

FE

INVESTMENT GUARANTIES

Agreement Between the
UNITED STATES OF AMERICA
and CHINA

Relating to the Agreement of
June 25, 1952, as Amended

Effected by Exchange of Notes
Signed at Taipei December 30, 1963



CHINA

Investment Guaranties

*Agreement relating to the agreement of June 25, 1952, as amended.
Effected by exchange of notes
Signed at Taipei December 30, 1963;
Entered into force December 30, 1963.*

The American Ambassador to the Chinese Minister of Foreign Affairs

No. 42

TAIPEI, December 30, 1963.

EXCELLENCY:

I have the honor to refer to the Agreement effected by the exchange of notes of June 25, 1952 [¹] as amended by the agreement effected by the exchange of notes of May 3, 1957, [²] between our two Governments relating to investment guaranties which may be issued by the Government of the United States of America for American investments in activities in Taiwan. After the conclusion of these Agreements, legislation has been enacted in the United States of America modifying and augmenting the coverage to be provided investors by investment guaranties that may be issued by the Government of the United States of America.

In the interest of facilitating and increasing the participation of private enterprise in furthering economic development in Taiwan, the Government of the United States of America is prepared to issue investment guaranties providing such coverage as may be authorized by the applicable United States legislation for appropriate investments in activities approved by your Government provided that your Government agrees that the undertakings between our respective Governments contained in the Agreement effected by the exchange of notes on June 25, 1952 will be applicable to such guaranties including, but not limited to, those issued under the Mutual Security Act of 1954, [³] as amended, and the Act for International Development of 1961, [⁴] as amended.

¹ TIAS 2657; 3 UST (pt. 4) 4846.

² TIAS 3831; 8 UST 753.

³ 68 Stat. 846; 22 U.S.C. § 1933, 1958 ed.

⁴ 75 Stat. 429; 22 U.S.C. § 2181 *et seq.*

CHINA

Investment Guaranties

*Agreement relating to the agreement of June 25, 1952, as amended.
Effected by exchange of notes
Signed at Taipei December 30, 1963;
Entered into force December 30, 1963.*

The American Ambassador to the Chinese Minister of Foreign Affairs

No. 42

TAIPEI, December 30, 1963.

EXCELLENCY:

I have the honor to refer to the Agreement effected by the exchange of notes of June 25, 1952 [¹] as amended by the agreement effected by the exchange of notes of May 3, 1957, [²] between our two Governments relating to investment guaranties which may be issued by the Government of the United States of America for American investments in activities in Taiwan. After the conclusion of these Agreements, legislation has been enacted in the United States of America modifying and augmenting the coverage to be provided investors by investment guaranties that may be issued by the Government of the United States of America.

In the interest of facilitating and increasing the participation of private enterprise in furthering economic development in Taiwan, the Government of the United States of America is prepared to issue investment guaranties providing such coverage as may be authorized by the applicable United States legislation for appropriate investments in activities approved by your Government provided that your Government agrees that the undertakings between our respective Governments contained in the Agreement effected by the exchange of notes on June 25, 1952 will be applicable to such guaranties including, but not limited to, those issued under the Mutual Security Act of 1954, [³] as amended, and the Act for International Development of 1961, [⁴] as amended.

¹ TIAS 2657; 3 UST (pt. 4) 4846.

² TIAS 3831; 8 UST 753.

³ 68 Stat. 846; 22 U.S.C. § 1933, 1958 ed.

⁴ 75 Stat. 429; 22 U.S.C. § 2181 *et seq.*

I have the honor to propose further that the above-mentioned Agreement effected by exchange of notes of May 3, 1957 will terminate upon the entry into force of the present Agreement.

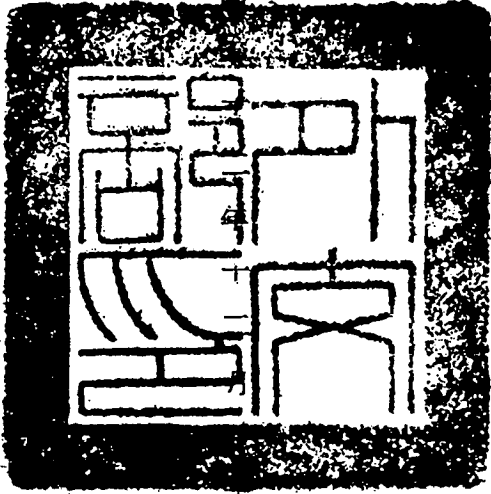
Upon receipt of a note from Your Excellency indicating that the foregoing is acceptable to the Government of the Republic of China and that such undertakings shall apply, the Government of the United States of America will consider that this note and your reply thereto constitute an Agreement between our two Governments on this subject, the Agreement to enter into force on the date of your note in reply.

