

No. 3261

**UNITED STATES OF AMERICA
and
MEXICO**

**Exchange of notes constituting an agreement relating to
a project of technical co-operation in developmental
engineering. Mexico, 6 April 1954**

Official texts: English and Spanish.

Registered by the United States of America on 13 April 1956.

**ÉTATS-UNIS D'AMÉRIQUE
et
MEXIQUE**

**Échange de notes constituant un accord relatif à un projet
de coopération technique pour la mise au point de
procédés et de modes opératoires industriels. Mexico,
6 avril 1954**

Textes officiels anglais et espagnol.

Enregistré par les États-Unis d'Amérique le 13 avril 1956.

No. 3261. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND MEXICO RELATING TO A PROJECT OF TECHNICAL CO-OPERATION IN DEVELOPMENTAL ENGINEERING. MEXICO, 6 APRIL 1954

I

The American Ambassador to the Mexican Minister for Foreign Relations

THE FOREIGN SERVICE OF THE UNITED STATES OF AMERICA

No. 913

México, D. F., April 6, 1954

Excellency :

I have the honor to refer to the Point Four General Agreement for Technical Cooperation between the Government of Mexico and the Government of the United States of America effected by an exchange of notes signed at Mexico City on June 27, 1951,² as subsequently modified and supplemented,³ and to the request of your Government dated June 12, 1952 in note number 504778,⁴ for the initiation of a project of technical cooperation in developmental engineering with the Instituto Mexicano de Investigaciones Tecnológicas of the Banco de México.

I am pleased to inform Your Excellency that my Government is prepared to cooperate in initiating and carrying out the requested project convinced that it will further the general welfare of the peoples of our respective countries and will strengthen still further the bonds of friendship and understanding between them. Accordingly, I am authorized by my Government to propose that our two Governments agree upon the following terms and conditions for conducting the requested project.

1. *Operating Agencies*

Pursuant to the Point Four General Agreement for Technical Cooperation between the Government of the United States of America and the Government of Mexico effected by an exchange of notes signed at Mexico City on June 27, 1951, as subsequently modified and supplemented, a cooperative project in developmental engineering shall be initiated and carried out in Mexico. The obligations assumed herein by the Government of Mexico will be performed by it through the Bank of Mexico (hereinafter referred to as the "Bank"). The Bank may discharge its obligations under this Agreement through its Instituto Mexicano de Investigaciones Tecnológicas (hereinafter referred to as the

¹ Came into force on 6 April 1954 by the exchange of the said notes.

² United Nations, *Treaty Series*, Vol. 141, p. 211.

³ United Nations, *Treaty Series*, Vol. 200, p. 312, and p. 306 of this volume.

⁴ Not printed by the Department of State of the United States of America.

"IMIT"). The obligations assumed herein by the Government of the United States of America will be performed by it through the Foreign Operations Administration (hereinafter referred to as the "Administration") and the Administration's Mission in Mexico (hereinafter referred to as the "Mission"). The Administration may discharge its obligations under this Agreement through the Institute of Inter-American Affairs, its regional office for Latin America, and may secure the assistance of a private consulting agency in the discharge of those obligations. This Agreement and all activities carried on pursuant to it shall be governed by the provisions of the above-mentioned Point Four General Agreement for Technical Cooperation.

2. *Project Activities*

During the term of this Agreement the Administration shall furnish to the Bank, and to any other public or private agency approved by the Bank, technical consultation and assistance in developmental and unit process engineering in connection with the activities conducted by the IMIT concerned with converting laboratory production processes into commercial scale production processes. The Bank shall be responsible for the administration and carrying out of the developmental engineering activities of the IMIT on which the two parties are to collaborate in conducting the cooperative project, and for making effective use of the technical consultation and assistance furnished by the Administration in connection with those activities.

3. *Technicians and Specialists*

The Administration will make available in Mexico not more than two specialists in developmental and unit processing engineering to furnish the technical consultation and assistance agreed to be provided by the Administration under paragraph 2 above. These specialists shall be selected and assigned by the Administration but shall be subject to acceptance by the Government of Mexico. These specialists shall be members of the Mission and under direction of the Director of the Mission (hereinafter referred to as the "Director"). It is understood that the Administration may at its discretion, after consultation with the Bank, replace, withdraw, or temporarily reassign to other duties any specialist assigned to this cooperative project by the Administration.

4. *Contributions*

a. The Administration will pay the salaries, allowances (including per diem costs for travel within Mexico) and costs of international travel of the specialists assigned in accordance with paragraph 3 above, as well as other necessary and related costs of an administrative nature incurred by the Administration.

b. The Government of Mexico will pay, or arrange to have paid, all other costs involved in carrying out this cooperative project, including, but not necessarily limited to, the following :

(1) Costs of furnishing office space, office equipment and furnishing, and stenographic and other services required by the specialists assigned by the Administration for the effective performance of their services.

