

No. 5952

---

**UNITED STATES OF AMERICA  
and  
HONDURAS**

**General Agreement for economic co-operation. Signed at  
Tegucigalpa, on 12 April 1961**

*Official texts: English and Spanish.*

*Registered by the United States of America on 15 November 1961.*

---

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

**Accord général de coopération économique. Signé à Tegucigalpa, le 12 avril 1961**

*Textes officiels anglais et espagnol.*

*Enregistré par les États-Unis d'Amérique le 15 novembre 1961.*

No. 5952. GENERAL AGREEMENT<sup>1</sup> FOR ECONOMIC CO-OPERATION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF HONDURAS. SIGNED AT TEGUCIGALPA, ON 12 APRIL 1961

---

The Government of the United States of America and the Government of Honduras, in order to provide the basis upon which the Government of the United States of America is prepared to extend assistance to Honduras have agreed as follows :

*Article I*

The Government of the United States of America will furnish such economic, technical and related assistance hereunder as may be requested by representatives of the appropriate agency or agencies of the Government of Honduras and approved by representatives of the agency designated by the Government of the United States of America to administer its responsibilities hereunder, or as may be requested and approved by other representatives designated by the Government of the United States of America and the Government of Honduras. The furnishing of such assistance shall be subject to the applicable laws and regulations of the Government of the United States of America. It shall be made available in accordance with written arrangements agreed upon between the above-mentioned representatives.

*Article II*

The Government of Honduras will make the full contribution permitted by its manpower, resources, facilities and general economic condition in furtherance of the purposes for which assistance is made available hereunder ; will take appropriate steps to insure the effective use of such assistance ; will cooperate with the Government of the United States of America to assure that procurement will be at reasonable prices and on reasonable terms ; will permit, without restriction, continuous observation and review of programs and operations hereunder and of records pertaining thereto by representatives of the Government of the United States of America ; will provide the Government of the United States of America with full and complete information concerning such programs and operations and other relevant information

---

<sup>1</sup> Came into force on 27 May 1961, the date of the communication by which the Government of Honduras notified the Government of the United States of America that the Agreement had been ratified by the Government of Honduras, in accordance with article VI.

which it may need to determine the nature and scope of operations hereunder and to evaluate the effectiveness of the assistance furnished or contemplated hereunder ; and will give to the people of Honduras full publicity concerning programs and operations hereunder. With respect to technical assistance programs hereunder, the Government of Honduras also will bear a fair share of the costs thereof ; will, to the maximum extent possible, seek full coordination and integration of technical cooperation programs being carried on in Honduras ; and will cooperate with other nations participating in such programs in the mutual exchange of technical knowledge and skills.

### *Article III*

1. In any case where commodities or services are furnished on a grant basis under arrangements which will result in the accrual of proceeds to the Government of Honduras from the import or sale of such commodities or services, the Government of Honduras except as may otherwise be agreed upon by the representatives referred to in Article I hereof, will establish in its own name a Special Account in the Central Bank, and will deposit promptly in such Special Account the amount of its currency equivalent to such proceeds.

2. Except as may otherwise be agreed upon by the representatives referred to in Article I hereof, the currency in the Special Account will be utilized as follows : Upon notification from time to time by the Government of the United States of America of its requirements for the currency of Honduras the Government of Honduras will make available to the Government of the United States, in the manner requested by it, out of any balances in the Special Account, such sums as are stated in such notifications to be necessary for such requirements. The Government of Honduras may draw upon any remaining balances in the Special Account for such purposes beneficial to Honduras as may be agreed upon from time to time by the representatives referred to in Article I hereof. Whenever funds from such Special Account are used by the Government of Honduras to make loans, all funds received in repayment of such loans prior to the termination of assistance hereunder shall be deposited in the Special Account. Any unencumbered balances of funds which remain in the Special Account upon termination of assistance hereunder to the Government of Honduras shall be disposed of for such purposes as may be agreed upon by the representatives referred to in Article I hereof.

