

No. 13340

**UNITED STATES OF AMERICA
and
PAKISTAN**

**Agreement for financing certain educational exchange
programs. Signed at Islamabad on 18 October 1972**

Authentic text: English.

Registered by the United States of America on 30 May 1974.

**ÉTATS-UNIS D'AMÉRIQUE
et
PAKISTAN**

**Accord relatif au financement de certains programmes
d'échanges éducatifs. Signé à Islamabad le 18 octobre
1972**

Texte authentique: anglais.

Enregistré par les États-Unis d'Amérique le 30 mai 1974.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF PAKISTAN FOR FINANCING CERTAIN EDUCATIONAL EXCHANGE PROGRAMS.

October 18, 1972

The Government of the United States of America and the Government of Pakistan;

Desiring to promote further mutual understanding between the peoples of the United States of America and Pakistan by a wider exchange of knowledge and professional talents through educational activities;

Have agreed as follows:

Article 1. There shall be established a foundation to be known as the United States Educational Foundation in Pakistan (hereinafter designated “the Foundation”), which shall be recognized by the Government of the United States of America and the Government of Pakistan as an organization created and established to facilitate the administration of an educational program to be financed by funds made available under the terms of the present Agreement. 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 Pakistan as they relate to the use and expenditure of currencies or credits for currencies for the purposes set forth in the present Agreement.

The funds made available under the present Agreement, within the conditions and limitations hereinafter set forth, shall be used by the Foundation for the purposes of:

- (a) financing studies, research, instruction, and other educational activities of or for citizens and nationals of the United States of America in Pakistan, and of or for citizens and nationals of Pakistan in United States schools and institutions of learning located in or outside the United States of America;
- (b) financing visits and interchanges between the United States of America and Pakistan of students, trainees, teachers, instructors and professors; and
- (c) financing such other related educational 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:

- (a) plan, adopt and carry out programs in accordance with the purposes of the present Agreement;
- (b) recommend to the Board of Foreign Scholarships of the United States of America students, trainees, research scholars, teachers, instructors and professors, resident nationals of Pakistan, and institutions of Pakistan qualified to participate in the program;

¹ Came into force on 18 October 1972 by signature, in accordance with article 14.

- (c) recommend to the aforesaid Board of Foreign Scholarship 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;
- (d) acquire, hold, and dispose of property in the name of the Foundation as the Foundation may consider necessary or desirable, provided, however, that the acquisition of any real property shall be subject to the prior approval of the Secretary of State;
- (e) authorize the Treasurer of the Foundation, or such alternate as the Board of Directors may designate, to receive funds to be deposited in bank accounts in the name of the Foundation; the appointment of the Treasurer or such designee shall be approved by the Secretary of State; the Treasurer or such designee shall deposit funds received in a depository or depositories designated by the Secretary of State;
- (f) 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;
- (g) provide for periodic audits of the accounts of the Foundation by auditors selected by the Secretary of State;
- (h) engage an Executive Officer and other administrative and clerical staff, fix and pay the salaries thereof, and incur other necessary administrative expenses;
- (i) administer or assist in administering or otherwise facilitate educational 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 proposed role therein shall be fully described in a written report to the Secretary of State and to the Government of Pakistan and neither interposes an objection within six months from the date of receipt of such report. Should the Secretary of State or the Government of Pakistan object to the activity after the expiration of the six month period, the Foundation shall modify the activity and its role therein to meet the objection or shall discontinue its role therein at the earliest feasible date.

Article 3. All commitments, obligations and expenditures by the Foundation shall be made in accordance with an annual budget submitted by the Foundation to be approved by the Secretary of State subject to such regulations as he may prescribe.

Article 4. The management and direction of the affairs of the Foundation shall be vested in a Board of Directors consisting of eight Directors (hereinafter designated the "Board"), four of whom shall be citizens of the United States of America and four of whom shall be citizens of Pakistan. The principal officer in charge of the Diplomatic Mission of the United States of America to Pakistan (hereinafter designated "Chief of Mission") and the Secretary of Education of the Government of Pakistan shall be Honorary Chairmen. A Chairman with voting power shall be elected by the Board from among its members. 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 Pakistan,

shall be appointed and removed by the Chief of Mission; one of them shall serve as Treasurer. The citizens of Pakistan on the Board shall be appointed and removed by the Government of Pakistan.

The Directors 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 Pakistan, expiration of service or otherwise, shall be filled in accordance with the appointment procedure set forth in this Article.

The Directors shall serve without compensation but the Foundation is authorized to pay the necessary expenses of the Directors 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 Pakistan. Special reports may be made more often at the discretion of the Board or at the request of either the Secretary of State or the Government of Pakistan.

Article 7. The principal office of the Foundation shall be in the capital city of Pakistan, but meetings of the Board and any of its committees may be held also in such other places in Pakistan as the Board may determine. Activities of any of the Foundation's officers or staff may be carried on at such places in Pakistan 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 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. Funds and property of the United States Educational Foundation in Pakistan, established by the Agreement of September 23, 1950, as amended,¹ shall be available to the Foundation to be used for the purposes of the present Agreement.

The Government of the United States of America and the Government of Pakistan agree that there may be used for the purposes of this Agreement in any amount not to exceed the equivalent of U.S. 500,000 dollars during any single calendar year, any funds including the currency of Pakistan held or available for expenditure by the Government of the United States of America for such purposes. There may also be used for the purposes of this Agreement contributions to the Foundation provided all such contributions to the

¹ United Nations, *Treaty Series*, vol. 82, p. 131; vol. 293, p. 336; vol. 453, p. 348; and vol. 692, p. 394.

Foundation are reported to the Secretary of State and to the Government of Pakistan and neither objects to the Foundation's use thereof.

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

The Secretary of State proposes to make available for expenditure 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.

Article 10. The Government of the United States of America and the Government of Pakistan 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, automobiles, supplies and any other articles intended for the official use of the Foundation shall be exempt in the territory of Pakistan from customs duties, excises, and surtaxes, and any other form of taxation. The American grantees of the Foundation, excepting students, will be allowed to import foodstuff, which will not include tobacco and liquor, free of customs duty and other taxes up to the maximum limitations of 100 rupees per month per grantee. All funds and other property used for the purpose of the Foundation within the scope of its purpose shall likewise be exempt from taxation of every kind in the territory of Pakistan.

Article 11. The Government of Pakistan shall extend to residents of the United States of America engaged in educational activities in Pakistan under the auspices of the Foundation such privileges with respect to burdens affecting entry, travel and residence of such persons as are extended to the residents of Pakistan engaged in similar activities in the United States of America.

Article 12. 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 13. The present Agreement terminates and supersedes the Agreement between the United States of America and Pakistan signed at Karachi on September 23, 1950, as amended.

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 Pakistan.

The present Agreement may be terminated by either party by written notice to the other of its desire to terminate the Agreement and such termination shall become effective thirty days after the expiration of the first academic year in Pakistan which opens following the date of such notice. In the event of termination of this Agreement, all funds and property of the Foundation shall become the property of the Government of the United States of America, subject to such conditions, limitations, and liabilities as may have been imposed thereon prior to termination.

Article 14. The present Agreement shall come into force upon the date of signature.

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

DONE at Islamabad, Pakistan, in duplicate, this 18th day of October, 1972.

For the Government of Pakistan:

By: [*Signed*]

Name: ABDUL HAFEEZ PIRZADA

Title: Minister for Education and Provincial Coordination

For the Government of the United States of America:

By: [*Signed*]

Name: SIDNEY SOBER

Title: Chargé d'Affaires ad interim
