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American aid to Thailand

EXTERNAL AFFAIRS DEPARTMENT. No. 2084/1

SUBJECT:

6697.

American Aid to Thailand.

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2084/1

4. NEW THAILAND AID PROGRAM ANNOUNCED -- (280 WORDS)

WASHINGTON, JULY 13 -- (USIS) -- THE U.S. TODAY ANNOUNCED A NEW PROGRAM OF MILITARY AND TECHNICAL ASSISTANCE TO THAILAND.

A JOINT UNITED STATES MILITARY AID GROUP, HEADED BY MAJOR GENERAL W.N. GILLMORE, WILL ADMINISTER THE NEW PROGRAM.

THE DEPARTMENT OF DEFENSE ANNOUNCEMENT SAID:

"AS A RESULT OF STAFF TALKS RECENTLY CONCLUDED BETWEEN DEPARTMENT OF DEFENSE OFFICIALS AND A THAI MILITARY MISSION HEADED BY GENERAL SRISDI DHANARAJATA, DEPUTY DEFENSE MINISTER AND COMMANDER IN CHIEF OF THE ROYAL THAI ARMY, A NEW AND ADDITIONAL MILITARY PROGRAM HAS BEEN APPROVED FOR THE THAIS SO AS TO INCREASE THE CAPABILITY OF THE THAI ARMED FORCES TO RESIST AGGRESSION."

ADDITIONAL EMPHASIS ALSO WILL BE PLACED ON THE ACCELERATED DEVELOPMENT OF JUNIOR OFFICERS, NON-COMMISSIONED OFFICERS AND TECHNICAL PERSONNEL, THE ANNOUNCEMENT ADDED. THE PROGRAM CALLS FOR ADDITIONAL SUPPORT FOR THAI TRAINING ACTIVITIES, INCLUDING THE PRO VISION OF WEAPONS, EQUIPMENT AND TECHNICAL AND TRAINING ASSISTANCE IN THEIR USE.

THE DEPARTMENT OF DEFENSE ALSO ANNOUNCED THAT APPROXIMATELY $3,000,000 WAS BEING MADE AVAILABLE TO THE THAI GOVERNMENT FOR THE CON-

Add to Rec'd dist

STRUCTION OF A HIGHWAY FROM FARABURI IN CENTRAL THAILAND THROUGH KORAT TO BAN PHAI, A DISTANCE OF 297 MILES.

WHILE THIS HIGHWAY WILL BE OF STRATEGIC VALUE IN CASE OF MILITARY OPERATIONS IN THAILAND, ITS VALUE TO THE ECONOMY WILL BE CONSIDERABLE, THE DEPARTMENT SAID.

* * * * *

T.A.

DEPARTMENT OF EXTERNAL AFFAIRS, CANBERRA.

Name of Paper: United States Information Service, File No:

Published at: Sydney (via Brisbane — Bulletin No 5 Date: 11th July 1951

T.A.

QUADRUPLICATE.

14

E+TA

File No. 100/21/1.

Australian Consulate-General,
Bangkok, Thailand.

19th February, 1951.

CONFIDENTIAL.

DEPARTMENTAL DESPATCH NO. 1/51.

TO: The Secretary, Department of External Affairs,

FROM: Australian Consul-General, BANGKOK. THAILAND.

AMERICAN AID TO THAILAND.

I refer to my Departmental Despatches Nos. 6/50 and 10/50 and other correspondence relating to the amount and nature of United States aid given to Thailand, and it seems desirable to bring up to date information on the progress of the various aid programmes.

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2. The increased interest in Thailand of the United States Government has become apparent in the last twelve months not only in the provision of aid in the form of supplies, equipment, training and technical assistance, but also in a closer and more constant study of the internal political and economic situation here. These activities have more than doubled the official staff of the Embassy and the instrumentalities connected with it. A recent list of American personnel of the United States Government in Thailand indicates that, apart from dependants and locally engaged staff (whose numbers are also substantial , there are 117 United States nationals employed. Of these, 44 are employed in the Embassy itself (political and commercial sections), 3 in the Consulate at Chingmai, 9 in the Information Service, 22 in the offices of the service attaches, 19 in the Military Aid Advisory Group, and 20 in the Special Technical Economic Mission. In comparison with other foreign missions in Thailand, of course, the American is by far the largest.

