

No. 2352

**UNITED STATES OF AMERICA
and
BELGIUM**

**Exchange of notes constituting an agreement relating to
guaranties under section 111 (b) (3) of the Economic
Cooperation Act of 1948, as amended. Washington,
7 and 12 May 1952**

D. indefinite
Official text: English.

Registered by the United States of America on 2 November 1953.

**ÉTATS-UNIS D'AMÉRIQUE
et
BELGIQUE**

**Échange de notes constituant un accord relatif aux garanties
prévues par l'article 111, b, 3, de la loi de 1948 sur
la coopération économique sous sa forme modifiée.
Washington, 7 et 12 mai 1952**

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 2 novembre 1953.

No. 2352. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND BELGIUM RELATING TO GUARANTIES UNDER SECTION 111 (b) (3) OF THE ECONOMIC CO-OPERATION ACT OF 1948, AS AMENDED.² WASHINGTON, 7 AND 12 MAY 1952

I

The Secretary of State to the Belgian Ambassador

DEPARTMENT OF STATE
WASHINGTON

May 7, 1952

Excellency :

I have the honor to refer to the conversations which have recently taken place between representatives of our two Governments relating to Article III of the Economic Cooperation Agreement between the United States of America and Belgium, signed at Brussels, on July 2, 1948, as heretofore amended or supplemented.³ As a consequence of those conversations, the Government of the United States of America proposes the following agreement to the Government of Belgium :

The Governments of Belgium and of the United States of America will, upon the request of either of them, consult respecting projects in Belgium proposed by nationals of the United States of America with regard to which guaranties under Section 111 (b) (3) of the Economic Cooperation Act of 1948, as heretofore amended,² have been made or are under consideration. With respect to such guaranties extending to projects which are approved by the Government of Belgium in accordance with the provisions of the aforesaid Section, the Government of Belgium agrees :

a. That if the Government of the United States of America makes payment in United States dollars to any person under any such guaranty, the Government of Belgium will recognize the transfer to the United States of America of any right, title or interest of such person in assets, currency, credits, or other property on

¹ Came into force on 12 May 1952 by the exchange of the said notes.

² United States of America : 62 Stat. 144; 22 U.S.C. § 1509 (b) (3).

³ United Nations, *Treaty Series*, Vol. 19, p. 127; Vol. 31, p. 485; Vol. 76, p. 250, and Vol. 140, p. 428.

account of which such payment was made and the subrogation of the United States of America to any claim or cause of action of such person arising in connection therewith. The Government of Belgium shall also recognize any transfer to the Government of the United States of America pursuant to such guaranty of any compensation for loss covered by such guaranties received from any source other than the Government of the United States of America;

b. That franc amounts acquired by the Government of the United States of America pursuant to such guaranties shall be accorded treatment not less favorable than that accorded, at the time of such acquisition, to private funds arising from transactions of United States nationals which are comparable to the transactions covered by such guaranties, and that such franc amounts will be freely available to the Government of the United States of America for administrative expenditures;

c. That any claim against the Government of Belgium, to which the Government of the United States of America may be subrogated as the result of any payment under such a guaranty, shall be the subject of direct negotiations between the two Governments. If, within a reasonable period, they are unable to settle the claim by agreement, it shall be referred for final and binding determination to a sole arbitrator selected by mutual agreement. If the Governments are unable, within a period of three months, to agree upon such selection, the arbitrator shall be one who may be designated by the President of the International Court of Justice at the request of either Government.

If this proposal is acceptable to the Government of Belgium, it is suggested that you reply by note. This note, together with such reply, will constitute an agreement between our two Governments on this subject, the agreement to enter into force on the date of receipt of your reply note.

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

For the Secretary of State :
James C. H. BONBRIGHT

His Excellency Baron Silvercruys
Ambassador of Belgium

II

The Belgian Ambassador to the Secretary of State

AMBASSADE DE BELGIQUE

No. 1829

Washington, May 12th, 1952

Sir :

I have the honor to acknowledge the receipt of your note of May 7th, 1952, reading as follows :

[*See note I*]

I have the honor to state that the Government of Belgium accepts the proposed agreement as outlined in your above-mentioned note and considers that your note and this reply constitute an agreement between the two Governments on this subject, the agreement to enter into force on the date of receipt of this reply note.

Accept, Sir, the renewed assurances of my highest consideration.

SILVERCRUYS

The Honorable Dean Acheson
Secretary of State
Washington, DC.
