall provide a record of the work done, the objectives sought to be achieved, the financial contributions made, the problems encountered and solved and related basic data.

2. The selection of Honduran specialists, technicians and others in the field of agriculture to be sent to the United States of America or elsewhere at the expense of the STICA pursuant to this program, as well as the training activities in which they shall participate shall be determined by the Director with the concurrence of the Minister.

3. The general policies and administrative procedures that are to govern the cooperative agricultural program, the carrying out of projects, and the operations of the STICA, such as the disbursement of and accounting for funds, the incurrence of obligations of the STICA, the purchase, use, inventory, control and disposition of property, the appointment and discharge of officers and other personnel of the STICA and the terms and conditions of their employment, and all other administrative matters, shall be determined by the Director with the concurrence of the Minister. The STICA and its personnel shall enjoy the same rights and privileges as are enjoyed by other divisions of the Ministry and by their personnel.

4. All contracts and other instruments and documents of the STICA relating to the execution of projects previously agreed upon between the Minister and the Chief of Field Party shall be executed in the name of the STICA and signed by the Director. The books and records of the STICA relating to the cooperative program of agriculture shall be open at all times for inspection and audit by authorized representatives of the Government of the United States of America and the Government of Honduras. The STICA shall render an annual report of its activities to the Government of the United States of America and to the Government of Honduras to be signed by the Director, and other reports at such intervals as may be agreed upon by the parties hereto.

Article VII

It is contemplated that the projects to be undertaken in accordance with this Agreement will include cooperation with national, departmental and local governmental agencies in Honduras, as well as with organizations of a public or private character, and international organizations of which the United States of America and Honduras are members. By agreement between the Minister and the Chief of Field Party contributions of funds, property, services or facilities by either or both parties, or by third parties, may be accepted by the STICA for use in effectuating the cooperative program of agriculture, in addition to the funds, property, services and facilities required to be contributed under this Agreement.

Article VIII

The parties hereto shall contribute and make available, to the extent provided below, funds for use in carrying out the program during the period covered by this Agreement in accordance with the following schedules :

1. The Government of the United States of America during the period from the date of signing of this Agreement through June 30, 1951, shall make available the funds necessary to pay the salaries and other expenses of the members of the Field Party, as well as such other expenses of an administrative nature as the Government of the United States of America may incur in connection with this program. These funds shall be administered by the Institute and shall not be deposited to the credit of the STICA.

2. In addition, for the period from the date of signing of this Agreement through June 30, 1951, the Government of the United States of America shall deposit to the credit of the STICA the sum of \$50,000.00 (fifty thousand dollars) in currency of the United States of America, as follows :

On or before February 10, 1951	\$50,000.00
	\$50,000.00
	\$50,000.00

3. The Government of Honduras, for the period from the date of signing of this Agreement through June 30, 1951, shall deposit to the credit of the STICA the sum of £100,000.00 (one hundred thousand lempiras), as follows :

On or before February 10, 1951	£50,000.00
On or before March 10, 1951	£25,000.00
On or before May 10, 1951	£25,000.00
	£100,000.00
	£100,000.00

It is understood and agreed by the parties hereto that the foregoing sums will not be inclusive of contributions made to specific projects, or amendments

thereto, by the Government of Honduras or by the dependencies of the Government of Honduras, such as districts, municipalities, enterprises, and the like, or by other parties.

4. Any of the funds deposited by the Government of the United States of America to the credit of the STICA shall be converted at the highest rate, at the time the conversion is made, which is available to the Government of the United States of America for its diplomatic and other official expenditures in Honduras. All funds introduced into Honduras for the furtherance of this cooperative program of agriculture shall be exempt from taxes, service charges, investment or deposit requirements, and any other currency control.

5. Each deposit required by this Article to be made by the parties shall be available for withdrawal or expenditure only after the corresponding deposit due from the other party hereto during the same monthly period has been made. Funds deposited by either party and not proportionally matched by the required deposit of the other party shall be returned to the contributor prior to the distribution provided for in Article XIII hereof.

6. The Minister and the Chief of Field Party, by written agreement, may amend the schedules for making the deposits required by this Article VIII.

7. The parties hereto may later agree in writing upon the amount of funds that each will contribute and make available each year for use in carrying out the program during the period from July 1, 1951, through June 30, 1955.

Article IX

Subject to the provisions of Paragraph 5 of Article VIII hereof, the balances of all funds deposited to the credit of the STICA pursuant to Article VIII of this Agreement, shall continue to be available for the cooperative program of agriculture during the existence of this Agreement, without regard to annual periods or fiscal years of either of the parties. All materials, equipment and supplies acquired for the STICA shall become the property of the STICA and shall be used in the furtherance of this Agreement. Any such materials, equipment and supplies remaining at the termination cooperative program shall be at the disposition of the Government of Honduras.