(2) Costs of necessary transportation within Mexico in connection with work under this Agreement by the specialists assigned by the Administration.

(3) Costs of furnishing the facilities, materials, equipment, supplies, and service required for the effective carrying out of the developmental engineering activities within the scope of this cooperative project.

5. *Rights and Exemptions*

a. The Government of Mexico shall make such arrangements as may be necessary so that the Government of the United States of America, and any public or private organization under contract with the Government of the United States of America, shall incur no expense for customs duties or import taxes on supplies, equipment and materials introduced into Mexico for purposes of this Agreement by the Administration or such public or private organization under contract.

b. The Government of Mexico shall make such arrangements as may be necessary so that, in connection with activities under this Agreement, the Government of the United States of America and all personnel of the Government of the United States of America who are present in Mexico to perform work under this Agreement, whether employed directly by it or under contract with a public or private organization, shall incur no expense for income or social security taxes levied under the laws of Mexico 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, for property taxes on personal property intended for their own use, or for 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.

6. *Completion Memorandum and Reports*

Upon substantial completion of this cooperative project a Completion Memorandum shall be drawn up and signed by the Director of the Bank and the Director of the Mission or their designees 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. In addition, the Director of the Bank and the Director of the Mission or their designees shall render to the Bank and the Administration interim reports on activities under this Agreement at such intervals as may be appropriate but not less frequently than annually.

7. *Duration and Termination*

This Agreement shall remain in force through June 30, 1955 or until thirty days after either Government shall have given written notice to the other of intention to terminate it, whichever is earlier. It is understood that the obligations of the two Governments hereunder after June 30, 1954 shall be subject to the availability to the two Governments of appropriated funds for that purpose.

The Government of the United States of America will consider the present note and your reply concurring therein as constituting an agreement between our two Governments on the terms and conditions enumerated above which shall enter into force on the date of your note in reply.

Accept, Excellency, the assurances of my highest and most distinguished consideration.

Francis WHITE

His Excellency Señor Don Luis Padilla Nervo
Minister for Foreign Relations
México, D. F.

intención de darlo por terminado, surtiendo efecto la notificación que sea anterior. Queda entendido que las obligaciones de ambos Gobiernos contratantes, después del 30 de junio de 1954, estarán sujetas a que los dos Gobiernos puedan disponer de las partidas apropiadas para dicho propósito.

El Gobierno de los Estados Unidos de América considerará que la presente nota y su respuesta a la misma constituyen un acuerdo entre nuestros dos Gobiernos, en los términos y condiciones arriba enumerados, y que entrará en vigor en la fecha de su nota de contestación”.

Me es grato hacer del conocimiento de Vuestra Excelencia que mi Gobierno acepta los términos de su nota arriba transcrita, en la inteligencia de que dicha nota y la presente constituyen un Acuerdo sobre Cooperación Técnica en Materia de Ingeniería de Desarrollo con el Instituto Mexicano de Investigaciones Tecnológicas del Banco de México, que entra en vigor en esta fecha, y que se regirá en todo por las estipulaciones del Acuerdo General sobre Cooperación Técnica.

Aprovecho la oportunidad para renovar a Vuestra Excelencia las seguridades de mi más alta y distinguida consideración.

L. P. N.

Excelentísimo Señor Francis White
Embajador Extraordinario y Plenipotenciario
de los Estados Unidos de América
Ciudad

[TRANSLATION¹ — TRADUCTION²]

MINISTRY OF FOREIGN RELATIONS
UNITED MEXICAN STATES
MÉXICO

503973

México, D. F., April 6, 1954

Mr. Ambassador :

I have the honor to acknowledge the receipt of Your Excellency's courteous note No. 913, of today's date, referring to the General Agreement for Technical Cooperation between the Government of Mexico and the Government of the United States of America effected by an exchange of notes on June 27, 1951, as subsequently modified and supplemented, as well as my Government's note No. 504778, dated June 12, 1952, for the initiation of a project of technical cooperation in developmental engineering with the Instituto Mexicano de Investigaciones Tecnológicas of the Banco de México.

In this connection Your Excellency, in your note No. 913, informs me as follows :

[See note I]

¹ Translation by the Government of the United States of America.

² Traduction du Gouvernement des États-Unis d'Amérique.

I am pleased to inform Your Excellency that my Government accepts the terms of your note transcribed above, with the understanding that the said note and the present note constitute an Agreement on Technical Cooperation in Developmental Engineering with the Instituto Mexicano de Investigaciones Tecnológicas of the Banco de México, which shall enter into force on this date and shall be governed in its entirety by the provisions of the General Agreement on Technical Cooperation.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

His Excellency Francis White
Ambassador Extraordinary and Plenipotentiary
of the United States of America
City

L. P. N.