

No. 4882

JAPAN
and
CAMBODIA

Economic and Technical Co-operation Agreement (with annex). Signed at Phnom-Penh, on 2 March 1959

Exchange of letters constituting an agreement concerning the application of the above-mentioned Agreement.
Phnom-Penh, 16 May 1959

Official text: French.

Registered by Japan on 15 September 1959.

JAPON
et
CAMBODGE

Accord de coopération économique et technique (avec annexe). Signé à Phnom-Penh, le 2 mars 1959

Échange de lettres constituant un accord relatif à l'application de l'Accord susmentionné. Phnom-Penh, 16 mai 1959

Texte officiel français.

Enregistrés par le Japon le 15 septembre 1959.

[TRANSLATION — TRADUCTION]

No. 4882. ECONOMIC AND TECHNICAL CO-OPERATION
 AGREEMENT¹ BETWEEN JAPAN AND CAMBODIA.
 SIGNED AT PHNOM-PENH, ON 2 MARCH 1959

The Government of Japan and the Royal Government of Cambodia,
 Desirous of strengthening the friendly relations between the two countries,
 denoted by the voluntary renunciation by Cambodia of war reparations and by
 the signature of the Treaty of Amity between Japan and Cambodia in 1955, and
 of extending their economic and technical co-operation,

Have decided to conclude the present Agreement and have appointed as
 their plenipotentiaries for this purpose :

The Government of Japan :

His Excellency Noritake Yoshioka, Ambassador Extraordinary and Pleni-
 potentiary of Japan to Cambodia;

The Royal Government of Cambodia :

His Excellency Son Sann, Minister of Foreign Affairs;

Who, having presented their full powers found in good and due form, have
 agreed as follows :

Article 1

1. Japan undertakes to grant to Cambodia, as a gift and in accordance
 with the provisions of this Agreement, aid to the value of 1,500 million (one
 thousand five hundred million) yen in the form of supplies of Japanese com-
 modities and the services of Japanese persons and corporations. This aid shall
 be utilized for the carrying out of the projects appearing in the annex² to the
 present Agreement.

2. Such aid shall be extended over a period of three years from the date of
 the coming into force of the present Agreement, in the absence of any contrary
 decisions taken jointly by the two Governments.

Article 2

The Royal Government of Cambodia shall establish, in agreement with the
 Government of Japan, yearly programmes for the execution of the projects
 mentioned in article 1, paragraph 1 (hereinafter called "execution program-

¹ Came into force on 6 July 1959, the date of the exchange of the instruments of ratification
 at Tokyo, in accordance with article 8.

² See p. 169 of this volume.

mes"). These execution programmes shall specify the commodities and services to be supplied by Japan each year.

Article 3

1. The Cambodian service appointed for the purpose shall draw up directly, in the name of the Royal Government of Cambodia, contracts with Japanese persons or corporations under Japanese control, arranging for the supply of the commodities and services specified in article 1, paragraph 1.

2. The contracts mentioned in paragraph 1 of this article (including amendments thereto) must conform :

- (a) To the provisions of this Agreement;
- (b) To the terms of the arrangements made between the two Governments for the application of this Agreement;
- (c) To the execution programmes.

These contracts shall be submitted to the Government of Japan for verification. The contract so verified shall hereinafter be called "Contract".

3. Notwithstanding the provisions of paragraph 1 of this article, the commodities and services specified in article 1, paragraph 1, may be furnished without the conclusion of Contracts whenever there is an agreement to that effect between the two Governments.

Article 4

1. The Government of Japan shall, in accordance with procedure to be established jointly by the two Governments, make the necessary payments to cover the obligations incurred by the Cambodian service mentioned in article 3, paragraph 1, under the clauses of Contracts and, in the cases envisaged in article 3, paragraph 3, to defray the cost of supplying commodities and services in conformity with the provisions of that paragraph. Such payments shall be made in Japanese yen.

2. The commodities and services covered by the payments mentioned in paragraph 1 of this article shall be considered to have been supplied by Japan to Cambodia if and when such payments are made.

Article 5

The two Governments shall take the necessary steps for the regular and effective application of this Agreement.

Article 6

A Joint Commission shall be established consisting of representatives of the two Governments who shall make recommendations to those Governments concerning the application of this Agreement.

Article 7

The details of the application of this Agreement shall be decided upon by agreement between the two Governments.

Article 8

This Agreement shall be ratified by the High Contracting Parties, in accordance with their constitutional procedure. It shall go into effect upon the date of exchange of the instruments of ratification. The instruments of ratification shall be exchanged at Tokyo at the earliest possible date.

IN FAITH WHEREOF the respective plenipotentiaries have signed this Agreement and have affixed thereto their seals.

DONE in duplicate at Phnom-Penh on 2 March 1959.

For the Government
of Japan :
N. YOSHIOKA

For the Royal Government
of Cambodia :
Son SANN

A N N E X

1. Technical Agricultural Centre (including a section for agricultural machinery and implements and a mobile medical unit).
 2. A livestock breeding station.
 3. Supply of other commodities and services decided upon by agreement between the two Governments.
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EXCHANGE OF LETTERS CONSTITUTING AN AGREEMENT¹ BETWEEN JAPAN AND CAMBODIA CONCERNING THE APPLICATION OF THE ECONOMIC AND TECHNICAL CO-OPERATION AGREEMENT OF 2 MARCH 1959.² PHNOM-PENH, 16 MAY 1959

I

Phnom-Penh, 16 May 1959

Excellency,

I have the honour to refer to the Economic and Technical Co-operation Agreement between Japan and Cambodia signed on 2 March 1959.² The Government of Japan proposes that under the provisions of article 7 of the Agreement the two Governments should agree as follows :

