

INVESTMENT GUARANTIES

Agreement Between the  
UNITED STATES OF AMERICA  
and GREECE

Relating to the Agreements of  
July 2, 1948, as Amended, and  
April 21 and 23, 1952

Effected by Exchange of Notes  
Signed at Athens April 19, 1963



# GREECE

## Investment Guaranties

*Agreement relating to the agreements of July 2, 1948, as amended,  
and April 21 and 23, 1952.*

*Effected by exchange of notes*

*Signed at Athens April 19, 1963;*

*Entered into force April 19, 1963.*

*The American Ambassador to the Greek Minister for Foreign Affairs*

No. 278

APRIL 19, 1963

EXCELLENCY:

I have the honor to refer to Article III of the Economic Cooperation Agreement of July 2, 1948,<sup>[1]</sup> as amended, between our two Governments and the agreement effected by the exchange of notes of April 21 and April 23, 1952,<sup>[2]</sup> relating to investment guaranties which may be issued by the Government of the United States of America for investments in activities in Greece. After the conclusion of these agreements, legislation has been enacted in the United States of America modifying and augmenting the coverage to be provided investors by investment guaranties that may be issued by the Government of the United States of America.

In the interest of facilitating and increasing the participation of private enterprise in furthering the economic development of Greece, the Government of the United States of America is prepared to issue investment guaranties providing such coverage as may be authorized by the applicable United States legislation for appropriate investments in activities approved by your Government provided that your Government agrees that the undertakings between our respective Governments contained in the above-mentioned agreements will be applicable to such guaranties.

Upon receipt of a note from Your Excellency indicating that the foregoing is acceptable to the Royal Hellenic Government and that such undertakings shall apply, the Government of the United States

<sup>1</sup> TIAS 1786; 62 Stat. 2310.

<sup>2</sup> TIAS 2568; 3 UST 4250.

of America will consider that this note and your reply thereto constitute an Agreement between our two Governments on this subject.

Accept, Excellency, the renewed assurances of my highest consideration.

HENRY R. LABOUISSÉ

His Excellency

EVANGHELOS AVEROFF-TOSSIZZA,  
*Minister for Foreign Affairs,*  
*Athens.*

---

*The Greek Minister for Foreign Affairs to the American Ambassador*

MINISTÈRE ROYAL  
DES AFFAIRES ÉTRANGÈRES

No. F1063H-9

ATHENS, 19th April, 1963

EXCELLENCY,

I have the honor to acknowledge receipt of your note of to-day, which reads as follows:

“I have the honor to refer to Article III of the Economic Cooperation Agreement of July 2, 1948, as amended, between our two Governments and the agreement effected by the exchange of notes of April 21 and April 23, 1952, relating to investment guaranties which may be issued by the Government of the United States of America for investments in activities in Greece. After the conclusion of these agreements, legislation has been enacted in the United States of America modifying and augmenting the coverage to be provided investors by investment guaranties that may be issued by the Government of the United States of America.

In the interest of facilitating and increasing the participation of private enterprise in furthering the economic development of Greece, the Government of the United States of America is prepared to issue investment guaranties providing such coverage as may be authorized by the applicable United States legislation for appropriate investments in activities approved by your Government provided that your Government agrees that the undertakings between our respective Governments contained in the above-mentioned agreements will be applicable to such guaranties.

Upon receipt of a note from Your Excellency indicating that the foregoing is acceptable to the Royal Hellenic Government and that such undertakings shall apply, the Government of the United States of America will consider that this note and your reply thereto constitute an Agreement between our two Governments on this subject.”

I have the honor to confirm to you that the provisions set forth in the above note are acceptable to the Government of Greece and that it is agreed that your note and this reply constitute an agreement between our two Governments on this subject.

Accept, Excellency, the assurances of my highest consideration.

E AVEROFF TOSSIZZA

His Excellency

HENRY R. LABOUISSÉ

*Ambassador Extraordinary*

*and Plenipotentiary*

*Embassy of the United States*

*of America*

*Athens*

TIAS 5331

## ECONOMIC COOPERATION

Guaranties Under Public Law 472, 80th Congress,  
as Amended

Agreement between the  
UNITED STATES OF AMERICA  
and GREECE

- Effected by Exchange of Notes  
Signed at Washington April 21  
and 23, 1952
- Entered into force April 29, 1952



Convertibility (Part II) + Expropriation

DEPARTMENT OF STATE

PUBLICATION 4840

[Literal print]

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*The Secretary of State to the Greek Ambassador*

DEPARTMENT OF STATE  
WASHINGTON

*April 21 1952*

**EXCELLENCY :**

I have the honor to refer to the conversations which have recently taken place between representatives of our two Governments relating to Article III of the Economic Cooperation Agreement between the United States of America and Greece, signed at Athens, on July 2, 1948,<sup>[1]</sup> as heretofore amended or supplemented.<sup>[2]</sup> As a consequence of these conversations, the Government of the United States of America proposes the following agreement to the Government of Greece:

