

No. 3795

**UNITED STATES OF AMERICA
and
BOLIVIA**

**Agreement for the establishment of the Bolivian-American
co-operative road service. Signed at La Paz, on
3 August 1955**

Official texts: English and Spanish.

Registered by the United States of America on 8 April 1957.

**ÉTATS-UNIS D'AMÉRIQUE
et
BOLIVIE**

**Accord relatif à la création d'un service de coopération
routière entre la Bolivie et les États-Unis. Signé à La
Paz, le 3 août 1955**

Textes officiels anglais et espagnol.

Enregistré par les États-Unis d'Amérique le 8 avril 1957.

No. 3795. AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF BOLIVIA FOR THE ESTABLISHMENT OF THE BOLIVIAN-AMERICAN CO-OPERATIVE ROAD SERVICE. SIGNED AT LA PAZ, ON 3 AUGUST 1955

Pursuant to the General Agreement for Technical Cooperation between the Government of the United States of America and the Government of Bolivia signed at La Paz on March 14, 1951,² as subsequently modified³ and supplemented, the two Governments agree to carry out a cooperative program in the field of road transportation in accordance with the above-mentioned General Agreement and with the terms and conditions set forth below. The obligations assumed herein by the Government of the United States and the Government of Bolivia may be performed, respectively, by the International Cooperation Administration (hereinafter referred to as the "Administration") and the Ministry of Public Works and Communications (hereinafter referred to as the "Ministry"), any successor agency to either of those agencies, or any other agency designated for the purpose by the Government of the United States or the Government of Bolivia.

Article 1

SCOPE OF ACTIVITIES

The cooperative activities covered by this agreement may include, to the extent that the parties from time to time agree thereon, the planning, initiation and administration of technical cooperation projects and development projects of a pioneering or demonstrational nature in road maintenance and in related activities directed at the improvement of road transportation in Bolivia.

Article 2

JOINT PLANNING AND ADMINISTRATION

The Administration and the Ministry shall participate in over-all planning and administration of the cooperative activities covered by this agreement.

¹ Came into force on 3 August 1955, the date of signature, in accordance with article 10.

² United Nations, *Treaty Series*, Vol. 132, p. 319.

³ United Nations, *Treaty Series*, Vol. 180, p. 346.

Article 3

THE COOPERATIVE SERVICE

(a) The Ministry agrees to establish, within the Ministry, the Bolivian-American Cooperative Road Service (hereinafter referred to as the "Cooperative Service"). The Cooperative Service shall be a special agency of the Government of Bolivia and shall administer the cooperative program in accordance with the provisions of this agreement. The Administration shall designate a person to serve as Director of the Cooperative Service (hereinafter referred to as the "Director"). United States personnel may become officers or employees of the Cooperative Service under such arrangements as may be agreed upon by the Director and the Minister of Public Works and Communications of the Government of Bolivia (hereinafter referred to as the "Minister") or his designee.

(b) The administrative procedures that are to govern the cooperative activities under this agreement, the carrying out of projects and the operations of the Cooperative Service (such as the disbursement of and accounting for funds, the incurrence of obligations of the Cooperative Service, the purchase, use, inventory, control and disposition of property, the appointment and discharge of officers and employees of the Cooperative Service and the terms and conditions of their employment, and all other administrative matters) shall be determined by mutual agreement between the Director and the Minister or his designee.

(c) All contracts and other instruments and documents relating to the execution of projects under this agreement shall be executed in the name of the Cooperative Service and shall be signed by the Director. The books and records of the Cooperative Service to the cooperative activities covered by this agreement shall be open at all times, during the term of this agreement and three years thereafter, for examination by authorized representatives of either party. Either party may at any time during the term of this agreement observe any operations conducted under, and inspect any properties procured by the Cooperative Service under, this agreement. The Director shall, when requested by either party, render to such party an annual report of the activities of the Cooperative Service and shall submit other reports at such intervals as may be appropriate.

(d) It is understood that, in the event the Cooperative Service is required to be represented before any judicial body or governmental agency, United States personnel shall not be required to appear for purposes of such representation and that the Ministry, as necessary, shall arrange for such representation.