Economic Aid Programme:

3. Following on negotiations between the Thai and United States Governments, an agreement was reached on 19th September, 1950, under which the conditions concerning the receiving of economic aid were specified. A copy of the Agreement was forwarded with my memorandum No. 429/50 of 29th November, 1950. In pursuance of the Agreement, a Special Technical and Economic Mission, headed by Dr. Arthur A. Bunce, has been established in Bangkok by the United States. This Mission is considered as part of the American Embassy for the purposes of entitlement to privileges and immunities.

4. The aid provided has proceeded on a project basis, along the general lines mentioned in my despatch No. 6/50 of 13th April, 1950, and, up to the present time, E.C.A. authorisations for the purchase of supplies for Thailand have totalled U.S.$4,057,000, of which about half has already arrived. The Thai Government is also, in this year's budget, providing "counterpart funds" amounting to Baht 40,000,000.

...../5. The priority list

5. The priority list of projects mentioned in my Despatch No. 10/50 of 12th July, 1950, as well as some other matters, is now in the course of implementation. Work is proceeding on the following:-

(a) Railway repair equipment. The equipment urgently needed at the Makasan (Bangkok) workshops has in part been received, and experts are now assisting the Thai engineers in efficient methods of repair of locomotives and rolling stock.

(b) Road construction and repair equipment. The intention is to provide balanced units of equipment for the construction and repair of roads, and one such complete unit is shortly to arrive and it will be put into operation, with the assistance of expert advisers, immediately. It is intended to provide six or seven complete units within the current year's allocation of funds.

(c) Hospital supplies. A fairly large amount of these supplies have already arrived, in particular, drugs, surgical instruments and medical and surgical training equipment.

(d) Malaria-control units. One mobile unit has been received, as well as one specialist in malaria. Extensive use of insecticides is also contemplated to control mosquitoes.

(e) Irrigation equipment. A large number of small pumps have been made available for use in the North-Eastern part of Thailand, where the flooding and draining of rice fields by mechanical means is especially required.

(f) Dredging of the Menam Chao Phya bar. One dredge has been ordered and will shortly arrive. With the assistance of American experts, it is hoped that it will be put into operation and complete part of the work before the next monsoon season.

(g) Agricultural projects. The largest project now being undertaken is the establishment of a modern national agricultural centre at Bangkhen, near Bangkok. This will eventually comprise the University College of Agriculture, the Bangkhen Experimental Station and the Agricultural Extension Department, combining, that is, research and higher agricultural education. The extension of agriculture into a greater diversity of crops, as well as the development of rice plants with higher yield, is hoped will be the result of this project. Much equipment, as well as a large library, has already been provided, and U.S. experts are already engaged in the project.

(h) Mineral resources. A geological survey has been made by American experts, and was found to be most encouraging, particularly in regard to the lignite deposits both at Krabi, in the South West, and near Lampang, in the far North. As a consequence of the survey, it is intended to obtain as soon as possible mining equipment which will be put into operation with the assistance of the American experts. Provided the production of lignite is up to present expectations, the efficiency of the railway system will be greatly improved.

...../(i)Communications.

(i) Communications. A survey is now being undertaken of Thai communication services with a view to recommendations as to improvements necessary. The supply of communications equipment, in particular telephone and radio equipment, will then follow as a matter of urgency.

6. Up to the present time, 16 technical experts have arrived, but this number is expected to be greatly increased in the next month, when many more will arrive, in particular experts in public health and communications.

7. In the training programme, only two medical students have so far been sent to the United States. Basic education, including University education, is being provided to Thai students under the provisions of the Fullbright Agreement concluded with Thailand and not under the Economic Assistance Programme, which will be used only for advanced or post-graduate research students. It has been decided that large-scale training under the E.C.A. programme will be postponed somewhat until experts have had an opportunity of surveying the training requirements in the various fields in order to ensure that the training will meet the most urgent needs.

