

## INTER-AMERICAN HIGHWAY

*Exchange of notes at Panama May 15 and June 7, 1943*

*Entered into force June 7, 1943*

*Amended by agreement of January 16 and 26, 1951*<sup>1</sup>

57 Stat. 1298; Executive Agreement Series 365

*The Minister of Foreign Affairs to the American Ambassador*

[TRANSLATION]

DEPARTMENT OF FOREIGN RELATIONS  
Diplomatic Division

D.P. No. 5198

PANAMÁ, May 15, 1943

MR. AMBASSADOR:

It gives me pleasure to refer to this Ministry's *aide-mémoire* of March 3, 1942 informing the Embassy that the Government of Panama desired to avail itself of the benefits of law 375 of the Congress of the United States<sup>2</sup> on the construction of the Inter-American Highway and that it agreed to assume one third of the total cost of said work in the Panamanian section.

By this means I now reiterate formally to Your Excellency that the Government of Panama will assume one third of the expenses incurred by the United States in the survey and construction of the section of the Inter-American Highway to be constructed within the limits of the Republic of Panama in accordance with the provisions of the above-mentioned law 375. This percentage will amount to the sum of \$2,200,000.00 approximately in accordance with what Your Excellency told me in the Embassy's informal memorandum of May 1.

Since in that informal memorandum an indication is requested regarding the specific source from which the funds will come for the payment of this one-third part corresponding to Panama, I inform Your Excellency that it is the plan of my Government to obtain an internal loan with this object in view.

In this form, the Government of the Republic of Panama is ready to contribute its share to the realization of this work of such importance to the defense and the future of the hemisphere.

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<sup>1</sup> 2 UST 1852; TIAS 2321.

<sup>2</sup> Public Law 375 of Dec. 26, 1941 (55 Stat. 860).

Accept, Excellency, the reiterated assurances of my highest and most distinguished consideration.

OCTAVIO FÁBREGA  
*Minister of Foreign Relations*

His Excellency  
EDWIN C. WILSON,  
*Ambassador Extraordinary and Plenipotentiary  
of the United States of America  
City.*

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*The American Ambassador to the Acting Minister of Foreign Affairs*

EMBASSY OF THE  
UNITED STATES OF AMERICA  
*Panamá, June 7, 1943*

No. 626

EXCELLENCY:

I have the honor to acknowledge the receipt of Note D.P. No. 5198 of May 15, 1943, in which His Excellency Señor Doctor Octavio Fábrega, Minister of Foreign Affairs, informed me that the Government of Panamá desired to avail itself of the cooperation of the Government of the United States in construction of the Inter-American Highway in Panamá, and offered the assurances required by Public Law 375 of December 26, 1941 in connection with such cooperation.

I take pleasure in informing Your Excellency that the assurances offered in the kind note referred to are satisfactory to my Government. It is consequently the intention of my Government, as soon as Your Excellency's Government has completed the financial arrangements mentioned and subject to the appropriation of the necessary funds by the Congress of the United States, to extend to Your Excellency's Government the cooperation envisaged by the above-mentioned law. Your Excellency will recall that Public Law 375 provides that the surveying and construction work authorized by that act shall be under the administration of the Public Roads Administration. It is understood, therefore, that the pertinent Panamanian officials and the Public Roads Administration will seek to reach a subsidiary agreement regarding the administration of the contemplated work.

My Government is gratified that through this cooperative undertaking it will be possible to complete the Inter-American Highway to Panamá City. Transportation facilities will be improved, new lands and new natural resources developed, additional markets opened, and local economic conditions benefitted through the useful expenditure of money which this project envisages. Both of our countries should happily profit therefrom. I sincerely trust that the highway will serve not only as a link to increase material inter-

course between our nations but also as another bond in the close friendship which unites us.

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

EDWIN C. WILSON

His Excellency

Señor Doctor Don VÍCTOR F. GOYTÍA,  
*Acting Minister for Foreign Affairs.*