The Governments of Greece and of the United States of America will, upon the request of either of them, consult respecting projects in Greece proposed by nationals of the United States of America with regard to which guaranties under Section 111 (b) (3) of the Economic Cooperation Act of 1948, as heretofore amended,<sup>[3]</sup> have been made or are under consideration. With respect to such guaranties extending to projects which are approved by the Government of Greece in accordance with the provisions of the aforesaid Section, the Government of Greece agrees:

- a. That if the Government of the United States of America makes payment in United States dollars to any person under any such guaranty, the Government of Greece will recognize the transfer to the United States of America of any right, title or interest of such person in assets, currency, credits, or other property on account of which such payment was made and the subrogation of the United States of America to any claim or cause of action of such person arising in connection therewith. The Government of Greece shall also recognize any transfer to the Government of the United States of America pursuant to such guaranty of any compensation for loss covered by such guaranties re-

<sup>1</sup> Treaties and Other International Acts Series 1786; 62 Stat., pt. 2, p. 2293.

<sup>2</sup> TIAS 2025; 64 Stat., pt. 3, p. B104; and TIAS 2238; 2 UST 843.

<sup>3</sup> 62 Stat. 144; 22 U. S. C. § 1509 (b) (3).

ceived from any source other than the Government of the United States of America;

- b. That drachma amounts acquired by the Government of the United States of America pursuant to such guaranties shall be accorded treatment not less favorable than that accorded, at the time of such acquisition, to private funds arising from transactions of United States nationals which are comparable to the transactions covered by such guaranties, and that such drachma amounts will be freely available to the Government of the United States of America for administrative expenditures;
- c. That any claim against the Government of Greece, to which the Government of the United States of America may be subrogated as the result of any payment under such a guaranty, shall be the subject of direct negotiations between the two Governments. If, within a reasonable period, they are unable to settle the claim by agreement, it shall be referred for final and binding determination to a sole arbitrator selected by mutual agreement. If the Governments are unable, within a period of three months, to agree upon such selection, the arbitrator shall be one who may be designated by the President of the International Court of Justice at the request of either Government.

If this proposal is acceptable to the Government of Greece it is suggested that you reply by note. This note, together with such reply, will constitute an agreement between our two Governments on this subject, the agreement to enter into force on the date of receipt of your reply note.[<sup>1</sup>]

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:

HENRY A. BYROADE

His Excellency

ATHANASE G. POLITIS,

*Ambassador of Greece.*

<sup>1</sup> Apr. 29, 1952.



*The Greek Ambassador to the Assistant Secretary of State*ROYAL GREEK EMBASSY  
WASHINGTON, D. C.

No. 1703

APRIL 23, 1952.

SIR:

I have the honor to acknowledge the receipt of your note of April 21, 1952, which reads as follows:

"I have the honor to refer to the conversations which have recently taken place between representatives of our two Governments relating to Article III of the Economic Cooperation Agreement between the United States of America and Greece, signed at Athens, on July 2, 1948, as heretofore amended or supplemented. As a consequence of these conversations, the Government of the United States of America proposes the following agreement to the Government of Greece:

"The Governments of Greece and of the United States of America will, upon the request of either of them, consult respecting projects in Greece proposed by nationals of the United States of America with regard to which guaranties under Section 111 (b) (3) of the Economic Cooperation Act of 1948, as heretofore amended, have been made or are under consideration. With respect to such guaranties extending to projects which are approved by the Government of Greece in accordance with the provisions of the aforesaid Section, the Government of Greece agrees:

- a. That if the Government of the United States of America makes payment in United States dollars to any person under any such guaranty, the Government of Greece will recognize the transfer to the United States of America of any right, title or interest of such person in assets, currency, credits, or other property on account of which such payment was made and the subrogation of the United States of America to any claim or cause of action of such person arising in connection therewith. The Government of Greece shall also recognize any transfer to the Government of the United States of America pursuant to such guaranty of any compensation for loss covered by such guaranties received from any source other than the Government of the United States of America;
- b. That drachma amounts acquired by the Government of the United States of America pursuant to such guaranties shall be accorded treatment not less favorable than that accorded, at the time of such acquisition, to private funds arising from trans-

actions of United States nationals which are comparable to the transactions covered by such guaranties, and that such drachma amounts will be freely available to the Government of the United States of America for administrative expenditures;

- c. That any claim against the Government of Greece, to which the Government of the United States of America may be subrogated as the result of any payment under such a guaranty, shall be the subject of direct negotiations between the two Governments. If, within a reasonable period, they are unable to settle the claim by agreement, it shall be referred for final and binding determination to a sole arbitrator selected by mutual agreement. If the Governments are unable, within a period of three months, to agree upon such selection, the arbitrator shall be one who may be designated by the President of the International Court of Justice at the request of either Government.

"If this proposal is acceptable to the Government of Greece it is suggested that you reply by note. This note, together with such reply, will constitute an agreement between our two Governments on this subject, the agreement to enter into force on the date of receipt of your reply note."

I have the honor to confirm to you that the provisions set forth in the said note are acceptable to the Government of Greece and that it is agreed that your note and this reply constitute an agreement between our two Governments on this subject, the agreement to enter into force on the date of receipt of this note.

