

No. 1761

**UNITED STATES OF AMERICA
and
THAILAND**

**Economic and Technical Co-operation Agreement (with annex
and exchange of notes). Signed at Bangkok, on 19 Sep-
tember 1950**

Official texts: English and Thai.

Registered by the United States of America on 14 June 1952.

**ÉTATS-UNIS D'AMÉRIQUE
et
THAÏLANDE**

**Accord de coopération économique et technique (avec
annexe et échange de notes). Signé à Bangkok, le
19 septembre 1950**

Textes officiels anglais et thaï.

Enregistré par les États-Unis d'Amérique le 14 juin 1952.

No. 1761. ECONOMIC AND TECHNICAL CO-OPERATION AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THAILAND. SIGNED AT BANGKOK, ON 19 SEPTEMBER 1950

The Government of the United States of America and the Government of Thailand :

Recognizing that individual liberty, free institutions and independence depend largely upon sound economic conditions and stable international economic relationships :

Considering that the Congress of the United States of America has enacted legislation enabling the United States of America to furnish assistance to the Government of Thailand in order that the Government of Thailand through its own individual efforts and through concerted effort with other countries or with the United Nations may achieve such objectives :

Desiring to set forth the understandings which govern the furnishing of assistance by the Government of the United States of America, the receipt of such assistance by the Government of Thailand and the measures which the two governments will take individually and together in furtherance of the above objectives :

Have agreed as follows :

Article I

The Government of the United States of America will, subject to the terms and conditions prescribed by law and to arrangements provided for in this agreement, furnish the Government of Thailand such economic and technical assistance as may be requested by it and agreed to by the Government of the United States of America. The Government of the United States of America and the Government of Thailand will cooperate to assure that procurement under the Economic Co-operation Administration program will be at reasonable prices and on reasonable terms. Commodities or services furnished hereunder may be distributed within Thailand on terms and conditions mutually agreed upon between the Governments.

Article II

In order to assure maximum benefits to the people of Thailand from the assistance to be furnished hereunder by the Government of the United States of America, the Government of Thailand will use its best endeavors :

¹ Came into force on 19 September 1950, in accordance with paragraph 1, article V.

A. To assure efficient and practical use of all resources available and to assure that the commodities and services obtained under this agreement are used only for purposes consistent therewith.

B. To promote the economic development of Thailand on a sound basis and to achieve such objectives as may be agreed upon by the two governments.

C. To assure the stability of its currency and the validity of its rate of exchange and generally to strengthen confidence in its internal financial stability.

D. To take the measures which it deems appropriate, and to cooperate with other countries, to reduce barriers to international trade and to prevent, on the part of private or public enterprises, business practices or business arrangements which restrain competition or limit access to markets, whenever such practices or such arrangements hinder domestic or international trade.

Article III

The Governments will, upon request of either of them, consult regarding any matter relating to the application of this agreement or operations thereunder. The Government of Thailand will provide detailed information necessary to carrying out the provisions of this agreement including a quarterly statement on the use of commodities, and services received hereunder, and other relevant information which the Government of the United States of America may need to determine the nature and scope of operations under this agreement and to evaluate the effectiveness of assistance furnished or contemplated.

Article IV

The Government of Thailand agree to receive a special technical and economic mission which will discharge the responsibilities of the Government of the United States of America under this agreement and upon appropriate notification from the Government of the United States of America will consider this special mission and its personnel as part of the Diplomatic Mission of the United States of America in Thailand for the purpose of enjoying the privileges and immunities accorded to that mission and its personnel of comparable rank. The Government of Thailand will further give full cooperation to the special mission including the provision of facilities necessary for observation and review of the carrying out of this agreement including the use of assistance furnished under it.

Article V

1. This agreement shall take effect upon notification by the Government of Thailand to the Government of the United States of America that all necessary legal

requirements in connection with the conclusion of this agreement by the Government of Thailand have been fulfilled. This agreement shall continue in force until a date agreed upon by the two governments or may be terminated three months after a written notification has been given by either of the two governments to the other.