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

JERAULD WRIGHT

His Excellency
SHEN CHANG-HUAN,
Minister of Foreign Affairs,
Taipei.

中
華
民
國



日
於
台
北

美利堅合眾國駐中華民國特命全權大使賴特閣下

此
致

沈
昌
煥

接受并同意該項承諾應可適用時認爲本照會及閣下復照構成 貴我兩國政府關於此事之協定自閣下復照之日起生效。」

本部長茲代表中華民國政府對於

貴大使上開照會所載各項瞭解予以接受并聲明本照會及

貴大使來照，應認爲構成兩國政府間之協定；該協定應於本日起發生效力。

本部長順向

貴大使重申最高之敬意。

貴國政府同意將一九五二年六月廿五日換文成立協定所含 貴我兩國政府之承諾適用於此等保證，包括但不限於在業經修正之一九五四年共同安全法案暨一九六一年國際開發法案項下所已提供之保證，美國政府擬於其有關法令規定之保證範圍內，對 貴國政府核准之事業所作適當投資提供保證。

「本大使茲建議上述於一九五七年五月三日換文成立之協定一俟本協定生效即行終止。

「美國政府於接准 閣下復照表示中華民國政府對上述各節可予

The Chinese Minister of Foreign Affairs to the American Ambassador

逕復者：接准

照
會

貴大使本日第四十二號照會內開：

「查依照 貴我兩國政府於一九五二年六月廿五日換文成立並經於一九五七年五月三日換文修正之投資保證協定美利堅合衆國政府得對美國人在台灣事業之投資提供保證。此項協定簽訂後美國復經立法將美國政府對投資人所提供之投資保證範圍予以修正并予擴大。

「茲爲便利并擴大民營企業參與促進台灣經濟發展起見，如

Translation

No. Wal(52)Mei-1-018154

TAIPEI, December 30, 1963

EXCELLENCY:

I have the honor to acknowledge the receipt of Your Excellency's note No. 42 of today's date, which reads as follows:

[For the English language text of the note, see *ante*, p. 1.]

In reply, I have the honor to accept on behalf of the Government of the Republic of China the understandings set forth in Your Excellency's note under reference and to state that Your Excellency's note and this note shall be regarded as constituting an agreement between the two Governments which shall become effective as of the date of today's note.

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

SHEN CHANG-HUAN

[SEAL]

His Excellency
JERAULD WRIGHT,
*Ambassador of the United States of America,
Taipei.*

MUTUAL SECURITY

Investment Guaranties

Agreement Between the
UNITED STATES OF AMERICA
and CHINA

Amending Agreement of June 25, 1952

Effected by Exchange of Notes
Signed at Taipei May 3, 1957



CHINA

Mutual Security: Investment Guaranties

Agreement amending the agreement of June 25, 1952.

Effected by exchange of notes

Signed at Taipei May 3, 1957;

Entered into force May 3, 1957.

The American Ambassador to the Chinese Minister of Foreign Affairs

THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

AMERICAN EMBASSY,

Taipei, May 3, 1957.

No. 68

EXCELLENCY:

I have the honor to refer to the conversations which have recently taken place between representatives of our two Governments, relating to a further type of guaranty authorized by Section 413 (b) (4) of the Mutual Security Act of 1954, as amended. I also have the honor to confirm the understandings reached as a result of these conversations as follows:

- a. All references to "the Economic Cooperation Act of 1948, as amended" in the exchange of notes of June 25, 1952, between our two Governments shall be changed to "the Mutual Security Act of 1954, as amended".
- b. Subparagraph (c) of the unnumbered third paragraph of the afore-mentioned exchange of notes shall not be applicable to the type of guaranties provided for in the following subparagraph (c).
- c. If the Government of the United States of America issues guaranties to cover losses by reason of war with respect to investments in Taiwan, the Government of the Republic of China agrees that nationals of the United States of America to whom such guaranties have been issued, will be accorded by the Government of the Republic of China treatment no less favorable than that accorded, in like circumstances, to its nationals or

