

No. 13797

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**UNITED STATES OF AMERICA  
and  
BANGLADESH**

**Economical, Technical and Related Assistance Agreement  
(with related letter). Signed at Dacca on 21 May 1974**

*Authentic text: English.*

*Registered by the United States of America on 17 March 1975.*

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

**Accord d'assistance économique et technique et d'assis-  
tance connexe (avec lettre connexe). Signé à Dacca le  
21 mai 1974**

*Texte authentique : anglais.*

*Enregistré par les États-Unis d'Amérique le 17 mars 1975.*

## ECONOMIC, TECHNICAL, AND RELATED ASSISTANCE AGREEMENT<sup>1</sup>

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The Government of the United States of America and the Government of the People's Republic of Bangladesh 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 Government of the People's Republic of Bangladesh 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 People's Republic of Bangladesh. 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.

2. The Government of the People's Republic of Bangladesh 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 operations and to evaluate the effectiveness of the assistance furnished or contemplated; and will give to the people of the People's Republic of Bangladesh full publicity concerning programs and operations hereunder. With respect to cooperative technical and economic assistance programs hereunder, the Government of the People's Republic of Bangladesh will provide sufficient support as to ensure the attainment of agreed program goals and will, to the maximum extent possible, seek full coordination and integration of technical and economic cooperation programs being carried on in the People's Republic of Bangladesh.

3. (A) The Government of the United States of America and the Government of the People's Republic of Bangladesh agree that an office of the Agency for International Development or its successor agency will be established with the consent of the Government of the People's Republic of Bangladesh 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 People's Republic of Bangladesh further agree that such office will enjoy the same inviolability of premises as is extended to the diplomatic mission of the United States of America.

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<sup>1</sup> Came into force on 21 May 1974 by signature, in accordance with section 8.

(B) All United States Government employees and their families (other than citizens and permanent residents of Bangladesh) in Bangladesh to perform work in connection herewith shall enjoy the same immunity from civil, criminal and administrative jurisdiction as is accorded by the Government of the People's Republic of Bangladesh to the personnel of comparable rank and category of the Embassy of the United States of America in Bangladesh. The Government of the United States shall furnish a list of such employees indicating their comparable diplomatic rank and category to the Government of the People's Republic of Bangladesh. Endeavor will be made by the Government of the United States of America that the employees referred to above comply with the laws of the People's Republic of Bangladesh, and the Government of the United States of America will be prepared to remove as promptly as feasible, either on its own initiative or on the request of the Government of the People's Republic of Bangladesh, any employee who may abuse the privileges or immunities granted herein.

4. (A) The Government of the United States of America or any agency thereof, and any contractor or supplier under contract with, or financed by the Government of the United States or any agency thereof, shall be exempt from liability for the payment of any taxes on ownership or use of any supplies, materials or equipment introduced into or acquired in the People's Republic of Bangladesh for the purposes of any program or tariffs, duties, fees, import or export taxes, taxes on purchase or disposition of property, and other taxes or similar charges in the People's Republic of Bangladesh while such supplies, materials or equipment are used in connection with a program or project conducted hereunder; provided that, to the extent that such materials, supplies and equipment are not exempt from taxes, tariffs, duties or fees levied under the laws of the People's Republic of Bangladesh or any of its geographical subdivisions, any such taxes, tariffs and duties shall be paid by the agency or entity or individual within the People's Republic of Bangladesh for whom or on whose behalf the goods are acquired or to whom the goods are consigned or sold.

In addition, the following categories of supplies, equipment and materials shall be exempt from applicable taxes, customs and duties imposed under the laws of the People's Republic of Bangladesh or any of its geographic subdivisions:

- (i) Any supplies, materials or equipment imported by the Government of the United States of America or any contractor financed by that Government in connection with the implementation of any program or project conducted hereunder, provided such supplies, materials or equipment are re-exported upon completion of the program or project;
- (ii) Any supplies, materials or equipment introduced into or acquired in the People's Republic of Bangladesh by the Government of the United States for the official use of USAID or its successor agency provided they are not disposed of in the People's Republic of Bangladesh unless disposition of such supplies, materials and equipment is made to a person or entity enjoying privileges and exemptions or to an individual or organization in accordance with the laws and regulations of the People's Republic of Bangladesh.

(B) The following categories of public and private corporations and personnel and their families (other than corporations, citizens or permanent resi-

dents of the People's Republic of Bangladesh) present in the People's Republic of Bangladesh to perform work in connection with this Agreement, shall be exempt from the payment of taxes (whether in the nature of an income, social security, profit, business or other tax) or fees levied under the laws of the People's Republic of Bangladesh or any of its geographic subdivisions:

- (i) Public or private organizations under contract with the Government of the United States of America, or financed by grant assistance provided by said government for the purpose of any program or project hereunder;
- (ii) Employees, whether on direct-hire or contract basis, of the Government of the United States of America;
- (iii) Employees of public or private organizations under contract with the Government of the United States of America; or
- (iv) All other employees, who are citizens and permanent residents of the United States of America, present in Bangladesh to perform work in connection with this Agreement, to the extent they are exempt under the income tax laws of the United States of America.