(e) Any power conferred by this agreement upon the Director may be delegated by him to any of his assistants.

Article 4

COOPERATIVE ACTIVITIES

(a) The cooperative activities herein provided for shall consist of a series of projects to be jointly planned by the Director and the Minister or his designee. Each project shall be embodied in a project agreement which shall be signed by the Director and the Minister or his designee, and, where additional obligations are assumed by the Administration, shall also be signed by the Director of the United States Operations Mission to Bolivia (hereinafter referred to as the "Mission Director") or his designee. Each project agreement shall define the work to be done, shall, as necessary, make allocations of funds therefor from funds of the Cooperative Service, and may contain such other matters as the parties may desire to include.

(b) Upon completion of any project, a Completion Report shall be drawn up and signed by the Director and the Minister or his designee which shall provide a record of the objectives sought to be achieved, the work done, the expenditures made, the problems encountered and the results achieved.

Article 5

UNITED STATES PERSONNEL

(a) The Administration will make available funds to pay the costs of furnishing, in accordance with project agreements executed pursuant to Article 4, paragraph (a) hereof or with other arrangements between the two parties, the services of technicians to collaborate in carrying out cooperative activities provided for herein. The Administration will also pay the costs of assigning administrative and technical support personnel necessary in conducting the activities of the Administration under this agreement, the number and type of such personnel to be determined by the Administration. All personnel assigned in Bolivia pursuant to this paragraph shall be selected or approved by the Administration and shall be subject to acceptance by the Government of Bolivia. Funds made available by the Administration for purposes of this paragraph shall, unless otherwise specified in the applicable project agreement, be administered directly by the Administration. (The technicians and the administrative and technical support personnel whose services are financed pursuant to this paragraph, including United States Government employees and employees of organizations under contract with, or individuals under contract with, the Government of the United States, the Government of Bolivia, or any agency authorized by the Government of Bolivia, shall be referred to in this agreement as "United States personnel".)

(b) United States personnel assigned in Bolivia hereunder shall, except as may otherwise be specified by the Administration, be members of the United States

Operations Mission to Bolivia which is headed by the Mission Director. All United States personnel assigned in Bolivia hereunder shall be under the general direction of the Mission Director.

Article 6

CONTRIBUTIONS OF FUNDS

(a) In addition to the contributions provided for in Article 5, paragraph (a), the Administration shall deposit to the credit of the Cooperative Service for the period from the date of entry into force of this agreement through December 31, 1955, the sum of \$65,000 (Sixty Five Thousand Dollars) in currency of the United States. This deposit shall be made according to the following schedule of installments :

On or before August 15, 1955 — \$65,000.

(b) The Ministry shall deposit to the credit of the Cooperative Service for the period from the date of entry into force of this agreement through December 31, 1955, the sum of Bolivianos 75,000,000 in currency of Bolivia. This deposit shall be made according to the following schedule of installments :

On or before August 15, 1955 — Bolivianos 75,000,000.

(c) The two parties may later contribute additional funds to the program pursuant to arrangements entered into by the Minister and the Mission Director, or their designees, or by other authorized representatives of the Government of the United States and the Government of Bolivia. The provisions of this agreement shall be applicable to any such future financial contributions.

(d) With respect to contributions to be deposited to the credit of the Cooperative Service, it is intended that such deposits will, ordinarily, be made by the two parties in installments at the same times and in proportionally equivalent amounts. Each installment deposited to the credit of the Cooperative Service by either of the parties shall be available for withdrawal or expenditure only after the corresponding agreed installment of the other party has been deposited. Funds deposited by either party and not matched by the corresponding agreed deposit of the other party shall be returned to the contributing party prior to the distribution provided for in Article 9, paragraph (d) of this agreement.

(e) The funds contributed pursuant to this Article 6 shall be available for the procurement of supplies, materials and equipment, for obtaining additional technicians and other services by employment or contract, and for any other needs of the program.

(f) Funds deposited to the credit of the Cooperative Service may be maintained in such bank or banks as the Director determines, and shall be available only for the purpose of this agreement. No funds of the Cooperative Service shall be withdrawn for any purpose except by issuance of a check or other suitable withdrawal document signed by the Director.

