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No. 6104

**UNITED STATES OF AMERICA
and
PAN AMERICAN UNION**

**Agreement concerning certain funds to be made available
under the Alliance for Progress. Signed at Washington,
on 29 November 1961**

Official text: English.

Registered by the United States of America on 2 April 1962.

**ÉTATS-UNIS D'AMÉRIQUE
et
UNION PANAMÉRICAINÉ**

**Accord concernant certains fonds qui seront fournis au titre
de l'Alliance pour le progrès. Signé à Washington, le
29 novembre 1961**

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 2 avril 1962.

No. 6104. AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE PAN AMERICAN UNION CONCERNING CERTAIN FUNDS TO BE MADE AVAILABLE UNDER THE ALLIANCE FOR PROGRESS. SIGNED AT WASHINGTON, ON 29 NOVEMBER 1961

WHEREAS the President and Congress of the United States of America have endorsed the establishment of a cooperative program for the social progress of the American Republics and have instituted the Special Inter-American Fund for Social Progress to assist in carrying out such a cooperative program;

WHEREAS the representatives of the American Republics in the Act of Bogotá of September 12, 1960² and the Charter of Punta del Este of August 17, 1961³ establishing an Alliance for Progress, expressed their support and willingness to participate in a great cooperative effort to accelerate the economic and social development of their countries;

WHEREAS in Chapter IV of the Act of Bogotá it was recommended that the Inter-American Economic and Social Council should undertake to organize annual consultation meetings to review the social and economic progress of member countries, to analyze and discuss the progress achieved and the problems encountered in each country, to exchange opinions on possible measures that might be adopted to intensify further social and economic progress and to prepare reports on the outlook for the future; and this recommendation was endorsed and procedures to carry it out were recommended by Resolution D appended to the Charter of Punta del Este;

WHEREAS under Title II, Chapter IV, paragraph 3 of the Charter of Punta del Este the United States expressed its willingness to assist in the financing of technical assistance projects proposed by a participating country or by the Pan American Union for the purpose of providing experts, carrying out investigations and studies and convening meetings of experts and officials on development and related problems;

AND WHEREAS under Resolution A.4 appended to the Charter of Punta del Este it was recommended that the Secretary General of the Organization of American States immediately establish task forces to undertake investigations and studies and prepare reports in certain fields;

¹ Came into force on 29 November 1961, upon signature, in accordance with article VIII.

² United States of America : *Department of State Bulletin*, Oct. 3, 1960.

³ United States of America : *Department of State Bulletin*, Sept. 11, 1961.

The Government of the United States of America and the Pan American Union (General Secretariat of the Organization of American States) agree as follows :

Article I

The Government of the United States of America (hereinafter referred to as the United States) undertakes to finance in accordance with the terms of this Agreement, from a sum of \$6,000,000 set aside for this purpose in the Special Inter-American Fund for Social Progress or from any additional funds which the United States may subsequently agree to use for this purpose, the following activities, to be executed under the general direction of the Pan American Union (hereinafter referred to as the Union) :

A. Field investigations and studies on a multi-country basis relating to social and economic development including those relating to the organization and strengthening of national agencies for the preparation of development programs, agrarian reform and rural development including cooperatives, health, housing, education and training, tax policy and tax administration and public administration.

B. Meetings of experts and officials to consider the results of the investigations and studies described in paragraph A above for the purpose of facilitating or recommending action thereon.

C. Payment of technical experts employed or contracted by the Union on a temporary basis to be placed at the disposition of governments at their request for the purpose of assisting them in : the establishment and strengthening of mechanisms for preparing plans and projects; the formulation of a national development plan; the preparation of specific projects consistent with national development programs; the creation and operation of public information programs relating to the formulation and implementation of national development plans and programs; and the preparation of reports for submission to the annual consultative meetings of the Inter-American Economic and Social Council.

D. Payment of technical experts employed or contracted by the Union on a temporary basis to assist in the review of national development plans as envisaged by Title II, Chapter V, paragraph 3 of the Charter of Punta del Este.

Article II

In rendering their assistance, the experts provided for under paragraphs C and D of Article I shall be guided by the principles and criteria set forth in Title II, Chapters I and II of the Charter of Punta del Este. It is recognized that it is the responsibility of governments to formulate their own national development plans and that therefore the assistance rendered by experts shall supplement these national planning efforts.

Article III

A. The funds provided under this Agreement may be available for payment of the salaries, per diem and travel expenses of experts employed or contracted under Article I, supplies and services related to specific projects, and for payment or reimbursement of general overhead costs of the Union arising from the organization and support of the activities under Article I, to the extent of 10% of the costs of such activities. However, the figure of 10% shall be subject to review and modification after experience of one year has been obtained.

B. None of the funds provided under this Agreement shall be used :

- (i) to finance salaries of the permanent staff of the Union, including members of the Panel of Experts envisaged by Title II, Chapter V, paragraph 3 of the Charter of Punta del Este;
- (ii) to finance activities which did not result directly from the Act of Bogotá or the Charter of Punta del Este;
- (iii) to reimburse other international agencies for the salaries of experts furnished by such agencies which are cooperating with the Union in carrying out the activities described under Article I.

However, funds may be utilized to pay per diem, travel and other expenses of experts of the Union or other agencies required for the accomplishment of specific assignments under this Agreement.

C. Within the limits specified above the funds provided under this Agreement may be expended through joint arrangement of the Union with other cooperating international and private agencies.

Article IV

The Union shall exercise the same care in the discharge of its functions under this Agreement as it exercises with respect to the administration and management of its own affairs. The Union in its work under this Agreement shall avoid duplication of activities and shall coordinate its assistance with that provided by other national, international and private agencies.

Article V

A. Funds provided under this Agreement may be used for activities in the Western Hemisphere except in those countries being subjected to economic or diplomatic sanctions by the Organization of American States or in those American Republics which were not original signatories of the Charter of Punta del Este.

B. The funds provided under this Agreement shall be administered by the Union as a special fund in separate accounts.

C. Funds will be advanced from time to time by the United States as needed for carrying out the purposes of the Agreement. The Union will advise the United States with respect to estimated needs for activities under Article I (including the identification of projects under paragraphs A and B and their scope and their cost estimates) on a quarterly basis, and subject to its agreement as to such needs and projects the United States will advance funds at the beginning of the quarter to meet such needs.

Article VI

The Union shall issue annual and semi-annual reports containing appropriate information with respect to receipts and disbursements and balances in the separate accounts with respect to the funds provided under this Agreement. In addition, at least every six months the Union shall issue a detailed report containing appropriate information with respect to the operation and the progress of projects under this Agreement, together with any other information relevant thereto. After the completion of each project a report shall be issued concerning that project. Observations which the United States may desire to make to the Union upon any such reports may be presented as deemed appropriate.

Article VII

The United States and the Union shall designate officials through whom such supplementary arrangements may be made as may be necessary pursuant to this Agreement.

Article VIII

This Agreement shall enter into force on the date of signing. This Agreement shall be subject to termination at the end of the quarterly period provided for in paragraph C of Article V by the giving of 60 days notice by either party.

Article IX

Any unused funds provided under this Agreement which the Union has at the time of termination of the Agreement and upon the settlement of all accounts due and payable shall revert to the United States.

DONE at Washington, in duplicate, this twenty-ninth day of November, 1961.

For the Government of the United States of America :
John F. KENNEDY

For the Pan American Union :
José A. MORA