

No. 4805

**UNITED STATES OF AMERICA
and
GHANA**

**Exchange of notes constituting an agreement relating to the
guaranty of private investments. Accra, 30 September
1958**

Official text: English.

Registered by the United States of America on 25 June 1959.

**ÉTATS-UNIS D'AMÉRIQUE
et
GHANA**

**Échange de notes constituant un accord relatif à la garantie
des investissements privés. Accra, 30 septembre 1958**

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 25 juin 1959.

No. 4805. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND GHANA RELATING TO THE GUARANTY OF PRIVATE INVESTMENTS. ACCRA, 30 SEPTEMBER 1958

I

The American Chargé d'Affaires ad interim to the Prime Minister and Minister of External Affairs of Ghana

EMBASSY OF THE UNITED STATES OF AMERICA

No. 12

Accra, September 30, 1958

Excellency :

I have the honor to refer to conversations which have recently taken place between representatives of our two Governments, relating to guaranties authorized by Section 413 (b) (4) of the Mutual Security Act of 1954, as amended. I also have the honor to confirm the following understandings reached as a result of these conversations :

1. The Governments of Ghana and of the United States of America will, upon the request of either of them, consult respecting projects in Ghana proposed by nationals of the United States of America with regard to which guaranties under Section 413 (b) (4) of the Mutual Security Act of 1954, as amended, have been made or are under consideration.

2. The Government of the United States of America agrees that it will issue no guaranty with regard to any project unless it is approved by the Government of Ghana.

3. With respect to such guaranties extending to projects which are approved by the Government of Ghana in accordance with the provisions of the aforesaid Section 413 (b) (4), the Government of Ghana agrees :

a. That if the Government of the United States of America makes payment in United States dollars to any person under any such guaranty, the Government of Ghana will recognize the transfer to the United States of America of any right, title or interest of such person in assets, currency, credits, or other property on account of which such payment was made and the subrogation of the United States of America to any claim or cause of action, or right of such person arising in connection therewith.

b. That Ghana pound amounts acquired by the Government of the United States of America pursuant to such guaranties shall be accorded treatment not less favorable

¹ Came into force on 30 September 1958 by the exchange of the said notes.

than that accorded to private funds arising from transactions of United States nationals which are comparable to the transactions covered by such guaranties, and that such Ghana pound amounts will be freely available to the Government of the United States of America for administrative expenditures.

- c. That any claim against the Government of Ghana to which the Government of the United States of America may be subrogated as a result of any payment under such a guaranty, shall be the subject of direct negotiations between the two Governments. If within a reasonable period, they are unable to settle the claim by agreement, it shall be referred for final and binding determination to a sole arbitrator selected by mutual agreement. If the Governments are unable, within a period of three months, to agree upon such selection, the arbitrator shall be one who may be designated by the President of the International Court of Justice at the request of either Government.

Upon receipt of a note from Your Excellency indicating that the foregoing provisions are acceptable to the Government of Ghana, the Government of the United States of America will consider that this note and your reply thereto constitute an agreement between the two Governments on this subject, the agreement to enter into force on the date of your note in reply.

Accept, Excellency, the renewed assurances of my distinguished consideration.

Peter RUTTER

His Excellency Doctor Kwame Nkrumah
Prime Minister and Minister of External Affairs
Accra

II

*The Prime Minister and Minister of External Affairs of Ghana to the American
Chargé d'Affaires ad interim*

GHANA
PRIME MINISTER

No. 408/6

30th September, 1958

Sir,

I have the honour to refer to your Note No. 12 of 30th September, 1958, proposing certain principles on behalf of the United States Government to govern the institution of the United States Investment Guarantee Programme (covering both convertibility and expropriation guarantees) in Ghana.

I am pleased to inform you that my Government concurs in the principles set forth in your Note. My Government further agrees that your Note and this reply shall constitute an agreement between our two Governments effective as from today.

Accept, Sir, the renewed assurance of my highest respect.

Kwame NKRUMAH
Prime Minister
and Minister for External Affairs

Mr. Peter Rutter
Chargé d'Affaires ad interim
The Embassy of the United States of America
Accra