Article 7

MINISTRY CONTRIBUTIONS IN KIND

(a) In addition to the contributions of funds by the Ministry pursuant to Article 6, the Ministry, as may be specified in project agreements or as may otherwise be required [in addition to the commodities and services obtained pursuant to Article 6 (e)] for carrying out the cooperative program, will at its own expense provide supplies, equipment and facilities, and make available the services of technical and other personnel to collaborate with United States personnel in carrying out the cooperative program.

(b) The Ministry will, to the extent that it is able to do so, provide office space and office equipment and facilities as required for the cooperative program.

(c) The Ministry will arrange for the cooperation and general assistance of other governmental and private agencies in Bolivia for carrying out the cooperative activities provided for herein.

(d) The Ministry will make such arrangements as may be necessary so that there are extended to all personnel employed by the Cooperative Service all rights and privileges which are enjoyed by other agencies of the Ministry or by their personnel.

(e) The Ministry will take such executive action, within the scope of its authority, as may be required to effectuate the terms of this agreement.

Article 8

ADDITIONAL CONTRIBUTIONS

By agreement between the Director and the Minister or his designee, the Cooperative Service may accept for use in carrying out cooperative activities provided for herein, in addition to the contributions provided for under Articles 5, 6 and 7, contributions of funds, property, services or facilities by either or both parties or by national, departmental and local governmental agencies in Bolivia as well as by organizations of a public or private character in the United States and in Bolivia, and international organizations of which the United States and Bolivia are members.

Article 9

FISCAL PROVISIONS

(a) Funds deposited to the credit of the Cooperative Service pursuant to this agreement shall, unless otherwise specifically agreed, remain available for the cooperative activities provided for herein during the term of this agreement without regard to annual periods or fiscal years of either party.

(b) Title to all materials, equipment and supplies acquired for the Cooperative Service by either party with funds contributed to the Cooperative Service but withheld from deposit to the credit of the Cooperative Service shall, unless otherwise agreed by the Director and the Minister or his designee, pass to the Cooperative Service at the time such title is relinquished by the seller. Property acquired by the Cooperative Service shall be used only in the furtherance of this agreement and any such property remaining at the termination of this agreement shall be at the disposition of the Ministry which, it is understood, will continue to use such property thereafter in a manner which will further the objectives sought in carrying out this agreement.

(c) Income from operations of the Cooperative Service, interest received on funds of the Cooperative Service, and any other increment of assets of the Cooperative Service of whatever nature or source, shall be devoted to the carrying out of the cooperative program and shall not be credited against any contribution due from either party.

(d) Any funds of the Cooperative Service which remain unexpended and unobligated on the termination of this agreement shall, unless otherwise agreed upon in writing by the parties hereto at the time, be returned to the parties hereto in the proportion of the respective contributions made by the Administration and the Ministry under this agreement, as it may from time to time be amended and extended.

Article 10

DURATION OF AGREEMENT

This agreement shall enter into force on the date on which it is signed, and shall remain in force through June 30, 1960, or until 30 days after either party shall have given notice in writing to the other of intention to terminate it, whichever is earlier. The obligations of the parties under this agreement, except for obligations specified in Article 6, paragraphs (a) and (b) of this agreement and except as may subsequently be otherwise provided for in contribution agreements, project agreements or similar arrangements concluded pursuant hereto, shall be subject to the availability of funds to the parties for purposes of the program. The Administration may carry out its obligations hereunder through The Institute of Inter-American Affairs. The Administration and the Ministry may secure the assistance of other public and

private agencies in carrying out their obligations hereunder. This agreement supersedes the Project Agreement for a road transportation project signed April 29, 1955,¹ between these two parties.

DONE in duplicate, in the English and Spanish languages, this third day of August, 1955.

For the Government
of the United States
of America :

Gerald A. DREW
Ambassador

O. M. POWELL
Director, United States
Operations Mission to Bolivia

[SEAL]

For the Government
of Bolivia :

W. GUEVARA A.
Minister for Foreign Affairs

A. GÓMEZ G.
Minister of Public Works
and Communications

[SEAL]

¹ Not printed by the Department of State of the United States of America.