8. So that the aid programme may be properly coordinated inside the country, there has been established a Coordination Committee, consisting of top-level American and Thai members. The Thai element is headed by Mom Luang Dej Snitwong, Governor of the Bank of Thailand. As well as supervising the implementation of the programme, this Committee keeps in close touch with other organisations acting in the same field, such as the United Nations Technical Assistance Administration, other United Nations Agencies and the World Bank so that programmes are coordinated and developed on a complimentary rather than a competing basis. This Committee has set up twelve sub-committees, consisting of both American and Thai representatives. These are concerned with the following topics: foreign trade, manufactures, mining, electric power, agriculture, health, education, railways, highways, telephone and telegraph, ports and harbours, and critical materials. The objectives of these sub-committees are to work out the details of "joint cooperating policies being undertaken by the Economic Cooperative Administration at the request of the Thai Government". In addition to their American and Thai representatives, the Agricultural Sub-Committee also has a representative of the Food and Agriculture Organisation, the Health Sub-committee has representatives of the World Health Organisation and U.N.I.C.E.F., and the Education Sub-committee has a representative of U.N.E.S.C.O..

9. As a consequence of some reallocation of the E.C.A. appropriations for South East Asia, I understand that the value of the equipment and services to be provided to Thailand during the financial year ending on 30th June, 1951, will be approximately U.S.$9,400,000.

Military Aid:

10. With my memorandum No. 406/50 of 15th November, 1950, I forwarded a copy of the Military Assistance Agreement which was concluded on 17th October, 1950. A Military Aid Advisory Group has now been established in Bangkok in pursuance of Article VII. The Group consists of Army, Navy and Air Sections, with a staff to distribute the arms supplied and to instruct Thai servicemen in their use.

...../11. Up to the present

11. Up to the present time, six shipments of arms have been received, representing, I understand, slightly less than half the total appropriation of $10,000,000 for the current financial year. The arms received comprise: for the Army, rifles, carbines, rocket launchers, grenade launchers, and mortors; for the Navy, naval guns; and for the Air Force, aircraft armament and other accessories.

12. You will recall that in July, 1950, a suggestion was made by the Thai Government that efforts should be made to ensure an increase in the amount of tin ore exported to the United States (see my cable No. 94 of 15th July, 1950). In fact it did not become necessary to approach companies on the subject, as the American tin-buyers here were able to satisfy their needs by direct purchases from companies. However, the United States felt obliged to insist on the inclusion in the Military Aid Agreement of a provision whereby the production and export to the United States of raw and semi-processed materials should be facilitated by Thailand. This provision, which was aimed principally at tin, wolfram and rubber which are required for military purposes, is included as Article V of the Agreement. This provision has not yet been invoked, but it is, I think, important to note its existence.

(Sgd) A.H. Loomes

CONSUL-GENERAL.

DUPLICATE.

10

File No. 90/6/14.

Memo. No. 25/51.

THAILAND.

17th January, 1951.

MEMORANDUM FOR:

The Secretary,
Department of External Affairs,
CANBERRA. A.C.T.

SUMMARY OF ITEMS OF GENERAL INTEREST

Enclosed herewith is a Summary of Items of General Interest for the period 10th to 16th January, 1951.

R. McHamilton
for CONSUL-GENERAL.

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SUMMARY OF ITEMS OF GENERAL INTEREST
PERIOD 10TH TO 16TH JANUARY, 1951.

A Royal Proclamation confirming changes recently made in the Council of Minister was issued on 11th January.

One change in addition to those reported in the final paragraph of Items of Interest for 3rd-9th January was the appointment of Luang Arthaporn Bisarn who has taken office as Deputy Minister of Justice.

The appointment of Police Col. Lamai Uthayanondh to be Minister without portfolio which was earlier approved by Cabinet was not announced. Col. Lamai is believed to have declined the appointment.

The Prime Minister, in a recent interview with the Regent, H.R.H. Prince Rangsit of Chainat, is reported to have expressed the desire of the government that Her Majesty the Queen should return to Bangkok for the birth of her child which is expected in April or May.

Four more U.S. technicians have arrived in Thailand to join the U.S. Special Technical Mission, in this country. Their arrival brings the total of STEM staff to 23.

