

No. 17317

**UNITED STATES OF AMERICA
and
SAUDI ARABIA**

Project Agreement for technical co-operation in upgrading and improving the scientific and technical capability of the Consumer Protection Department in the Saudi Arabian Ministry of Commerce. Signed at Washington on 3 May 1977

Authentic text: English.

Registered by the United States of America on 24 November 1978.

**ÉTATS-UNIS D'AMÉRIQUE
et
ARABIE SAOUDITE**

Accord de projet de coopération technique en vue de réorganiser et d'améliorer les capacités scientifiques et techniques du Département de la protection des consommateurs du Ministère du commerce d'Arabie saoudite. Signé à Washington le 3 mai 1977

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 24 novembre 1978.

PROJECT AGREEMENT¹ BETWEEN THE MINISTRY OF COMMERCE AND THE MINISTRY OF FINANCE AND NATIONAL ECONOMY OF THE KINGDOM OF SAUDI ARABIA AND THE DEPARTMENT OF THE TREASURY, AND THE DEPARTMENT OF HEALTH, EDUCATION AND WELFARE, UNITED STATES OF AMERICA, FOR TECHNICAL COOPERATION IN UPGRADING AND IMPROVING THE SCIENTIFIC AND TECHNICAL CAPABILITY OF THE CONSUMER PROTECTION DEPARTMENT IN THE SAUDI ARABIAN MINISTRY OF COMMERCE

Article I. SCOPE

By terms of this Agreement, the Departments of Treasury (Treasury) and Health, Education and Welfare (HEW) of the United States of America herewith agree with the Ministry of Commerce (MOC) and the Ministry of Finance and National Economy (MFNE) of the Kingdom of Saudi Arabia to undertake a project to upgrade and improve the technical and scientific capabilities of the Consumer Protection Department and the Quality Control Directorate within the MOC to better protect the interests of the consumer. This work will be undertaken through the provision of U.S. specialists to work in MOC, the coordination of training programs for MOC employees, the provision of assistance to MOC in procurement of requested laboratory equipment and the provision of related services.

Article II. AUTHORIZATION

The project will be carried out under the auspices of the United States — Saudi Arabian Joint Commission on Economic Cooperation and in accordance with the provisions of the Technical Cooperation Agreement between the Governments of the United States and Saudi Arabia, signed on February 13, 1975,² which is hereby incorporated by reference and becomes a part of this Agreement.

Article III. GUIDE FOR SERVICES TO BE PERFORMED

The general parameters for the services to be performed under this project are set out in a preliminary report entitled Quality Control Directorate of the Consumer Protection Department prepared for MOC and Treasury by the U.S. Food and Drug Administration's Bureau of Foods. A final report which will include detailed recommendations is in preparation. This Agreement will implement the recommendations of the final report after it has been approved by the MOC.

Services to be performed under this Agreement are:

- A. Expansion of Quality Control Directorate's technical and scientific capabilities by:
1. Provision of U.S. chemists, microbiologists, food scientists, data processing specialists and other requested experts to work in the Quality Control

¹ Came into force on 8 August 1977, i.e., after signature by the Parties and deposit of the sum described in article IX, in accordance with article XI.

² United Nations, *Treaty Series*, vol. 998, p. 209.

- Directorate to increase its capability to plan and carry out programs to provide protection to the consumer, particularly in foods in the market place.
2. Provision of special equipment and laboratory instruments to upgrade the laboratory capabilities as may be requested by the MOC.
- B. Training of Saudi Arabian B.Sc. chemists, microbiologists and Saudi Arabian chemists and others presently on the staff of MOC through:
1. Cooperation with the Saudi Arabian Education Mission (SAEM) to provide formal M.Sc and Ph.D programs in the U.S. in appropriate courses to prepare them to take over the management of the expanded Quality Control Directorate.
 2. Provision of specific on-the-job laboratory training to selected Saudi Arabian personnel.
 3. Provision of an interim U.S. staff to advise, train and assist MOC's personnel in the operation of MOC's research laboratory.
 4. Provision of other requested technical training programs for MOC employees to enable them to take over fully the operation of the Quality Control Directorate in five years.

Article IV. RESPONSIBILITIES OF THE UNITED STATES GOVERNMENT

The United States Government will support this project by:

1. Selecting institutions and firms as necessary to carry out this project subject to approval by the MOC. This selection process will be carried out solely on the basis of professional capability, experience and other like merit factors.
2. Selecting, recruiting and hiring personnel subject to MOC approval as necessary, including chemists, food microbiologists, food scientists and information specialists and other experts for work in the Quality Control Directorate. (Arabic speaking capability is desirable, although not essential.) This selection process will be carried out solely on the basis of professional capability, experience and other like merit factors.
3. Working with the Saudi Education Office in Houston and with appropriate U.S. Government agencies and U.S. universities to provide the Consumer Protection Department with advisory assistance concerning Saudi citizens presently studying in the U.S. who would be appropriate candidates for employment in the Consumer Protection Department in areas related to this project such as chemistry, microbiology, food science and engineering.
4. Providing for appropriate training for Saudi personnel who are employed by the Consumer Protection Department or who are to be selected to staff the Quality Control Directorate.
5. Contracting for the purchase of equipment and materials for the Quality Control Directorate if requested by MOC.
6. Contracting for consulting services as needed to promote the development of the project with MOC approval.
7. Monitoring the implementation of all phases of this project through the Office of the United States Representation to the Joint Commission in Riyadh, Saudi Arabia, and the Office of Saudi Arabian Affairs in Washington, D.C., U.S.A.

