

No. 2917

**UNITED STATES OF AMERICA
and
NICARAGUA**

**Agreement for a co-operative program of agriculture.
Signed at Managua, on 30 June 1953**

Official texts: English and Spanish.

Registered by the United States of America on 12 September 1955.

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

**Accord relatif à un programme de coopération agricole.
Signé à Managua, le 30 juin 1953**

Textes officiels anglais et espagnol.

Enregistré par les États-Unis d'Amérique le 12 septembre 1955.

No. 2917. AGREEMENT¹ FOR A CO-OPERATIVE PROGRAM OF AGRICULTURE BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF NICARAGUA. SIGNED AT MANAGUA, ON 30 JUNE 1953

The Government of the United States of America and the Government of Nicaragua,

Have agreed as follows :

Article I

THE OPERATING AGENCIES

Pursuant to the General Agreement for Technical Cooperation, signed on behalf of the two Governments at Managua on December 23, 1950² a cooperative program of agriculture shall be carried out in Nicaragua. The obligations assumed herein by the Government of Nicaragua will be performed by it through its Ministry of Agriculture (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 Technical Cooperation Administration (hereinafter referred to as the "Administration"), an agency of the Government of the United States of America. The Administration may discharge its obligations under this Agreement through The Institute of Inter-American Affairs, the regional office of the Administration for Latin America, and may secure the assistance of other agencies of the Government of the United States of America, including the Foreign Agricultural Service of the United States Department of Agriculture and of other public and private agencies in discharging its obligations under this agreement. The Ministry, on behalf of the Government of Nicaragua, and the Administration, on behalf of the Government of the United States of America, shall participate jointly in all phases of the planning and administration of the cooperative program. This agreement and all activities carried out pursuant to it shall be governed by the provisions of the said General Agreement for Technical Cooperation.

¹ Came into force on 30 June 1953, as from the date of signature, in accordance with article XIII.

² United Nations, *Treaty Series*, Vol. 92, p. 155, and Vol. 180, p. 311.

Article II

OBJECTIVES

The objectives of this cooperative program of agriculture are :

1. To facilitate the development of agriculture in Nicaragua through cooperative action on the part of the two Governments ;
2. To stimulate and increase the interchange between the two countries of knowledge, skills and techniques in the field of agriculture ;
3. To promote and strengthen understanding and good will between the peoples of Nicaragua and the United States of America, and to foster the growth of democratic ways of life.

Article III

FIELDS OF ACTIVITY

This cooperative program of agriculture will include, to the extent that the parties from time to time agree thereon, operations of the following types :

1. Studies of the needs of Nicaragua in the field of agriculture, and the resources which are available to meet these needs ;
2. The formulation and continuous adaptation of a program to help meet such needs ;
3. The initiation and administration of projects in agricultural research and experimentation ; agricultural extension, including farm-youth training ; livestock management, including animal disease control and pasture improvement ; soil conservation ; forestry ; irrigation practices ; farm storage ; and such other projects in the field of agriculture as the parties may agree upon ;
4. Related training activities, both within and outside Nicaragua.

Article IV

THE TECHNICAL MISSION

The Administration agrees to furnish a group of technicians and specialists to collaborate in carrying out the cooperative program of agriculture. The technicians and specialists made available by the Administration under this agreement, together with those so made available under other program agreements, will constitute the Technical Mission of the Administration in Nicaragua. The Technical Mission shall be headed by a Point 4 Administrator in Nicaragua (hereinafter referred to as the "Administrator"). The Administrator and other members of the Technical Mission shall be appointed by the Government of the United States of America but shall be acceptable to the Government of Nicaragua.

Article V

THE TECHNICAL SERVICE

There is established within the Ministry an Agency to be known as the Servicio Técnico Agrícola de Nicaragua (hereinafter referred to as "STAN"). STAN shall be responsible, under the supervision of the Minister of Agriculture (hereinafter referred to as the "Minister"), for administering the cooperative program of agriculture in accordance with the provisions of this agreement. The Administrator, or his designee, shall be the Director of STAN. Members of the Technical Mission may become officers or employees of STAN under such arrangements as may be agreed upon by the Minister and the Administrator. The moneys contributed to STAN may be maintained in such bank or banks as the Minister and Administrator shall agree upon, and shall be available only for the purposes of this agreement.

