ROUND TABLE CONFERENCE

RESULTS AS ACCEPTED IN THE

SECOND PLENARY MEETING

HELD ON 2 NOVEMBER 1949 IN THE

"RIDDERZAAL" AT THE HAGUE
ROUND TABLE CONFERENCE

RESULTS AS ACCEPTED IN THE
SECOND PLENARY MEETING
HELD ON 2 NOVEMBER 1949 IN THE
"RIDDERZAAL" AT THE HAGUE

To my best friend,
Danie, with kind regards.

[Signature]
1-1-50

Annex to this publication
DRAFT CONSTITUTION OF THE REPUBLIC OF THE
UNITED STATES OF INDONESIA
printed separately
# TABLE OF CONTENTS

I. Covering Resolution ........................................ 7

II. Draft Agreements:

1. Draft Charter of Transfer of Sovereignty ............ 13

2. Draft Union Statute ........................................ 14
   Appendix to the Draft Union Statute .................. 19

Attached draft agreements:

a. Draft Agreement between the Republic of the United States of Indonesia and the Kingdom of the Netherlands to regulate their cooperation in the field of foreign relations ........................................ 22

b. Draft Agreement for the implementation of articles 2 and 21 of the Union Statute .................................. 23

c. Draft Financial & Economic Agreement ................ 26
   Appendix to the draft Financial & Economic Agreement:
   List of Trade- and Monetary Agreements in which
   Indonesia participates ........................................ 38

d. Draft Cultural Agreement between the Republic of the United States of Indonesia and the Kingdom of the Netherlands ........................................ 39

3. Draft Agreement on Transitional Measures ............ 43

Attached draft agreements:

a. Draft Agreement concerning the assignment of citizens ........................................ 46

b. Draft Agreement concerning the position of the Civil Government Officials in connection with the transfer of sovereignty ........................................ 50
   Appendix to the Draft Agreement concerning the position
   of the Civil Government Officials in connection with
   the transfer of sovereignty .................................... 52
   Draft Agreement on rendering assistance with regard to
   personnel by the Kingdom of the Netherlands on behalf
   of the civil services of the Republic of the United States
   of Indonesia and vice-versa .................................. 54

c. Draft Regulations on military affairs ................ 55
II. Regulations on the air forces in Indonesia under Netherlands command after the transfer of sovereignty ....... 72

III. Exchange of Letters:

A. concerning the draft Charter of Transfer of Sovereignty:
   Exchange of letters with regard to article 2 of the draft Charter of Transfer of Sovereignty .......... 77

B. concerning the draft Union Statute and the attached draft agreements:
   a. Exchange of letters on the acting of the Netherlands as Union partner in and on behalf of the Kingdom of the Netherlands ............... 79
   b. Exchange of letters on the tracing of graves of those who fell and matters connected therewith as well as on the fields of honour ............... 81
   c. Exchange of letters on the exchange of Military Missions 83
   d. Exchange of letters on the maritime contribution to be made by the Netherlands to the Republic of the United States of Indonesia on the basis of articles 4 and 5 of the draft Agreement for the implementation of articles 2 and 21 of the draft Union Statute ............... 95
   e. Exchange of letters attached to the draft Financial & Economic Agreement on six points of a financial and economic nature ............... 97
      Appendix referred to in point 5 of the letters exchanged 99
   f. Exchange of letters on the annulment of the tin agreement contracted between the body-corporate State of the Netherlands and the body-corporate Indonesia and on an arrangement to safeguard the Netherlands against risks ............... 105
   g. Exchange of letters on mutual consultation on the legislation on nationality ............... 107
b. Exchange of letters on provisions in the legislation on nationality of the partners with regard to the service of nationals of one partner with the other partner 109

d. Exchange of letters on the rights concerning civil procedure 111

j. Exchange of letters on the exchange of High Commissioners 113

k. Exchange of letters on the provisions in articles 8 and 9 of the draft Agreement on Transitional Measures and the institution of the Offices of the High Commissioners 117

C. concerning the draft Agreement on Transitional Measures and the attached draft Agreements:
Exchange of letters on the institution of two preparatory committees for

1. the withdrawal or reorganization of the air forces under Netherlands command and

2. the execution of the provisions of the Naval Agreement 119

Annex

The annex containing the Constitution of the Republic of the United States of Indonesia, as submitted in the Netherlands language by the two Indonesian Delegations to the Delegation of the Kingdom of the Netherlands, is published separately under the title:

DRAFT CONSTITUTION OF THE REPUBLIC OF THE UNITED STATES OF INDONESIA
COVERING RESOLUTION
The Delegations of:
1. The Kingdom of the Netherlands,
2. The Government of the Republic Indonesia,
3. The Federal Consultative Assembly,

Considering that they have assembled at the Round Table Conference to achieve at the earliest possible time, an appropriate and lasting solution of the Indonesian conflict by reaching agreement between the participants on the way of transferring real, complete and unconditional sovereignty to the Republic of the United States of Indonesia, in accordance with the Renville-principles;

Considering that this aim has been achieved in good cooperation;

Considering that the United Nations Commission for Indonesia has given valuable assistance;

Have reached the following decision:

I. the results of the Round Table Conference are embodied in draft agreements and in letters, which documents are attached to this resolution.

