

No. 7695

**UNITED STATES OF AMERICA
and
CEYLON**

Agreement for financing certain educational exchange programs. Signed at Colombo, on 29 August 1964

Official text: English.

Registered by the United States of America on 15 April 1965.

**ÉTATS-UNIS D'AMÉRIQUE
et
CEYLAN**

Accord relatif au financement de certains programmes d'échanges dans le domaine de l'enseignement. Signé à Colombo, le 29 août 1964

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 15 avril 1965.

No. 7695. AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF CEYLON FOR FINANCING CERTAIN EDUCATIONAL EXCHANGE PROGRAMS. SIGNED AT COLOMBO, ON 29 AUGUST 1964

The Government of the United States of America and the Government of Ceylon :

Desiring to promote further mutual understanding between the peoples of the United States of America and Ceylon by a wider exchange of knowledge and professional talents through educational contacts :

Have agreed as follows :

Article 1

There shall be established a foundation to be known as the United States Educational Foundation in Ceylon (hereinafter designated " the Foundation "), which shall be recognized by the Government of the United States of America and the Government of Ceylon as an organization created and established to facilitate the administration of an educational program to be financed by funds made available to the Foundation by the Government of the United States of America from funds held or available for expenditure by the United States for such purpose.

Except as provided in Article 3 hereof, the Foundation shall be exempt from the domestic and local laws of the United States of America and of Ceylon as they relate to the use and expenditure of currencies and credits for currencies for the purposes set forth in the present Agreement. The funds as well as the office equipment and supplies acquired for the furtherance of the Agreement shall be regarded in Ceylon as property of a foreign government. The funds made available under the present Agreement, within the conditions and limitations hereinafter set forth, shall be used by the Foundation or such other instrumentality as may be agreed upon by the Government of the United States of America and the Government of Ceylon for the purposes of :

- (1) financing studies, research, instruction, and other educational activities (i) of or for citizens and nationals of the United States of America in Ceylon, and (ii) of or for citizens and nationals of Ceylon in United States of America

¹ Came into force on 29 August 1964, upon signature, in accordance with article 13.

schools and institutions of learning located in or outside the United States of America;

- (2) financing visits and interchanges between the United States of America and Ceylon of students, trainees, teachers, instructors, and professors; and
- (3) financing such other related educational and cultural programs and activities as are provided for in budgets approved in accordance with Article 3 hereof.

Article 2

In furtherance of the aforementioned purposes, the Foundation may, subject to the provisions of the present Agreement, exercise all powers necessary to the carrying out of the purposes of the present Agreement, including the following :

- (1) Plan, adopt and carry out programs in accordance with the purposes of the present Agreement.
- (2) Recommend to the Board of Foreign Scholarships of the United States of America, students, trainees, professors, research scholars, teachers, instructors, resident in Ceylon, and institutions of Ceylon, to participate in the program.
- (3) Recommend to the aforesaid Board of Foreign Scholarships such qualifications for the selection of participants in the program as it may deem necessary for achieving the purpose and objectives of the present Agreement.
- (4) Acquire, hold, and dispose of property (other than real estate) in the name of the Foundation as the Foundation may consider necessary or desirable, provided, however, that the leasing of adequate housing and facilities for the activities of the Foundation will be assured.
- (5) Authorize the Treasurer of the Foundation or such other person as the Foundation may designate to receive funds to be deposited in bank accounts in the name of the Treasurer of the Foundation or such other person as may be designated. The appointment of the Treasurer or such designee shall be approved by the Secretary of State and the Treasurer or such designee shall deposit funds received in a depository or depositories designated by the Secretary of State.
- (6) Authorize the disbursement of funds and the making of grants and advances of funds for the authorized purposes of the present Agreement, including payment for transportation, tuition, maintenance and other expenses incident thereto.
- (7) Provide for periodic audits of the accounts of the Treasurer of the Foundation as directed by auditors selected by the Secretary of State.

- (8) Engage an Executive Officer, and administrative and clerical staff and fix and pay the salaries and wages thereof, and incur other administrative expenses as may be deemed necessary out of funds made available under the present Agreement.
- (9) Administer or assist in administering or otherwise facilitate educational and cultural programs and activities that further the purposes of the present Agreement but are not financed by funds made available under this Agreement, provided, however, that such programs and activities and the Foundation's role therein shall be fully described in annual or special reports made to the Government of Ceylon and to the Secretary of State as provided in Article 6 hereof, and provided that no objection is interposed by either the Government of Ceylon or the Secretary of State to the Foundation's actual or proposed role therein.

Article 3

All commitments, obligations, and expenditures authorized by the Foundation shall be made pursuant to an annual budget to be approved by the Secretary of State.