Accept, sir, the assurances of my highest consideration.

The Ambassador of Greece:

A. G. POLITIS

The Honorable

HENRY A. BYROADE

*Assistant Secretary of State  
for Near Eastern, South Asian and African Affairs,  
Department of State,  
Washington, D. C.*

ECONOMIC  
COOPERATION  
AGREEMENT

Between

The UNITED STATES of AMERICA

and

GREECE

DEPARTMENT OF STATE

**ECONOMIC COOPERATION AGREEMENT  
BETWEEN  
THE UNITED STATES OF AMERICA AND GREECE**

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Preamble

- 1 -

The Governments of the United States of America and Greece:

Recognizing that the restoration or maintenance in European countries of principles of individual liberty, free institutions, and genuine independence rests largely upon the establishment of sound economic conditions, stable international economic relationships, and the achievement by the countries of Europe of a healthy economy independent of extraordinary outside assistance;

Recognizing that a strong and prosperous European economy is essential for the attainment of the purposes of the United Nations;

Considering that the achievement of such conditions calls for a European recovery plan of self-help and mutual cooperation, open to all nations which cooperate in such a plan, based upon a strong production effort, the expansion of foreign trade, the creation or maintenance of internal financial stability and the development of economic cooperation, including all possible steps to establish and maintain valid rates of exchange and to reduce trade barriers;

Considering that in furtherance of these principles the Government of Greece has joined with other like-minded nations in a Convention for European Economic Cooperation signed at Paris on April 16, 1948 under which the signatories of that Convention agreed to undertake as their immediate task the elaboration and execution of a joint recovery program, and that the Government of Greece is a member of the Organization for European Economic Cooperation created pursuant to the provisions of that Convention;

Considering also that, in furtherance of these principles, the Government of the United States of America has enacted the Economic Cooperation Act of 1948, providing for the furnishing of assistance by the United States of America to nations participating in a joint program for European recovery, in order to enable such nations through their own individual and concerted efforts to become independent of extraordinary outside economic assistance;

Taking note that the Government of Greece has already expressed its adherence to the purposes and policies of the Economic Cooperation Act of 1948;

Desiring to set forth the understandings which govern the furnishing of assistance by the Government of the United States of America under the Economic Cooperation Act of 1948, the receipt of such assistance by Greece, and the measures which the two Governments will take individually and together in furthering the recovery of Greece as an integral part of the joint program for European recovery;

Have agreed as follows:

Article I

(Assistance and Cooperation)

1. The Government of the United States of America undertakes to assist Greece, by making available to the Government of Greece or to any person, agency or organization designated by the latter Government, such assistance as may be requested by it and approved by the Government of the United States of America. The Government of the United States of America will furnish this assistance under the provisions, and subject to all of the terms, conditions and termination provisions, of the Economic Cooperation Act of 1948, acts amendatory and supplementary thereto and appropriation acts thereunder, and will make available to the Government of Greece only such commodities, services and other assistance as are authorized to be made available by such acts.

2. The Government of Greece, acting individually and through the Organization for European Economic Cooperation, consistently with the Convention for European Economic Cooperation signed at Paris on April 16, 1948, will exert sustained efforts in common with other participating countries speedily to achieve through a joint recovery program economic conditions in Europe essential to lasting peace and prosperity and to enable the countries of Europe participating in such a joint recovery program to become independent of extraordinary outside economic assistance within the period of this Agreement. The Government of Greece reaffirms its intention to take action to carry out the provisions of the General Obligations of the Convention for European Economic Cooperation, to continue to

participate actively in the work of the Organization for European Economic Cooperation, and to continue to adhere to the purposes and policies of the Economic Cooperation Act of 1948.

3. With respect to assistance furnished by the Government of the United States of America to Greece and procured from areas outside the United States of America, its territories and possessions, the Government of Greece will cooperate with the Government of the United States of America in ensuring that procurement will be effected at reasonable prices and on reasonable terms and so as to arrange that the dollars thereby made available to the country from which the assistance is procured are used in a manner consistent with any arrangements made by the Government of the United States of America with such country.



Article II

(General Undertakings)

1. In order to achieve the maximum recovery through the employment of assistance received from the Government of the United States of America, the Government of Greece will use its best endeavors:

(a) to adopt or maintain the measures necessary to ensure efficient and practical use of all the resources available to it, including

- (1) such measures as may be necessary to ensure that the commodities and services obtained with assistance furnished under this Agreement are used for purposes consistent with this Agreement and, as far as practicable, with the general purposes outlined in the schedules furnished by the Government of Greece in support of the requirements of assistance to be furnished by the Government of the United States of America;
- (ii) the observation and review of the use of such resources through an effective follow-up system approved by the Organization for European Economic Cooperation; and
- (iii) to the extent practicable, measures to locate, identify and put into appropriate use in furtherance of the joint program for European recovery, assets, and earnings therefrom, which belong to nationals

of Greece and which are situated within the United States of America, its territories or possessions. Nothing in this clause imposes any obligation on the Government of the United States of America to assist in carrying out such measures or on the Government of Greece to dispose of such assets;