II. A. The draft agreements are the following:
   1. the draft Charter of Transfer of Sovereignty;
   2. the draft Union Statute including appendix and special agreements on the principal subjects of future cooperation;
   3. the draft Agreement on Transitional Measures including special agreements on the settlement of those subjects, which require provision as a result of the transfer of sovereignty.

   B. The Delegations have expressed their respective points of view on a number of separate issues in an exchange of letters.

III. The documents enumerated under A and B are drawn up in the Netherlands and in the Indonesian languages. Both texts have equal value.

   The official English text will prevail in case of divergent interpretation of the Netherlands and Indonesian texts.

IV. The acceptance of this resolution by the Kingdom of the Netherlands on the one side and the territories acceding to the Republic of the United States of Indonesia on the other side will be considered the ratification of the documents attached to this resolution. The ratification by party will lose validity, if any other party does not ratify this resolution.

V. The agreements referred to under II will come into force at the moment of the transfer of sovereignty which will take place at a formal ceremony at Amsterdam, to be held not later than 30 December 1949.
VI. The United Nations Commission for Indonesia or an other United Nations Agency shall observe in Indonesia the implementation of the agreements reached at the Round Table Conference.

The Delegation of the Federal Consultative Assembly  
HAMID  
Chairman

The Delegation of the Kingdom of the Netherlands  
J. H. VAN MAARSEVEEN  
Chairman

W. DREES  
The Chairman of the Round Table Conference

M. J. PRINSEN  
The Secretary-General of the Round Table Conference

The Delegation of the Government of the Republic Indonesia  
MOHAMMAD HATTA  
Chairman

The United Nations Commission for Indonesia  
R. HERREMAN  
Chairman of the week

H. MERLE COCHRAN  
Member

Th. K. CRITCHLEY  
Member

F. A. ROMANOS  
Principal Secretary

Note. In the English text the covering resolution has been signed first by the Chairman of the Delegation of the Federal Consultative Assembly, in the Indonesian language it has been signed first by the Chairman of the Delegation of the Government of the Republic Indonesia, and in the Netherlands text it has been signed first by the Chairman of the Delegation of the Kingdom of the Netherlands.
DRAFT AGREEMENTS
DRAFT CHARTER OF TRANSFER OF SOVEREIGNTY

Article 1

1. The Kingdom of the Netherlands unconditionally and irrevocably transfers complete sovereignty over Indonesia to the Republic of the United States of Indonesia and thereby recognizes said Republic of the United States of Indonesia as an independent and sovereign State.

2. The Republic of the United States of Indonesia accepts said sovereignty on the basis of the provisions of its Constitution which as a draft has been brought to the knowledge of the Kingdom of the Netherlands.

3. The transfer of sovereignty shall take place at the latest on 30 December 1949.

Article 2

With regard to the residency of New Guinea it is decided:

a. in view of the fact that it has not yet been possible to reconcile the views of the parties on New Guinea, which remain, therefore, in dispute,

b. in view of the desirability of the Round Table Conference concluding successfully on 2 November 1949,

c. in view of the important factors which should be taken into account in settling the question of New Guinea,

d. in view of the limited research that has been undertaken and completed with respect to the problems involved in the question of New Guinea,

e. in view of the heavy tasks with which the Union partners will initially be confronted, and

f. in view of the dedication of the parties to the principle of resolving by peaceful and reasonable means any differences that may hereafter exist or arise between them,

that the status quo of the residency of New Guinea shall be maintained with the stipulation that within a year from the date of transfer of sovereignty to the Republic of the United States of Indonesia the question of the political status of New Guinea be determined through negotiations between the Republic of the United States of Indonesia and the Kingdom of the Netherlands.
DRAFT UNION STATUTE

The Kingdom of the Netherlands and the Republic of the United States of Indonesia,
having resolved on a basis of free will, equality and complete independence
to bring about friendly cooperation with each other and to create the
Netherlands Indonesian Union with a view to effectuate this future cooperation,
have agreed to lay down in this Statute of the Union the basis of their mutual relationship as independent and sovereign States,
thereby holding that nothing in this Statute shall be construed as excluding any form of cooperation not mentioned therein or cooperation in any field not mentioned therein, the need of which may be felt in the future by both partners.

CHARACTER OF THE UNION

Article 1
1. The Netherlands Indonesian Union effectuates the organized cooperation between the Kingdom of the Netherlands and the Republic of the United States of Indonesia on the basis of free will and equality in status with equal rights.
2. The Union does not prejudice the status of each of the two partners as an independent and sovereign State.

PURPOSE OF THE UNION

Article 2
1. The Union aims at cooperation of the partners for the promotion of their common interests.
2. This cooperation shall take place with respect to subjects lying primarily in the field of foreign relations and defence, and as far as necessary, finance, and also in regard of subjects of an economic and a cultural nature.

Article 3
1. The two partners undertake to base their form of government on the principles of democracy and to aim at an independent judiciary.
2. The two partners shall recognize the fundamental human rights and freedoms enumerated in the Appendix to this Statute.