If any personnel under contract with or financed by the Government of the United States, other than citizens and permanent residents of Bangladesh, or public and private organizations under contract with or financed by the United States Government and any personnel and their families thereof, other than citizens and permanent residents of Bangladesh, in the People's Republic of Bangladesh to perform work in connection with this Agreement, are liable for payment of income, social security and similar taxes levied under laws of the Government of the People's Republic of Bangladesh or any of its geographic subdivisions with respect to income upon which they are obligated to pay income or social security taxes to any other government, then the Government of the People's Republic of Bangladesh or the responsible executing agency thereof will pay such taxes or fees unless exemption is otherwise provided.

(C) All United States Government employees and their families (other than citizens and permanent residents of Bangladesh), included on the list provided for by Section 3 (B) above and present in Bangladesh in connection with the administration or implementation of this Agreement, shall enjoy the same privileges and exemptions from the payment of customs and import and export duties on all personal and household effects, equipment and supplies (including one automobile per family) imported into Bangladesh for their own use as are accorded by the Government of Bangladesh to the personnel of comparable rank and category of the Embassy of the United States of America. All other personnel and their families (other than citizens and permanent residents of Bangladesh) who are employees of public or private organizations under contract with or financed by, or individuals under contract with or financed by, AID or its successor agency in Bangladesh in connection with the administration or implementation of this Agreement shall be exempt from the payment of customs duties and taxes on personal and household effects (including one automobile per family) and a reasonable amount of consumable items imported into Bangladesh for their own use at the time of first installation. In addition, each such person and each member of his family will be entitled to customs-free import of a

reasonable amount of consumable items as agreed to by the Government of the People's Republic of Bangladesh.

(D) Funds introduced into the People's Republic of Bangladesh by the Government of the United States of America for purposes of furnishing assistance hereunder shall be convertible into currency of the People's Republic of Bangladesh at the buying rate of US dollars in the People's Republic of Bangladesh providing the largest number of units of such currency per US Dollar for such funds which, at the time the conversion is made, is not unlawful in the People's Republic of Bangladesh.

5. The Government of the United States of America and the Government of the People's Republic of Bangladesh will establish procedures whereby the Government of the People's Republic of Bangladesh 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 People's Republic of Bangladesh 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.

6. 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.

7. This Agreement may be modified by mutual agreement in writing of the parties hereto.

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.

IN WITNESS WHEREOF, the respective representatives, duly authorized for the purpose, have signed the present Agreement in duplicate at Dacca, Bangladesh, on the twenty-first day of May 1974:

Government  
of the People's Republic  
of Bangladesh:

By: M. SYEDUZZAMAN 21-5-74

Title: Secretary, Ministry of  
Planning, Planning Commission

Government  
of the United States of America:

By: DAVIS E. BOSTER

Title: Ambassador, United  
States of America to Bangladesh

## RELATED LETTER

BANGLADESH OFFICE  
AMERICAN EMBASSY  
DACCA, BANGLADESH  
UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

June 11, 1974

Dr. Ashraf-uz-Zaman  
Joint Secretary  
Planning Commission  
Government of Bangladesh  
Dacca

Dear Dr. Zaman:

I refer to the Economic, Technical and Related Assistance Agreement (hereinafter called Agreement) between the United States of America and the Government of the People's Republic of Bangladesh (hereinafter called Government) dated May 21, 1974.

Section 4 (c) deals in part with the custom-free import privileges afforded to all non-United States Government employees. The paragraph states that ". . . each such person and each member of his family will be entitled to customs-free import of a reasonable amount of consumable items as agreed to by the Government . . ." We wish to confirm our understanding that this language refers to the guidelines laid down in the National Board of Revenue's Office Memorandum Number 12 (I) NBR (CUS) 72/5154 dated March 18, 1974, entitled Concessions to Privileged Persons which were subsequently amended by National Board of Revenue's Notification Numbers SRO No. 142/D/CUS/74 and SRO 143/D/CUS/74, both dated April 16, 1974, on the same subject. We understand the intent of the Concessions to Privileged Persons is to permit all non-United States Government employees and each member of his family to import duty-free an amount of consumable items valued on an F.O.B. basis at 250 Takas, currently equal to approximately U.S. \$30.00, per person per month, and that this may be periodically reviewed if our Governments mutually agree that it is necessary in view of price fluctuations.

If the above accurately reflects our mutual understanding, please so signify by signing at the indicated place below.

Sincerely yours,

[Signed]

A. M. SCHWARZWALDER  
Coordinator

[Signed]

Dr. ASHRAF-UZ-ZAMAN  
Joint Secretary  
Planning Commission  
Government of Bangladesh

Date : 11/6/74