Article 4

The management and direction of the affairs of the Foundation shall be vested in a Board of Directors consisting of six members (hereinafter designated "the Board"), three of whom shall be citizens of the United States of America and three of whom shall be citizens of Ceylon. In addition, the principal officer in charge of the Diplomatic Mission of the United States of America to Ceylon (hereinafter designated "Chief of Mission") shall be Honorary Chairman of the Board. He shall cast the deciding vote in the event of a tie vote by the Board and shall appoint the Chairman of the Board. The Chairman as a regular member of the Board shall have the right to vote. The Chief of Mission shall have the power to appoint and remove the citizens of the United States of America on the Board, at least two of whom shall be officers of the United States Foreign Service establishment in Ceylon. The Government of Ceylon shall have the power to appoint and remove the citizens of Ceylon on the Board.

The members shall serve from the time of their appointment until the following December 31 and shall be eligible for reappointment. Vacancies by reason of resignation, transfer of residence outside Ceylon, expiration of service, or otherwise, shall be filled in accordance with the appointment procedure set forth in this article.

The members shall serve without compensation, but the Board may authorize the payment of the necessary expenses of the members in attending the meetings of the Board and in performing other official duties assigned by the Board.

Article 5

The Board shall adopt such by-laws and appoint such committees as it shall deem necessary for the conduct of the affairs of the Foundation.

Article 6

Reports acceptable in form and content to the Secretary of State shall be made annually on the activities of the Foundation to the Secretary of State and the Government of Ceylon. Special reports may be made more often at the discretion of the Foundation or at the request of either the Government of Ceylon or the Secretary of State.

Article 7

The principal office of the Foundation shall be in the capital city of Ceylon, but meetings of the Board and any of its committees may be held in such other places as the Board may from time to time determine, and the activities of any of the Foundation's officers or staff may be carried on at such places as may be approved by the Board.

Article 8

The Executive Officer shall be responsible for the direction and supervision of the Board's programs and activities in accordance with the Board's resolutions and directives and the provisions of this Agreement. In his absence or disability, the Board may appoint a substitute for such time as it deems necessary or desirable. In the event that it is found to be impracticable for the Board to engage an Executive Officer, the Government of the United States of America may provide an Executive Officer and such assistants as may be deemed necessary to ensure the effective operation of the program.

Article 9

The Government of the United States of America and the Government of Ceylon agree that there may be used for the purposes of this agreement any funds held or available for expenditure by the Government of the United States of America for such purposes.

The Secretary of State will make available for expenditure as authorized by the Foundation funds in such amounts as may be required for the purposes

of this Agreement, but in no event may amounts in excess of the budgetary limitations established pursuant to Article 3 of the present Agreement be expended by the Foundation.

The performance of the Agreement shall be subject to the availability of appropriations to the Secretary of State when required by the laws of the United States of America.

Article 10

The Government of the United States of America and the Government of Ceylon shall make every effort to facilitate the exchange-of-persons programs authorized in this Agreement and to resolve problems which may arise in the operations thereof.

Furniture, equipment, supplies, and any other articles intended for official use of the Foundation shall be exempt in Ceylon from customs duties, excises and surtaxes, and every other form of taxation.

All funds and other property used for the purposes of the Foundation, and all official acts of the Foundation within the scope of its purposes shall likewise be exempt in Ceylon from taxation of every kind and from currency controls.

United States citizens employed by the Foundation and United States grantees engaged in educational or cultural activities in Ceylon under the auspices of the Foundation, and accompanying members of their families, shall be exempt from all Ceylonese taxes, including the tax levied under the Temporary Residence Tax Act. No. 36 of 1961, income taxes and customs duties, excises and surtaxes on personal property intended for their own use. Such persons shall also be relieved of restrictions in Ceylon affecting their entry, travel, residence and exit as may be necessary for the effective operation of the program envisioned by this Agreement.

Article 11

Wherever, in the present Agreement, the term "Secretary of State" is used, it shall be understood to mean the Secretary of State of the United States of America or any officer or employee of the Government of the United States of America designated by him to act in his behalf.

Article 12

The present Agreement may be amended by the exchange of diplomatic notes between the Government of the United States of America and the Government of Ceylon.

Article 13

The present Agreement supersedes the Agreement between the Government of the United States of America and the Government of Ceylon signed at Colombo on November 17, 1952, as amended.¹

The present Agreement shall come into force upon the date of signature.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto by their respective Governments, have signed the present Agreement.

DONE at Colombo in duplicate, this twenty-ninth day of August, 1964.

For the Government
of the United States of America :
Frances E. WILLIS
Ambassador of the United States
of America

For the Government
of Ceylon :
N. M. PERERA
Minister of Finance

¹ United Nations, *Treaty Series*, Vol. 180, p. 207; Vol. 361, p. 320, and Vol. 479, p. 364.
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