2. This agreement may be amended at any time by agreement between the two governments.

3. The annex to this agreement forms an integral part thereof.

4. This agreement shall be registered with the Secretary-General of the United Nations.

IN WITNESS THEREOF, the undersigned, duly authorized for the purposes, have affixed their respective signatures to the agreement.

DONE at Bangkok in duplicate, in the English and Thai languages, both texts authentic, this Nineteenth Day of September of the Nineteen hundred and fiftieth Year of the Christian Era, corresponding to the Two thousand four hundred and ninety-third Year of the Buddhist Era.

For the Government of the United States of America :

[SEAL]

Edwin F. STANTON
American Ambassador

For the Government of Thailand :

[SEAL]

P. PIBULSONGGRAM
President of the Council of Ministers
Acting Minister of Foreign Affairs

A N N E X

Section 1

1. The provisions of this section shall apply only with respect to assistance furnished on a grant basis.

2. Recognizing that the success of the assistance program will depend upon expenditures of local currency in addition to aid rendered by the Government of the United States of America, the Government of Thailand will establish a special account in the Bank of Thailand in the name of the Government of Thailand (hereinafter called special account) and will make deposits in local currency to this account as follows :

A. The local currency accruing to the Government of Thailand from the sale of commodities or services supplied under this agreement, or otherwise accruing to the Government of Thailand as a result of the import of such commodities or services, shall be deposited upon receipt of such local currency.

B. If the amount deposited under subparagraph (A) does not equal an amount of local currency commensurate with the dollar value indicated in the notification of the commodities and services made available under this agreement, and appears insufficient for local currency expenditures incident to the assistance program as set forth in Article II of the agreement, the Government of Thailand shall, when requested by the Government of the United States of America, deposit additional amounts of local currency provided that the total deposits shall not exceed such commensurate value. The Government of Thailand may at any time make advance deposits in the special account which shall be applied against subsequent requests for deposits pursuant to this paragraph.

3. The Government of the United States of America will from time to time notify the Government of Thailand of its local currency requirements for administrative expenditures incident to the furnishing of assistance under this agreement and for expenditures incident to the furnishing of technical assistance, and the Government of Thailand will thereupon make such sums available out of any balances in the special account in the manner requested by the Government of the United States of America in the notification.

4. The Government of Thailand will further make such sums of baht available out of any balances in the special account as may be necessary to cover costs (including port, storage, handling and similar charges) of transportation from any point of entry in Thailand to the consignee's designated point of delivery in Thailand of such commodities as are referred to in section four of this annex.

5. The Government of Thailand may draw upon any remaining balance in the special account for such purposes beneficial to Thailand and connected with the purposes of this agreement as may be agreed to from time to time by the Government of Thailand in consultation with the Government of the United States of America.

Section 2

The Government of Thailand will cooperate by facilitating transfer to the United States of America on reasonable terms, no less favorable than those provided to nationals of other countries, of materials in which the United States of America is actually or potentially deficient, giving due regard to the reasonable requirements of Thailand for the domestic use and commercial export of such materials.

Section 3

The Government of Thailand will permit and give full publicity to the objectives and progress of the program under this agreement and will make public each quarter full statements of operations hereunder including information as to the use of funds, commodities, and services received.

Section 4

The Governments will, upon request of either of them, enter into negotiations for agreements (including the provision of duty-free treatment under appropriate safeguards) to facilitate the entry into, and the distribution in Thailand of commodities in furtherance of projects of relief, rehabilitation and reconstruction in Thailand, financed by such United States voluntary, non-profit agencies as may be approved by the two governments.

