

No. 30555

**UNITED STATES OF AMERICA
and
PANAMA**

Exchange of notes constituting an agreement concerning the disposition of the Mount Hope warehouse and transportation areas (with attachment). Panama, 12 February and 7 May 1982

Authentic texts: English and Spanish.

Registered by the United States of America on 2 December 1993.

**ÉTATS-UNIS D'AMÉRIQUE
et
PANAMA**

Échange de notes constituant un accord concernant la destination de la zone de dépôt de Mount Hope et de la zone des transports motorisés de Mount Hope (avec annexe). Panama, 12 février et 7 mai 1982

Textes authentiques : anglais et espagnol.

Enregistré par les États-Unis d'Amérique le 2 décembre 1993.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND PANAMA CONCERNING THE DISPOSITION OF THE MOUNT HOPE WAREHOUSE AND TRANSPORTATION AREAS

I

*The American Ambassador
to the Panamanian Minister of Foreign Relations*

Panama, February 12, 1982

No. 014

Excellency,

I have the honor to refer to the Panama Canal Treaty of 1977,² to the Agreement in Implementation of Article III of the Treaty³ and to discussions between representatives of our two Governments concerning the status of certain areas made available to the United States of America for the management, operation and maintenance of the Panama Canal pursuant to those agreements.

Paragraph 1(c) of Annex A of the Agreement in Implementation of Article III of the Panama Canal Treaty of 1977 provides that:

- "(c) The following areas shall cease to be a part of the Canal operating areas five years following the entry into force of this Agreement:
- (i) The Mount Hope warehouse area; and
 - (ii) The Mount Hope motor transportation area.
- For the purpose of this provision, the Mount Hope warehouse area is identified on the map attached hereto as attachment No. 2, SK 529-25-14A, in the manner indicated on the legend thereof, and the

¹ Came into force on 7 May 1982, the date of the note in reply, in accordance with the provisions of the said notes.

² United Nations, *Treaty Series*, vol. 1280, p. 3.

³ *Ibid.*, vol. 79.

Mount Hope motor transportation area is identified on the map attached hereto as Attachment No. 3, SK 529-25-13A, in the manner indicated on the legend thereof."

Representatives of the United States Government have requested, for the efficient management, operation and maintenance of the Canal, the continued use of the Mount Hope motor transportation area, beyond the five-year period following the entry into force of the aforesaid Agreement. Also, after considering requests from representatives of your Government, the United States Government has determined that it will no longer require, and in advance of October 1, 1984, can make available to the Republic of Panama, the Mount Hope warehouse area. In addition, and consistent with these requests the United States has purchased building 8153 in the Margarita housing area for the purpose of relocating the Panama Canal Commission's Treasury Branch Atlantic Office, formerly located in the Mount Hope warehouse area.

In order to satisfy the aforementioned requests, I have the honor to propose the following agreement, pursuant to Paragraph 6 of Article III of the Agreement in Implementation of Article III of the Treaty, and Annex A of the Agreement:

First: The Mount Hope warehouse area (except the Fire Station --Building 7029) shall cease to be part of the Canal operating

areas and shall transfer to the Government of the Republic of Panama.

Second: In view of the requirements of the Panama Canal Commission, the Republic of Panama shall allow the Government of the United States of America the use of the Mount Hope motor transportation area until October 1, 1989, subject to the same terms and conditions maintained prior to October 1, 1984. Accordingly, this area will continue to be a Canal operating area until October 1, 1989, or until such earlier date as the requirements of the Panama Canal Commission may be satisfied.

Third: In accordance with paragraph 3(j) of Annex A of the Agreement, the Government of the Republic of Panama shall guarantee to the United States of America free and unimpeded access to the following communications and electrical facilities of the Panama Canal Commission and the Armed Forces of the United States of America, which are located in the Mount Hope warehouse area depicted in attached drawing SK 529-223:

- (I) Manhole B4B2
- (II) The ductline outside fenced area and associated manholes.
- (III) The buried cable and ductline inside fenced area and associated manholes.

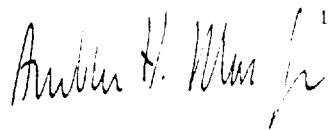
(IV) The transformer house.

(V) The buried cable in conduit.

Fourth: Building 8153 in Margarita may be occupied by the Panama Canal Commission until termination of the Panama Canal Treaty of 1977, as the Panama Canal Commission's Treasury Branch Atlantic Office. This building shall be a Canal operating area until the termination of the Treaty or such earlier date as its use by the Commission ceases.

If the proposals set forth above are acceptable to the Government of the Republic of Panama, I have the honor to suggest that this Note and Your Excellency's reply thereto indicating acceptance shall constitute an agreement between our two Governments concerning these matters, as of the date of your reply.