PROCEDURE OF THE UNION

Article 4
All decisions in the Union shall be taken in agreement between the two partners.
HEAD OF THE UNION

Article 5

1. At the head of the Union shall be Her Majesty Queen Juliana, Princess of Orange Nassau, and in case of succession Her lawful successors in the Crown of the Netherlands.

2. In case of minority of the Head of the Union, or in case the Head of the Union is unable to perform His office and further in case the Head of the Union temporarily ceases to perform His office, both partners shall make the necessary provision in common agreement. Such provision may be made in common agreement in advance.

Article 6

The Head of the Union effectuates the spirit of voluntary and lasting cooperation between the partners.

THE ORGANS OF THE UNION

Article 7

For the implementation of the purposes of the Union the ministers or persons vested by the respective constitutions of the partners with equal or similar responsibility, having been designated for this purpose by each of the partners, shall hold conferences twice a year and further as often as the partners shall deem necessary. Unless otherwise agreed, three ministers of each partner will participate in these conferences.

Article 8

The ministers participating in the conference remain responsible to the respective organs of the partners on the basis of the respective constitutions of the partners.

Article 9

The conference of ministers shall institute committees as circumstances may require, in which each of the two partners shall appoint members on a basis of parity.

Article 10

1. The two partners shall effectuate good contact and regular cooperation between the parliaments of the partners.

2. The first discussion between representatives of the parliaments shall take place within eight months after the coming into being of the provisional parliament of the Republic of the United States of Indonesia.

Article 11

1. The Union shall be served by a permanent secretariat. Each of the partners shall appoint a secretary-general, each of whom shall take charge of the secretariat by yearly rotation.

2. The other personnel shall be appointed in agreement between the two secretaries-general in accordance with an instruction drawn up jointly by the two partners.
DECISIONS AND JOINT REGULATIONS

Article 12
1. Decisions of the conference of ministers shall be taken by unanimity of votes between the representation of the Kingdom of the Netherlands on the one side and that of the Republic of the United States of Indonesia on the other.
2. Decisions of the conference may be given effect in accordance with the following procedure.
3. Decisions taken at the conference of ministers for the enactment of joint regulations require approval by the respective parliaments of the partners. After approval by the two parliaments, the Head of the Union shall state that agreement exists between the two partners and the joint regulation shall thereupon be promulgated in the official Statute Book of each of the partners. By this promulgation the joint regulation shall have force of law. The joint regulations are inviolable.
4. In respect of other decisions of the conference the Head of the Union, upon request of the conference, may likewise state that agreement exists between the two partners.

UNION COURT OF ARBITRATION

Article 13
1. There shall be a Union Court of Arbitration for the settlement of matters of law and justice in the name of the Head of the Union.
2. The Court shall take cognizance of legal disputes, brought before the Court by one of the partners against the other, or jointly by both partners, arising from the Union Statute, from any agreement between the partners or from joint regulations.

Article 14
1. The Union Court of Arbitration shall consist of three members appointed by the Kingdom of the Netherlands and three members appointed by the Republic of the United States of Indonesia.
2. The members of the Court shall be appointed for a period of ten years. They shall resign in any case once they reach the age of sixty five years.
3. The chairman shall be elected every year, a Netherlander and an Indonesian in turn, by and from amongst the members of the Court.
4. Prior to taking up their office, the members of the Court shall, before the Head of the Union, take the oath or make the promise in accordance with their religious faith, that they shall fulfil their office honestly, scrupulously and impartially and shall comport themselves in the exercise of their duties as befits a good member of the Union Court of Arbitration.

Article 15
1. The Union Court of Arbitration shall decide by majority of votes.
2. In case votes are equally divided the Court shall, unless the two partners otherwise request, call upon the President of the International
Court of Justice or upon an other international authority, to be designated by majority of votes, with the request to appoint a person of an other nationality as special member of the Union Court of Arbitration, who, having the rights of an ordinary member, shall take part in a renewed consideration of the dispute and in the decision thereon.

Article 16
Further provisions concerning the rules of procedure, the organization and regulation of the activities of the Union Court of Arbitration shall be established in a joint regulation. As long as such a joint regulation does not exist, the Court itself shall determine its rules of procedure and the organization and regulation of its activities, paragraph 2 of the preceding article being applicable if no agreement can be reached in this matter.

Article 17
The two partners undertake to comply with the decisions of the Union Court of Arbitration and to implement such decisions under their own authority and responsibility each within his own territory.

Article 18
In case of conflict between provisions of the law of the partners and of the public bodies within their jurisdiction on the one side and the Union Statute or any agreement between the partners or a joint regulation on the other, the latter category of provisions shall prevail.

Article 19
The two partners reserve all their rights under international law or otherwise to solicit the decision of an international court or arbitrator in cases where both partners consider the Union Court of Arbitration incompetent or in cases where the Court declares itself incompetent.

FOREIGN RELATIONS
Article 20
Provisions concerning the cooperation between the partners in the field of foreign relations are set forth in the agreement attached to the present Statute.

DEFENCE
Article 21
Provisions concerning the cooperation between the partners in the field of defence are set forth in the agreement attached to the present Statute.

FINANCIAL AND ECONOMIC RELATIONS
Article 22
Provisions concerning the cooperation between the partners in the field of financial and economic relations are set forth in the agreement attached to the present Statute.

