

No. 7208

**UNITED STATES OF AMERICA
and
TANGANYIKA**

**Exchange of notes constituting an agreement relating to
investment guaranties. Dar es Salaam, 14 November
1963**

Official text: English.

Registered by the United States of America on 13 April 1964.

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

**Échange de notes constituant un accord relatif à la garantie
des investissements. Dar es-Salam, 14 novembre 1963**

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 13 avril 1964.

No. 7208. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND TANGANYIKA RELATING TO INVESTMENT GUARANTIES. DAR ES SALAAM 14 NOVEMBER 1963

I

The American Ambassador to the Tanganyikan Minister for Finance

EMBASSY OF THE UNITED STATES OF AMERICA

Dar es Salaam, November 14, 1963

Excellency :

I have the honor to refer to conversations which have recently taken place between representatives of our two Governments relating to investments in Tanganyika which further the development of the economic resources and productive capacities of Tanganyika and to guaranties of such investments by the Government of the United States of America. I also have the honor to confirm the following understandings reached as a result of those conversations :

1. The Government of the United States of America and the Government of Tanganyika shall, upon the request of either Government, consult concerning investments in Tanganyika which the Government of the United States of America may guaranty.

2. The Government of the United States of America shall not guaranty an investment in Tanganyika unless the Government of Tanganyika approves the activity to which the investment relates and recognizes that the Government of the United States of America may guaranty such investment.

3. If an investor transfers to the Government of the United States of America pursuant to an investment guaranty, (a) lawful currency, including credits thereof, of Tanganyika, (b) any claims or rights which the investor has or may have arising from the business activities of the investor in Tanganyika, or from the events entitling the investor to payment under the investment guaranty, or (c) all or part of the interest of the investor in any property (real or personal, tangible or intangible) within Tanganyika. the Government of Tanganyika shall recognize such transfer as valid and effective.

4. Lawful currency of Tanganyika, including credits thereof, which is acquired by the Government of the United States of America pursuant to a transfer of currency

¹ Came into force on 14 November 1963 by the exchange of the said notes.

or from the sale of property transferred under an investment guaranty shall be accorded treatment by the Government of Tanganyika with respect to exchange, repatriation or use thereof, not less favourable than that accorded to funds of nationals of the United States of America derived from activities similar to those in which the investor had been engaged, and such currency may in any event be used by the Government of the United States of America for any of its expenditures in Tanganyika.

5. Any dispute regarding the interpretation or application of the provisions of this Agreement or any claim against the Government of Tanganyika to which the Government of the United States of America may succeed as transferee or which may arise from the events causing payment under an investment guaranty shall, upon the request of either Government, be the subject of negotiations between the two Governments and shall be settled, insofar as possible, in such negotiations. If, within a period of three months after a request for negotiation, the two Governments are unable to settle any such dispute or claim by agreement, the dispute or claim shall be referred upon the initiative of either Government, to a sole arbitrator, selected by mutual agreement, for final and binding determination in light of the applicable principles of international law. If the two Governments are unable to select an arbitrator within a period of three months after indication by either Government of its desire to arbitrate, the President of the International Court of Justice shall, at the request of either Government, designate the arbitrator.

Upon receipt of a note from Your Excellency indicating that the foregoing provisions are acceptable to the Government of Tanganyika, the Government of the United States of America will consider that this note and your reply thereto constitute an Agreement between our 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.

William LEONHART

His Excellency Paul Bomani
Minister for Finance
Dar es Salaam

II

The Tanganyikan Minister for Finance to the American Ambassador

THE TREASURY
DAR ES SALAAM, TANGANYIKA

No. TYC.171/15.

14th November, 1963

Your Excellency,

I have the honour to refer to your note of the 14th November, 1963, relating to investments in Tanganyika which further the development of the economic resources and productive capacities of Tanganyika and to guarantees of such investments by the Government of the United States of America. I also have the honour to confirm the following understandings set out in your note referred to above :

[See note I]

The Government of Tanganyika considers that your note of the 14th November, 1963, and this reply thereto constitute an Agreement between our two Governments on this subject, the Agreement to enter into force on this day.

Please accept, Your Excellency, the renewed assurances of my highest consideration.

I have the honour to be,

Your Excellency's obedient servant,

P. BOMANI
Minister for Finance

His Excellency the Ambassador
for the United States of America
Standard Bank Building
Dar es Salaam