

TRUE COPY

No. 23/68

Dar es Salaam, February 8, 1968

Excellency:

I have the honor to refer to recent conversations between representatives of our two Governments and to advise you that the Government of the United States of America will be prepared to furnish to the Government of the United Republic of Tanzania economic, technical and related assistance in accordance with the understandings set forth below:

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 United Republic of Tanzania, 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 United Republic of Tanzania. The

His Excellency

A.H. Jamal,

Minister for Finance,

Dar es Salaam

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 United Republic of Tanzania will make the fullest contribution permitted by its manpower, resources, facilities and general economic condition in furtherance of the purpose 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 permit 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 United Republic of Tanzania full publicity concerning programs and operations hereunder. With respect to cooperative technical assistance programs hereunder, the Government of the United Republic of Tanzania will also bear a fair share of the costs thereof; will, to the maximum extent possible, seek full coordination and integration of such programs with other technical cooperation programs being carried on in the United Republic of Tanzania; and will cooperate

with other nations participating in such programs in the mutual exchange of technical knowledge and skills.

In any case where commodities or services are furnished on a grant basis under arrangements which will result in the accruals of proceeds to the Government of the United Republic of Tanzania from the import or sale of such commodities or services, the Government of the United Republic of Tanzania, 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 with the Bank of Tanzania; will deposit promptly in such Special Account the amounts of local currency equivalent to such proceeds; and, upon notification from time to time by the Government of the United States of America of its local currency requirements, 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 notifications to be necessary for such requirements.

~~The Government of the United Republic of Tanzania may draw upon any remaining~~ balances in the Special Account for such purposes beneficial to the United Republic of Tanzania as may be agreed upon from time to time by the representatives referred to in paragraph 1 hereof. Any unencumbered balance of funds which remain in the Special Account upon termination of assistance hereunder to the Government of the United Republic of Tanzania shall be disposed of for such purposes as may be agreed upon by the representatives referred to in paragraph 1 hereof.

4. The Government of the United States of America and the Government of the United Republic of Tanzania agree that a special mission and its personnel will be received by the Government of the United Republic of Tanzania to carry out and discharge the responsibilities of the Government of the United States under this agreement. The Government of the United Republic of Tanzania agree to give full cooperation to the special mission and its personnel, including the furnishing of facilities necessary for the purpose of carrying out the provisions of this agreement. The Government of the United Republic of Tanzania also agree to afford full and complete immunity from both civil and criminal jurisdiction to all personnel accredited to the special mission except citizens and permanent residents of the United Republic to perform work in connection herewith.
5. In order to assure the maximum benefits to the people of the United Republic of Tanzania from the assistance to be furnished hereunder:
  - a) Any supplies, materials, equipment or funds introduced into or acquired in the United Republic of Tanzania 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, materials, equipment or funds are used in Tanzania in connection with such a program or project, be exempt from any taxes or ownership or use of property, and any other taxes, investment or deposit requirements and currency controls in the United Republic of Tanzania, and the import, export, purchase, or use of any such supplies,

