

No. 6559

**UNITED STATES OF AMERICA
and
NICARAGUA**

**Exchange of notes constituting an agreement relating to
economic, technical and related assistance. Managua,
30 March 1962**

Official texts : English and Spanish.

Registered by the United States of America on 14 March 1963.

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

**Échange de notes constituant un accord d'assistance dans
les domaines économique et technique ainsi que dans
des domaines connexes. Managua, 30 mars 1962**

Textes officiels anglais et espagnol.

Enregistré par les États-Unis d'Amérique le 14 mars 1963.

No. 6559. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND NICARAGUA RELATING TO ECONOMIC, TECHNICAL AND RELATED ASSISTANCE. MANAGUA, 30 MARCH 1962

I

The American Ambassador to the Nicaraguan Acting Minister of Foreign Relations

Managua, D.N., March 30, 1962

No. 44

Excellency :

I have the honor to refer to recent conversations between representatives of our two Governments, and to convey to Your Excellency the text of the understandings under which economic, technical and related assistance would henceforth be provided to Nicaragua, in the following terms :

GENERAL AGREEMENT FOR ECONOMIC, TECHNICAL AND RELATED ASSISTANCE BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF NICARAGUA

WHEREAS the Government of the United States of America and the Government of the Republic of Nicaragua desire to join in an Alliance for Progress based upon self-help, mutual effort and common sacrifice, designed to help satisfy the wants of the people of Latin America for better homes, work, land, health and schools, and

WHEREAS the Act of Bogotá² recommended that there should be established an Inter-American program for social development directed to carrying out measures for improving rural living, land use, housing, community facilities, educational systems, training facilities, and public health, and for the mobilization of domestic resources, and

WHEREAS the Government of the United States of America and the Government of the Republic of Nicaragua agree upon the need for specific plans of action designed to foster economic progress and improvements in the welfare and level of living of all peoples of Latin America, and

WHEREAS the Government of the United States of America intends to furnish such economic, technical and related assistance to the Latin American countries participating

¹ Came into force on 14 May 1962, the date of the communication by which the Government of the Republic of Nicaragua notified the Government of the United States of America that the Agreement had been ratified, in accordance with article VI (1).

² United States of America : *Department of State Bulletin*, 3 October 1960, p. 537.

in the Alliance for Progress as may be requested by them and approved by the Government of the United States of America in the light of the resources available to it and of the programs and self-help measures provided for in the Act of Bogotá ;

NOW THEREFORE, the Government of the United States of America and the Government of the Republic of Nicaragua hereby agree as follows :

Article I

To assist the Government of the Republic of Nicaragua in its national development and in its efforts to achieve economic and social progress through effective use of its own resources and other measures of self-help, the Government of the United States of America will furnish such economic, technical and related assistance as may hereafter be requested by representatives of appropriate agencies of the Government of Nicaragua and approved by representatives of the agency or agencies designated by the Government of the United States of America to administer its responsibilities hereunder. Such assistance shall be made available in accordance with written arrangements agreed upon between the above-mentioned representatives.

Article II

To promote the economic and social progress of Nicaragua, the Government of the Republic of Nicaragua will contribute fully within the limits of its resources and general economic condition to its development program and the programs and operations relating thereto, including those that are carried out pursuant to this Agreement and, for the success of the said programs, it will make a special effort to make known to the people of Nicaragua by all possible means, the projects and operations relating to this Agreement, in order that the people may understand the scope of the said programs and give them their cooperation. The Government of the Republic of Nicaragua will take suitable measures to ensure the effective use of the aid furnished under this Agreement, and the representatives of the Government of the United States, in observing and examining the programs and operations undertaken in conformity with this Agreement, will do so by utilizing all the facilities and opportunities the Government of Nicaragua has agreed to provide to them, and whatever information they may need to determine the nature and scope of the operations planned or carried out and to evaluate results.

Article III

The Government of the Republic of Nicaragua will receive a special mission and its personnel to discharge the responsibilities of the Government of the United States of America hereunder and will consider this special mission and its personnel as part of the diplomatic mission of the Government of the United States of America in Nicaragua for the purpose of receiving the privileges and immunities accorded to that mission and its personnel of comparable rank.

