

LEND-LEASE

*Agreement and exchange of notes signed at Washington July 31, 1945
Entered into force July 31, 1945*

59 Stat. 1535; Executive Agreement Series 470

AGREEMENT BETWEEN THE GOVERNMENTS OF THE UNITED STATES OF AMERICA AND THE KINGDOM OF IRAQ ON THE PRINCIPLES APPLYING TO AID FOR DEFENSE

Whereas the Governments of the United States of America and the Kingdom of Iraq declare that they are engaged in a cooperative undertaking, together with every other nation or people of like mind, to the end of laying the bases of a just and enduring world peace, securing order under law to themselves and all nations;

And whereas the Governments of the United States of America and the Kingdom of Iraq, as signatories of the Declaration by United Nations of January 1, 1942,¹ have subscribed to a common program of purposes and principles embodied in the Joint Declaration made on August 14, 1941² by the President of the United States of America and the Prime Minister of the United Kingdom of Great Britain and Northern Ireland, known as the Atlantic Charter;

And whereas the President of the United States of America has determined, pursuant to the Lend-Lease Act,³ that the defense of the Kingdom of Iraq against aggression is vital to the defense of the United States of America;

And whereas the United States of America has extended and is continuing to extend to the Kingdom of Iraq aid in resisting aggression;

And whereas it is expedient that the final determination of the terms and conditions upon which the Government of Iraq receives such aid and of the benefits to be received by the United States of America in return therefor should be deferred until the extent of the defense aid is known and until the progress of events make clearer the final terms and conditions and benefits which will be in the mutual interests of the United States of America and the Kingdom of Iraq and will promote the establishment and maintenance of world peace;

And whereas the Governments of the United States of America and the

¹ EAS 236, *ante*, vol. 3, p. 697.

² EAS 236, *ante*, vol. 3, p. 686.

³ 55 Stat. 31.

Kingdom of Iraq are mutually desirous of concluding now a preliminary agreement in regard to the provision of defense aid and in regard to certain considerations which shall be taken into account in determining such terms and conditions and the making of such an agreement has been in all respects duly authorized, and all acts, conditions and formalities which it may have been necessary to perform, fulfill or execute prior to the making of such an agreement in conformity with the laws either of the United States of America or of the Kingdom of Iraq have been performed, fulfilled or executed as required;

The undersigned, being duly authorized by their respective Governments for that purpose, have agreed as follows:

ARTICLE I

The Government of the United States of America will continue to supply the Government of Iraq with such defense articles, defense services, and defense information as the President of the United States of America shall authorize to be transferred or provided.

ARTICLE II

The Government of Iraq will continue to contribute to the defense of the United States of America and the strengthening thereof and will provide such articles, services, facilities or information as it may be in a position to supply.

ARTICLE III

The Government of Iraq will not without the consent of the President of the United States of America transfer title to, or possession of, any defense article or defense information transferred to it under the Lend-Lease Act or permit the use thereof by anyone not an officer, employee, or agent of the Government of Iraq.

ARTICLE IV

If, as a result of the transfer to the Government of Iraq of any defense article or defense information, it becomes necessary for that Government to take any action or make any payment in order fully to protect any of the rights of a citizen of the United States of America who has patent rights in and to any such defense article or information the Government of Iraq will take such action or make such payment when requested to do so by the President of the United States of America.

ARTICLE V⁴

The Government of Iraq will return to the United States of America at the end of the present emergency, as determined by the President of the

⁴ For understandings relating to arts. V and VII, see exchange of notes, p. 25.

United States of America, such defense articles transferred under this Agreement as shall not have been destroyed, lost or consumed and as shall be determined by the President to be useful in the defense of the United States of America or of the Western Hemisphere or to be otherwise of use to the United States of America.

ARTICLE VI

In the final determination of the benefits to be provided to the United States of America by the Government of Iraq full cognizance shall be taken of all property, services, information, facilities, or other benefits or considerations provided by the Government of Iraq subsequent to March 11, 1941, and accepted or acknowledged by the President on behalf of the United States of America.

ARTICLE VII *

In the final determination of the benefits to be provided to the United States of America by the Government of Iraq in return for aid furnished under the Lend-Lease Act, the terms and conditions thereof shall be such as not to burden commerce between the two countries, but to promote mutually advantageous economic relations between them and the betterment of world-wide economic relations. To that end, they shall include provision for agreed action by the United States of America and the Kingdom of Iraq, open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic measures, of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to the elimination of all forms of discriminatory treatment in international commerce; to the reduction of tariffs and other trade barriers; and, in general, to the attainment of all the economic objectives set forth in the Joint Declaration made on August 14, 1941, by the President of the United States of America and the Prime Minister of the United Kingdom.