- (b) to promote the development of industrial and agricultural production on a sound economic basis; to achieve such production targets as may be established through the Organization for European Economic Cooperation; and when desired by the Government of the United States of America, to communicate to that Government detailed proposals for specific projects contemplated by the Government of Greece to be undertaken in substantial part with assistance made available pursuant to this Agreement, including whenever practicable projects for increased production of food, coal and steel;
- (c) to stabilize its currency, establish or maintain a valid rate of exchange, balance its governmental budget as soon as practicable, create or maintain internal financial stability, and generally

restore or maintain confidence in its monetary systems; and

- (d) to cooperate with other participating countries in facilitating and stimulating an increasing interchange of goods and services among the participating countries and with other countries and in reducing public and private barriers to trade among themselves and with other countries.

2. Taking into account Article 8 of the Convention for European Economic Cooperation looking toward the full and effective use of manpower available in the participating countries, the Government of Greece will accord sympathetic consideration to proposals made in conjunction with the International Refugee Organization directed to the largest practicable utilization of manpower available in any of the participating countries in furtherance of the accomplishment of the purposes of this Agreement.

3. The Government of Greece will take the measures which it deems appropriate, and will cooperate with other participating countries, to prevent, on the part of private or public commercial enterprises, business practices or business arrangements affecting international trade which restrain competition, limit access to markets or foster monopolistic control whenever such practices or arrangements have the effect of interfering with the achievement of the joint program of European recovery.

Article III

(Guaranties)

1. The Governments of the United States of America and Greece will, upon the request of either Government, consult respecting projects in Greece proposed by nationals of the United States of America and with regard to which the Government of the United States of America may appropriately make guaranties of currency transfer under Section 111(b)(3) of the Economic Cooperation Act of 1948.

2. The Government of Greece agrees that if the Government of the United States of America makes payment in United States dollars to any person under such a guaranty, any drachmae, or credits in drachmae, assigned or transferred to the Government of the United States of America pursuant to that section shall be recognized as property of the Government of the United States of America.

Article IV

(Local Currency)

1. The provisions of this Article shall apply only with respect to assistance which may be furnished by the Government of the United States of America on a grant basis.

2. The Government of Greece will establish a special account in the Bank of Greece in the name of the Government of Greece (hereinafter called the Special Account) and will make deposits in drachmas to this account as follows:

(a) The unencumbered balance at the close of business on the day of the signature of this Agreement in the account in the Bank of Greece in the name "Greek State-Relief Drachmas Fund" established pursuant to the Agreement between the Government of the United States of America and the Government of Greece made on July 8, 1947, and any further sums which may, from time to time, be required by such Agreement to be deposited in such account. It is understood that subsection (e) of Section 114 of the Economic Cooperation Act of 1948 constitutes the approval and determination of the Government of the United States of America with respect to the disposition of such balance, referred to in that Agreement.

(b) The unencumbered balances of the deposits made by the Government of Greece pursuant to the exchange of notes between the two Governments completed May 12, 1948.

(c) Amounts commensurate with the indicated dollar cost to the Government of the United States of America of commodities, services

and technical information (including any costs of processing, storing, transporting, repairing or other services incident thereto) made available to Greece on a grant basis by any means authorized under the Economic Cooperation Act of 1948, less, however, the amount of the deposits made pursuant to the exchange of notes referred to in sub-paragraph (b). The Government of the United States of America shall from time to time notify the Government of Greece of the indicated dollar cost of any such commodities, services and technical information, and the Government of Greece will thereupon deposit in the Special Account a commensurate amount of drachmas computed at a rate of exchange which shall be the par value agreed at such time with the International Monetary Fund, provided that this agreed value is the single rate applicable to the purchase of dollars for imports into Greece. If at the time of notification a par value for the drachma is agreed with the Fund and there are one or more other effective rates applicable to the purchase of dollars for imports into Greece (whether such effective rate represents an agreed par value plus the current market value of dollar exchange certificates, or otherwise,) or, if at the time of notification no par value for the drachma is agreed with the Fund, the rate or rates for this particular purpose shall be mutually agreed upon between the Government of Greece and the Government of the United States of America. The term "effective rate" shall include, but not by way of limitation, the market value at the time of notification of dollar exchange certificates if such certificates are required to

complete any imports into Greece. The Government of Greece may at any time make advance deposits in the Special Account which shall be credited against subsequent notifications pursuant to this paragraph.

3. The Government of the United States of America will from time to time notify the Government of Greece of its requirements for administrative expenditures in drachmae within Greece incident to operations under the Economic Cooperation Act of 1948, and the Government of Greece will thereupon make such sums available out of any balances in the Special Account in the manner requested by the Government of the United States of America in the notification.

4. Five percent of each deposit made pursuant to this Article in respect of assistance furnished under authority of the Foreign Aid Appropriation Act, 1949, shall be allocated to the use of the Government of the United States of America for its expenditures in Greece, and sums made available pursuant to paragraph 3 of this Article shall first be charged to the amounts allocated under this paragraph.

