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No. 7876

**UNITED STATES OF AMERICA
and
LAOS**

**Exchange of notes constituting an agreement relating to
investment guaranties. Vientiane, 29 December 1964**

Official texts: English and French.

Registered by the United States of America on 10 August 1965.

**ÉTATS-UNIS D'AMÉRIQUE
et
LAOS**

**Échange de notes constituant un accord relatif aux garan-
ties d'investissement. Vientiane, 29 décembre 1964**

Textes officiels anglais et français.

Enregistré par les États-Unis d'Amérique le 10 août 1965.

No. 7876. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND LAOS RELATING TO INVESTMENT GUARANTIES. VIENTIANE, 29 DECEMBER 1964

N° 7876. ÉCHANGE DE NOTES CONSTITUANT UN ACCORD¹ ENTRE LES ÉTATS-UNIS D'AMÉRIQUE ET LE LAOS RELATIF AUX GARANTIES D'INVESTISSEMENT. VIENTIANE, 29 DÉCEMBRE 1964

I

*The American Ambassador to the Lao
Minister of Foreign Affairs ad interim*

*L'Ambassadeur des États-Unis d'Amérique
au Ministre des affaires étrangères
par intérim du Laos*

No. 184

Vientiane, December 29, 1964

Excellency,

I have the honor to refer to conversations which have recently taken place between representatives of our two Governments relating to investments in the Kingdom of Laos which further the development of the economic resources and productive capacities of Laos 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 Royal Government of Laos shall, upon the request of either Government, consult concerning investments in Laos 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 Laos unless the Royal Government of Laos 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 Laos, (b) any claims or rights which the investor has or may have arising from the business activities of the investor in Laos 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 Laos, the Royal Government of Laos shall recognize such transfer as valid and effective.

4. Lawful currency of Laos, 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

¹ Came into force on 29 December 1964 by the exchange of the said notes.

¹ Entré en vigueur le 29 décembre 1964 par l'échange desdites notes.

accorded treatment by the Royal Government of Laos with respect to exchange, repatriation of use thereof, not less favorable 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 Laos.

5. Any dispute regarding the interpretation or application of the provisions of this Agreement or any claim against the Royal Government of Laos 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 Royal Government of Laos, 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 assurances of my highest consideration.

William H. SULLIVAN

His Excellency Chao Phagna Luang Outhong Souvannavong
Minister of Foreign Affairs a. i.
Vientiane

[TRADUCTION — TRANSLATION]

N° 184

Vientiane, le 29 décembre 1964

Monsieur le Ministre,

[*Voir note II*]

Veillez agréer, etc.

William H. SULLIVAN

Son Excellence Chao Phagna Luang Outhong Souvannavong
Ministre des Affaires étrangères p. i.
Vientiane

[TRANSLATION ¹ — TRADUCTION ²]

KINGDOM OF LAOS
MINISTRY OF FOREIGN AFFAIRS

No. 1511/AE/CI

Vientiane, December 29, 1964

Excellency,

I have the honor to acknowledge receipt of your note No. 184 of this date, concerning guaranties of investment in Laos, which reads as follows :

[*See note I*]

I hereby confirm to you that the Royal Government agrees to the understandings set forth in your above-mentioned note, which are the result of the recent conversations between representatives of our two Governments.

The foregoing provisions, which constitute an agreement between our two Governments on this subject, shall enter into force today.

Accept, Excellency, the assurances of my high consideration.

Chao Phagna Luang Outhong SOUVANNAVONG
Acting Minister of Foreign Affairs

His Excellency William H. Sullivan
Ambassador of the United States to Laos
Vientiane

[SEAL]

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

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