

No. 2419

UNITED STATES OF AMERICA
and
SAUDI ARABIA

**Agreement for a co-operative railway survey project. Signed
at Jidda, on 10 November 1952**

D. one year (see article IV).

Official texts: English and Arabic.

Registered by the United States of America on 4 December 1953.

ÉTATS-UNIS D'AMÉRIQUE
et
ARABIE SAOUDITE

**Accord relatif à un projet commun pour le tracé d'une ligne
de chemin de fer. Signé à Djeddah, le 10 novembre 1952**

Textes officiels anglais et arabe.

Enregistré par les États-Unis d'Amérique le 4 décembre 1953.

No. 2419. AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE KINGDOM OF SAUDI ARABIA FOR A CO-OPERATIVE RAILWAY SURVEY PROJECT. SIGNED AT JIDDA, ON 10 NOVEMBER 1952

The Government of the United States of America and the Government of Saudi Arabia have agreed as follows:

Article I

Pursuant to the General Agreement for Technical Cooperation signed on behalf of the two Governments at Jidda on January 17, 1951,² and at the request of the Government of Saudi Arabia in Notes No. 4111 and No. 4112 of March 16, 1952,³ and pursuant to the Transportation and Communication Program Agreement between the Governments of the United States of America and the Kingdom of Saudi Arabia,⁴ a cooperative railway survey project, subject to the terms and conditions of the said General Agreement, shall be initiated in Saudi Arabia. The obligations assumed herein by the Government of Saudi Arabia will be performed by it through the Ministry of Finance of Saudi Arabia, represented by the Minister of Finance (hereinafter referred to as the "Minister"). The obligations assumed herein by the Government of the United States of America will be performed by it through the Technical Cooperation Administration of the Department of State, an agency of the Government of the United States of America, represented in Saudi Arabia by the United States Director of Technical Cooperation (hereinafter referred to as the "Director"). Any right, privilege, power, or duty conferred by this Agreement upon either the Minister or the Director may be delegated by either of them to any of his respective assistants, provided that each such delegation be acceptable to the other. Such delegation shall not limit the right of the Minister and the Director to refer any matter directly to one another for discussion and decision.

¹ Came into force on 10 November 1952, as from the date of signature, in accordance with article IV.

² United Nations, *Treaty Series*, Vol. 140, p. 335.

³ Not printed by the Department of State of the United States of America.

⁴ See p. 242 of this volume.

Article II

The purpose of this cooperative project is to stimulate and increase the interchange of technical knowledge and skill between the two countries and to facilitate the economic development of Saudi Arabia through the preparation of a survey of a railroad route between Riyadh and Jidda of the character and completeness required to permit the Government of Saudi Arabia to let contracts for the final engineering design and construction of the railroad and a final location survey, with detailed design, of 50 miles of such route. The route to be surveyed shall be established by agreement between the Director and the Minister on the basis of a preliminary survey and recommendation by the Contractor referred to in Article III. The railway survey shall be prepared under the supervision of the Director, with the concurrence of the Minister, and on completion the report of the survey shall be delivered by the Director to the Government of Saudi Arabia.

Article III

The two Governments shall make the following contributions to the cooperative project.

1. The Government of the United States of America, through a private contractor acceptable to the Government of Saudi Arabia and such subcontractors as it may employ (all hereinafter referred to as "Contractors"), shall furnish technicians and technical equipment required for the making of the survey and shall pay the dollar costs thereof in an amount not to exceed \$330,000, and, in addition, shall pay such other expenses of an administrative nature as it may incur in connection with this project.

2. The Government of Saudi Arabia shall make available in Rials the sum of (the Rial equivalent of \$27,000), in such manner and in such installments as the Director may request, to cover the Rial costs of food for contractor's technicians, petroleum fuel and lubricants, wages of Saudi Arabian personnel, and certain other Rial expenses of carrying out the railroad survey project.

3. In addition, the Government of Saudi Arabia shall furnish adequate and suitable housing in Jidda for the principal Contractor's project manager and his family and for ten technicians in Jidda or Riyadh as required; canteen privileges and access to laundry facilities for Contractors' personnel in Jidda and Riyadh; access to shop facilities for the repair of Contractors' equipment; suitable office space in Jidda; aircraft and crews as required for preliminary air reconnaissance of proposed railroad routes; access to and prints of any existing available aerial photographs of the proposed railroad right-of-way; and police protection for

Contractors' personnel and equipment when and if required in any area in Saudi Arabia.

4. The Government of Saudi Arabia further agrees to hold the Contractors harmless from civil suits brought against the Contractors by third parties for injury or property damage arising out of the carrying out of this project in Saudi Arabia, to grant to personnel of the Contractors, other than Saudi Arabian personnel, and accompanying members of their families, engaged on this project the exemptions from taxes and duties provided in Article IV of the General Agreement for Technical Cooperation, to grant with respect to funds, material, and equipment introduced into Saudi Arabia by the Contractors for use on this project the exemptions provided in Article III, section 2, of the said General Agreement, and to grant to the Contractors exemption from all corporate and business taxes applied solely by reason of the Contractors' activities in connection with this project.

Article IV

This Cooperative Railway Survey Project Agreement shall become effective on the date of signing and shall remain in force for a period of one year or until three months after either Government shall have given notice in writing to the other of intention to terminate it, whichever is earlier.

This understanding is prepared in duplicate and signed at the Ministry of Finance on 22 Safor, 1372 (10th November, 1952).

Raymond A. HARE
American Ambassador to the
Kingdom of Saudi Arabia

Abdullah SULLEIMAN
Minister of Finance
Kingdom of Saudi Arabia

Samuel S. STRATTON
U. S. Director of Technical
Cooperation in Saudi Arabia