5. The Government of Greece will further make such sums of drachmae available out of any balances in the Special Account as may be required to cover costs (including port, storage, handling and similar charges) of transportation from any point of entry in Greece to the consignee's designated point of delivery in Greece of such relief supplies and packages as

are referred to in Article VI.

6. The Government of Greece may draw upon any remaining balance in the Special Account for such purposes as may be agreed from time to time with the Government of the United States of America. In considering proposals put forward by the Government of Greece for drawings from the Special Account, the Government of the United States of America will take into account the need for promoting or maintaining internal monetary and financial stabilization in Greece and for stimulating productive activity and international trade and the exploration for and development of new sources of wealth within Greece, including in particular:

(a) expenditures upon the exploration for and development of additional production of materials which may be required in the United States of America because of deficiencies or potential deficiencies in the resources of the United States of America; and

(b) expenditures upon projects or programs, including those which are part of a comprehensive program for the development of the productive capacity of Greece and the other participating countries, and projects or programs the external costs of which are being covered by assistance rendered by the Government of the United States of America



under the Economic Cooperation Act of 1948 or otherwise, or by loans from the International Bank for Reconstruction and Development.

7. Any unencumbered balance, other than unexpended amounts allocated under paragraph 4 of this Article, remaining in the Special Account on June 30, 1952, shall be disposed of within Greece for such purposes as may hereafter be agreed between the Governments of the United States of America and Greece, it being understood that the agreement of the United States of America shall be subject to approval by Act or joint resolution of the Congress of the United States of America.

8. The Government of Greece will continue to maintain in the Bank of Greece the account known as the "Drachma Reconstruction and Agricultural Rehabilitation Fund" established pursuant to the Agreement between the Government of the United States of America and the Government of Greece of June 20, 1947, and will make further deposits in drachmas to this account as follows:

(a) Amounts commensurate with the indicated dollar cost to the Government of the United States of America (including any costs of processing, storing, transporting, repairing, or other services incident thereto) of all imports (other than those otherwise specified in this sub-paragraph)

procured directly by the Government of the United States of America pursuant to the said Agreement of June 20, 1947 and delivered to the Government of Greece, less, however, amounts heretofore deposited in the aforesaid account pursuant to the said Agreement. The amount of drachmas to be deposited shall be computed at a rate of exchange in accordance with the provisions of Section 2(c) of this Article. The Government of the United States of America shall from time to time notify the Government of Greece of the indicated dollar cost of imports so delivered and the Government of Greece will thereupon deposit in the Drachma Reconstruction and Agricultural Rehabilitation Fund account a commensurate amount of drachmas computed as provided above. Drachmas will not be deposited to the Drachma Reconstruction and Agricultural Rehabilitation Fund account for imports which the two Governments have agreed or may agree shall be made available to the Government of Greece without the deposit of drachmas.

(b) The unencumbered balances at the close of business on the day of the signature of this Agreement in the accounts of the Government of Greece in the Bank of Greece known as the "Proceeds of Sales at the Disposal of AMAG" and "Proceeds of Issue and Sale by Bank of Exchange Certificates Against AMAG Funds", and no

further deposit shall be made in such accounts. Thereafter the drachmas proceeds which are derived from the dollars made available to the Government of Greece by the American Mission for Aid to Greece by deposit in the "Bank of Greece, Special Account--AMAG" and which would otherwise have been required to be deposited to these two accounts shall be deposited immediately by the Government of Greece directly into the Drachma Reconstruction and Agricultural Rehabilitation Fund account.

9. The Government of Greece may draw upon the Drachma Reconstruction and Agricultural Rehabilitation Fund account for payment of obligations established by written agreements heretofore made between the Government of Greece and the American Mission for Aid to Greece representing the Government of the United States of America, provided that such withdrawals have the written approval of the Government of the United States of America.

10. The Government of Greece may draw upon the Drachma Reconstruction and Agricultural Rehabilitation Fund account for such further purposes as may be agreed upon from time to time with the Government of the United States of America. In considering proposals put forward by the Government of Greece for drawing from the Fund, the Government of the United States of America will take

into consideration and give priority to the need for completing and continuing programs and projects undertaken pursuant to the Agreement of June 20, 1947, such as for the reconstruction and rehabilitation of highways, railroads, ports, canals, airfields, housing, schools, reclamation, waterworks, and telecommunications; the improvement and rehabilitation of industry, mining, public health, agriculture, and the production, processing and storage of food; and for governmental decentralization, work relief, and other civil and military projects undertaken by the Government of Greece with the prior approval of the Government of the United States of America.

11. The Government of the United States of America will from time to time notify the Government of Greece of its requirements for administrative expenditures in drachmas incident to the operations under the Act "To Provide for Assistance to Greece and Turkey", Public Law 75, approved May 22, 1947, as amended, and the Government of Greece will thereupon make such sums available out of any balances in the Drachma Reconstruction and Agricultural Rehabilitation Fund account in the manner requested by the Government of the United States of America in the notification.