CULTURAL RELATIONS
Article 23
Provisions concerning the cooperation between the partners in the cultural field are set forth in the agreement attached to the present Statute.
NATIONALITY

Article 24

1. Without prejudice to the provisions made or still to be made in special agreements between the partners, with regard to the exercise of political and other rights by nationals of one partner within the jurisdiction of the other partner, the following shall apply:
   a. the nationality of one partner shall not constitute an objection against serving officially within the jurisdiction of the other partner, except for:
      1a. offices, the holder of which is responsible to a representative body, unless the law should provide otherwise;
      2a. those political, administrative, judicial and leading offices which are specified as such by law;
   b. with regard to the exercise of civil rights and social activities, each partner shall always fully appreciate the special interests within his jurisdiction of the nationals and corporate bodies of the other partner, and therefore shall make no appreciable discrimination between their respective nationals and corporate bodies, without prejudice to the power of either partner to establish regulations required for the protection of their national interests or for the projection of economically weak groups.

2. On no account shall the nationals and corporate bodies of either of the partners receive within the jurisdiction of the other partner treatment less favourable than nationals and corporate bodies of a third State.

SPECIAL PROVISIONS

Article 25

To further the interests of the partners within each other’s territory the Governments of the partners shall appoint High Commissioners. These shall have the status of diplomatic representatives with the rank of ambassador.

Article 26

1. Unless otherwise agreed each partner shall bear one half of the expenses of the Union.

2. Further provisions in respect of the expenses of the Union shall be established by joint regulation. As long as such a joint regulation does not exist, the conference of ministers shall make the necessary provisions.

Article 27

1. All official documents, issued by the conference of ministers or by other Union organs shall be in the Netherlands and Indonesian languages.

2. Both texts shall be equally authentic.

Article 28

The Union Statute and the agreements pertaining thereto as well as the joint regulations and future agreements may be presented to the Secretariat of the United Nations for registration in accordance with article 102 of the Charter of the United Nations.
APPENDIX TO THE DRAFT UNION STATUTE

The fundamental human rights and freedoms recognized by the partners in virtue of article 3 of the Union Statute and which everyone is entitled to exercise and to enjoy without discrimination of any kind on the ground of race, colour, sex, language, religion, national or social origin, property or birth, are:

1. (1) Everyone is recognized as a person before the law.
   (2) All are entitled to equal treatment and equal protection of the law.
   (3) All are entitled to equal protection against any discrimination and against any incitement to such discrimination.

2. All persons within the territory of the State are entitled to equal protection of person and property.

3. (1) Everyone has the right to liberty of movement and residence within the borders of the State.
   (2) Everyone has the right to leave the country and — being citizen or resident — to return to his country.

4. No one shall be arrested or detained except upon the orders of the officer authorized thereto by law and in the cases and in the manner as established by law.

5. (1) Everyone’s home is inviolable.
   (2) No premises or home shall be entered against the will of its occupant except in cases provided for by a law applicable to that occupant.

6. The freedom and secrecy of correspondence are inviolable, except by order of the judiciary or officers authorized by law in the cases defined by law.

7. Everyone has the right to freedom of thought, conscience and religion. This right includes freedom to change his religion or belief and freedom, either alone or in community with others and in public or private, to manifest his religion or belief in teaching, practice, worship and observance of the commandments and prescriptions and by educating the children in the faith or belief of their parents.

8. Everyone has the right to freedom of opinion and expression.
9. The right of the residents to freedom of peaceful association and assembly is recognized and as far as necessary guaranteed by law.

10. (1) Everyone has the right to own property alone or jointly with others.

(2) No one shall be arbitrarily deprived of his property.

11. (1) Everyone, according to his ability, has the right to available work, to free choice of employment and to just conditions of work.

(2) Everyone who works has the right to just remuneration ensuring for himself and his family an existence in accordance with human dignity.

12. Everyone has the right to form and to join trade unions for the protection of his interests.

13. (1) Teaching is free, subject to the supervision to be exercised by public authorities in accordance with the law.

(2) The choice of education is free.

14. The State shall promote social security to the extent of its ability, in particular by ensuring and guaranteeing favourable conditions of employment and of work by preventing and checking unemployment and by promoting reasonable old age provisions and care for widows and orphans.

15. (1) The raising of the prosperity of the population is an object of continuous concern of the State, the aim of which shall be that everyone be ensured a standard of living for himself and his family in accordance with human dignity.

(2) Except where the law imposes limitations which are in the general interest, opportunity to take part in the development of the sources of prosperity of the country shall, to the greatest possible extent, be offered to all on an equal footing in accordance with character, disposition and ability.

16. The family has a right to protection by society and by the State.

17. (1) The State shall promote as much as possible the spiritual and physical development of the population.

(2) The authorities provide where necessary for public education to be given on a basis of tolerance and equal respect of everyone's religious conviction and with the opportunity, during school hours, for religious teaching according to the wishes of the parents.

(3) The pupils of a private school which complies with the standards of efficiency imposed by law on public education shall have the same rights as those accorded to pupils of public schools.

