No. 13622

UNITED STATES OF AMERICA and YEMEN

Economic, technical and related assistance Agreement (with related letter). Signed at San'a on 20 April 1974

Authentic text: English.

Registered by the United States of America on 4 November 1974.

ÉTATS-UNIS D'AMÉRIQUE et YÉMEN

Accord d'assistance économique et technique et d'assistance connexe (avec lettre connexe). Signé à Sana le 20 avril 1974

Texte authentique: anglais.

Enregistré par les États-Unis d'Amérique le 4 novembre 1974.

ECONOMIC, TECHNICAL, AND RELATED ASSISTANCE AGREEMENT¹

The Government of the United States of America and the Government of the Yemen Arab Republic have agreed as follows:

- 1. The Government of the United States of America will furnish such economic, technical, and related assistance hereunder as may be requested by representatives of the appropriate agency or agencies of the Government of the Yemen Arab Republic and approved by representatives of the agency designated by the Government of the United States of America to administer its responsibilities hereunder, or as may be requested and approved by other representatives designated by the Government of the United States of America and the Government of the Yemen Arab Republic. The furnishing of such assistance shall be subject to applicable United States laws and regulations. It shall be made available in accordance with arrangements agreed upon between the above-mentioned representatives.
- The Government of the Yemen Arab Republic will make the full contribution permitted by its manpower, resources, facilities, and general economic condition in furtherance of the purposes for which assistance is made available hereunder; will take appropriate steps to assure the effective use of such assistance; will cooperate with the Government of the United States of America to assure that procurement will be at reasonable prices and on reasonable terms, will, without restriction, permit continuous observation and review by United States representatives of programs and operations hereunder, and records pertaining thereto; will provide the Government of the United States of America with full and complete information concerning such programs and operations and other relevant information which the Government of the United States of America may need to determine the nature and scope of operation and to evaluate the effectiveness of the assistance furnished or contemplated; and will give to the people of the Yemen Arab Republic full publicity concerning programs and operations hereunder. With respect to cooperative technical and economic assistance programs hereunder, the Government of the Yemen Arab Republic will provide sufficient support as to ensure the attainment of agreed program goals; will, to the maximum extent possible, seek full coordination and integration of technical and economic cooperation programs being carried on in the Yemen Arab Republic; and will cooperate with other nations participating in such programs in the mutual exchange of technical knowledge and skills.
- 3. In any case where commodities or services are furnished on a grant basis under arrangements which will result in the accrual of proceeds to the Government of the Yemen Arab Republic from the import or sale of such commodities or services, the Government of the Yemen Arab Republic, except as may otherwise be mutually agreed upon by the representatives referred to in paragraph 1 hereof, will establish in its own name a Special Account in the Yemen Bank for Reconstruction and Development; will deposit promptly in such Special Account the amount of local currency equivalent to such proceeds; and,

¹ Came into force on 20 April 1974 by signature, in accordance with paragraph 8.

upon notification from time to time by the Government of the United States of America of its local currency requirements for program and operations hereunder, will make available to the Government of the United States of America, in the manner requested by that Government, out of any balances in the Special Account, such sums as are stated in such notification to be necessary for such requirements. The Government of the Yemen Arab Republic may draw upon any remaining balances in the Special Account for such purposes beneficial to the Yemen Arab Republic as may be agreed upon from time to time by the representatives referred to in paragraph 1 hereof. Any unencumbered balances of funds which remain in the Special Account upon termination of assistance hereunder to the Government of the Yemen Arab Republic shall be disposed of for such purposes as may be agreed upon by the representatives referred to in paragraph 1 hereof.

- The Government of the United States of America and the Government of the Yemen Arab Republic agree that a special mission will be received by the Government of the Yemen Arab Republic to carry out and discharge the responsibilities of the Government of the United States of America under this Agreement. The Government of the United States of America and the Government of the Yemen Arab Republic further agree that the special mission will enjoy the same inviolability of premises as is extended to the diplomatic mission of the United States of America and that the Government of the Yemen Arab Republic shall accord all United States Government employees and their families (other than citizens and permanent residents of the Yemen Arab Republic) in Yemen to perform work in connection herewith the same immunity as is accorded by the Government of the Yemen Arab Republic to the personnel of comparable rank and category of the Embassy of the United States of America in Yemen. These employees will be subject to the same obligations and responsibilities as apply to members of comparable rank of the Embassy of the United States of America.
- 5. In order to assure the maximum benefits to the people of the Yemen Arab Republic from the assistance to be furnished hereunder:
- (a) Any supplies, material or equipment introduced into or acquired in the Yemen Arab Republic by the Government of the United States of America, or any contractor financed by that Government, for purposes of any program or project conducted hereunder, shall, while such supplies, material or equipment are used in connection with such a program or project, be exempt from any taxes on ownership or use of property and any other taxes in the Yemen Arab Republic, and the import, export, purchase, use, or disposition of any such supplies, materials or equipment in connection with such a program or project shall be exempt from any tariffs, customs duties, import and export taxes, taxes on purchase or disposition of property, and other taxes or similar charges in the Yemen Arab Republic. No tax (whether in the nature of an income, profit, business, or other tax), duty, or fee of whatsoever nature shall be imposed upon any contractor financed by the Government of the United States of America hereunder.
- (b) All personnel (and their families), except citizens and permanent residents of the Yemen Arab Republic, whether (i) employees of the Government of the United States of America or any agency thereof, (ii) individuals under