The technicans are respectively a Supply Officer, an Irrigation Engineer, a Railroad Shop Adviser and a Fisheries and Boat Specialist for South East Asia.

Mr. Leonard A. Nelson, Chief Adviser of the International District Office, C.A.A. Minneapolis, U.S.A. arrived in Bangkok on 12th January to consult with officials of the Civil Aviation Administration in Bangkok. His visit is associated with his official duties regarding the operations of U.S. air carriers in the Pacific East Asiatic Area.

Published estimates by commercial houses of Thailand's rice exports for the year 1950 put the figure at 1,475,000 tons.

British Territories in South East Asia are estimated to have taken 455,580 tons, Japan 300,000 tons and Indonesia 95,000 tons. The Philippines, bought only 6,500 tons in 1950 is reported to be negotiating far between 100,000 and 150,000 tons in 1951.

RSG

SUMMARY OF ITEMS OF GENERAL INTEREST PERIOD 27TH DECEMBER, 1950 TO 2ND JANUARY, 1951.

Following an early recommendation by the Griffin Mission which visited Thailand in 1950 and subsequent arrangements made by the Special Technical and Economic Mission to Thailand (STEM) two communication engineers of a U.S. firm have now arrived in Thailand to make a broad preliminary study of the entire communications system of Thailand. Following this survey the engineers will submit recommendations as to what type of equipment should be used in the future expansion in Thailand's telecommunications system.

Following some months of investigation and planning by rubber exporters, the Department of Commerce and Mr. Richard Meyer, Rubber Consultant of STEM, a group of leading rubber exporters have now joined together in a new organisation called "The Rubber Trade Association of Thailand".

The organisation began functioning on Jan 1st. Its chief function is reported to be improvement of the quality of rubber now being shipped, correction and improvement of trade practices where necessary and generally the injection of new life into the rubber commerce of Thailand. Also, with a view to increasing world demand for Thai rubber, the new Association hopes to perfect a program which will facilitate the gathering of rubber from the country and maintain constant contact with New York and other overseas importers regarding prospective orders.

The allegedly Communist newspaper "Mahachon" whose printing press was closed down by the police some months ago and whose editor has since been hiding, unexpectedly returned to the bookstalls in Bangkok on 23rd December. All remaining copies of the paper were confiscated by the police.

Recent press reports that certain of the wives and children of American residents of Bangkok had already left, or were planning shortly to leave, Bangkok were the subject of comment on 27th December by the Deputy Director General of Police, Police Lt-Gen. Phao Sriyanondh.

General Phao remarked that the Thai Government was at all times prepared to cope with any emergency that might arise and would, in any event, give ample warning to permit residents to evacuate should this be considered necessary.

On 29th December the U.S. Ambassador issued a statement on the same subject. He described newspaper reports of preparation for the general evacuation of all Americans in Bangkok as "wholly without foundation" and declared that "neither the Embassy nor the U.S. Department of State has issued any notice advising U.S. citizens to leave Thailand. In the opinion of the Embassy the present situation in Thailad does not warrant any such advices to American citizens".

During the three-month period ending December 20, 1950, the U.S. Economic Cooperation Administration, operating as the Special Technical Economic Mission to Thailand(Stem), has authorized procurement of equipment, materials, and technical assistance personnel totalling $1,871,000 for its program in Thailand. This was announced recently by Dr. Arthur C. Bunce, Chief of the STEM Mission to Thailand in an interview with newsmen.

In detail, Dr. Bunce pointed out that this sum includes $453,000 for the Food and Agriculture Division ($400,000 for irrigation pumps, and $53,000 for miscellaneous agricultural equipment); $803,000 for the Industry Division ($614,000 for the dredge "Manhatten", tugs and barges, $150,000 for highway construction equipment, $20,000 for communications survey, and $19,000 for miscellaneous equipment); and $444,00 for Public Health Division for DDT, drugs, equipment and personnel, and $175,000 for ocean transportation required under the program through June 30, 1951. He added that during the period covered in the detailed report, from September 19 to December 20, 1950, the STEM office has been established and the organisation has been functioning on all its divisions in cooperation with the Thai Technical and Economic Committee.