(4) The freedom is recognized to perform social and charitable work, to set up organizations therefor as well as for private education and to acquire and own property to these ends.
18. The promotion of public hygiene and public health are an object of continuous concern of the State.

19. The State shall grant equal protection to all recognized religious communities and organizations.

Each partner shall maintain within his jurisdiction the free exercise of the fundamental human rights and freedoms set forth in this appendix, and shall observe the international treaties and internationally acknowledged principles of law concerning the exercise thereof.

The exercise of the rights and freedoms set forth in this appendix, may be restricted for no other reason than to consider the rights and freedoms of others, morals, public order and the general welfare in a democratic constitutional order.
DRAFT AGREEMENT BETWEEN THE REPUBLIC OF THE UNITED STATES OF INDONESIA AND THE KINGDOM OF THE NETHERLANDS TO REGULATE THEIR COOPERATION IN THE FIELD OF FOREIGN RELATIONS

The Republic of the United States of Indonesia and the Kingdom of the Netherlands inspired by an equal desire to achieve cooperation in the field of their foreign relations, have decided to conclude the following agreement to regulate such cooperation.

Article 1

The Netherlands Indonesian Union shall effectuate cooperation in the field of foreign relations. Where both partners feel that it is in their interest and so decide, the conference of ministers may provide for joint or common representation in international intercourse.

Article 2

On the primary consideration of the principle that each of the partners conducts his own foreign relations and determines his own foreign policy, they shall aim at coordinating their foreign policy as much as possible and at consulting each other thereon.

Article 3

Neither partner shall conclude a treaty, nor shall he perform any other juridical act in international intercourse, involving the interests of the other partner, unless after consultation with said partner.

Article 4

In case one of the partners has not accredited a diplomatic representation in a foreign country, he shall have his interests represented by preference by the diplomatic representation of the other partner to said foreign country.

Article 5

In case one of the partners requests technical or other cooperation for the conduct of his foreign relations, the other partner shall extend such cooperation to the best of his ability.
DRAFT AGREEMENT FOR THE IMPLEMENTATION OF
ARTICLES 2 AND 21 OF THE UNION STATUTE

The Kingdom of the Netherlands and the Republic of the United States of
Indonesia,
in pursuance of the provisions contained in articles 2 and 21 of the Union
Statute,
have agreed as follows.

Article 1
Each of the partners shall bear full responsibility for the defence of his
own territory.
Provisions to this effect shall be made by each of the partners.

Article 2
The joint regulations referred to in article 12 of the Union Statute shall
be implemented independently by each of the partners within his own
area of jurisdiction.

Article 3
Without prejudice to the provision of article 2, the cooperation may find
expression in assistance to be given by one partner to the other, if so
requested, in so far as in the former’s opinion the assistance applied for
is compatible with his capacity and his own needs, and in particular with
the interests of his own defence.

Article 4
The assistance referred to in article 3, may inter alia consist of:
a. training and higher training of officers, non-commissioned officers,
specialized military personnel and civilian auxiliary personnel;
b. making personnel available;
c. making materiel available;
d. offering facilities and rendering assistance for the maintenance and
repair of materiel of the other partner.

Article 5
Should one of the partners request to make available in his area of juris-
diction units of the armed forces of the other partner, the partners may
conclude an agreement to this effect.

Article 6
If, in pursuance of articles 4 and 5, one partner renders assistance to the
other, the expenses involved in rendering such assistance shall, unless
otherwise agreed in special cases, be borne by the partner who has applied for said assistance.

Article 7

The partners shall exchange military missions. The conditions under which said exchange shall take place, the composition and the terms of reference of these missions, shall be regulated by the Governments of the partners in mutual consultation.

A partner, contemplating to invite or receive a military mission of a third power, shall previously consult the other partner in this respect.

Article 8

The two partners shall consult with one another in the event of threat of aggression to both partners or to one of the partners.

Article 9

If a partner wishes to procure materiel for his armed forces from outside his own territory he shall consult the other partner as much as possible as to the manner in which they may assist each other in this respect.

Article 10

If a partner gives information concerning his defence to the other partner, the latter is—also in regard of an ally—committed to secrecy, unless he is explicitly exempted from this obligation by the former partner.

If personnel of one partner, by reason of the cooperation visualized in this agreement, is admitted to the area of jurisdiction or to organizations of the other partner, the former partner shall do his utmost in order that said personnel maintain secrecy on all defence matters of the other partner which may come to their knowledge.

Article 11

The partners shall effect an arrangement on the law on military penal procedure, the military penal law and the law on military discipline, to be applied to military personnel of a partner, which personnel, by reason of the performance of duties arising out of the cooperation between the partners, is within the area of jurisdiction of the other partner.

In effecting said arrangement the partners shall take into consideration similar arrangements in other countries.

Article 12

Unless the partners agree otherwise, merchant vessels and civil aircraft under the flag of a partner may, if one of the partners is involved or is in danger of becoming involved in a war, be requisitioned or militarized only by the latter and not by the former, irrespective of the location of said ships and aircraft.

The former partner however shall in this case consult the other partner if the merchantmen or the civil aircraft is within the latter’s area of jurisdiction.
Article 13
The partners shall make arrangements concerning the rules which shall apply, when naval units or military aircraft of one partner are present in or near the area of jurisdiction of the other partner and call at ports or airports in said area of jurisdiction.

