

ECONOMIC COOPERATION: CONVERTIBILITY OF LIRE

*Exchange of notes at Rome June 9 and 17, 1949, supplementing agree-
ment of June 28, 1948*

Entered into force June 17, 1949

Department of State files

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

No. 8226

ROME, June 9, 1949

MR. AMBASSADOR:

I have the honor to refer to the conversations which recently took place between representatives of our two Governments relating to private investments made by United States individuals or entities in Italy with guaranty of currency transfer by the Economic Cooperation Administration under the provisions of Article III of the Economic Cooperation Agreement between Italy and the United States of June 28, 1948.¹

With respect thereto, the following points have been added to the agreement:

1. Following approval of the project, the United States investor shall receive in connection with the convertibility of capital and interest into dollars, treatment equivalent to the most favorable treatment now or in future granted by the Italian Government to foreign investors in Italy under similar circumstances, with the exception, however, of the advantages which those investors may enjoy in connection with existing or future customs unions entered into by Italy.

2. Lire which the United States Government may acquire pursuant to the application of the provisions on ECA guarantees shall receive no less favorable treatment than that granted to private funds derived from similar transactions made by United States investors.

Accept, Mr. Ambassador, the assurances of my high consideration.

SFORZA

His Excellency

JAMES CLEMENT DUNN,
*Ambassador of the
United States of America,
Rome.*

¹ TIAS 1789, *ante*, p. 306.

The American Ambassador to the Minister of Foreign Affairs

ROME, June 17, 1949

EXCELLENCY

I have the honor to refer to your letter No. 8226 of June 9, 1949, regarding private investments by United States nationals in Italy under guaranties of currency transfer by the Economic Cooperation Administration as referred to in Article III of the Economic Cooperation Agreement between Italy and the United States of America dated June 28, 1948.

In this connection, agreement has been reached on the following points:

1. After the approval of the project, the U.S. investor will receive the most favorable treatment in respect to convertibility into dollars of principal and income currently accorded by the Italian Government, or which may be accorded by the Italian Government in the future, to foreign investors in Italy under similar circumstances, excluding, however, advantages which foreign investors may derive from customs unions that have been concluded or may be concluded in the future by Italy.

2. In the event that lire should be acquired by the U.S. Government pursuant to the application of ECA guaranty provisions, such lire will be accorded no less favorable treatment than that given to private funds arising from similar transactions by U.S. investors.

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

JAMES CLEMENT DUNN

His Excellency

COUNT CARLO SFORZA

*Minister of Foreign Affairs**Rome*