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It has been officially announced that Sir John Hall Magowan K.B.E., C.M.G., British Ambassador at Caracas Venezuela has been appointed Ambassador at Bangkok in succession to Sir Geoffrey Thompson who left Bangkok in June, 1950.

December 31st 1950 was the final day by which aliens in Thailand were required to have registered or to have taken steps to register. Aliens now found to have failed to register are liable to deportation.

In addition a recent circular instructions issued by the Ministry of the Interior to Changwad Commissioners enjoins these officials to supervise strictly the renewal of registration of all aliens. The circular forbids reregistration of the following classes of aliens:-
(1) profiteers (2) gamblers (3) those who have served a prison term of more than two years (4) those who show disregard for Thai law (5) those who are under suspician of being communists or fifth columnists working for the communists and are considered undesirable by the government.

On 24th December a Bill was submitted to the House of Representatives with a view to the evacuation of aliens from certain specified areas of Thailand. The Bill which was not introduced by the Government, obtained the support of the required number of representatives, all of whom are associated with pro-government People's Party.

The Bill calls attention to the necessity of public stability, security and order and requires the restriction of residence of aliens to 17 specified Changwads. Evacuation of aliens from all other areas is required within 60 days of the promulgation of the Bill as law.

Though the Bill has not yet come up for debate it is expected to arouse considerable opposition, particularly amongst representatives of such areas as Bangkok and Dhonburi. It is to be expected therefore that its passage will be difficult and that it will become law only in an amended form.

The opposing views of the Deputy Minister of the Interior, Major General Banyatti Devahasdintr, on the legislation were expressed on 28th December. The Deputy-Minister declared that the Ministry of the Interior was wholly opposed to the measure which, it believed, would only open Thailand to censure from abroad while its provisions were entirely redundant from the point of view of ensuring national security. He added that he was not confident that the Government would not support the Bill.

On 25th December the Minister of Communications General Phya Thep Hasadin and the Minister of Education Maj. Gen. Svasdi Svasdikiat tendered their resignations to the Prime Minister. Reason given for both resignations was ill health.

At a subsequent meeting of the United Party on 28th December it was unanimously agreed that the resignations should be accepted.

On the following day, when now announcement had been made by the Government That the resignations of the two Ministers had been accepted, a meeting of 35 pro-government MPs issued a statement calling for the additional resignations of the Deputy Minister of the Interior Maj.Gen. Banyad Debhasdin and the Deputy Minister of Industry, Luang Arthaporn Bisarn.

On 30th December seven members of the Cabinet tendered their resignations "in order to facilitate action by the Prime Minister in organising the government. Those resignations are additional to those tendered on 25th December. The seven persons resigning were:- General Luang Prom Yodhi, Minister of the Interior, Nai Sukit Nimmanhemin, Minister of Industry, Nai Lian Jayakarn, Minister of Justice, Maj.Gen. Banyad Debhasdin, Deputy Minister of the Interior, Luang Arthaporn Bisarn, Deputy Minister of Industry, Lt.Col.Prasert Sutbanthat, Deputy Minister of Communications, Nai Fuen Suparnasarn, Deputy Minister of Agriculture.

On the same day it was announced that Maj.Gen. Svasdi Svasdikiat had been appointed to a place in the Senate.
Though a meeting of the United Parties to discuss reorganisation of the Cabinet was scheduled to be held on 3rd January. The Prime Minister has stated that he is not prepared to accept these resignations. It is probable, however, that there will be some reshuffling of the members of the Cabinet.

DUPLICATE.

6

File No. 100/21/1.

Memo. No. 429/50.

Australian Consulate-General,
Bangkok, Thailand.
29th November, 1950.

MEMORANDUM for:

The Secretary,
Department of External Affairs,
CANBERRA. A.C.T.

AMERICAN AID TO THAILAND.

I refer to my Departmental Despatch No. 10/50 of 12th July, 1950, in connection with American Aid to Thailand, and now enclose for your information copy of the Economic and Technical Cooperation Agreement between the Government of Thailand and the Government of the United States of America and also copy of the Royal Proclamation enforcing the agreement.

(Sgd.) A. H. Loomes

CONSUL-GENERAL.

