

## DISPOSAL OF TONNAGE FOLLOWING WORLD WAR I (WILSON-LLOYD GEORGE AGREEMENT)

*Agreement, with United States memorandum and excerpt from French  
letter, signed at Paris May 8, 1919  
Entered into force May 8, 1919*

1919 For. Rel. (Paris Peace Conference,  
XIII) 845

### AGREEMENT

The Allied and Associated Governments whose signatures are hereto affixed, severally agree as regards merchant shipping as follows:

1. The Reparation Commission will as soon as possible compile a list giving fullest particulars available on all enemy ships still in existence, captured, seized or detained by any Allied or Associated Government during the war, and also all other enemy ships or boats which the enemy Powers are required to cede under the Treaty of Peace.<sup>1</sup>

2. The Reparation Commission will take such steps as will secure that each of the Allied and Associated Governments will retain as its own the complete title to and use of all ships captured, seized, or detained during the war as a war measure and prior to November 11, 1918, and will own the same free from any claim of any of the other Allied and Associated Governments.

In all cases where the ships and boats so to be retained by any Allied or Associated Government are in excess of the claims of such Governments respectively for war losses in merchant ships such Governments shall not make any claim for a share in other ships and boats ceded under the Treaty of Peace.

3. In all cases where the ships and boats so to be retained by any such Governments are insufficient to satisfy in full the claims of such Governments respectively for war losses in merchant ships, the enemy ships which remain and which are to be ceded under the Treaty of Peace will be divided into three classes, viz. liners, other merchant ships, and fishing boats, and will be distributed to such Governments on the basis of ton-for-ton and class-for-class of the ships and boats lost and not replaced by the ships and boats retained, but in proportion to the balances due on the claims of such Governments respectively.

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<sup>1</sup> *Post*, p. 43.

4. As the ships and boats so to be retained will, in the case of Brazil, China, Cuba, Siam, and the United States, exceed the total amount of tonnage which would be allocated to those countries were the total enemy tonnage captured, seized, detained or still in existence shared in proportion to losses of ships and boats during the war, in each such case a reasonable value on the excess of ships and boats over the amount which would result from such a division will be determined.

The amount of the value so fixed will be paid over by each such state to the Reparation Commission for the credit of Germany towards the sums due from her for Reparation, in respect to war losses of merchant ships.

5. As soon as the Reparation Commission has collected the necessary information, and is in a position so to do, they will give public notice that after an interval of two months they will proceed to divide the vessels except those captured, seized, or detained by the Allied and Associated Governments which are to be retained by them respectively as hereinbefore provided.

If within one month of the publication of the notice, any Allied, Associated or Neutral Government, person or corporation, a national of such Government and acting through such Government, notifies the Commission that they have an equitable claim against any vessel which has not been, or is not being satisfied by the enemy Governments, that claim will be considered on its merits by the Commission which may adopt any procedure it thinks fit, provided it is expeditious and is calculated to do substantial justice as between the Allied and Associated Governments on the one hand and the claimant on the other.

The Commission will have power to determine claims so presented, and such determination will be conclusive and the Commission will also have power to enforce its findings.

*8 May, 1919.*

[For the United States:]  
WOODROW WILSON  
Subject to the  
explanation contained  
in the attached  
memorandum.

[For the United Kingdom:]  
D. LLOYD GEORGE  
[For France:]  
CLEMENCEAU

#### UNITED STATES MEMORANDUM

I deem it my duty to state, in signing this document, that, while I feel confident that the Congress of the United States will make the disposal of the funds mentioned in clause four which is there agreed upon, I have no authority to bind it to that action, but must depend upon its taking the same view of the matter that is taken by the joint signatories of this agreement.

W.W.

## EXCERPT FROM FRENCH LETTER

[TRANSLATION]

Pending the outcome of the negotiations, which we hope will enable us to accept and sign the general agreement heretofore signed by President Wilson and Mr. Lloyd George in regard to distribution of enemy ships, the French Government agrees with the United States Government:

That in any case the United States, in so far as any interest of the French Government is concerned, shall retain all ships captured, seized or detained by them during the war as a war measure and prior to November 3rd, 1918, the same to be free of any claim of the French Government for reparation.

And that the Reparation Commission will take such steps as will secure that the United States retain as its own the complete title to and the use of all ships, in so far as the interest of the French Government in these particular ships is concerned.

As the tonnage of the ships and boats so to be retained by the United States will exceed the total amount of tonnage which would be allocated to them, were the total enemy tonnage captured, seized, detained or still in existence shared in proportion to the losses of ships and boats during the war, a reasonable value on such excess of ships and boats over the amount which would result from such a division will be determined.

The amount of the value so fixed will be paid over by the United States to the Reparation Commission for the credit of Germany towards the sums due from her for reparation in respect to war losses of merchant ships, subject, however, to the power of the Congress of the United States to make disposal of such funds under the resolution approved May 13 [12], 1917.<sup>2</sup>

8 May, 1919

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[In addition to France, Italy and Japan also became parties to the so-called "Wilson-Lloyd George Agreement." Italy became a party with regard to ultimate disposal of Austro-Hungarian merchant ships by agreements concluded with the United Kingdom September 25 and October 13 and 15, 1919, and June 1, 1921 (*League of Nations Treaty Series*, vol. 6, p. 323). Japan became a party with regard to ultimate disposal of both German and Austro-Hungarian merchant ships by an agreement with the United Kingdom November 10 and 12, 1919 (*ibid.*, p. 333).]

<sup>2</sup> 40 Stat. 75.