



# **United States - Saudi Arabian Joint Commission on Economic Cooperation**

## **AGREEMENT**

Among the

**Department Of Transportation**

and the

**Department of the Treasury  
United States of America**

and the

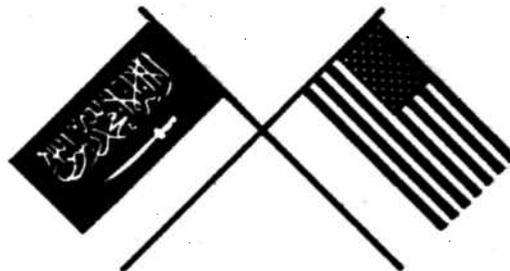
**Ministry of Communications**

and the

**Ministry of Finance and National Economy  
Kingdom of Saudi Arabia**

for

**Technical Cooperation in Transportation**



AGREEMENT  
AMONG THE  
DEPARTMENT OF TRANSPORTATION  
AND THE  
DEPARTMENT OF THE TREASURY  
UNITED STATES OF AMERICA  
AND THE  
MINISTRY OF COMMUNICATIONS  
AND THE  
MINISTRY OF FINANCE AND NATIONAL ECONOMY  
KINGDOM OF SAUDI ARABIA  
FOR  
TECHNICAL COOPERATION IN TRANSPORTATION

WHEREAS the Government of the United States of America and the Kingdom of Saudi Arabia signed a Technical Cooperation Agreement (TCA) on February 13, 1975, which was extended for five years, beginning February 13, 1980;

WHEREAS under the TCA a Project Agreement between the Federal Highway Administration (FHWA) of the United States Department of Transportation (DOT) and the United States Department of the Treasury (Treasury), jointly, and the Ministry of Communications (MOC) and the Ministry of Finance and National Economy (MFNE) of the Kingdom of Saudi Arabia, jointly, for Cooperation in Highway Transportation (HIGHWAY) was signed on August 26, 1977, and became effective (for six years) beginning in November, 1977;

WHEREAS under the TCA a Project Agreement between DOT and Treasury, jointly, and the MFNE for Cooperation in Transportation (TRANSNET) was signed on

November 18, 1978, and became effective (for four years) beginning March 5, 1979;

WHEREAS the parties to the Project Agreements noted above wish to combine the two into one Project Agreement in order to address the future requirements of the MOC and the needs of the transportation sector in Saudi Arabia;

WHEREAS Article XIV of the HIGHWAY Agreement and Article X, Paragraph 2, of the TRANSNET Agreement provide for the amendment or extension of the respective agreements by the mutual written consent of the parties thereto;

IT IS HEREBY AGREED THAT this Project Agreement combining the TRANSNET and HIGHWAY projects reads as follows:

Article I. SCOPE

By the terms of this Agreement, DOT and Treasury, jointly, hereby agree with the MOC and MFNE, jointly, to continue to advise and assist the MOC in the development of transportation systems and the capability to manage them. The project will take into account existing programs and technical capability in Saudi Arabia in determining the nature of assistance to be furnished.

Article II. AUTHORIZATION

The project will be carried out under the auspices of the United States - Saudi Arabian Joint Commission on Economic Cooperation in accordance with the provisions of the TCA, which are hereby incorporated by reference and become part of this Agreement.

### Article III. PURPOSE

The purpose of this Agreement is for DOT to provide advice and assistance to the MOC in achieving its transportation program objectives through the implementation of a mutually agreed upon program of activities and staffing level. The advice and assistance may be provided through any or all of the following:

- (a) DOT personnel based in Saudi Arabia;
- (b) DOT or other personnel on temporary duty in Saudi Arabia;
- (c) United States or Saudi Arabian consultant or contractor services obtained through DOT or any of its administrative elements.

Personnel assigned to this project by the United States Government shall be selected solely on the basis of their professional capability, managerial ability, experience and other like merit factors.

### ARTICLE IV. LOCAL SUPPORT

The MOC shall directly or through other Saudi Arabian agencies provide all necessary support to insure the achievement of the purposes of this Agreement, including:

- (a) Designation of a MOC official to be the official point of contact with the DOT Project Director;

- (b) Assignment of MOC counterparts, as appropriate, to work with DOT personnel assigned to Saudi Arabia;
- (c) Provision, within the MOC building and at a location convenient to work with MOC counterparts, of office space, office furnishings, and equipment for personnel assigned to Saudi Arabia under this Agreement.

#### Article V. COORDINATION

Overall coordination of the project with other Joint Commission activities within the United States Government and provision of certain administrative facilities shall be the responsibility of Treasury. The Office of the Joint Commission in Riyadh shall serve as the point of contact in Saudi Arabia among all parties to this Agreement for all policy related matters concerning this project. The DOT is responsible for planning, implementing, and coordinating with the MOC all technical aspects of this project.