Article V

(Access to Materials)

1. The Government of Greece will facilitate the transfer to the United States of America, for stockpiling or other purposes, of materials originating in Greece which are required by the United States of America as a result of deficiencies or potential deficiencies in its own resources, upon such reasonable terms of sale, exchange, barter or otherwise, and in such quantities, and for such period of time, as may be agreed to between the Governments of the United States of America and Greece, after due regard for the reasonable requirements of Greece for domestic use and commercial export of such materials. The Government of Greece will take such specific measures as may be necessary to carry out the provisions of this paragraph, including the promotion of the increased production of such materials within Greece, and the removal of any hindrances to the transfer of such materials to the United States of America. The Government of Greece will, when so requested by the Government of the United States of America, enter into negotiations for detailed arrangements necessary to carry out the provisions of this paragraph.

2. Recognizing the principle of equity in respect to the drain upon the natural resources of the United States of America and of the participating countries, the Government of

Greece will, when so requested by the Government of the United States of America, negotiate where applicable (a) a future schedule of minimum availabilities to the United States of America for future purchase and delivery of a fair share of materials originating in Greece which are required by the United States of America as a result of deficiencies or potential deficiencies in its own resources at world market prices so as to protect the access of United States industry to an equitable share of such materials either in percentages of production or in absolute quantities from Greece, (b) arrangements providing suitable protection for the right of access for any citizen of the United States of America or any corporation, partnership, or other association created under the laws of the United States of America or of any State or Territory thereof and substantially beneficially owned by citizens of the United States of America, in the development of such materials on terms of treatment equivalent to those afforded to the nationals of Greece, and, (c) an agreed schedule of increased production of such materials where practicable in Greece and for delivery of an agreed percentage of such increased production to be transferred to the United States of America on a long-term basis in consideration of assistance furnished by the United States of America under this Agreement.

3. The Government of Greece, when so requested by the Government of the United States of America, will cooperate, wherever appropriate, to further the objectives of paragraphs 1 and 2 of this Article in respect of materials originating outside of Greece.

Article VI

(Travel Arrangements and Relief Supplies)

1. The Government of Greece will cooperate with the Government of the United States of America in facilitating and encouraging the promotion and development of travel by citizens of the United States of America to and within participating countries.

2. The Government of Greece will, when so desired by the Government of the United States of America, enter into negotiations for agreements (including the provision of duty-free treatment under appropriate safeguards) to facilitate the entry into Greece of supplies of relief goods donated to or purchased by United States voluntary non-profit relief agencies and of relief packages originating in the United States of America and consigned to individuals residing in Greece.



Article VII

(Consultation and Transmittal of Information)

1. The two Governments will, upon the request of either of them, consult regarding any matter relating to the application of this Agreement or to operations or arrangements carried out pursuant to this Agreement.

2. The Government of Greece will communicate to the Government of the United States of America in a form and at intervals to be indicated by the latter after consultation with the Government of Greece:

- (a) detailed information of projects, programs and measures proposed or adopted by the Government of Greece to carry out the provisions of this Agreement and the General Obligations of the Convention for European Economic Cooperation;
- (b) full statements of operations under this Agreement, including a statement of the use of funds, commodities and services received thereunder, such statements to be made in each calendar quarter;
- (c) information regarding its economy and any other relevant information, necessary to supplement that obtained by the Government of the United States of America from the Organization for European Economic Cooperation, which the

Government of the United States of America may need to determine the nature and scope of operations under the Economic Cooperation Act of 1948, and to evaluate the effectiveness of assistance furnished or contemplated under this Agreement and generally the progress of the joint recovery program.

3. The Government of Greece will assist the Government of the United States of America to obtain information relating to the materials originating in Greece referred to in Article V which is necessary to the formulation and execution of the arrangements provided for in that Article.

Article VIII

(Publicity)

1. The Governments of the United States of America and Greece recognize that it is in their mutual interest that full publicity be given to the objectives and progress of the joint program for European recovery and of the actions taken in furtherance of that program. It is recognized that wide dissemination of information on the progress of the program is desirable in order to develop the sense of common effort and mutual aid which are essential to the accomplishment of the objectives of the program.

2. The Government of the United States of America will encourage the dissemination of such information and will make it available to the media of public information.

3. The Government of Greece will encourage the dissemination of such information both directly and in cooperation with the Organization for European Economic Cooperation. It will make such information available to the media of public information and take all practicable steps to ensure that appropriate facilities are provided for such dissemination. It will further provide other participating countries and the Organization for European Economic Cooperation with full information on the progress of the program for economic recovery.

4. The Government of Greece will make public in Greece in each calendar quarter, full statements of operations under this Agreement, including information as to the use of funds, commodities and services received.

Article IX

(Missions)

1. The Government of Greece agrees to receive a Special Mission for Economic Cooperation which will discharge the responsibilities of the Government of the United States of America in Greece under this Agreement, and may discharge such of the responsibilities of a non-military character of the Government of the United States of America in Greece under the Agreement of June 20, 1947, as may be decided by the Government of the United States of America. In the discharge of such responsibilities under the Agreement of June 20, 1947, such Special Mission shall be regarded as the equivalent of the American Mission for Aid to Greece, insofar as activities in connection with the furnishing of non-military assistance are concerned, for the purposes of the said Agreement of June 20, 1947, and for the purposes of presently existing private contracts and presently existing agreements, contracts and legislative and executive action of the Government of Greece pursuant to the said Agreement of June 20, 1947.

