

No. 3350

**UNITED STATES OF AMERICA
and
EL SALVADOR**

**Agreement on a co-operative program for agricultural
development. Signed at San Salvador, on 16 July
1954**

Official texts: English and Spanish.

Registered by the United States of America on 3 May 1956.

**ÉTATS-UNIS D'AMÉRIQUE
et
SALVADOR**

**Accord relatif à un programme de coopération en vue du
développement agricole. Signé à San-Salvador, le 16
juillet 1954**

Textes officiels anglais et espagnol.

Enregistré par les États-Unis d'Amérique le 3 mai 1956.

No. 3350. AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF EL SALVADOR ON A CO-OPERATIVE PROGRAM FOR AGRICULTURAL DEVELOPMENT. SIGNED AT SAN SALVADOR, ON 16 JULY 1954

The Government of the United States of America and the Government of the Republic of El Salvador 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 San Salvador on April 4, 1952² there shall be initiated in the Republic of El Salvador a Cooperative Program of Agricultural Development. The obligations assumed herein by the Government of El Salvador will be performed by it through its Ministry of Agriculture and Livestock (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 Foreign Operations Administration (hereinafter referred to as the "Administration"), an agency of the latter Government. 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 and of other public and private agencies. The Ministry, on behalf of the Government of El Salvador 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. The present Agreement, and all activities carried out pursuant to it, shall be governed by the provisions of the said General Agreement for Technical Cooperation.

Article II

OBJECTIVES

The objectives of this Cooperative Program of Agricultural Development are the following :

¹ Came into force on 10 August 1954 by the notification to the Government of the United States of America by the Government of El Salvador of the ratification of the Agreement by the Government of El Salvador, in accordance with article XII.

² United Nations, *Treaty Series*, Vol. 177, p. 219.

1. To facilitate the development of agriculture in El Salvador through the cooperative action 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. Through this cooperative undertaking, to promote and strengthen understanding and good will between the peoples of El Salvador 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 El Salvador 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 ; livestock development ; soil and water conservation and irrigation ; storage and conservation of agriculture and livestock products ; fisheries and fishing ; and any other studies and projects fostering the development of agriculture and livestock.
4. Related agricultural training activities for Salvadoran personnel, both within and outside El Salvador.
5. The furnishing of technical advisory services in the fields referred to in paragraph 3 above.

Article IV

THE OPERATIONS MISSION IN EL SALVADOR

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 and project agreements, will constitute the United States of America Operations Mission in El Salvador. The size and composition of the Operations Mission shall be determined by the Administration. The Operations Mission shall be headed by a Director. The Director and other members of the Operations Mission shall be appointed by the Government of the United States of America but shall be acceptable to the Government of El Salvador.

Article V

THE COOPERATIVE SERVICE

There is hereby established within the Ministry an agency of the Government of El Salvador to be known as the "Salvadoran-American Agricultural Cooperative Service" (hereinafter referred to as the "Service"). The Service shall be responsible for executing the activities of the cooperative program of agricultural development. The Operations Mission shall assist the Service in carrying out its responsibilities. The Director of the Operations Mission or his designee shall serve as Chief of the Service (hereinafter referred to as the "Chief"). Members of the Operations Mission may become officials or employees of the Service as requested by the Minister or his designee and agreed to by the Chief.

Article VI

CONTRIBUTIONS

The parties shall contribute and make available moneys for use in carrying out the program during the period covered by this Agreement, in accordance with the following :

1. The Government of the United States of America, during the period from the date of entry into force of this Agreement through December 31, 1960, shall make available the moneys necessary to pay the salaries and other expenses of the members of the Operations Mission, as well as such other expenses of an administrative nature as it 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 the Service.

2. The Government of El Salvador shall :

- a) appoint specialists and other necessary personnel, to the extent such personnel can be made available, to collaborate with the Operations Mission.
- b) furnish land, buildings, installations, equipment, office furniture, materials, implements and such other services as it is able to provide.
- c) obtain the cooperation of other agencies of the Government of El Salvador for the most effective development and execution of the cooperative program of agriculture.

3. In addition, the parties may later agree in writing upon the amount of funds that each will contribute to the Service each year for use in carrying out the program for the duration of the Agreement. It is understood that sums subsequently agreed to be contributed by the Government of the United States of America may, as the representatives of the parties shall agree, be deposited to the credit of the Service or be withheld in the United States of America to be expended outside of El Salvador in United States dollars as agreed upon by the Minister or his designee and the Chief. Contributions of funds may be made in such installments as the parties may agree upon.

4. Moneys deposited by the Government of the United States of America to the credit of the Service shall be convertible at the highest rate which, at the time the conversion is made, is available to the Government of the United States of America for its diplomatic and other official expenditures in El Salvador.

5. It is understood that contributions to be made to the Service by the two parties pursuant to this Agreement, or any supplement thereto, shall be made in such periodic installments as may have been previously agreed by the parties, and that, unless the parties shall previously have agreed specifically otherwise, such periodic installments by the two parties shall be made simultaneously and in amounts corresponding proportionately to the contribution each is to make. Funds deposited by either party shall be available for withdrawal for payments or expenses of the Service only after the agreed corresponding deposit of the other party has been made.