Article 14
Pending an arrangement between the partners concerning the compulsory military service of their respective subjects, the subjects of one partner shall not be compelled to serve in the armed forces of the other partner. As long as any resident of either partner shall have the right of option in respect of his future nationality, under the provisions accepted at the Round Table Conference, this person shall not be called for military service by one of the partners.

Article 15
This agreement shall not prejudice upon the rights and obligations of the partners under the Charter of the United Nations or under international arrangements based thereon.

Article 16
As soon as possible the partners shall consult with one another on the elaboration of the principles contained in the foregoing articles, and undertake such measures as may be considered useful by the Governments concerned in mutual consultation for the correct achievement of the aims of the Union Statute and of the present agreement on defence matters.
DRAFT FINANCIAL & ECONOMIC AGREEMENT

The Kingdom of the Netherlands and the Republic of the United States of Indonesia guided by the desire to regulate the new relations in the financial and economic field created by the transfer of sovereignty and to reach cooperation in this field;

In consideration of articles 2 and 22 of the Union Statute;

Have resolved to conclude the following agreement.

SECTION A

RIGHTS, CONCESSIONS, LICENCES AND OPERATION OF BUSINESS ENTERPRISE

Article 1

1. In respect of the recognition and restoration of the rights, concessions and licences properly granted under the law of the Netherlands Indies (Indonesia) and still valid on the date of transfer of sovereignty, the Republic of the United States of Indonesia will adhere to the basic principle of recognizing such rights, concessions and licences. The Republic of the United States of Indonesia also recognizes, in so far as this has not yet been done, that the rightful claimants be restored to the actual exercise of their rights under the proviso referred to in the following paragraphs of this article.

2. The Republic of the United States of Indonesia reserves the right to conduct an investigation in respect of important rights, concessions and licences granted after 1 March 1942 which may influence the economic policy of the Republic of the United States of Indonesia, for the purpose of considering whether the application of article 2 is desirable.

3. Account shall be taken of:

a. The situation resulting from the fact that, during the Japanese occupation and the subsequent period of revolution, estate grounds, on which the crops were removed for the benefit of food-cultivation or to make way for housing, were occupied by the population—with the approval of the Japanese authorities during the occupation—and that in certain cases the removal of the population concerned from these grounds without further consideration and the return of such grounds to the estate concerned would create too much unrest and that such a return is often impossible. Each case shall be judged on its own merits and a solution shall be sought acceptable for all parties concerned.
b. The necessity that certain private properties remain (are) temporarily requisitioned against indemnity for government service in the interest of the country.

c. The withdrawal under the Undang-Undang Republic Indonesia 1948 Nr. 13 of the conversion rights in the residencies of Jogjakarta and Surakarta which was necessitated by changed conditions in general and changed views of the population in particular. In this case the Republic of the United States of Indonesia will arrange for the legal provisions required to ensure the enterprises concerned the greatest possible security in respect of the acquisition of the lands required for these enterprises.

4. The possibility that public utilities, such as privately owned rail- and tramways and powerplants (gas and electricity) will be nationalized by the Republic of the United States of Indonesia which will be carried out by way of expropriation c.q. "naasting", shall have no influence upon the reinstatement of the rightful claimants in the actual exercise of their rights. In this legal restoration, account may be taken of the form of management of the rail- and tramways at the time of transfer of sovereignty.

Article 2

The rights, concessions and licences referred to in article 1, paragraph 1, may be infringed upon only in the public interest, including the welfare of the people, and through amicable settlement with the rightful claimants, and if the latter can not be achieved, by expropriation for the public benefit such in accordance with the provisions of article 3.

Article 3

Expropriation, nationalization, liquidation, compulsory cession or transfer of properties or rights, shall take place exclusively for the public benefit, in accordance with the procedure prescribed by law and, in the absence of an agreement between the parties, against previously enjoyed or guaranteed indemnity to be fixed by judicial decision at the real value of the object involved, such in accordance with provisions to be prescribed by law.

The conditions of previously received or previously guaranteed indemnity due do not apply in cases where war, threat of war, insurrection, fire, floods, earthquake, volcanic eruption or other emergencies require immediate seizure.

Article 4

On behalf of existing and new enterprises and estates, the possibility will be made available for an extension, a renewal or the granting of rights, concessions and licences required for their operation. This will take place at such conditions, and for a period and at a time so as to enable the enterprises remaining or being operated on a sound business basis and the lawful owners being guaranteed a continuity making possible the investments required for normal long term business operations, except in those cases which are in contravention with the public interest including the general economic policy of the Republic of the United States of Indonesia.
Article 5
The enterprises and estates will cooperate with and enable participation of Indonesian capital subject to this being justified from a business point of view.

Article 6
The Republic of the United States of Indonesia will make the provisions required to safeguard the lawful owners exercising their rights, concessions and licences referred to in article 1, first paragraph, to promote resumption and lastingness of economic activity. In this respect, however, it shall be borne in mind that the general economic policy to be pursued by the Republic of the United States of Indonesia shall in the first place be focused on the economic building up of the Indonesian community as a whole, in the sense that the interests and material and spiritual progress of the Indonesian people as a whole are best served by creating a maximum of effective purchasing power and raising the standard of living of the people.

