

**No. 4013**

---

**UNITED STATES OF AMERICA  
and  
VIET-NAM**

**Exchange of notes constituting an agreement relating to  
economic assistance. Saigon, 21 February and 7 March  
1955**

*Official texts: English and French.*

*Registered by the United States of America on 2 October 1957.*

---

**ÉTATS-UNIS D'AMÉRIQUE  
et  
VIET-NAM**

**Échange de notes constituant un accord relatif à l'octroi  
d'une aide économique. Saïgon, 21 février et 7 mars  
1955**

*Textes officiels anglais et français.*

*Enregistré par les États-Unis d'Amérique le 2 octobre 1957.*

No. 4013. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND VIET-NAM RELATING TO ECONOMIC ASSISTANCE. SAIGON, 21 FEBRUARY AND 7 MARCH 1955

N° 4013. ÉCHANGE DE NOTES CONSTITUANT UN ACCORD<sup>2</sup> ENTRE LES ÉTATS-UNIS D'AMÉRIQUE ET LE VIET-NAM RELATIF À L'OCTROI D'UNE AIDE ÉCONOMIQUE. SAIGON, 21 FÉVRIER ET 7 MARS 1955

I

*The American Chargé d'Affaires ad Interim to the President of Viet-Nam* *Le Chargé d'affaires des États-Unis d'Amérique au Président du Viet-Nam*

EMBASSY OF THE UNITED STATES OF AMERICA

No. 40

Saigon, February 21, 1955

Excellency :

I have the honor to refer to the request which has been made by the Government of Viet-Nam for additional direct economic assistance. In order to provide the proper basis for such an additional direct aid program, I would appreciate your Excellency's courtesy in confirming the acceptability of the following understandings :

1. Except as may be otherwise agreed such assistance as may be furnished by the Government of the United States under this program will be furnished pursuant to the terms of the Economic Cooperation Agreement between our two governments signed at Saigon September 7, 1951<sup>3</sup> and the exchanges of Notes dated December 18, 1951 and January 3, 16, and 19, 1952.<sup>4</sup>

2. In accordance with the principle stated in Article III of the Economic Cooperation Agreement the Government of Viet-Nam will provide such detailed information including access to pertinent books and records, as may be required by the United States regarding the operations and policies of the National Bank of Viet-Nam and the Exchange Control Authority. In addition, the Government of Viet-Nam agrees to consult, at the request of the United States with a view to assuring that the measures being taken by the National Bank and the Exchange Control Authority are effective in preventing the dissipation of Vietnamese funds, domestic or foreign, so far as those funds are derived from United States financial aid.

<sup>1</sup> Came into force on 7 March 1955 by the exchange of the said notes and, in accordance with their terms, became operative retroactively from 1 January 1955.

<sup>2</sup> Entré en vigueur le 7 mars 1955 par l'échange desdites notes et, conformément à leurs dispositions, entré en application à titre rétroactif au 1<sup>er</sup> janvier 1955.

<sup>3</sup> United Nations, *Treaty Series*, Vol. 174, p. 165.

<sup>4</sup> United Nations, *Treaty Series*, Vol. 205, p. 127.

3. In addition to the deposits in the special account in the National Bank of Viet-Nam (as successor to the Institute of Emission) required by Section I, Paragraph 2 of the Annex to the Economic Cooperation Agreement, the Government of Viet-Nam will deposit in that account all piaster proceeds resulting from the direct transfer and conversion of such foreign exchange as may be made available by the Government of the United States. The special account and the use of the deposits made therein will continue to be subject to the terms of the Annex to the Economic Cooperation Agreement, it being understood that the purposes of that agreement referred to in Paragraph 5 of the Annex include the purposes of this agreement. In accordance with Paragraph 5, releases from the special account will be made only with the agreement of the Government of the United States. Funds so released which may later be determined by the Government of the United States to have been used contrary to the specific terms of its agreement will, upon written request, be redeposited in the special account by the Government of Viet-Nam. In accordance with Article III of the Economic Cooperation Agreement, the Government of Viet-Nam will provide such information concerning the use of funds released from the special account as may be requested from time to time by the Government of the United States. Unless otherwise mutually agreed, releases made to finance the additional direct financial assistance covered by this exchange of Notes will cover only obligations incurred after January 1, 1955.

4. Such foreign exchange as may be made available by the United States will be used only as may be agreed upon between our two Governments.

Upon the receipt of a Note from Your Excellency indicating that the foregoing understandings are acceptable to the Government of Viet-Nam, the Government of the United States will consider that the present Note and your reply constitute an agreement between our two Governments to be effective from January 1, 1955.

Accept, Excellency, the renewed assurances of my highest consideration.  
Very respectfully,

Randolph A. KIDDER  
Chargé d'Affaires ad interim

His Excellency Ngo Dinh Diem  
Président of the Government of the State of Vietnam  
Saigon

[TRADUCTION — TRANSLATION]

AMBASSADE DES ÉTATS-UNIS D'AMÉRIQUE

N° 40

Saigon, le 21 février 1955

Monsieur le Président,

J'ai l'honneur de me référer à la demande d'aide économique directe supplémentaire qui a été présentée par le Gouvernement du Viet-Nam. Pour établir ce programme d'aide directe supplémentaire sur les bases voulues, je

Je me permets en outre de soumettre à votre examen le souhait de mon Gouvernement de voir assouplir certains règlements, notamment les procédures de déblocage, pour permettre au Trésor National de faire face aux échéances impératives des dépenses de nature tout à fait particulier qui devront être couvertes par l'aide supplémentaire.

Je vous prie d'agréer, Excellence, les assurances de ma haute considération.

(Signé) NGO DINH DIEM

Son Excellence Randolph Kidder  
Chargé d'Affaires p. i.  
Ambassade des États-Unis d'Amérique  
Saïgon

[TRANSLATION<sup>1</sup> — TRADUCTION<sup>2</sup>]

STATE OF VIET-NAM

The President

No. 166-PTT/TC

Saïgon, March 7, 1955

Excellency :

In a note dated February 21, 1955, you were good enough to express the desire of the United States Government to conclude, by an exchange of notes, a basic agreement governing additional direct economic assistance.

I wish to inform you that my Government shares the desire to see such assistance provided soon, and I am happy to notify you of my agreement to the following provisions :

[See note I]

As I stated at the beginning of this note, I have agreed to the various points set forth above in order to permit the additional direct assistance to be provided soon.

Nevertheless, Your Excellency will agree with me that certain procedures for the implementation of the Economic Cooperation Agreement could be improved in view of the increase in the amount of the total assistance.

I have the honor to call Your Excellency's attention in particular to the obligation of the Government of Viet-Nam to redeposit in the Counterpart Fund all customs duties collected on merchandise imported under the head of Economic Assistance, an obligation that will throw the National Budget of Viet-Nam completely out of balance for the current fiscal period.

<sup>1</sup> Translation by the Government of the United States of America.

<sup>2</sup> Traduction du Gouvernement des États-Unis d'Amérique.

I also take the liberty of submitting to you for consideration my Government's desire to see certain regulations, particularly the release procedures, made more flexible to enable the National Treasury to meet the imperative due dates for expenses of a quite special nature that will have to be covered by the additional assistance.

Accept, Excellency, the assurances of my high consideration.

(Signed) NGO DINH DIEM

His Excellency Randolph Kidder  
Chargé d'Affaires ad interim  
Embassy of the United States of America  
Saigon

---