

No. 4896

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**UNITED STATES OF AMERICA  
and  
SUDAN**

**Exchange of notes constituting an agreement relating to the  
guaranty of private investments. Khartoum, 17 March  
1959**

*Official text: English.*

*Registered by the United States of America on 3 October 1959.*

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**ÉTATS-UNIS D'AMÉRIQUE  
et  
SOUDAN**

**Échange de notes constituant un accord relatif à la garantie  
des investissements privés. Khartoum, 17 mars 1959**

*Texte officiel anglais.*

*Enregistré par les États-Unis d'Amérique le 3 octobre 1959.*

No. 4896. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND THE SUDAN RELATING TO THE GUARANTY OF PRIVATE INVESTMENTS. KHARTOUM, 17 MARCH 1959

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I

*The American Ambassador to the Sudanese Minister of Foreign Affairs*

EMBASSY OF THE UNITED STATES OF AMERICA

Note No. 297

Khartoum, March 17, 1959

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 the Republic of the Sudan and the United States of America will, upon the request of either of them, consult respecting projects in the Republic of the Sudan 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 the Republic of the Sudan.

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

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<sup>1</sup> Came into force on 17 March 1959 by the exchange of the said notes.

b. That Sudanese pound amounts acquired by the Government of the United States of America pursuant to such guaranties shall be accorded treatment not less favorable 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 Sudanese pound amounts will be freely available to the Government of the United States of America for administrative expenditures.

c. That if the Government of the United States of America issues guaranties to cover losses by reason of war with respect to investments in the Republic of the Sudan the Government of the Republic of the Sudan agrees that nationals of the United States of America to whom such guaranties have been issued, will be accorded by the Government of the Republic of the Sudan treatment no less favorable than that accorded, in like circumstances, to its nationals or nationals of third countries, with reference to any reimbursement, compensation, idemnification, or any other payment, including the distribution of reparations received from enemy countries, that the Government of the Republic of the Sudan may make or pay for losses incurred by reason of war; if the Government of the United States of America makes payment in United States dollars to any national of the United States of America under a guaranty for losses by reason of war, the Government of the Republic of the Sudan will recognize the transfer to the United States of America of any right, privilege, or interest, or any part thereof, that such nationals may be granted or become entitled to as a result of the aforementioned treatment by the Government of the Republic of the Sudan.

d. That any claim against the Government of the Republic of the Sudan 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. This sub-paragraph (d) shall not be applicable to the type of guaranties provided for in sub-paragraph (c), immediately above.

Upon receipt of a note from Your Excellency indicating that the foregoing provisions are acceptable to the Government of the Republic of the Sudan, 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 highest consideration.

For the Ambassador :  
William E. COLE, Jr.  
Counselor of Embassy

His Excellency Sayed Ahmed Kheir  
Minister of Foreign Affairs  
Khartoum

## II

*The Sudanese Minister of Foreign Affairs to the Counselor of the American Embassy*

THE REPUBLIC OF THE SUDAN  
MINISTRY OF FOREIGN AFFAIRS  
KHARTOUM

Ref. No./MFA/SCR/12. A.1.

Khartoum, March 17th 1959

Sir,

I have the honour to acknowledge the receipt of your Note No. 297 dated March 17th 1959, which reads as follows :

[*See note I*]

I confirm that the Government of the Republic of the Sudan considers your note and this reply as constituting an agreement between our two Governments which shall enter into force on the date of this reply.

Accept, Sir, the assurances of my highest consideration.

Ahmed KHEIR  
Minister of Foreign Affairs

William E. Cole, Esq.  
Counselor of Embassy  
Embassy of the United States of America  
Khartoum, Sudan