

No. 2459

**UNITED STATES OF AMERICA
and
SAUDI ARABIA**

Project Agreement for rural community development projects. Signed at Jidda, on 15 December 1952

Official texts: English and Arabic.

Registered by the United States of America on 26 January 1954.

**ÉTATS-UNIS D'AMÉRIQUE
et
ARABIE SAOUDITE**

Accord relatif à des programmes de développement des collectivités rurales. Signé à Djeddah, le 15 décembre 1952

Textes officiels anglais et arabe.

Enregistré par les États-Unis d'Amérique le 26 janvier 1954.

No. 2459. PROJECT AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE KINGDOM OF SAUDI ARABIA FOR RURAL COMMUNITY DEVELOPMENT PROJECTS. SIGNED AT JIDDA, ON 15 DECEMBER 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, Rural Community Development Projects shall be initiated in Saudi Arabia, subject to the terms and conditions of the said General Agreement and to the terms and conditions of the Program Agreements for Natural Resources, Agriculture, Health, Education, and Transportation and Communication.

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.

Article II

The purpose of this Agreement is to stimulate and increase the interchange of technical knowledge and skill between the two countries and to facilitate the

¹ Came into force on 15 December 1952, as from the date of signature, in accordance with article VII.

² United Nations, *Treaty Series*, Vol. 140, p. 335, and Vol. 179, p. 230.

economic development of Saudi Arabia by community development projects in the areas designated Wadi Itwad and Wadi Khulais. These areas can include other wadis and are not literal definitions of boundaries.

The objectives of these development projects, carried on by the cooperative action of the two Governments, are :

1. To facilitate the development of land and water resources in such selected areas by the location of adequate water supplies and the drilling of water wells, construction of irrigation works, the testing and improvement of soils and the bringing of new land into cultivation.
2. To increase the efficiency of agricultural production in such selected areas by crop and livestock improvement, insect and disease control, better processing and marketing, and improved farming methods.
3. To improve health conditions, transportation facilities, and local educational opportunities in such selected areas by establishment of clinics and prevention of diseases; by improvement of highways; by vocational training.

The projects will be planned and undertaken under the supervision of the Director, with the concurrence of the Minister.

Article III

The two Governments shall make the following contributions to these projects :

A. The Government of the United States of America will pay the salaries, cost of travel to Saudi Arabia and return, transportation of personal effects of the United States personnel assigned to these projects and furnish the necessary vehicles for surface transportation for their personnel within Saudi Arabia. The Government of the United States of America will also provide housing for United States personnel which shall be limited to one establishment per technician either at the site of a community development project or at Jidda.

B. In addition, the Government of the United States of America will make available \$500,000 for these community development projects. This sum shall be used to provide the United States of America's share of the cost of supplies, equipment, facilities and services and other financial contributions as are mutually determined to be necessary to further the work of the projects.

C. The Government of Saudi Arabia will make available \$500,000 for these community development projects. This sum, or its equivalent in kind, shall be used to provide the Saudi Arabian Government's share of the cost of local personnel, supplies, equipment, facilities and services and other financial

contributions as are mutually determined to be necessary to further the work of the projects.

Article IV

All funds made available to the projects pursuant to Article III, Paragraphs B and C, of this Agreement shall continue to be available for the Community Development Projects during the existence of this Agreement. At the termination of this Community Development Project Agreement, any such materials, equipment and supplies which remain shall be disposed of pursuant to arrangements agreed upon between the Director and the Minister.

Article V

The Saudi Arabian Government and the Technical Cooperation Administration will exchange certified accounts relating to the operation of these projects at intervals to be agreed upon.

Article VI

That portion of the funds made available by each Government for financing these projects and remaining unexpended or unobligated for specific purposes at the termination of this Agreement shall revert to the Government by which such funds were made available, unless otherwise provided by subsequent agreement.

Article VII

This Agreement for Rural Community Development Projects shall be effective on the date of signing and shall remain in force for a period of three years or until one month 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 28, Rabi Awal, 1372 (15, December, 1952).

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

Abdullah SULLEIMAN
Minister of Finance
Kingdom of Saudi Arabia

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