

No. 7104

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**UNITED STATES OF AMERICA  
and  
MADAGASCAR**

**Exchange of notes constituting an agreement relating to  
investment guaranties. Tananarive, 26 July 1963**

*Official texts: English and French.*

*Registered by the United States of America on 5 February 1964.*

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

**Échange de notes constituant un accord de garantie d'in-  
vestissements. Tananarive, 26 juillet 1963**

*Textes officiels anglais et français.*

*Enregistré par les États-Unis d'Amérique le 5 février 1964.*

No. 7104. EXCHANGE OF NOTES  
CONSTITUTING AN AGREEMENT<sup>1</sup>  
BETWEEN THE UNITED STATES  
OF AMERICA AND MADAGASCAR  
RELATING TO INVESTMENT  
GUARANTIES. TANANARIVE,  
26 JULY 1963

N° 7104. ÉCHANGE DE NOTES  
CONSTITUANT UN ACCORD DE  
GARANTIE D'INVESTISSEMENTS<sup>1</sup>  
ENTRE LES ÉTATS-UNIS D'AMÉ-  
RIQUE ET MADAGASCAR. TANA-  
NARIVE, 26 JUILLET 1963

## I

*The American Ambassador to the Acting  
Minister of Foreign Affairs, Vice  
President of the Government of the  
Malagasy Republic*

*L'Ambassadeur des États-Unis d'Amé-  
rique au Ministre des affaires étran-  
gères par intérim, Vice-Président du  
Gouvernement de la République mal-  
gache*

EMBASSY OF THE UNITED STATES OF AMERICA

Tananarive, July 26, 1963

No. 17

Excellency :

I have the honor to refer to conversations which have recently taken place between representatives of our two governments relating to investments in Madagascar which further the development of the economic resources and productive capacities of Madagascar 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 the Malagasy Republic shall, upon the request of either Government, consult concerning investments in Madagascar 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 Madagascar unless the Government of the Malagasy Republic 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 the Malagasy Republic, (b) any claims or rights which the investor has or may have arising

<sup>1</sup> Came into force on 26 July 1963 by the exchange of the said notes.

<sup>1</sup> Entré en vigueur le 26 juillet 1963 par l'échange desdites notes.

from the business activities of the investor in Madagascar 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 Madagascar, the Government of the Malagasy Republic shall recognize such transfer as valid and effective provided it has been notified promptly after the guaranty was invoked.

4. Lawful currency of the Malagasy Republic, including credits thereof, which is acquired by the Government of the United States of America pursuant to a transfer of currency or from the sale of property transferred under an investment guaranty shall be accorded treatment by the Government of the Malagasy Republic with respect to exchange, repatriation or use thereof, not less favorable than that accorded to funds of nationals of the United States of America derived from activities in Madagascar similar to those in which the investor has 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 Madagascar.

5. Any dispute regarding the interpretation or application of the provisions of this Agreement or any claim against the Government of the Malagasy Republic 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 the Malagasy Republic, 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.

C. Vaughan FERGUSON, Jr.

His Excellency Calvin Tsiebo  
Acting Minister of Foreign Affairs  
Vice-President of the Government  
Tananarive

gache, le Gouvernement des États-Unis d'Amérique considérera que cette note et votre réponse à celle-ci constitueront un Accord entre nos deux Gouvernements à ce sujet, l'Accord entrant en vigueur à la date de votre réponse.

« Je vous prie de croire, Excellence, à l'assurance de ma très haute considération. »

J'ai l'honneur de porter à votre connaissance que le Gouvernement Malgache marque son agrément aux dispositions contenues dans la lettre ci-dessus. Celle-ci constitue, avec la présente réponse, un accord en bonne et due forme entre nos deux Gouvernements, étant entendu que le texte en langue anglaise et le texte en langue française font également foi.

Je saisis cette occasion, Excellence, pour vous renouveler les assurances de ma très haute considération.

Le Ministre des affaires étrangères p. i.,  
Le Vice-Président du Gouvernement :

[SCEAU] TSIEBO

Son Excellence Monsieur Charles Vaughan Ferguson  
Ambassadeur des États-Unis d'Amérique  
Tananarive

[TRANSLATION<sup>1</sup> — TRADUCTION<sup>2</sup>]

MALAGASY REPUBLIC

Liberty — Fatherland — Progress

MINISTRY OF FOREIGN AFFAIRS

Tananarive, July 26, 1963

No. 190/63-AE/DRE/SLE. 4

Excellency :

I have the honor to acknowledge receipt of your note dated July 26, 1963, which reads as follows :

[See note I]

I have the honor to inform you that the Malagasy Government signifies its agreement to the provisions contained in the foregoing note. That note and the present note in reply constitute an agreement in good and due form between our two Governments, on the understanding that the English-language text and the French-language text are equally authentic.

<sup>1</sup> Translation by the Government of the United States of America.

<sup>2</sup> Traduction du Gouvernement des États-Unis d'Amérique.

I avail myself of this occasion, Excellency, to renew to you the assurances of my very high consideration.

TSIEBO  
Acting Minister of Foreign Affairs  
Vice President of the Government

His Excellency Charles Vaughan Ferguson  
Ambassador of the United States of America  
Tananarive

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