Article VI

JOINT CONTRIBUTIONS

The parties 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 entry into force of this Agreement through June 30, 1954, shall make available the funds necessary to pay the salaries and other expenses of the members of the Technical Mission, 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 cooperative program. These funds shall be administered by the Administration and shall not be deposited to the credit of STAN.

2. In addition, for the period from the date of entry into force of this agreement through June 30, 1954, the Government of the United States of America shall contribute to STAN the sum of \$ 100,000 (One Hundred Thousand Dollars). The parties agree that this sum shall be withheld in the United States of America to meet payments to be made outside of Nicaragua in US Dollars. The amounts used for such payments, when expended as agreed upon by the Minister and the Administrator shall be considered as if deposited to the credit of STAN. The Minister and the Administrator may hereafter agree to the deposit in cash of any part of such sum to the credit of STAN in such installments as they may agree upon.

3. Unless otherwise agreed to between the Minister and the Administrator, the Government of Nicaragua, during the period from the date of entry into force of this agreement through June 30, 1954, shall make available the funds necessary to pay the salaries and other expenses of the Nicaraguan specialists and other personnel to collaborate with the Technical Mission, as well as such

other expenses of an administrative nature as the Nicaraguan Government may incur in connection with this cooperative program. These funds shall be administered by the Minister and shall not be deposited to the credit of STAN.

4. The Government of Nicaragua, for the period from the date of entry into force of this agreement through June 30, 1954, shall deposit to the credit of STAN the equivalent in Cordobas of the sum of \$ 230,000 (Two Hundred Thirty Thousand Dollars). These deposits shall be made in such installments and at such times as the Minister and the Administrator shall agree upon.

5. The parties 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, 1954 through June 30, 1960.

6. Funds deposited by the Government of the United States of America to the credit of STAN shall be convertible into Cordobas at the highest rate which, at the time the conversion is made, is available to the Government of the United States for its diplomatic and other official expenditures in Nicaragua.

7. The lands, buildings, installations, equipment, machinery, vehicles, materials and other items assigned to the use of the agriculture program under the agreement between the Government of the United States of America and the Government of Nicaragua effected by an exchange of notes signed at Managua on January 25, 1950 and February 1, 1950¹ shall continue to be used, pursuant to agreement between the Minister and the Administrator, by STAN for use under this agreement.

Article VII

ADDITIONAL CONTRIBUTIONS

1. The projects to be undertaken under this agreement may include cooperation with national, state and local governmental agencies in Nicaragua, as well as with organizations of a public or private character, and international organizations of which the United States of America and Nicaragua are members. By agreement between the Minister and the Administrator contributions of funds, property, services or facilities by either or both parties, or by any of such third parties, may be accepted and deposited to the credit of STAN for use in effectuating the cooperative program of agriculture, in addition to the funds, property, services and facilities required to be contributed under Article VI.

¹ United Nations, *Treaty Series*, Vol. 99, p. 25.

Article VIII

PROJECT OPERATIONS

1. The cooperative program of agriculture herein provided for shall consist of a series of projects to be jointly planned and administered by the Minister and the Administrator. Each project shall be embodied in a written project agreement which shall be signed by the Minister and the Administrator, shall define the work to be done, shall make allocations of funds therefor from moneys available to STAN, and may contain such other matters as the parties may desire to include.

2. Upon substantial completion of any project, a Completion Memorandum shall be drawn up and signed by the Minister and the Administrator, which shall provide a record of the work done, the objectives sought to be achieved, the expenditures made, the problems encountered and solved, and related basic data.

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

4. The general policies and administrative procedures that are to govern the cooperative agricultural program, the carrying out of projects, and the operations of STAN, such as the disbursement of and accounting for funds, the incurrence of obligations of STAN, the purchase, use, inventory, control and disposition of property, the appointment and discharge of officers and other personnel of STAN and the terms and conditions of their employment, and all other administrative matters, shall be determined jointly by the Minister and the Administrator.

5. All contracts and other instruments and documents relating to the execution of projects under this agreement shall be executed in the name of STAN and shall be signed by the Administrator. The books and records of STAN relating to the cooperative program shall be open at all times for examination by authorized representatives of the Government of Nicaragua and the Government of the United States of America. The Administrator shall render an annual report of the activities of STAN to the two Governments, and other reports at such intervals as may be appropriate.