Article 7
In regard to all rights, concessions and licences referred to in article 1, paragraph 1, which could not be exercised as a result of the war, occupation and the subsequent abnormal conditions, the possibility will be made available that at the request of the lawful owners, these rights, concessions and licences be extended for a corresponding period except in those cases where such an extension is in contravention with the public interest including the general economic policy of the Republic of the United States of Indonesia.

Article 8
The burdens imposed on business as a consequence of fiscal measures and social and other measures customary in a modern country will be kept within such reasonable limits that under normal circumstances business can be carried on, permitting normal replacements, depreciations and reserves and permitting a reasonable profit for the capital invested in the enterprises.

Article 9
The manner of operating enterprises and the freedom of commerce, enterprise and monetary intercourse can be restricted by law only.

Article 10
Parties acknowledge the necessity of an independent fiscal judiciary. They will make regulations to prevent double taxation.

Article 11
Netherlands nationals, corporate bodies, products, vessels and other objects enjoy no less favourable treatment in Indonesia than that accorded to any third country. Foreigners of all nations will have equal rights in the participation of trade with Indonesia and in the economic activity and industrial development of that country. The Republic of the United States of Indonesia however
recognizes that the special interests of Netherlands nationals and corporate bodies within Indonesia will be fully taken into account and further that no discrimination will take place in respect of the interests referred to, without prejudice to the right of the Republic of the United States of Indonesia to make such regulations as are necessary for the protection of national interests or economically weak groups.

The provisions made in this article on behalf of the Netherlands apply mutually between the Netherlands and Indonesia.

Article 12

1. Apart from the general obligation that employers in respect of their enterprises have to submit to the laws of the country, the enterprises (estates) shall—in the interest of social peace and order and for the improvement of social conditions—cooperate in applying provisions such as:

a. aiming at the institution of organized consultation between employers and employees in the entire field of labour relations;

b. promoting gradually the achievement of joint interests between the employers and labourers, e.g. landowners, in order that the interests to be pursued will grow together and that these labourers and landowners attain a higher standard of living;

c. improvement of housing and other social welfare arrangements for labourers;

d. the inclusion within the earliest possible period of eligible Indonesians into the direction (and management) and staffs of the enterprise, and cooperation in establishing training courses with the objective that after a reasonable period, the predominant part of the leading staff personnel of the enterprises will consist of Indonesian nationals;

e. the residing in Indonesia of organs vested with full power of those enterprises whose main field of operations is in Indonesia.

2. Employers, on matters referred to under a—d inclusive, also shall display initiative on the understanding however that the Government requirements in this field in respect of foreign investments shall not go beyond those stipulated for Indonesian enterprises of a similar nature and size.

Article 13

In the event of any alteration in the existing agrarian regulations in the public interest, the interests of the lawful owners and in particular the security of enterprise will be taken into account.

SECTION B
FINANCIAL RELATIONS

Article 14

The Netherlands and the Republic of the United States of Indonesia shall each aim at a sound monetary system based on the principles expressed in the Bretton Woods agreements. This requires, inter alia, that in each country a single circulation bank shall operate. The monetary policy of each of the
two countries shall aim at achieving and maintaining a stable internal and external value of the currency and shall aim at promoting free convertibility of exchange.

Article 15

As long as the Republic of the United States of Indonesia has not yet acquired membership to the International Monetary Fund, the Republic of the United States of Indonesia shall adhere to the rules to be observed by a member of the Fund.

Furthermore consultations shall be held between the Netherlands and the Republic of the United States of Indonesia to enable the latter to become at the earliest possible date a member of the International Monetary Fund.

Article 16

Previous consultation shall be held between the two countries concerning any alteration of the rate of exchange of the currency of the Netherlands and of the Republic of the United States of Indonesia.

Article 17

As long as the international or internal circumstances necessitate foreign exchange control, the Netherlands and the Republic of the United States of Indonesia shall consult each other on foreign exchange policy in respect of matters which are of real importance to the other party.

Article 18

1. Subject to the proviso referred to in paragraph 5, the Republic of the United States of Indonesia allows transfer to the Netherlands:

   a. for enterprises constituting an active Netherlands investment, of:

      I. the expenditures required in the Netherlands on behalf of the enterprise in Indonesia;

      II. the contributions to pensionfunds, or funds for invalids, widows and orphans and other social provisions for personnel to the extent that the premiums and contributions are required to cover payments to Netherlands

      III. interests and contractually fixed amortization of loans committed in the Netherlands on behalf of the enterprise in Indonesia;

      IV. annual profits and depreciations in accordance with sound business practice;

   b. of dividends concerning passive investments from the Netherlands;

   c. for premiums to life insurance companies and for contributions to pensionfunds, and funds for invalids, widows and orphans and other social provisions, by employer as well as employee, required to cover payments to Netherlands;

   d. to Dutchmen working or having worked in Indonesia, for their savings and for sums destined for the support of persons residing outside Indonesia for whose alimentation they are bound legally or morally;

30
c. for Dutch citizens working or having worked in Indonesia c.q. their surviving relatives, residing outside Indonesia, for pensions, leave allowances and other similar periodical social payments in so far as they are not covered by the funds referred to under a and c;

f. of interest and amortization on debenture loans issued and private loans ("ondershandse leningen") contracted by lower public bodies or by other corporate bodies set up on high authority as far as payment of said interest and amortization are not or will not be lawfully suspended in connection with the financial position of public bodies and other corporate bodies referred to.

