No. 9896

UNITED STATES OF AMERICA
and
INDONESIA

Exchange of notes constituting an agreement relating to investment guaranties. Djakarta, 7 January 1967

Authentic text: English.

Registered by the United States of America on 1 October 1969.

ÉTATS-UNIS D'AMÉRIQUE
et
INDONÉSIE

Échange de notes constituant un accord relatif à la garantie des investissements. Djakarta, 7 janvier 1967

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 1er octobre 1969.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT[1] BETWEEN THE UNITED STATES OF AMERICA AND INDONESIA RELATING TO INVESTMENT GUARANTIES

I

Djakarta, January 7, 1967

Excellency:

I have the honor to refer to conversations which have recently taken place between representatives of our two Governments relating to investments in Indonesia which further the development of the economic resources and productive capacities of Indonesia and to guaranties of such investments by the Government of the United States of America. I also have the honor to confirm the following understandings reached as a result of those conversations:

1. When nationals of the Government of the United States of America, hereinafter called the Guaranteeing Government, propose to invest with the assistance of guaranties issued pursuant to this Agreement in a project or activity within the territorial jurisdiction of the Government of the Republic of Indonesia, hereinafter called the Host Government, the two Governments shall, upon the request of either, consult respecting the nature of the project or activity and its contribution to economic and social development in Indonesia.

2. The procedures set forth in this Agreement shall apply only with respect to guaranteed investments in projects or activities approved by the Host Government.

3. If the Guaranteeing Government makes payment to any investor under a guaranty issued pursuant to the present Agreement, the Host Government shall, subject to the provisions of the following paragraph, recognize the transfer to the Guaranteeing Government of any currency, credits, assets, or investment on account of which payment under such guaranty is made as well as the succession of the Guaranteeing Government to any right, title, claim, privilege, or cause of action existing, or which may arise, in connection therewith.

4. To the extent that the laws of the Host Government partially or wholly invalidate the acquisition of any interests in any property within its national territory by the Guaranteeing Government, the Host Government shall permit such investor

[1] Came into force on 22 August 1967, the date of the note by which the Government of Indonesia communicated to the Government of the United States of America that the Agreement had been approved in conformity with its constitutional procedures, in accordance with paragraph 8.