

No. 12108

**UNITED STATES OF AMERICA
and
SINGAPORE**

Agreement regarding an off-shore sales facility for property disposal. Signed at Singapore on 5 May 1972

Authentic text : English.

Registered by the United States of America on 17 October 1972.

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

Accord relatif à une installation de vente de surplus. Signé à Singapour le 5 mai 1972

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 17 octobre 1972.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF SINGAPORE REGARDING AN OFF-SHORE SALES FACILITY FOR PROPERTY DISPOSAL

Whereas the Government of the United States desires to establish in Singapore an off-shore sales facility (hereinafter referred to as the "said Facility") for property disposal of American excess Equipment from Vietnam (hereinafter referred to as the "said Equipment"):

And whereas the Government of the Republic of Singapore is desirous of assisting the Government of the United States to the fullest extent possible in the establishment and operation of the said Facility subject to the terms and conditions hereinafter appearing;

It is hereby agreed as follows :

1. The Government of the Republic of Singapore will provide the Government of the United States in the first instance 50 acres of land in the Bedok area in Singapore (hereinafter referred to as "the said Land") at the nominal rent of US \$5.00 per year, for the establishment of the said Facility. Any extra land required by the Government of the United States will be furnished subject to such terms and conditions as may be mutually agreed upon.

2. (1) The Government of the Republic of Singapore will provide the Government of the United States the following services (hereinafter referred to as the "said Services") to the said Land on monthly payment terms to be agreed upon—

(a) stevedoring services;

(b) security services either from local police or private sources;

(c) management and clerical services for the site;

(d) daily rated labour for storage and stacking the equipment;

(e) mechanical and materials handling equipment as may be required by the Government of the United States.

(2) The Government of the United States shall pay the Government of the Republic of Singapore for the said Services on receipt of invoices submitted by the Government of the Republic of Singapore at the end of each month.

(3) For the provision of the said Services the Government of the Republic

¹ Came into force on 5 May 1972 by signature, in accordance with paragraph 16.

of Singapore may appoint such agents as it deems fit, provided, however, that all agreements that will be entered into by the Government of the United States for this project will be with the Government of the Republic of Singapore, and not with the agents of that Government who shall remain the agents or contractors of that Government and answerable to that Government for the provision of the said Services.

(4) The Government of the Republic of Singapore agrees to make property improvements (hereinafter referred to as the "said Property Improvements") to the said Land. The said Property Improvements include but are not limited to a timber-built administrative office, essential services, telephones and fencing (with concertina wire) of the said Land.

(5) Payment for the said Property Improvements shall be fixed at an amount to be assessed and mutually agreed upon and payable monthly by the Government of the United States to the Government of the Republic of Singapore.

(6) The Government of the Republic of Singapore shall provide perimeter security around the said Land.

(7) The Government of the Republic of Singapore shall provide a Liaison Officer who will have access to local government, industrial offices, and consultants as may be required in order to assist the Government of the United States in the establishment and operation of the said Facility.

3. (1) The Government of the Republic of Singapore shall have first right of purchase of any or all of the said Equipment at such prices and terms as may be mutually agreed upon.

(2) The Government of the United States shall furnish to the Government of the Republic of Singapore a list of items of the said Equipment at least 30 days prior to the scheduled bid opening date. The Government of the Republic of Singapore shall have first right of purchase of any item or all the items of the said Equipment up to the close of normal business hours on the 15th calendar day prior to the scheduled bid opening date. It is agreed that prospective bidders may inspect property during the entire 30-day period.

(3) In the absence of mutual agreement on prices and terms having been reached within the 30-day period, the Government of the United States shall be free to sell the items of the said Equipment in accordance with the terms of this Agreement.

(4) When the Government of the Republic of Singapore exercises first right of purchase of any item of the said Equipment, the following shall be a term of the contract of sale :

" The Government of Singapore certified that the property covered by this contract is intended for use by the Government of Singapore only. In the event of resale or export of any property designated ' IC/DV ' (Import

Certificate/Delivery Verification), or the value (contract price) of which exceeds \$1,000 U.S., the Government of Singapore agrees to obtain prior U.S. approval.”

4. The said Equipment may be sold by the Government of the United States into the domestic economy, provided, however, that customs duties or taxes assessed by the Government of the Republic of Singapore are first paid. Taxes or duties will not be assessed on the said Equipment which is exported.

5. The sale of the said Equipment to other parties will be dealt with by the Government of the United States, and the Government of the Republic of Singapore will not be responsible for sales.

6. The shipment of the said Equipment from Vietnam to Singapore will be done primarily by the Government of the United States in U.S. ships either belonging to it or chartered by it in the normal course of business. The Government of the Republic of Singapore shall cooperate with the Government of the United States in seeing to the availability of other ocean-going bottoms for charter by the Government of the United States to ship the said Equipment from Vietnam.

7. The Government of the Republic of Singapore agrees to permit the entry into Singapore of such U.S. personnel as are considered by the Government of the United States as necessary to administer operations of the said Facility.

8. The Government of the United States shall have the right to import vehicles and other equipment as may be considered necessary by it for administrative support of the operations of the said Facility.

9. The Government of the Republic of Singapore shall permit free importation into Singapore for sale by the Government of the United States of any item of the said Equipment which the Government of the United States may declare as excess to its needs during the continuance of this Agreement. No guarantee is given by the Government of the United States as to the quantity or quality of any of the items of the said Equipment.

10. The Government of the United States shall not include as any item of the said Equipment, explosive materials, firearms, ammunition, toxic chemicals or other items inherently dangerous. Provided that if any such inherently dangerous item of the said Equipment is inadvertently included in any items of the said Equipment, brought into Singapore, the Government of Singapore shall hold the Government of the United States harmless for such inadvertent inclusion.

11. Singapore currency derived from such sales shall be freely usable for any and all U.S. expenditures in Singapore. Other currencies derived from such

sales may be freely exported from Singapore at the discretion of the Government of the United States.

12. The said Equipment may be sold for any currency acceptable to the Government of the United States on an individual transaction basis. Convertibility of currency to U.S. dollars is guaranteed by the Government of the Republic of Singapore at prevailing market rates so long as such currency is quoted in the financial or banking market of Singapore.

13. The United States Government shall have the right to exercise Security Trade Controls as prescribed by the U.S. Department of Defense to prevent the sale and/or shipment of the said Equipment to persons and/or destinations prohibited by U.S. regulations from acquiring such property.

14. The said Equipment may be imported and exported in any volume or quantity as the Government of the United States may deem fit and necessary.

15. The said Equipment and the vessels in which they are being imported may be sanitized by the Government of the United States in accordance with U.S. requirements.

16. This Agreement shall remain in force for a period of one year from the date hereof and thereafter may be renewed on a year to year basis on such terms as may be mutually agreed upon.

17. This Agreement may be terminated by either party at any time, upon giving 60 days' prior written notice to the other of its intention to terminate the Agreement.

IN WITNESS WHEREOF the undersigned, duly authorized, have signed this Agreement.

DONE at Singapore this fifth day of May, 1972.

For the Government of the United States of America :
JOHN J. O'NEILL, Jr.

For the Government of the Republic of Singapore :
PANG TEE POW