68 Stat. 847.
22 U.S.C. § 1933 (b)
(4).

62 Stat. 137.
22 U.S.C. § 1501 *et seq.*
TIAS 2657.
3 UST, pt. 4, p. 4846.

nationals of third countries, with reference to any reimbursement, compensation, indemnification, or any other payment, including the distribution of reparations received from enemy countries, that the Government of the Republic of China may make or pay for losses incurred by reason of war; if the Government of the United States of America makes payment in U. S. dollars to any national of the United States of America under a guaranty for losses by reason of war, the Government of the Republic of China will recognize the transfer to the United States of America of any right, privilege, or interest, or any part thereof, that such nationals may be granted or become entitled to as a result of the aforementioned treatment by the Government of the Republic of China.

All other provisions of the exchange of notes of June 25, 1952, between our two Governments shall remain in full force and effect.

Upon receipt of a note from Your Excellency indicating that the foregoing provisions are acceptable to the Government of the Republic of China, the Government of the United States of America will consider that this note and your reply thereto constitute an agreement between the two Governments on this subject, the agreement to enter into force on the date of your note in reply.

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

K. L. RANKIN

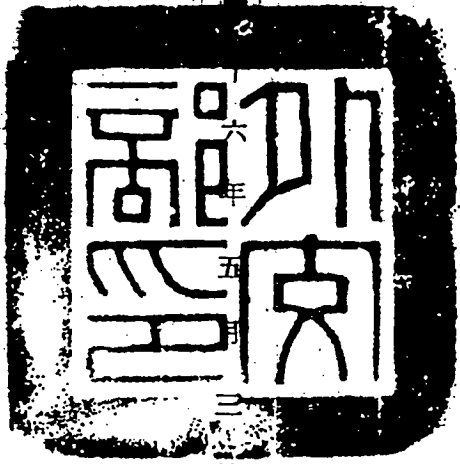
His Excellency
GEORGE K. C. YEH,
*Minister of Foreign Affairs,
Taipei, Taiwan.*

貴大使重申最高敬意。

此致

美利堅合衆國駐中華民國特命全權大使藍欽閣下

葉公超



中華民國

六年五月三日於台北外交部

定可予接受時，美國政府即認爲本照會及閣下復照構成
我兩國政府關於本案之協定，此項協定自閣下復照日起生
效。

本部長茲代表中華民國政府對於

貴大使上開照會所載各項瞭解予以接受並聲明本照會及

貴大使來照應認爲構成兩國政府間之協定；該協定應於本日起發生
效力。

本部長 顧向

府對中國國民或第三國國民在同樣情形下所給予之待遇；美國政府如依戰爭損失之保證對任何美國國民以美金付款時，中華民國政府對於此等美國國民因中華民國政府所給予之上述待遇而取得或有權取得之任何權利，特權或利益或其任何部份，承認其移轉予美國政府。

一九五三年六月廿五日 貴我兩國政府間換文之其他規定均仍繼續全部有效。

「一換收到 閣下復照指稱中華民國政府對上述各項規

提及「現經修正之一九四八年經濟合作法案」之處均改爲「現經修正之一九五四年共同安全法案」。

「(二)上述換文第三段(原文並未標明段數)第三項並不

6 適用於下列第三項所規定之保證。

「(三)美國政府如對在臺灣之投資發給戰爭損失之保證，

中華民國政府同意關於因戰爭引起之損失所爲之歸墊，報償

、賠償或任何其他付款，包括敵國所付賠款之分配在內，其

對業經發給此項保證之美國國民之待遇應不低於中華民國政

The Chinese Minister of Foreign Affairs to the American Ambassador

貴大使本日第六十八號照會內開：

接准

照會

外(46)美一

005652

「查 貴我兩國政府代表最近曾就現經修正之一九五四年

共同安全法案第四一三條二項四款所授權辦理之另一種保

證制度舉行商談。本大使茲特證實是項商談所獲各項瞭解如

下：

「(一)一九五二年六月廿五日 貴我兩國政府間換文內凡

Translation

No. Wai (46) Mei-1-005652

TAIPEI, May 3, 1957.