Article IV

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

- (a) Property or funds used or to be used in connection with this Agreement by the Government of the United States of America or any contractor financed by that Government shall be exempt from any taxes on ownership or use and any other taxes, investment or deposit requirements, and currency controls in Nicaragua, and the import, export, acquisition, use or disposition of any such property or funds in connection with this Agreement shall be exempt from any tariffs, customs duties, import and export taxes, taxes on purchase or disposition and any other taxes or similar charges in Nicaragua.
- (b) All persons, except citizens or permanent residents of Nicaragua who are present therein to perform work pursuant to this Agreement, shall be exempt from income and social security taxes levied under the laws of Nicaragua, and from taxes on the purchase, ownership, use or disposition of personal movable property (including automobiles) intended for their own use. Such persons and members of their families shall receive the same treatment with respect to the payment of customs and import and export duties on personal movable property (including automobiles) imported into Nicaragua for their own use, as is accorded by the Government of the Republic of Nicaragua to diplomatic personnel of the American Embassy in Nicaragua.

Article V

Funds used for purposes of furnishing assistance hereunder shall be convertible into currency of Nicaragua at the rate providing the largest number of units of such currency per U.S. dollar which, at the time conversion is made, is not unlawful in Nicaragua.

Article VI

1. This Agreement shall enter into force on the date of the communication by which the Government of the Republic of Nicaragua notifies the Government of the United States of America that it has been ratified, and shall remain in force until 90 days after the date of the communication by which either Government gives written notification to the other of its intention 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 furnishing of assistance under this Agreement shall be subject to the applicable laws and regulations of the Government of the United States of America, and the receipt of such assistance by the Government of the Republic of Nicaragua shall be subject to the applicable laws and regulations of the Government of Nicaragua.

4. 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.

5. Upon its entry into force, this Agreement will supersede the Point Four General Agreement for Technical Cooperation between the United States of America and Nicaragua signed at Managua, Nicaragua on December 23, 1950, as amended.¹ 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.

If this text and the understandings which it reflects are acceptable to the Government of the Republic of Nicaragua, I have the honor to propose that the present note and Your Excellency's note in reply concurring therein shall constitute an Agreement between our two Governments, which shall be deemed to have entered into force on the date on which its ratification is communicated, as provided for in the body of the Agreement itself.

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

Aaron S. BROWN

Excelentísimo Señor Doctor Don Alfonso Ortega Urbina
Acting Minister of Foreign Relations
Ministry of Foreign Relations
Managua, D.N.

II

The Nicaraguan Acting Minister of Foreign Relations to the American Ambassador

[SPANISH TEXT — TEXTE ESPAGNOL]

REPÚBLICA DE NICARAGUA
AMERICA CENTRAL
MINISTERIO DE RELACIONES EXTERIORES
Departamento Diplomático

Managua, D.N., 30 de marzo de 1962

LCT. No. 009

Señor Embajador :

Tengo el honor de dar aviso de recibo a la atenta nota de Vuestra Excelencia No. 44 de esta misma fecha, por medio de la cual al referirse a recientes conversaciones entre los representantes de nuestros dos Gobiernos, propone la celebración de un Convenio bajo el cual se prestará a Nicaragua ayuda económica, técnica y conexa, en los siguientes términos :

¹ United Nations, *Treaty Series*, Vol. 92, p. 155, and Vol. 180, p. 311.

Aprovecho complacido esta oportunidad para reiterar a Vuestra Excelencia las seguridades de mi más alta y distinguida consideración,

Alfonso ORTEGA

Ministro de Relaciones Exteriores, por la Ley

Excelentísimo Señor Aaron S. BROWN
Embajador Extraordinario y Plenipotenciario
de los Estados Unidos de América
Presente

[TRANSLATION¹ — TRADUCTION²]

REPUBLIC OF NICARAGUA

CENTRAL AMERICA

MINISTRY OF FOREIGN RELATIONS

Diplomatic Division

LCT. No. 009

Managua, D.N., March 30, 1962

Mr. Ambassador :

I have the honor to acknowledge receipt of Your Excellency's note No. 44 of this date, whereby, in referring to recent conversations between the representatives of our two Governments, you propose the conclusion of an agreement under which economic, technical, and related assistance would be provided to Nicaragua, in the following terms :

[See note I]

In conclusion, Your Excellency proposes that, if the text transcribed and the agreements which it sets forth are acceptable to my Government, Your Excellency's note and the favorable reply of this Foreign Office shall constitute an agreement between our two Governments, which shall enter into force on the date on which its ratification is communicated, as provided for in the Agreement itself.

In reply, I am happy to inform Your Excellency that my Government accepts the Agreement in the terms transcribed and that Your Excellency's note and this reply constitute an agreement between our two Governments, which shall enter into force on the date of notification of its ratification by Nicaragua.

I take pleasure in availing myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

Alfonso ORTEGA

Minister of Foreign Relations according to law

His Excellency Aaron S. Brown
Ambassador Extraordinary and Plenipotentiary
of the United States of America
City

¹ Translation by the Government of the United States of America.

² Traduction du Gouvernement des États-Unis d'Amérique.