### *Article IV*

The Government of Honduras will receive a special mission and its personnel to discharge the responsibilities of the Government of the United States of America hereunder ; will consider this special mission and its personnel as part of the diploma-

tic mission of the United States of America in Honduras for the purpose of enjoying the privileges and immunities accorded to that diplomatic mission and its personnel of comparable rank ; and will give full cooperation to the special mission and its personnel, including the furnishing of facilities necessary for the purpose of carrying out the provisions hereof.

#### *Article V*

In order to assure the maximum benefits to the people of Honduras from the assistance to be furnished hereunder :

- (a) Any supplies, materials, equipment, commodities, or funds introduced into or acquired in Honduras by the Government of the United States of America or any contractor financed by that Government, for purposes of this Agreement shall, while such supplies, materials, equipment, commodities or funds are used in connection with this Agreement, be exempt from any taxes on ownership or use of property, and any other taxes, investment, or deposit requirements and currency controls in Honduras, and the import, export, purchase, use or disposition of any such supplies, materials, equipment, commodities, or funds in connection with this Agreement shall be exempt from any tariffs, customs duties, import and export taxes, taxes on purchase or disposition of property, and any other taxes or similar charges in Honduras.
- (b) All personnel, except citizens and permanent residents of Honduras, whether employees of the Government of the United States of America or its agencies or individuals under contract with, or employees of public or private organizations under contract with the Government of the United States of America or the Government of Honduras or any agencies of either the Government of the United States of America or the Government of Honduras who are present in Honduras to perform work in connection herewith, shall be exempt from income and social security taxes levied under the laws of Honduras, and from taxes on the purchase, ownership, use or disposition of personal movable property (including automobiles) intended for their own use. Such personnel and members of their families shall receive the same treatment with respect to the payment of customs, import, export, and all other duties and fees on personal effects (including automobiles), equipment, and supplies imported into Honduras for their own use as is accorded by the Government of Honduras to diplomatic personnel of the Embassy of the United States of America in Honduras.
- (c) Funds introduced into Honduras for purposes of furnishing assistance hereunder shall be convertible into currency of Honduras at the rate providing the largest

number of units of such currency per United States dollar, which, at the time the conversion is made, is not unlawful in Honduras.

*Article VI*

1. This Agreement shall enter into force on the date of the communication by which the Government of Honduras notifies the Government of the United States of America that it has been ratified and shall remain in force until 90 days after receipt by either Government of written notification of the intention of the other to terminate it. In such event, the provisions of this Agreement shall remain in full force and effect with respect to assistance furnished pursuant to this Agreement before such termination.

2. All or any part of the program of assistance provided hereunder may, except as may otherwise be provided in arrangements agreed upon pursuant to Article I hereof, be terminated by either Government if that Government determines that because of changed conditions the continuation of such assistance is unnecessary or undesirable. The termination of such assistance under this provision may include the termination of deliveries of any commodities hereunder not yet delivered.

3. The two Governments or their designated representatives shall, upon request of either of them consult regarding any matter on the application, operation or amendment of this Agreement.

4. Upon its entry into force, this Agreement will supersede the Point Four General Agreement for Technical Cooperation between the United States of America and Honduras signed at Tegucigalpa on January 26, 1951, as extended and amended by the Agreement effected by an exchange of notes signed at Tegucigalpa on December 14, 1951, and January 3, 1952.<sup>1</sup> Arrangements or agreements implementing the above-mentioned Agreement, as amended and extended, and concluded prior to the entry into force of this Agreement shall, from such date of entry into force, be subject to this Agreement.

DONE at Tegucigalpa, D. C., on April twelve, nineteen sixty-one in the English and Spanish languages.

For the Government of the United States of America :

Charles R. BURROWS  
Ambassador Extraordinary and Plenipotentiary

For the Government of Honduras :

Andrés ALVARADO PUERTO  
Minister of Foreign Relations

---

<sup>1</sup> United Nations, *Treaty Series*, Vol. 99, p. 49, and Vol. 180, p. 327.