EXCHANGE OF NOTES

I

*The American Ambassador to the Thai President of the Council of Ministers and
Acting Minister of Foreign Affairs*

THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA
AMERICAN EMBASSY

No. 163

Bangkok, September 19, 1950

Excellency :

With reference to the Economic and Technical Cooperation Agreement between the Government of the United States of America and the Government of Thailand signed this day, I have the honor to confirm the understanding arrived at in regard to the interpretation of Article II (D) of the above-mentioned Agreement as follows :

1. The provisions of Article II (D) of the above stated Agreement shall not be deemed to affect, in any way, the Government of Thailand's full discretion to consider, to adopt or not adopt, any measure related to the objectives stated therein.

2. Furthermore the provisions of the said Article do not in any way limit the right of the Government of Thailand to determine customs' tariffs or the laws and regulations pertaining to trade organizations or enterprises which are being operated under the supervisional control of the Government of Thailand.

Accept, Excellency, the renewed assurance of my highest consideration.

Edwin F. STANTON

His Excellency Field Marshall P. Pibulsonggram
President of the Council of Ministers and
Acting Minister of Foreign Affairs
Bangkok

II

The Thai President of the Council of Ministers and Acting Minister of Foreign Affairs to the American Ambassador

MINISTRY OF FOREIGN AFFAIRS

SARANROM PALACE

19th September, 1950

Monsieur l'Ambassadeur,

With reference to the Economic and Technical Cooperation Agreement between the Government of Thailand and the Government of the United States of America, signed this day, I have the honour to confirm the agreement arrived at in regard to the interpretation of the Article II (D) of the above-mentioned Agreement as follows :—

[See note I]

I avail myself of this opportunity, Monsieur l'Ambassadeur, to renew to Your Excellency the assurance of my highest consideration.

P. PIBULSONGGRAM

President of the Council of Ministers

Acting Minister of Foreign Affairs

His Excellency Monsieur Edwin F. Stanton
Ambassador Extraordinary and Plenipotentiary
of the United States of America
Bangkok

III

The American Ambassador to the Thai President of the Council of Ministers and Acting Minister of Foreign Affairs

THE FOREIGN SERVICE OF THE UNITED STATES OF AMERICA

AMERICAN EMBASSY

No. 164

Bangkok, September 19, 1950

Excellency :

With reference to the Economic and Technical Cooperation Agreement between the Government of the United States of America and the Government of Thailand signed this day, I have the honor to confirm the understanding arrived at

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in regard to the interpretation of Section 1, Paragraph 2 (B) of the Annex of the above-mentioned Agreement as follows :

It is the understanding of the Government of the United States of America and the Government of Thailand that in determining the commensurate value in baht of commodities and services made available by the Government of the United States of America under this Agreement, the open market rate of exchange for commercial transactions obtaining at the time of delivery in Thailand, as certified by the Bank of Thailand, will be used.

Accept, Excellency, the renewed assurance of my highest consideration.

Edwin F. STANTON

His Excellency Field Marshal P. Pibulsonggram
President of the Council of Ministers and
Acting Minister of Foreign Affairs
Bangkok

IV

The Thai President of the Council of Ministers and Acting Minister of Foreign Affairs to the American Ambassador

MINISTRY OF FOREIGN AFFAIRS

SARANROM PALACE

19th September, 1950

Monsieur l'Ambassadeur,

With reference to the Economic and Technical Cooperation Agreement between the Government of Thailand and the Government of the United States of America, signed this day, I have the honour to confirm the agreement arrived at in regard to the interpretation of Section 1, Paragraph 2 (B) of the Annex to the above-mentioned Agreement as follows :—

[See note III]

I avail myself of this opportunity, Monsieur l'Ambassadeur, to renew to Your Excellency the assurance of my highest consideration.

P. PIBULSONGGRAM
President of the Council of Ministers
Acting Minister of Foreign Affairs

His Excellency Monsieur Edwin F. Stanton
Ambassador Extraordinary and Plenipotentiary
of the United States of America
Bangkok