At an early convenient date, conversations shall be begun between the two Governments with a view to determining, in the light of governing economic conditions, the best means of attaining the above-stated objectives by their own agreed action and of seeking the agreed action of other like-minded Governments.

ARTICLE VIII

This Agreement shall take effect as from this day's date. It shall continue in force until a date to be agreed upon by the two Governments.

Signed and sealed at Washington in duplicate this thirty-first day of July, 1945.

For the Government of the United States of America:

JOSEPH C. GREW [SEAL]
Acting Secretary of State of the United States of America

For the Government of the Kingdom of Iraq:

ALI JAWDAT [SEAL]
*Envoy Extraordinary and Minister Plenipotentiary of the
Kingdom of Iraq in Washington*

EXCHANGE OF NOTES

The Acting Secretary of State to the Iraqi Minister

DEPARTMENT OF STATE

WASHINGTON

July 31, 1945

SIR:

I have the honor to refer to the conversations that have occurred between the representatives of our two Governments in connection with the agreement signed at Washington on this day, between the Government of the United States of America and the Government of Iraq on the principles applying to aid under the Lend-Lease Act, and to set forth my understanding of the accord reached as to the application of certain provisions of the said agreement, as follows:

1. In general, foodstuffs and other supplies for the civilian population of Iraq shall continue to be furnished through regular commercial channels. However, such foodstuffs and other supplies as may be provided for the civilian population of Iraq under the Lend-Lease Act shall be furnished on the basis of current payment by the Iraqi Government, and other goods and services may be furnished on that basis by agreement from time to time. In the absence of special agreement, such payment shall be in United States dollars; however, by agreement between the two Governments prior to delivery payment may be made in Iraqi dinars or in goods or services. Articles obtained by the Iraqi Government in accordance with the provisions of this paragraph become the property of that Government and are therefore excluded from the provisions of Article V of the agreement.

2. Such payments as may be made in Iraqi dinars shall be deposited to the credit of the Government of the United States of America in a depositary in Iraq to be selected by the United States Government. These deposits may be freely drawn upon and used by the Government of the United States of

America. The Government of Iraq will permit the exportation to any destination desired by the United States of America of any materials and products purchased by the United States of America with such deposits. In any transactions envisaged in this paragraph the United States Government would, of course, conform to Iraqi laws and regulations in force with respect to internal price or supply programs which are not by their nature inconsistent with the assurances of this paragraph.

3. With particular reference to Articles V and VII of the agreement, it is agreed that if substantial amounts of materials or assistance furnished or to be furnished under the Lend-Lease Act or otherwise, by any Agency of the United States Government without current payment by the Government of Iraq have been or shall be employed by either of our two Governments, during the present war, in the construction of any installations on Iraqi territory, the disposition of such installations remaining on Iraqi territory after the present war shall be governed by an agreement or agreements to which both our Governments shall be parties. Such agreement or agreements shall make appropriate provision for the future ownership and operation of the installation or installations in question, and for the payments or other benefits to be received by the Government of the United States of America on account of its contribution to their cost. The governing purpose of such agreement or agreements shall be to carry out in practice, in whatever way may then appear to be the most effective, the principles of the Joint Declaration of August 14, 1941, known as the Atlantic Charter, and in particular point Fourth thereof relating to the enjoyment by all States of access on equal terms to the trade and to the raw materials of the world. If such agreement in the case of any installation is not reached within a reasonable time after the end of the present emergency, as determined by the President of the United States of America, the Government of the United States of America may withdraw that installation, or the parts thereof which it shall have contributed, whether located on private or on public land, doing no unnecessary damage in the process, and leaving the land involved in a safe condition.

4. The other obligations of our two Governments in respect of mutual aid will be satisfied in accordance with the provisions of the agreement signed this day. It is, of course, understood that in the implementation of the agreement each Government will act in accordance with its own constitutional procedures.

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

JOSEPH C. GREW
Acting Secretary of State

The Honorable
ALI JAWDAT,
Minister of Iraq.

The Iraqi Minister to the Acting Secretary of State

JULY 31, 1945

SIR:

I have the honor to refer to the conversations that have occurred between the representatives of our two Governments in connection with the agreement signed at Washington on this day, between the Government of Iraq and the Government of the United States of America on the principles applying to aid under the Lend-Lease Act, and to set forth my understanding of the accord reached as to the application of certain provisions of the said agreement, as follows:

[For terms of understanding, see numbered paragraphs of U.S. note, above.]

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

ALI JAWDAT
*Envoy Extraordinary and Minister
Plenipotentiary*

The Honorable
JOSEPH C. GREW,
*Acting Secretary of State,
Washington, D.C.*