6. The funds deposited to the credit of the Service may be maintained in such bank or banks as may be agreed upon by the Minister or his designee and the Chief, and shall be available only for the purposes of this agreement. No funds shall be withdrawn from the accounts of the Service for any purpose except by issuance of a check or other suitable withdrawal document signed by the Minister or his designee and the Chief. There shall be included in the deposit agreement to be made with any bank a provision that the bank shall be obligated to repay the Service any funds which it shall permit to be withdrawn from the funds of the Service on the basis of any document other than a check or other withdrawal document that has been signed by the Minister or his designee and the Chief.

Article VII

ADDITIONAL CONTRIBUTIONS

The projects to be undertaken under this Agreement may include cooperation with national and local governmental agencies in El Salvador, as well as with organizations of a public or private character, and international organizations of which the United States of America and El Salvador are members. By agreement between the parties contributions of moneys, 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 the Service for use in effectuating the cooperative program of agriculture, in addition to its funds contributed by the two Governments.

Article VIII

OPERATIONS

1. The Cooperative Program of Agriculture shall consist of a series of projects to be jointly planned. Each project shall be embodied in a written project agreement which shall be signed by the Minister or his designee, on behalf of

the Ministry, the Director of the Operations Mission or his designee, on behalf of the Administration, and the Chief on behalf of the Service. Each project agreement shall define the work to be done and the administrative organization, shall make budgets and allocations therefor from moneys available to the Service, 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 or his designee and the Chief, 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 the Service pursuant to this program, as well as the training activities in which they shall participate, shall be determined by the Minister or his designee and the Chief.

4. The general policies and administrative procedures that are to govern the Cooperative Program of Agriculture, in the execution of projects, such as the disbursement of and accounting for moneys, the incurrance of obligations of the Program, the purchase, use, inventory, control and disposition of property, the appointment and discharge of officers and other personnel of the Service and the terms and conditions of their employment, and all other administrative matters, shall be jointly determined by the Minister or his designee and the Chief.

5. All contracts and other instruments and documents relating to the execution of projects under this Agreement shall be executed in the name of the Service and shall be signed by the Minister or his designee and the Chief. The books and records of the Service relating to the Cooperative Program shall be open at all times for examination by authorized representatives of the Government of El Salvador and the Government of the United States of America. There shall be rendered an annual report of the activities of the Service 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 upon the Chief may be delegated by either of them to any of his respective assistants, provided that each such delegation be satisfactory to the other. Such delegations shall not limit the right of either of them to refer any matter directly to the other for discussion and decision.

Article IX

ADDITIONAL FISCAL PROVISIONS

1. All moneys deposited to the credit of the Service 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 the Service and shall be used only in the furtherance of this Agreement. Any such materials, equipment and supplies remaining at the termination of this Cooperative Program shall be at the disposition of the Government of El Salvador.

3. Interest received on moneys of the Service and any other increment of assets of the Service, of whatever nature or source, shall be devoted to the carrying out of the Cooperative Program.

4. Any moneys of the Service which remain unexpended and unobligated on the termination of this Cooperative Program of Agriculture shall be returned to the parties hereto in the proportion of the respective contributions made by the parties under this Agreement, unless otherwise agreed upon in writing by the parties hereto at that time. The funds deposited pursuant to Article VI of this Agreement by one party and not matched proportionately by a deposit by the other party shall be returned to the contributor in their entirety.

Article X

RIGHTS AND EXEMPTIONS

1. The Government of El Salvador agrees to extend to the Administration and to all its foreign personnel, all rights and privileges which are enjoyed, under its laws, by agencies of the Government of El Salvador and their personnel. Such rights and privileges, to the extent that they are available to other agencies of the Government of El Salvador and their personnel, shall include but not be limited to : free postal, telegraph, and telephone service ; 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, concerning the operations of the Cooperative Program of Agriculture and the materials employed in its functioning.

2. Supplies, equipment and materials contributed to the Cooperative Program of Agriculture by the Government of the United States of America, either directly or by contract with a public or private organization, and those obtained outside the country for the Program, for its activities in El Salvador, shall be totally exempt from import duties.

3. 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 El Salvador to perform work for the Cooperative Program

of Agriculture, and have been accepted by the Government of El Salvador under Article IV of this Agreement, shall be exempt from income and social security taxes levied under the laws of El Salvador 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.

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 of the said Government, including immunity from suit in the courts of El Salvador.

2. The two Governments will establish procedures whereby the Government of El Salvador will so deposit, segregate or assure title to all moneys allocated to or derived from any United States assistance program that such moneys 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 El Salvador 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

ENTRY INTO FORCE AND DURATION

This Agreement may be referred to as the Cooperative Program Agreement for Agricultural Development. It shall enter into force on the day notification of its ratification by the Government of El Salvador is given to the Government of the United States of America and shall continue in force through December 31, 1960 or until three months from the date on which either Government shall notify the other, in writing, of its intention to terminate it. It is understood, however, that the obligations of the parties under this Agreement for the period from June 30, 1954, through December 31, 1960, shall be subject to the availability of appropriations to both parties for the purposes of the Program and to the fulfillment of obligations agreed upon.

DONE at San Salvador in duplicate in the English and Spanish languages,
on the 16th day of July, 1954.

For the Government of the United States of America :

Michael J. McDERMOTT
Ambassador of the United States of America

George N. BUTLER
Director of the United States Operations Mission

For the Government of the Republic of El Salvador :

Roberto E. CANESSA
Minister of Foreign Affairs

Roberto QUIÑÓNEZ
Minister of Agriculture and Livestock