2. Responsibilities in Greece of the Government of the United States of America under the Agreement of June 20, 1947 which are not by decision of the Government of the United States of America assumed for discharge by the Special Mission for Economic Cooperation will continue to be discharged by the American Mission for Aid to Greece.

3. The Government of Greece agrees to consider the Special Mission and its personnel, and the United States Special Representative in Europe, as a part of the American Mission for Aid to Greece for the purpose of enjoying the privileges and immunities accorded to the

American Mission for Aid to Greece and its personnel in Greece. The Government of Greece will further accord appropriate courtesies to the members and staff of the Joint Committee on Foreign Economic Cooperation of the Congress of the United States of America, and grant them the facilities and assistance necessary to the effective performance of their responsibilities.

4. The Government of Greece, directly and through its representatives on the Organization for European Economic Cooperation, will extend full cooperation to the Special Mission, to the United States Special Representative in Europe and his staff, and the members and staff of the Joint Committee. Such cooperation shall include the provision of all information and facilities, necessary to the observation and review of the carrying out of this Agreement, including the use of assistance furnished under it.

Article X

(Settlement of Claims of Nationals)

1. The Governments of the United States of America and Greece agree to submit to the decision of the International Court of Justice any claim espoused by either Government on behalf of one of its nationals against the other Government for compensation for damage arising as a consequence of governmental measures (other than measures concerning enemy property or interests) taken after April 3, 1948, by the other Government and affecting property or interests of such national, including contracts with or concessions granted by duly authorized authorities of such other Government. It is understood that the undertaking of the Government of the United States of America in respect of claims espoused by the Government of Greece pursuant to this Article is made under the authority of and is limited by the terms and conditions of the recognition by the United States of America of the compulsory jurisdiction of the International Court of Justice under Article 36 of the Statute of the Court, as set forth in the Declaration of the President of the United States of America dated August 14, 1946. The provisions of this paragraph shall be in all respects without prejudice to other rights of access, if any, of either Government to the International Court of Justice or to the espousal and presentation of claims based upon alleged violations by either Government of rights and duties arising under treaties, agreements or principles of international law.

2. The Governments of the United States of America and Greece further agree that such claims may be referred, in lieu of the Court, to any arbitral tribunal mutually agreed upon.

3. It is further understood that neither Government will espouse a claim pursuant to this Article until its national has exhausted the remedies available to him in the administrative and judicial tribunals of the country in which the claim arose.

Article XI

(Definitions)

As used in this Agreement the term "participating country"

means

- (i) any country which signed the Report of the Committee of European Economic Cooperation at Paris on September 22, 1947, and territories for which it has international responsibility and to which the Economic Cooperation Agreement concluded between that country and the Government of the United States of America has been applied, and
- (ii) any other country (including any of the zones of occupation of Germany, and areas under international administration or control, and the Free Territory of Trieste or either of its zones) wholly or partly in Europe, together with dependent areas under its administration;

for so long as such country is a party to the Convention for European Economic Cooperation and adheres to a joint program for European recovery designed to accomplish the purposes of this Agreement.



Article XII

(Relation to Agreement of June 20, 1947)

The Government of the United States of America and the Government of Greece hereby agree that it is their intention that the present Agreement shall be considered to be in addition to, and not in substitution for, the Agreement between the Government of the United States of America and the Government of Greece, executed June 20, 1947, (including the provisions of a Note, dated June 15, 1947, of the Government of Greece to the Government of the United States of America which is referred to in said Agreement of June 20, 1947) relating to assistance to be rendered to the Government of Greece under the Act of Congress of the United States of America approved May 22, 1947 (Public Law 75, 80th Congress), and any Acts amendatory or supplementary thereto; and the various undertakings of the Government of Greece therein contained, insofar as they relate to non-military matters, shall apply equally to all assistance rendered by the Government of the United States of America to the Government of Greece under the present Agreement relating to the participation of the Government of Greece in the European recovery program, except as may hereafter be specifically agreed to by the Government of the United States of America and the Government of Greece.

Article XIII

(Entry into Force, Amendment, Duration)

1. This Agreement shall be subject to ratification by the Government of Greece. It shall become effective on the day on which notice of such ratification is given to the Government of the United States of America. Subject to the provisions of paragraphs 2 and 3 of this Article, it shall remain in force until June 30, 1953, and, unless at least six months before June 30, 1953, either Government shall have given notice in writing to the other of intention to terminate the Agreement on that date, it shall remain in force thereafter until the expiration of six months from the date on which such notice shall have been given.