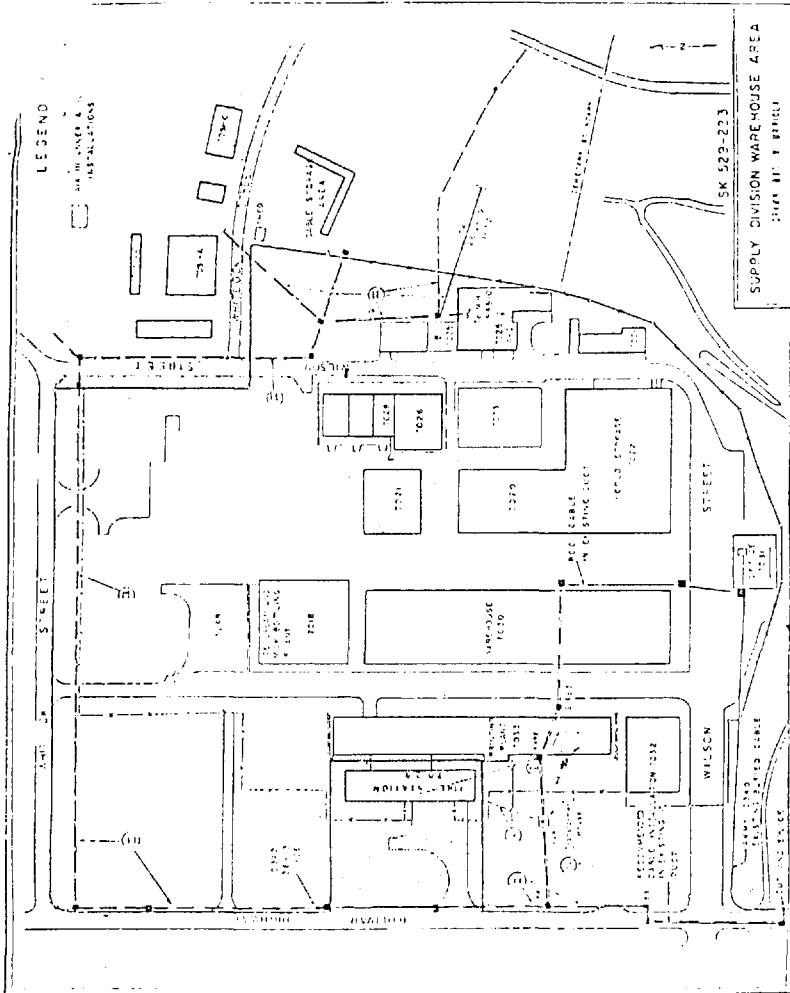
Accept, Excellency, the renewed assurances of my highest esteem and consideration.



Enclosure: as indicated

His Excellency
Jorge E. Illueca
Minister of Foreign Relations
Panama, Republic of Panama

¹ Ambler H. Moss, Jr.



[TRANSLATION — TRADUCTION]¹REPUBLIC OF PANAMA
OFFICE OF THE MINISTER OF FOREIGN RELATIONS

Panama City, May 7, 1982

No. 109

Mr. Ambassador,

I have the honor to acknowledge receipt of your note No. 014 of February 21, 1982, which reads as follows:

[*See note I*]

With respect to the agreement proposed by Your Excellency in the aforementioned note No. 014 of February 12, 1982, I wish to inform you that my government would like to offer the following clarifications.

Regarding the transfer of the Mount Hope warehouse area referred to in the paragraph identified as "First," that area will be transferred to the Republic of Panama on Monday, May 10, 1982.

With respect to the paragraph identified as "Second," it is understood that Your Excellency's government will do everything in its power, within the five-year extension period, to ensure that, as soon as possible, the activities of the Panama Canal Commission in the Mount Hope motor transportation area are relocated and said area transfers to the Republic of Panama.

Regarding the "Fourth" paragraph on the occupancy by the Panama Canal Commission of Building 8152 in Margarita as the Panama Canal Commission's Treasury Branch Atlantic Office until termination of the Panama Canal Treaty of 1977, with, consequently, treatment equivalent to that of a Canal operating area, acceptance of this paragraph by the Republic of Panama is possible only on the understanding

¹ Translation supplied by the Government of the United States — Traduction fournie par le Gouvernement des Etats-Unis d'Amérique.

that the aforementioned Building 8152 remains subject to the provisions of Article XIII(1) of the Panama Canal Treaty of 1977.

My government would also like to point out to Your Excellency's government that the acquisition by the Panama Canal Commission of that improvement by a private individual, built on land belonging to the Panamanian state, and subject to the system of land use permits, should have received prior authorization from the Republic of Panama. It is understood, therefore, that such acquisition does not constitute nor shall be considered as a precedent, and the Republic of Panama remains empowered to authorize or refuse to authorize similar transactions.

I have the honor to confirm to Your Excellency that with the clarifications set forth above, my government concurs in the terms of the note transcribed above and, consequently, agrees that it and this reply thereto shall constitute an agreement between our two governments that shall enter into force on today's date.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

JOSE M. CABRERA JOVANE
Acting Minister of Foreign Relations

His Excellency
Ambler H. Moss Jr.
Ambassador of the United States of America
Panama