8. Providing all necessary logistical support to U.S. Government personnel stationed in Saudi Arabia in connection with this project.
9. Designating an individual or individuals to be responsible for coordination between U.S. personnel under this project and Consumer Protection Department of MOC.
10. Supervising and reviewing the preparation and submission of reports required under this project.
11. Providing other services as appropriate.
12. The provision of personnel as described in Article IV 2 and in Article VIII is expected to be handled through a contract or contracts. The Department of Health, Education and Welfare (HEW) has agreed in principle to support Treasury in the implementation of this project and to provide Treasury with technical consulting assistance as shall be required.

Article V. RESPONSIBILITIES OF MOC

The MOC will support this project by:

1. Designating an appropriate MOC official to be responsible for coordination between U.S. personnel under this project and MOC.
2. Providing U.S. personnel with access to computer facilities as needed.
3. Providing interpreter and translator services as needed.
4. Providing secretarial and on-the-job logistical support as needed.
5. Providing other job related support services as needed to implement the smooth operation of a fully functioning Quality Protection Directorate.

Article VI. COORDINATION

Coordination in Saudi Arabia of this project with other Joint Commission activities of the United States Government will be the responsibility of the Office of the U.S. Representation to the Joint Commission in Riyadh. The office will also serve as the point of contact for all policy-related matters between MOC and Treasury concerning this project.

Article VII. FORCE MAJEURE

If any party to this Project Agreement is rendered unable because of force majeure to perform its responsibilities under this Agreement, these responsibilities shall be suspended during the period of continuance of such inability. The term "Force Majeure" means Acts of God, acts of the public enemy, war, civil disturbances, and other similar events not caused by nor within the control of the parties. During the period of suspension of performance caused by force majeure, Treasury may continue to pay normal costs of maintaining project personnel in Saudi Arabia from funds advanced to the United States by the Government of Saudi Arabia. In the event of suspension of a party's duties because of force majeure, the parties shall consult and endeavor jointly to resolve any attendant difficulties.

Article VIII. ESTIMATED BUDGET

Formal budgets will be submitted by Treasury to MOC by year. The total cost for the first year of this project is estimated to be DLRS 2,997,500. This estimate covers the following expenses:

Personnel, Housing,* Travel (nine specialists)	\$2,281,500
Support Services	300,000
Saudi Training in the U.S.	416,000
* Contains cost of villa rents based on a three year average.	TOTAL \$2,997,500

Budgets for subsequent activities under this project will be submitted to MOC for approval at the earliest date. Included will be personnel staffing, training and support. Upon approval of budgets for subsequent activities the MOC will deposit the agreed amount in the Dollar Trust Account.

Article IX. DOLLAR TRUST ACCOUNT

The Government of Saudi Arabia has agreed to deposit in the Dollar Trust Account in the United States Treasury established by the Technical Cooperation Agreement the sum of DLRS 2,997,500 to cover the estimated costs for the first year's activities delineated in Article VIII above.

Article X

Unless written approval of MOC for the release of information is obtained, Treasury will, to the extent permitted by U.S. law, keep confidential any information or data provided to it by the MOC or generated as a result of the activities of Treasury pursuant to the Agreement.

Article XI. EFFECTIVE DATE

This Agreement shall enter into force upon signature by representatives of parties and after the deposit by the Government of Saudi Arabia of the sum described in Article IX, above, and shall remain in effect until terminated by the Parties hereto in accordance with Article XII, below, or the termination of the Technical Cooperation Agreement of February 13, 1975, whichever shall occur first. It is expected that this program will be completed in five years.

Article XII. AMENDMENT, EXTENSION OR TERMINATION

A. This Agreement may be suspended or extended by mutual agreement in writing.

B. This Agreement may be terminated by either party notifying the others 60 days in advance in writing.

C. This Agreement is for one year and is automatically renewed for a similar period unless either of the parties to this Agreement notifies the other per item B above.

Article XIII. RESOLUTION OF DIFFICULTIES

Treasury and the MOC shall consult, upon request of either party, regarding any matter related to the terms of the Agreement, and shall endeavor jointly in a spirit of cooperation and mutual trust to resolve any difficulties or misunderstandings that may arise.

Government of the Kingdom of Saudi Arabia:

[*Signed — Signé*]¹

Ministry of Commerce

[*Signed — Signé*]²

Ministry of Finance and National Economy

Government of the United States of America:

[*Signed — Signé*]³

Department of Treasury

[*Signed — Signé*]⁴

Department of Health, Education and Welfare

Dated: May 3, 1977

¹ Signed by Yusif Al-Hamdan — Signé par Yusif Al-Hamdan.

² Signed by Muhammad Abalkhail — Signé par Muhammad Abalkhail.

³ Signed by W. Michael Blumenthal — Signé par W. Michael Blumenthal.

⁴ Signed by James F. Dickson — Signé par James F. Dickson.