EXCELLENCY:

I have the honor to acknowledge the receipt of Your Excellency's note No. 68 of today's date, which reads as follows:

[For the English language text of the note, see *ante*, p. 1.]

In reply, I have the honor to accept on behalf of the Government of the Republic of China the understandings set forth in Your Excellency's note under reference and to state that Your Excellency's note and this note shall be regarded as constituting an agreement between the two Governments which shall become effective from today's date.

Please accept, Excellency, the renewed assurances of my highest consideration.

GEORGE K. C. YEH

[SEAL]

His Excellency KARL L. RANKIN
Ambassador of the United States of America
Taipei

ECONOMIC COOPERATION

Guaranties Under Public Law 472, 80th Congress,
as Amended

Agreement between the
UNITED STATES OF AMERICA
and CHINA

- Effected by Exchange of Notes
Signed at Taipei June 25, 1952
- Entered into force June 25, 1952



*The American Chargé d'Affaires ad interim to the Chinese Minister
of Foreign Affairs*

AMERICAN EMBASSY,
Taipei, June 25, 1952.

No. 211.

EXCELLENCY:

I have the honor to refer to conversations which have recently taken place between representatives of our two Governments, relating to guaranties authorized by Section 111 (b) (3) of the Economic Cooperation Act of 1948, as amended. [1] I also have the honor to confirm the understandings reached as a result of these conversations as follows:

The Governments of the Republic of China and of the United States of America will, upon the request of either of them, consult respecting projects in Taiwan proposed by nationals of the United States of America with regard to which guaranties under Section 111 (b) (3) of the Economic Cooperation Act of 1948, as heretofore amended, have been made or are under consideration. With respect to such guaranties extending to projects which are approved by the Government of the Republic of China in accordance with the provisions of the aforesaid Section, the Government of the Republic of China agrees:

- a. That if the Government of the United States of America makes payment in United States dollars to any person under any such guaranty, the Government of the Republic of China will recognize the transfer to the Government of the United States of America of any right, title or interest of such person in assets, currency, credits, or other property on account of which such payment was made and the subrogation of the Government of the United States of America to any claim or cause of action of such person arising in connection therewith. The Government of the Republic of China will also recognize any transfer to the Government of the United States of America pursuant to such guaranty of any compensation for loss covered by such guaranties received by such person from the Government of the Republic of China;

¹ 62 Stat. 144; 22 U. S. C. § 1509 (b) (3).

- b. That New Taiwan dollar amounts acquired by the Government of the United States of America pursuant to such guaranties shall be accorded treatment not less favorable than that accorded, at the time of such acquisition, to private funds arising from transactions of United States nationals which are comparable to the transactions covered by such guaranties, and that such New Taiwan dollar amounts will be freely available to the Government of the United States of America for administrative expenditures;
- c. That any claim against the Government of the Republic of China to which the Government of the United States of America may be subrogated as the result of any payment under such a guaranty, shall be the subject of direct negotiations between the two Governments. If within a reasonable period, they are unable to settle the claim by agreement, it shall be referred for final and binding determination to a sole arbitrator selected by mutual agreement. If the Governments are unable, within a period of three months, to agree upon such selection, the arbitrator shall be one who may be designated by the President of the International Court of Justice at the request of either Government.

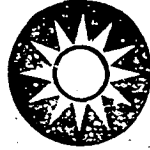
Upon receipt of a note from Your Excellency indicating that the foregoing provisions are acceptable to the Government of the Republic of China, the Government of the United States of America will consider that this note and your reply thereto constitute an agreement between the two Governments on this subject, the agreement to enter into force on the date of your note in reply.