contract with, or employees of public and private organizations under contract with, the Government of the Yemen Arab Republic or any agency thereof, or (iii) individuals under contract with or financed by, or employees of public or private organizations under contract with or financed by, the Government of the United States of America or any agency thereof who are present in the Yemen Arab Republic or perform work in connection with this Agreement shall be exempt from income and social security taxes levied under the laws of the Yemen Arab Republic with respect to income upon which they are obligated to pay income or social security taxes to any other government and from taxes on the purchase, ownership, use, or disposition of personal movable property (including automobiles) intended for their own use. Such personnel (and their families) shall be exempt from customs, import, and export duties on all personal effects, equipment and supplies imported into the Yemen Arab Republic for their own use, and from all other duties and fees.

- (c) Funds introduced into the Yemen Arab Republic by the Government of the United States of America for purposes of furnishing assistance hereunder shall be convertible into currency of the Yemen Arab Republic at the rate providing the largest number of units of such currency per United States dollar which, at the time the conversion is made, is not unlawful in the Yemen Arab Republic.
- 6. The Government of the United States of America and the Government of the Yemen Arab Republic will establish procedures whereby the Government of the Yemen Arab Republic will so deposit, segregate, or assure title to all funds allocated to or derived from any program of assistance undertaken hereunder by the Government of the United States of America that such funds shall not be subject to garnishment, attachment, seizure, or other legal process by any person, firm, agency, corporation, organization, or government when the Government of the Yemen Arab Republic is advised by the Government of the United States of America that such legal process would interfere with the attainment of the objectives of the program of assistance hereunder.
- 7. All or any part of any program of assistance provided hereunder may, except as may otherwise be provided in arrangements agreed upon pursuant to paragraph 1 hereof, be terminated by either Government if that Government determines that because of changed conditions the continuation of such assistance is unnecessary or undesirable. The termination of such assistance under this provision may include the termination of deliveries of any commodities hereunder not yet delivered.
 - 8. This Agreement shall enter into force upon signature.
- 9. This Agreement shall remain in force until thirty days after the receipt by either Government of written notification of the intention of the other to terminate it. Notwithstanding any such termination, however, the provisions hereof shall remain in full force and effect with respect to assistance theretofore furnished.
- 10. The Agreement effected by exchange of notes between the Parties hereto, dated August 3 and 5, October 18, and November 8, 1959, is hereby terminated.

IN WITNESS WHEREOF, the respective representatives, duly authorized for the purpose, have signed the present agreement at Sanaa, Yemen, in duplicate on the 20th day of April, 1974:

For the Government of the United States of America:

[Signed]

WILLIAM R. CRAWFORD American Ambassador

For the Government of the Yemen Arab Republic:

[Signed]

Dr. ABD AL-KARIM AL-IRYANI Minister of State for Development

RELATED LETTER

EMBASSY OF THE UNITED STATES OF AMERICA SANAA, YEMEN ARAB REPUBLIC

April 20, 1974

Your Excellency:

With regard to the bilateral assistance Agreement between the United States of America and the Yemen Arab Republic which our two Governments have agreed to conclude, I would like to repeat the clarification of the term "United States Government employees" as mentioned in the Agreement. This clarification was originally provided to the Permanent Undersecretary of the Foreign Ministry on March 14, 1973.

The United States Government considers this term to include persons directly hired or employed by United States Government agencies, whether on a direct-hire permanent basis or on a contractual basis. It does not include employees of organizations under contract to the Agency for International Development. Of these United States Government employees, AID direct-hire personnel would have status equal to Embassy officers "of comparable rank and category". Others would equate to Embassy personnel in the support staff category.

As you will note in the final draft we have eliminated details of the immunities involved, not to lessen them but to simplify the language of the Agreement.

I would appreciate it if you would sign as indicated below to signify that these clarifications are in accordance with your understanding of these details.

Sincerely,

[Signed]
WILLIAM R. CRAWFORD
Ambassador

His Excellency Dr. Abd al-Karim al-Iryani Minister of State for Development of the Yemen Arab Republic

Concurrence:

[Signed]

Dr. ABD AL-KARIM AL-IRYANI Minister of State for Development