Article X

The Government of Honduras, in addition to the cash contribution provided for in Paragraph 3 of Article VIII hereof, may, at its own expense, pursuant to agreement between the Minister and the Chief of Field Party :

1. Appoint specialists and other necessary personnel to collaborate with the Field Party;

2. Make available such office space, office equipment and furnishings, and such other facilities, materials, equipment, supplies, and services as it can conveniently provide for the said program;

3. Make available the general assistance of the other governmental agencies of the Republic of Honduras for carrying out the cooperative program of agriculture.

Article XI

Interest received on funds of the STICA and any other increment of assets of the STICA, of whatever nature or source, shall be devoted to the carrying out of the program and shall not be credited against the contributions of the Government of the United States of America or of the Government of Honduras.

Article XII

The Minister and the Chief of Field Party may agree to withhold in the United States of America, from the deposits to be made by the Government of the United States of America to the credit of the STICA, the amounts deemed to be necessary for payments to be made outside of Honduras in U. S. dollars. Such amounts so withheld and expended shall be considered as if deposited under the terms of this Agreement. Any funds so withheld, not expended or obligated, shall be deposited to the credit of the STICA at any time, upon agreement between the Minister and the Chief of Field Party.

Article XIII

Subject to the provisions of Paragraph 5 of Article VIII hereof, any funds of the STICA which remain unexpended and unobligated on the termination of the cooperative program of agriculture shall, unless otherwise agreed upon in writing by the parties hereto at that time, be returned to the parties hereto in the proportion of the respective contributions made by the Government of the United States of America and the Government of Honduras under this Agreement, as it may be from time to time amended and extended.

Article XIV

1. All rights and privileges which are enjoyed by other governmental divisions or agencies of the Government of Honduras or by their personnel shall accrue to the STICA and to all its personnel. Such rights and privileges shall include, but shall not be limited to, free postal, telegraph, and telephone service, passes on railroads administered by the Government of Honduras, the right to rebates or preferential tariffs allowed by domestic companies of maritime or river navigation, air travel, telegraph, telephone, or other services, as well as exemption from excises, imposts, and stamp taxes.

2. The rights and privileges referred to in Paragraph 1 of this Article XIV pertaining to communications, transportation and exemptions from excises, imposts and stamp taxes shall also accrue to the Institute and personnel of the Government of the United States of America with respect to operations which are related to and property which is to be used for the cooperative program of agriculture.

3. All employees of the Government of the United States of America assigned to duties in Honduras in connection with cooperative technical assistance programs and projects and accompanying members of their families shall be exempt from all Honduran income taxes and social security taxes with respect to income upon which they are obligated to pay income or social security taxes to the Government of the United States of America, and from property taxes on personal property intended for their own use. Such employees and accompanying members of their families shall receive the same treatment with respect to the payment of customs and import duties on personal effects, equipment and supplies imported into Honduras for their own use, as is accorded by the Government of Honduras to diplomatic personnel of the United States Embassy in Honduras.

Article XV

The parties hereto declare their recognition that the Institute, being a corporate instrumentality of the United States of America, wholly owned, directed and controlled by the Government of the United States of America, is entitled to share fully in all the privileges and immunities, including immunity from suit in the courts of Honduras, which are enjoyed by the Government of the United States of America.

Article XVI

Any right, privilege, power or duty conferred by this Agreement upon either the Minister or the Chief of Field Party may be delegated by either of them to any of his respective assistants, provided that each such delegation be satisfactory to the other. Such delegation shall not limit the right of the Minister and the Chief of Field Party to refer any matter directly to one another for discussion and decision.

Article XVII

The Government of Honduras will endeavor to obtain the enactment of such legislation and take such executive action as may be required to carry out the terms of this Agreement.

Article XVIII

This Agreement may be referred to as the "Agricultural Program Agreement." It shall become effective on the date of signing of this Agreement and shall remain in force through June 30, 1955, or until three months after either government shall have given notice in writing to the other of intention to terminate it, whichever is the earlier; provided, however, that the obligations of the parties under this Agreement for the period from July 1, 1951, through June 30, 1955, shall be subject to the availability of appropriations of both parties for the purposes of the program and to the further agreement of the parties pursuant to Article VIII, Paragraph 7, hereof.

DONE in duplicate, in the English and Spanish languages, at Tegucigalpa, D.C., Honduras, this thirtieth day of January, 1951.

For the Government of the United States of America :

Byron E. BLANKINSHIP
Chargé d'affaires, ad interim

For the Government of the Republic of Honduras :

J. E. VALENZUELA
Minister for Foreign Affairs