6. Any power conferred by this agreement upon the Minister or the Administrator 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 either of them to refer any matter directly to one another for discussion and decision.

Article IX

ADDITIONAL FISCAL PROVISIONS

1. All funds deposited to the credit of STAN pursuant to 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.

2. All materials, equipment and supplies acquired for the cooperative program shall become the property of STAN and shall be used only in the furtherance of this agreement. Any such materials, equipment and supplies remaining at the termination of this co-operative program shall be at the disposition of the Government of Nicaragua.

3. Interest received on funds of STAN and any other increment of assets of STAN, of whatever nature or source, shall be devoted to the carrying out of the co-operative program and shall not be credited against any contribution due from either Government.

4. Any funds of STAN 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 Nicaragua under this agreement, as it may be from time to time amended and extended ; provided however, that funds deposited pursuant to Article VI of this agreement by one party and not matched by a deposit of the funds agreed to be deposited by the other party shall be returned to the contributor prior to the distribution provided for herein.

Article X

RIGHTS AND EXEMPTIONS

1. The Government of Nicaragua agrees to extend to STAN, and to all personnel employed by STAN, all rights and privileges which are enjoyed, under its laws, by agencies of the Government of Nicaragua or by their personnel. Such rights and privileges, to the extent that they are available to other agencies of the Government of Nicaragua or their personnel, shall include but not be limited to : free postal, telegraph, and telephone service ; passes on railroads administered by the Government of Nicaragua ; the right to rebates or preferential rates allowed by domestic companies of maritime or river navigation, air travel, telephone, telegraph, or other services ; and exemption from taxes, excises, imposts, and stamp taxes.

2. Supplies, equipment and materials contributed to STAN by the Government of the United States of America, either directly or by contract with a public or private organization, shall be admitted into STAN free of any customs and import duties.

3. The rights and privileges referred to in paragraph 1 of this Article X pertaining to communications, transportations and exemption from taxes, imposts and stamp taxes shall also accrue to the Administration 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.

4. All personnel of the Government of the United States of America, whether employed directly by it or under contract with a public or private organization, who are present in Nicaragua to perform work for the cooperative program of agriculture, and whose entrance into the country has been approved by the Government of Nicaragua under Article IV of this agreement shall be exempt from income and social security taxes levied under the laws of Nicaragua 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, from property taxes on personal property intended for their own use, and from the payment of any tariff or duty upon personal or household goods brought into the country for the personal use of themselves and members of their families. At suitable intervals, the Ambassador of the United States of America to Nicaragua shall furnish to the Minister for Foreign Affairs of Nicaragua the names of the personnel to whom the provisions of this paragraph are applicable.

Article XI

SOVEREIGN IMMUNITY

1. The parties declare their recognition that the Administration, being an agency of 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 Nicaragua, which are enjoyed by the Government of the United States of America.

2. The two Governments will establish procedures whereby the Government of Nicaragua will so deposit, segregate or assure title to all funds allocated to or derived from this program that such funds shall not be subject to garnishment, attachment, seizure, or other legal process by any person, firm, agency, corporation, organization, or government when the Government of Nicaragua is advised by the Government of the United States of America that such legal process would interfere with the attainment of the objectives of the program.

Article XII

LEGISLATIVE AND EXECUTIVE ACTION

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

Article XIII

ENTRY INTO FORCE AND DURATION

This agreement may be referred to as the "Cooperative Agricultural Program Agreement" and shall supersede the agricultural program agreement between the two Governments effected by the exchange of notes signed at Managua on January 25 1950 and February 1 1950.¹ It shall enter into force on the date on which it is signed and shall remain in force through June 30 1960, 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 1954 through June 30 1960 shall be subject to the availability of appropriations to both parties for the purpose of the program and to the further agreement of the parties pursuant to Article VI, paragraph 4, hereof.

DONE in duplicate, in the English and Spanish languages, at Managua, Nicaragua, this thirtieth day of June 1953.

For the Government of the United States of America :

Thomas E. WHELAN

Ambassador of the United States of America

For the Government of the Republic of Nicaragua :

Oscar SEVILLA SACASA

Minister for Foreign Affairs

¹ United Nations, *Treaty Series*, Vol. 99, p. 25.