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

HOWARD P. JONES

His Excellency
Dr. GEORGE K. C. YEH,
*Minister of Foreign Affairs,
Republic of China,
Taipei.*

*The Chinese Minister of Foreign Affairs to the American Chargé
d'Affaires ad interim*



逕覆者，頃准

貴代辦本日第二一一號照會內開：

「查貴我兩國政府代表最近會就現經修正之一九四八年

經濟合作法案第一百十一段乙項第三款所規定之保證制度，

舉行商談，本代辦願予證實在各次談話過程中，雙方會獲致

下列了解：

中華民國政府及美利堅合衆國政府，經任何一方之請求

，願對於美利堅合衆國國民擬在台灣經營而經美利堅合衆國

（一）美

05629

政府依照現經修正之一九四八年經濟合作法案第一百十一段
乙項第三款之規定，予以保證或正考慮予以保證之事業計劃
，進行商洽。中華民國政府對於經其核准之事業計劃依照上
述經濟合作法案該段規定所取得之保證，同意左列各點：

一 如美利堅合衆國政府以美金支付受任何該項保證之
任何人時，中華民國政府願承認原屬該被保證人之
資產、貨幣、債權或其他財產之權利、名義或利益
，因美利堅合衆國政府對於該項權利、名義或利益

會爲支付而一概轉移與美利堅合衆國政府，並承認美利堅合衆國政府因而取得有關該項權利、名義或利益而產生之任何權利主張或提起訴訟之代位權。中華民國政府並願承認：被保證人自中華民國政府所取得對其屬於該項保證範圍以內之任何損失補償，亦因該項保證而轉移與美利堅合衆國政府。美利堅合衆國政府因該項保證而獲得之新台幣款項，應享受不低於獲得該款項時美利堅合衆國國民經

由法律行為而獲得之私人款項所應享有之待遇，但

該項法律行為須與屬於該項保證範圍以內之法律行為相類似。該項新台幣款項，得任由美利堅合眾國政府充其行政費用。

三、美利堅合眾國政府因在上述保證下所為支付取得代位權而向中華民國政府作任何權利主張時，該項主張，應由兩國政府直接談判。兩國政府如不能在合理之期間內，對於該項主張之解決獲致協議，應即

共同選定仲裁人一人，由該仲裁人作最後而具有拘束效力之決定。兩國政府如不能於三個月內對於仲裁人之選擇獲致協議，則該仲裁人應由國際法院院長經任何一方之請求指派之。

美利堅合衆國政府於收到

貴國政府覆照表示中華民國政府對上開規定可予接受時，即認爲本照會及

貴部長之覆照將構成兩國政府間關於此事之一項協定，此項

協定並將於

貴部長之覆照所載日期起生效。」

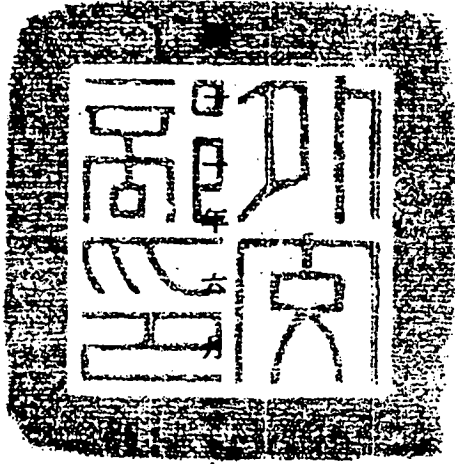
等由。本部長茲代表中華民國政府對於

貴代辦上開照會所載各項規定，表示接受，並願聲明：中國政府亦了解：

貴代辦來照及本照會，應視為構成貴我兩國政府間之協定；該協定應於本日起發生效力。

本部長順向

中華民國
函



十五
日
於
台
北

葉公超

貴代辦表示敬意。
此致

美利堅合衆國駐中華民國代辦鍾華德先生

Translation

MINISTRY OF FOREIGN AFFAIRS,
Taipei, June 25th, 1952.

MONSIEUR LE CHARGÉ D'AFFAIRES :

I have the honor to acknowledge the receipt of your Note No. 211 of to-day's date, which reads as follows :

[For the English language text of the note, see *ante*, p. 1.]

In reply, I have the honor to accept on behalf of the Government of the Republic of China the arrangements set forth in your Note under reference and to state that it is also the understanding of the Chinese Government that your Note and this reply shall be regarded as constituting an agreement between our two Governments and that such agreement shall enter into force as from to-day's date.

Please accept, Monsieur le Chargé d'Affaires, the renewed assurance of my high consideration.

GEORGE K. C. YEH

Mr. HOWARD P. JONES,
Chargé d'Affaires, a.i.,
American Embassy,
Taipei, Taiwan.