#### Article VI. REPORTS AND REVIEWS

The DOT shall prepare and transmit to the MOC a quarterly report covering the overall status and progress of the project. Summaries of this report shall be forwarded to the MFNE and to Treasury. Senior DOT and MOC officials will meet every six (6) months to review these reports and other project activities. In addition, the DOT will prepare and discuss with MOC a brief monthly report covering progress from a technical viewpoint.

## Article VII. TECHNOLOGY TRANSFER AND LINKAGES

The DOT will provide advice and assistance to the MOC to facilitate technology transfer and provide linkages with other U. S. Government, State and local agencies, the U. S. private sector, and the academic community.

## Article VIII. FORCE MAJEURE

If any party to this Agreement is rendered unable because of Force Majeure to perform its responsibilities under this Agreement, these responsibilities shall be suspended during the period of continuance of such inability. The term "Force Majeure" means acts of God, acts of the public enemy, war, civil disturbances, and other similar events not caused by nor within the control of the parties. During the period of suspension of performance caused by Force Majeure, Treasury may continue to pay normal costs of maintaining project personnel from funds advanced to the United States by the Government of Saudi Arabia. In the event of suspension of a party's duties because of Force Majeure, the parties shall consult and endeavor jointly to resolve any attendant difficulties.

## Article IX. PROJECT MANAGEMENT AND FINANCIAL PLAN

A project management and financial plan (MFP) conforming to the Joint Commission MFP procedures shall be prepared annually by the parties to this Agreement.

Article X. CONTRACTS

The necessity for contracts entered into by DOT for services, supplies and equipment shall be made by mutual agreement with MOC. The contracts shall be made in accordance with all applicable U.S. Government regulations.

Article XI. DOLLAR DEPOSIT FUND ACCOUNT

At the beginning of each Saudi Arabian budget year the Government of Saudi Arabia shall deposit in the Saudi Arabian Dollar Deposit Fund Account established by the TCA sufficient funds to cover the estimated costs for project activities to be undertaken in that year, as identified in the MFP.

Article XII. COMPENSATION FOR PERSONNEL ASSIGNED TO SAUDI ARABIA

The compensation of all DOT personnel assigned to Saudi Arabia from the date of assignment to the date of separation from the project will be paid by DOT from funds advanced by the Government of Saudi Arabia through Treasury as provided in Article XI.

The compensation of each employee will be as prescribed for an employee of DOT of his grade and term of service by applicable United States of America statutes, regulations and instructions.

The compensation and vacation allowances for contract personnel shall be in accordance with the terms of each individual contract.

Leave policy for permanent staff will be in accordance with standard practices for United States Government personnel overseas. Granting of vacation leave will be coordinated with MOC to minimize disruption of project activities. The DOT will notify MOC of proposed staff transfers six months in advance of scheduled departure dates.

#### Article XIII. CONFIDENTIALITY OF INFORMATION

To the extent permitted by United States law, DOT and Treasury will, upon request of the MOC or the MFNE, keep confidential any information or data provided to them by the MOC or the MFNE or generated as a result of the activities pursuant to this Agreement.

#### Article XIV. EFFECTIVE DATE, AMENDMENT, AND TERMINATION

1. This Agreement shall enter into force upon the date of the last signature hereto, and shall remain in effect until terminated by the parties to this Agreement in accordance with Paragraph 3 below or until the termination of the TCA, as the same may be further extended, whichever shall occur first.

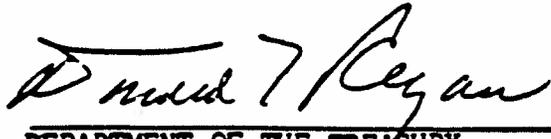
2. This Agreement may be amended by the mutual written consent of all parties participating herein.

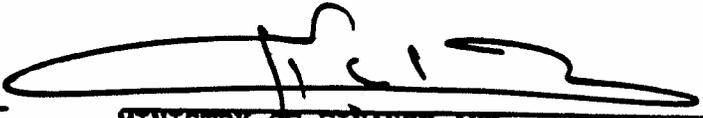
3. This Agreement may be terminated at any time at the discretion of either Government upon ninety (90) days written notice.

4. All questions related to this Agreement arising during its term shall be settled by the parties by mutual agreement.

UNITED STATES OF AMERICA

KINGDOM OF SAUDI ARABIA

  
DEPARTMENT OF THE TREASURY

  
MINISTRY OF FINANCE AND  
NATIONAL ECONOMY

Date: October 26, 1983

Date: October 26, 1983

  
DEPARTMENT OF TRANSPORTATION

  
MINISTRY OF COMMUNICATIONS

Date: October 26, 1983

Date: October 26, 1983

  
FEDERAL HIGHWAY ADMINISTRATION

Date: October 26, 1983