Mr Reeves Anew file under Col. Plan
Series - "Odds and Ends"
"United States Bilateral Programme"
"Thailand".

DMR 21/12

ECONOMIC AND TECHNICAL COOPERATION AGREEMENT

BETWEEN

THE GOVERNMENT OF THAILAND

AND

THE GOVERNMENT OF THE UNITED STATES OF AMERICA

The Government of Thailand and the Government of the United States of America :

Recognizing that individual liberty, free institutions and independence depend largely upon sound economic conditions and stable international economic relationships :

Considering that the Congress of the United States of America has enacted legislation enabling the United States of America to furnish assistance to the Government of Thailand in order that the Government of Thailand through its own individual efforts and through concerted effort with other countries or with the United Nations may achieve such objectives:

Desiring to set forth the understandings which govern the furnishing of assistance by the Government of the United States of America, the receipt of such assistance by the Government of Thailand and the measures which the two governments will take individually and together in furtherance of the above objectives :

Have agreed as follows :

ARTICLE I

The Government of the United States of America will, subject to the terms and conditions prescribed by law and to arrangements provided for in this agreement, furnish the Government of Thailand such economic and technical assistance as may be requested by it and agreed to by the Government of the United States of America. The Government of Thailand and the Government of the United States of America will cooperate to assure that procurement under the Economic Cooperation Administration program will be at reasonable prices and on reasonable terms. Commodities or services furnished hereunder may be distributed within Thailand on terms and conditions mutually agreed upon between the Governments.

ARTICLE II

In order to assure maxium benefits to the people of Thailand from the assistance to be furnished hereunder by the Government of the United States of America, the Government of Thailand will use its best endeavors

A. To assure efficient and practical use of all resources available and to assure that the commodities and services obtained under this agreement are used only for purposes consistent therewith.

B. To promote the economic development of Thailand on a sound basis and to achieve such objectives as may be agreed upon by the two governments.

C. To assure the stability of its currency and the validity of its rate of exchange and generally to strengthen confidence in its internal financial stability.

D. To take the measures which it deems appropriate, and to cooperate with other countries, to reduce barriers to international trade and to prevent, on the part of private or public enterprises, business practices or business arrangements which restrain competition or limit access to markets, whenever such practices of such arrangements hinder domestic or international trade.

ARTICLE III

The Government will, upon request of either of them, consult regarding any matter relating to the application of this agreement or operations thereunder. The Government of Thailand will provide detailed information necessary to carrying out the provisions of this agreement including a quarterly statement on the use of commodities, and services received hereunder, and other relevant information which the Government of the United States of America may need to determine the nature and scope of operations under this agreement and to evaluate the effectiveness of assistance furnished or contemplated.

ARTICLE IV

The Government of Thailand agree to receive a special technical and economic mission which will discharge the responsibilities of the Government of the United States of America under this agreement and upon appropriate notification from the Government of the United States of America will consider this special mission and its personnel as part of the Diplomatic Mission of the United States of America in Thailand for the purpose of enjoying the privileges and immunities accorded to that mission and its personnel of comparable rank. The Government of Thailand will further give full cooperation to the special mission including the provision of facilities necessary for observation and review of the carrying out of this agreement including the use of assistance furnished under it.

ARTICLE V

1. This agreement shall take effect upon notification by the Government of Thailand to the Government of the United States of America that all necessary legal requirements in connection with the conclusion of this agreement by the Government of Thailand have been fulfilled. This agreement shall continue in force until a date agreed upon by the two governments or may be terminated three months after a written notification has been given by either of the two governments to the other.

2. This agreement may be amended at any time by agreement between the two governments.

3. The annex to this agreement forms an integral part thereof.

4. This agreement shall be registered with the Secretary-General of the United Nations.

IN witness thereof, the undersigned, duly authorized for the purposes, have affixed their respective signatures to the agreement.

DONE at Bangkok in duplicate, in the Thai and English languages, both texts authentic, this Nineteenth Day of September of the Two thousand four hundred and ninety-third Year of the Buddhist Era, corresponding to the Nineteen hundred and fiftieth Year of the Christian Era.