2. If, during the life of this Agreement, either Government should consider there has been a fundamental change in the basic assumptions underlying this Agreement, it shall so notify the other Government in writing and the two Governments will thereupon consult with a view to agreeing upon the amendment, modification or termination of this Agreement. If, after three months from such notification, the two Governments have not agreed upon the action to be taken in the circumstances, either Government may give notice in writing to the other of intention to terminate this Agreement. Then, subject to the provisions of paragraph 3 of this Article, this Agreement shall terminate either:

- (a) six months after the date of such notice of intention to terminate, or

(b) after such shorter period as may be agreed to be sufficient to ensure that the obligations of the Government of Greece are performed in respect of any assistance which may continue to be furnished by the Government of the United States of America after the date of such notice;

provided however, that Article V and paragraph 3 of Article VII shall remain in effect until two years after the date of such notice of intention to terminate, but not later than June 30, 1953.

3. Subsidiary agreements and arrangements negotiated pursuant to this Agreement may remain in force beyond the date of termination of this Agreement and the period of effectiveness of such subsidiary agreements and arrangements shall be governed by their own terms. Article IV shall remain in effect until all the sums in the currency of Greece required to be deposited in accordance with its own terms have been disposed of as provided in that Article. Paragraph 2 of Article III shall remain in effect for so long as the guaranty payments referred to in that Article may be made by the Government of the United States of America.

4. This Agreement may be amended at any time by agreement between the two Governments.

5. The Annex to this Agreement forms an integral part thereof.

6. This Agreement shall be registered with the Secretary-General of the United Nations.

IN WITNESS WHEREOF the respective representatives, duly authorized for the purpose, have signed the present Agreement.

DONE at Athens, in duplicate, in the English and Greek languages, both texts authentic, this second day of July, 1948.

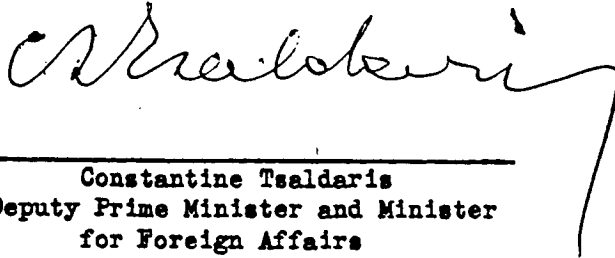
For the Government of the United States of America:



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K. L. Rankin  
Chargé d'Affaires ad Interim

Government of Greece:



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Constantine Tsaldaris  
Deputy Prime Minister and Minister  
for Foreign Affairs

ANNEX

Interpretative Notes

1. It is understood that the requirements of paragraph 1 (a) of Article II, relating to the adoption of measures for the efficient use of resources, would include, with respect to commodities furnished under the Agreement, effective measures for safeguarding such commodities and for preventing their diversion to illegal or irregular markets or channels of trade.

2. It is understood that the obligation under paragraph 1 (c) of Article II to balance the budget as soon as practicable would not preclude deficits over a short period but would mean a budgetary policy involving the balancing of the budget in the long run.

3. It is understood that the business practices and business arrangements referred to in paragraph 3 of Article II mean:

- (a) fixing prices, terms or conditions to be observed in dealing with others in the purchase, sale or lease of any product;
- (b) excluding enterprises from, or allocating or dividing, any territorial market or field of business activity, or allocating customers, or fixing sales quotas or purchase quotas;
- (c) discriminating against particular enterprises;
- (d) limiting production or fixing production quotas;
- (e) preventing by agreement the development or application of technology or invention whether patented or unpatented;
- (f) extending the use of rights under patents, trade marks or copyrights granted by either country to matters which,

according to its laws and regulations, are not within the scope of such grants, or to products or conditions of production, use or sale which are likewise not the subjects of such grants; and

(g) such other practices as the two Governments may agree to include.

4. It is understood that the Government of Greece is obligated to take action in particular instances in accordance with paragraph 3 of Article II only after appropriate investigation or examination.

5. It is understood that the phrase in Article V "after due regard for the reasonable requirements of Greece for domestic use" would include the maintenance of reasonable stocks of the materials concerned and that the phrase "commercial export" might include barter transactions. It is also understood that arrangements negotiated under Article V might appropriately include provision for consultation, in accordance with the principles of Article 32 of the Havana Charter for an International Trade Organization, in the event that stockpiles are liquidated.

6. It is understood that the Government of Greece will not be requested, under paragraph 2 (a) of Article VII, to furnish detailed information about minor projects or confidential commercial or technical information the disclosure of which would injure legitimate commercial interests.

7. It is understood that any agreements which might be arrived at pursuant to paragraph 2 of Article X would be subject to ratification by the Senate of the United States of America.

8. It is understood that if the Government of Greece should accept the compulsory jurisdiction of the International Court of Justice under Article 36 of the Statute of the Court, on suitable terms and conditions, the two Governments will consult with a view to replacing the second sentence of paragraph 1 of Article X with provisions along the following lines: "It is understood that the undertaking of each Government in respect of claims espoused by the other Government pursuant to this paragraph is made in the case of each Government under the authority of and is limited by the terms and conditions of such effective recognition as it has heretofore given to the compulsory jurisdiction of the International Court of Justice under Article 36 of the Statute of the Court."