I. Aid

1. The aid granted under the provisions of this Agreement shall be furnished in such a manner that it will not be prejudicial to the regular flow of trade between Japan and Cambodia and will not impose on Japan and Cambodia any additional burden in the matter of currency exchange.
2. The Royal Government of Cambodia shall supply as far as possible the labour, materials and equipment available locally in order to enable Japan to supply the commodities and services mentioned in article 1 of the Agreement.
3. Japanese nationals whose presence in Cambodia may be considered necessary by the two Governments for the execution of the projects mentioned in article 1, paragraph 1, of the Agreement shall be granted, for the requisite duration of their stay in Cambodia, all the necessary facilities for carrying out their duties.
4. The Japanese persons envisaged in the preceding paragraph shall enjoy in Cambodia exemption from taxation on the income derived from the provision of services under the terms of the Agreement.
5. If the execution of the work necessitates the temporary entry of materials and machinery for use by the Japanese persons or corporations, every facility for their import and re-export shall be granted by the Royal Government of Cambodia.
6. The Royal Government of Cambodia shall ensure that commodities from Japan furnished under the provisions of the Agreement are not re-exported from Cambodian territory.

¹ Came into force on 6 July 1959, in accordance with the terms of the said letters.

² See p. 165 of this volume.

II. CONTRACTS

7. Contracts submitted to the Government of Japan under the provisions of article 3, paragraph 2, of the Agreement must be verified by the Government of Japan within six weeks of the day of their delivery to the Japanese Embassy at Phnom-Penh. Notification of rejection must be given to the Royal Government of Cambodia by the Government of Japan within this time-limit if the latter Government considers that the contract is not in conformity with the provisions of article 3, paragraph 2, of the Agreement.
8. The Contracts shall be drawn up in Japanese yen and shall be carried out according to normal commercial procedure.
9. Each Contract must contain a clause stipulating that any differences which may arise in the execution thereof shall be settled in accordance with the procedure established by the two Governments.

III. PAYMENT

10. The Cambodian service mentioned in article 3, paragraph 1, of the Agreement (hereinafter called the "Cambodian Service") shall come to an arrangement with a bank of its choice, an intermediary accepted by Japan, and shall open in its own name a Special Account authorizing the said bank, *inter alia*, to receive payments from the Government of Japan, and shall inform the Government of Japan of the terms of the arrangement. It is understood that the Special Account shall not bear interest.
11. Within fifteen days at the latest before the payments fall due under the terms of a Contract, the Cambodian Service shall transmit to the Government of Japan a Demand Note stating the amount to be paid and the date on which the Cambodian Service has to make the payment to the contractor concerned.
12. Upon receipt of the Demand Note of the Government of Japan shall pay the required sum to the bank envisaged in the preceding paragraph 10, before the above-mentioned date when payment has to be made by the Cambodian Service.
13. The Government of Japan shall make payments, in the manner laid down in the preceding paragraph 12, to cover the expenses of supplying commodities and services in accordance with the provisions of article 3, paragraph 3, of the Agreement.
14. Sums paid under the provisions of the preceding paragraphs 12 and 13 shall be credited to the Special Account and no other sums shall be credited thereto. The said Account shall not be debited except for the purposes mentioned in the preceding paragraphs 11 and 13.
15. In the event of the whole or part of the funds paid into the Special Account not having been drawn by the Cambodian Service, because of cancellation of Contracts or for any other reason, the unexpended sum shall be utilized for the purposes mentioned in the preceding paragraphs 11 and 13, after the appropriate arrangements have been made with the Government of Japan.
16. In the event of the whole or part of the sums paid out by the Special Account having been reimbursed to the Cambodian Service, the sums so reimbursed shall be credited to the Special Account, notwithstanding the provisions of the preceding paragraph 14. The provisions of the preceding paragraph 15 will be applicable to such sums.

17. For the application of article 4, paragraph 2, of the Agreement, the expression "when such payments are made" signifies "on the date when the bank envisaged in the preceding paragraph receives in the name and for the account of the Cambodian Service the payments made by the Government of Japan".

IV. JOINT COMMISSION

18. The two Governments shall nominate respectively a representative and two alternates to the Joint Commission mentioned in article 6 of the Agreement.

19. The Joint Commission shall meet at the request of the representative of one of the two Governments.

20. The Joint Commission shall be responsible for :

- (1) Making recommendations to the two Governments on the following points :
 - (a) Procedures to be adopted in the drawing up of Contracts;
 - (b) Methods of verification of such Contracts by the Government of Japan;
 - (c) Methods of making the payments mentioned in article 4 of the Agreement;
 - (d) Essential points in the execution programmes to be established.
- (2) Submitting reports to the two Governments on the progress of the projects scheduled in the execution programmes;
- (3) Studying at the request of the two Governments questions which might arise during the application of the Agreement.

I should be much obliged if you would kindly inform me whether the Royal Government of Cambodia agrees to the provisions of this note, which will go into force at the same time as the Economic and Technical Co-operation Agreement between our two countries.

I have the honour to be, etc.

N. YOSHIOKA
Ambassador Extraordinary and Plenipotentiary
of Japan

His Excellency Son Sann
Minister of Foreign Affairs of Cambodia

II

Phnom-Penh, 16 May 1959

Excellency,

I have the honour to acknowledge receipt of Your Excellency's note of today's date, which reads as follows :

[*See letter I*]

I am happy to confirm that the Royal Government of Cambodia is in agreement with the provisions contained therein which will come into force at the same time as the Economic and Technical Co-operation Agreement between our two countries.

I have the honour to be, etc.

Son SANN
Vice-President of the Council of Ministers
Minister of Foreign Affairs

His Excellency Noritake Yoshioka
Ambassador Extraordinary and Plenipotentiary of Japan
at Phnom-Penh