FOR THE GOVERNMENT OF THAILAND

(Signed) P. PIBULSONGGRAM

President of the Council of Ministers
Acting Minister of Foreign Affairs

FOR THE GOVERNMENT OF
THE UNITED STATES OF AMERICA

(Signed) EDWIN F. STANTON

American Ambassador

ANNEX

SECTION 1

1. The provisions of this section shall apply only with respect to assistance furnished on a grant basis.

2. Recognizing that the success of the assistance program will depend upon expenditures of local currency in addition to aid rendered by the Government of the United States of America, the Government of Thailand will establish a special account in the Bank of Thailand in the name of the Government of Thailand (hereinafter called special account) and will make deposites in local currency to this account as follows:

A. The local currency accruing to the Government of Thailand from the sale of commodities or services supplied under this agreement, or otherwise accruing to the Government of Thailand as a result of the import of such commodities or services, shall be deposited upon receipt of such local currency.

B. If the amount deposited under sub-paragraph (A) does not equal an amount of local currency commensurate with the dollar value indicated in the notification of the commodities and services made available under this agreement, and appears insufficient for local currency expenditures incident to the assistance program as set forth in Article II of the agreement, the Government of Thailand shall, when requested by the Government of the United States of America, deposit additional amounts of local currency provided that the total deposits shall not exceed such commensurate value. The Government of Thailand may at any time make advance deposits in the special account which shall be applied against subsequent requests for deposits pursuant to this paragraph.

3. The Government of the United States of America will from time to time notify the Government of Thailand of its local currency requirements for administrative expenditures incident to the furnishing of assistance under this agreement and for expenditures incident to the furnishing of technical assistance and the Government of Thailand 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. The Government of Thailand will further make such sums of baht available out of any balances in the special account as may be necessary to cover costs (including port, storage, handling and similar charges) of transportation from any point of delivery in Thailand of such commodities as are referred to in section four of this annex.

5. The Government of Thailand may draw upon any remaining balance in the special account for such purposes beneficial to Thailand and connected with the purposes of this agreement as may be agreed to from time to time by the Government of Thailand in consultation with the Government of the United States of America.

SECTION 2

The Government of Thailand will cooperate by facilitating transfer to the United States of America on reasonable terms, no less favorable than those provided to nationals of other countries of materials in which the United States of America is actually or potentially deficient, giving due regard to the reasonable requirements of Thailand for the domestic use and commercial export of such materials.

SECTION 3.

The Government of Thailand will permit and give full publicity to the objectives and progress of the program under this agreement and will make public each quarter full statements of operations hereunder including information as to the use of funds, commodities, and services received.

SECTION 4.

The Government will, upon request of either of them, enter into negotiations for agreements (including the provision of duty-free treatment under appropriate safeguards) to facilitate the entry into, and the distribution in Thailand of commodities in furtherance of projects of relief, rehabilitation and reconstruction in Thailand, financed by such United States voluntary, non-profit agencies as may be approved by the two governments.

ROYAL PROCLAMATION

ENFORCING THE ECONOMIC AND TECHNICAL COOPERATION AGREEMENT

BETWEEN

THE GOVERNMENT OF THAILAND

AND

THE GOVERNMENT OF THE UNITED STATES OF AMERICA

By Royal Command, it is hereby publicly proclaimed that:-

Whereas the Economic and Technical Co-operation Agreement between the Government of Thailand and the Government of the United States of America, signed at Bangkok on the 19th September, B.E. 2493 has provided in Article 5 that this Agreement shall enter into force upon notification being made by the Government of Thailand to the Government of the United States of America that the necessary legal requirements in connection with the conclusion of this agreement by the Government of Thailand have been fulfilled;

And whereas, the Government of Thailand has already notified the Government of the United States of America that this Agreement shall enter into force as from the date of the signing of the Agreement;

Therefore, this Agreement has entered into force as from the 19th September, B.E. 2493.

Given on the 8th September, B.E. 2493,
being the 5th year of the Present Reign.

Countersigned;

FIELD MARSHAL P. PIBULSONGGRAM,

President of the Council of Ministers.

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AMERICAN AID TO THAILAND.

2084/1