

No. 3273

**UNITED STATES OF AMERICA
and
EL SALVADOR**

**Agreement for a co-operative program of productivity.
Signed at San Salvador, on 14 May 1953**

Official texts: English and Spanish.

Registered by the United States of America on 17 April 1956.

**ÉTATS-UNIS D'AMÉRIQUE
et
SALVADOR**

**Accord relatif à un programme de coopération dans le
domaine de la productivité. Signé à San-Salvador, le
14 mai 1953**

Textes officiels anglais et espagnol.

Enregistré par les États-Unis d'Amérique le 17 avril 1956.

No. 3273. AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF EL SALVADOR FOR A CO-OPERATIVE PROGRAM OF PRODUCTIVITY. SIGNED AT SAN SALVADOR, ON 14 MAY 1953

The Government of the United States of America and the Government of El Salvador

Have agreed as follows :

Article I. The Operating Agencies

Pursuant to the General Agreement for Technical Cooperation, signed on behalf of the two Governments at San Salvador on April 4, 1952,² a cooperative program of productivity shall be initiated in El Salvador. The obligations assumed herein by the Government of El Salvador will be performed by it through its Ministry of Economy (hereinafter referred to as the "Ministry"). The obligations assumed herein by the Government of the United States of America will be performed by it through the Technical Cooperation Administration (hereinafter referred to as the "Administration"), an agency of the Government of the United States of America. The Administration may discharge its obligations under this Agreement through The Institute of Inter-American Affairs, the regional office of the Administration for Latin America, and may obtain the assistance of other agencies of the Government of the United States of America and of other public and private agencies in the discharge of those obligations. The Ministry, on behalf of the Government of El Salvador, and the Administration, on behalf of the Government of the United States of America, shall participate jointly in all phases of the planning and administration of the cooperative program. This Agreement and all activities carried out pursuant to it shall be governed by the provisions of the said General Agreement for Technical Cooperation.

Article II. Objectives

The objectives of this cooperative program of productivity are :

1. To facilitate the development of productivity in El Salvador through cooperative action on the part of the two governments ;

¹ Came into force on 14 May 1953, the date of signature, in accordance with article XIII

² United Nations, *Treaty Series*, Vol. 177, p. 219

2. To stimulate and increase the interchange between the two countries of knowledge, skills and techniques so that the benefits of increased productivity equitably distributed may contribute to higher standards of living through more efficient production and more widespread consumption of goods, reduced costs and improved earnings ;

3. To promote and strengthen understanding and good will between the peoples of El Salvador and the United States of America, and to foster the growth of democratic ways of life.

Article III. Fields of Activity

This cooperative program of productivity will include, to the extent that the parties from time to time agree thereon, operations of the following types :

1. Studies of the needs of El Salvador for development of productivity, and the resources which are available to meet those needs ;

2. The formulation and continuous adaptation of a program to help meet such needs ;

3. The initiation and administration of such projects for the improvement of productivity in industry, commerce, and service activities, as : plant layout ; machinery selection and maintenance ; inventory, selection, testing and handling of materials ; warehousing and storage ; production planning ; tool, material and quality control systems ; methods engineering ; economic, industrial, technical and marketing research ; finance and accounting organization and procedures ; sales and advertising techniques ; distribution and marketing of products ; labor-management relations, collective bargaining, peaceful settlement of labor disputes ; industrial training ; personnel ; job engineering ; wage payment systems ; industrial safety ; productivity measurement ; and such other projects appropriate to the program as the parties may agree upon.

Article IV. The Technical Mission

The Administration agrees to furnish a group of technicians and specialists to collaborate in carrying out the cooperative program of productivity. The technicians and specialists made available by the Administration under this Agreement, together with those so made available under other program agreements, will constitute the Technical Mission of the Administration in El Salvador. The Technical Mission shall be headed by a Director of Technical Cooperation hereinafter referred to as the "Director"). The Director and other members of the Technical Mission shall be appointed by the Government of the United States of America but shall be acceptable to the Government of El Salvador.

Article V. The Center

There is hereby established the Inter-American Industrial Productivity Center (hereinafter referred to as the "Center"). The Center shall serve as an agency of the Government of El Salvador and shall administer the cooperative program of productivity in accordance with the provisions of this Agreement. The Minister of Economy of El Salvador (hereinafter referred to as "the Minister"), or his designee, and the Director, or his designee, shall serve as Co-Directors of the Center. Members of the Technical Mission may become officers or employees of the Center under such arrangements as may be agreed upon by the Co-Directors.

1. The monies of the Center may be maintained in such banks as the Co-Directors shall agree upon and shall be available only for the purpose of this Agreement.

2. An advisory board may be designated by the Minister of Economy for the purpose of obtaining the views of representative groups in El Salvador as to the programs of the Center and the relationship of improved industrial productivity to the national welfare of El Salvador. The advisory board shall be composed of representatives of appropriate agencies of the Government of El Salvador, industrial and commercial associations, trade union organizations, professional societies and universities and trade schools.

Article VI. Joint Contributions

The parties shall contribute and make available, to the extent provided below, monies for use in carrying out the program during the period covered by this Agreement, in accordance with the following schedules :

1. The Government of the United States of America, during the period from the date of entry into force of this Agreement through December 31, 1953, shall make available the monies necessary to pay the salaries and other expenses of the members of the Technical Mission, as well as such other expenses of an administrative nature as the Government of the United States of America may incur in connection with this cooperative program. These monies shall be administered by the Administration and shall not be deposited to the credit of the Center.

2. In addition, for the period from the date of entry into force of this Agreement through December 31, 1953, the Government of the United States of America shall contribute to the Center the sum of \$ 50,000 (Fifty Thousand Dollars). The amounts used for such payments, when expended as agreed upon by the Co-Directors, shall be considered as if deposited to the credit of the Center. The Co-Directors may hereafter agree to the deposit in cash of any part of such sum to the credit of the Center in such installments as they may agree upon.