2. The provisions of the first paragraph can be further worked out by the contracting parties for special cases or groups of cases.

3. Without prejudice to the provisions of the first and second paragraphs the Republic of the United States of Indonesia shall allow transfers to the Netherlands and other countries abroad in accordance with the Articles of Agreement of the International Monetary Fund.

4. To enterprises operating partly with Indonesian capital in Indonesia, the provisions referred to in the preceding paragraphs will apply insofar as actual circumstances demand.

5. In respect of the transfer of money referred to in the first paragraph, the Republic of the United States of Indonesia reserves the right to impose such restrictions as it deems necessary in view of its foreign exchange position. These restrictions are subject to previous consultations between the Republic of the United States of Indonesia and the Netherlands which consultations will take place through a technical committee to be set up at a later date unless the Government of the Republic of the United States of Indonesia and of the Netherlands agree otherwise.

6. The transfer of interest and amortization resulting from the liabilities assumed by the Republic of the United States of Indonesia at the transfer of sovereignty is governed by the agreements made or to be made regarding these liabilities.

7. The provisions of the preceding paragraphs are correspondingly applicable to the transfers from the Netherlands to Indonesia.

8. In case of expropriation, nationalization, etc. c.q. "naasting" the Republic of the United States of Indonesia allows transfer of the indemnity c.q. compensation ("naastingoprij") within the period of three years after the right to indemnity c.q. compensation arises. In case the Republic of the United States of Indonesia deems it impossible to transfer within three years the indemnity c.q. compensation, the Republic of the United States of Indonesia shall make this fact known before taking steps toward expropriation, nationalization, etc. An arbitration committee consisting of a representative of the Republic of the United States of Indonesia, a representative of the rightful claimant and a third member to be appointed in mutual consultation by both the two abovementioned representatives shall
give a binding decision on the question of whether an exception can be made to said term of three years and to what extent.
In case immediate transfer does not take place, the indemnity e.q. compensation expressed in Indonesian currency shall be credited in the currency of the country from which the invested capital originates at the rate of exchange on the date the right arises.

Article 19

1. As long as the Republic of the United States of Indonesia has liabilities toward the Netherlands including the guarantees given by the Netherlands on behalf of the liabilities of Indonesia, the Republic of the United States of Indonesia shall consult the Netherlands in advance, both regarding intended alterations in the Coinage Act and the Java Bank Act prevailing at the time of transfer of sovereignty and regarding a new coinage act and circulation bank act to be enacted by the Republic of the United States of Indonesia and possible alterations to be made therein. Furthermore, the Republic of the United States of Indonesia shall, as long as the liabilities referred to exist, consult the Netherlands in general should the former consider taking important measures in the monetary and financial field insofar as the interests of the Netherlands are concerned.

2. The liabilities and guarantees referred to in paragraph 1 are those liabilities e.q. guarantees which exist at the transfer of sovereignty.

3. The Republic of the United States of Indonesia shall until the new circulation bank act becomes effective consult the Netherlands regarding the appointment and discharge of the president and managing directors of the circulation bank and regarding credits to be provided to the government by the circulation bank.

4. In order that the consultation referred to in the first paragraph can be implemented as smoothly as possible, the Netherlands Government will attach to the staff of the High Commissioner in Indonesia, an adviser appointed by the Netherlands Government on matters in the field of monetary system and circulation banking.

SECTION C

RELATIONS IN AND COOPERATION IN TRADE POLICY

Article 20

1. In accordance with the principles of independence and sovereignty, the Governments of the Netherlands and of the Republic of the United States of Indonesia shall bear the ultimate responsibility for their own trade policy, both domestic and foreign.

2. Based on these principles, voluntary cooperation between the two countries in their foreign trade relations can be of mutual benefit. This cooperation will be promoted by close contact and continuous consultation between the two countries regarding the various aspects of foreign trade.
As far as it is considered profitable and beneficial to both parties joint action shall be taken. Each of the two parties shall take into close account the economic interests for which the other is responsible.

3. It should be borne in mind that economically, geographically and politically the Netherlands belong to the European sphere and Indonesia to the Asian sphere. Historically close economic relations have existed and up to the present day exist between Europe and Asia in general and between the Netherlands and Indonesia in particular. As a result of history, the Netherlands have considerable economic and financial interests in Indonesia. The Republic of the United States of Indonesia will take due account of such interests.

Article 21

1. The foreign trade relations of the Netherlands with other countries shall be regulated and supervised by the Netherlands Government or by its appropriate agencies, on its or their exclusive authority. The foreign trade relations of Indonesia with other countries shall be regulated and supervised by the Government of the Republic of the United States of Indonesia or its appropriate agencies on its or their exclusive authority.

2. With regard to the countries of Europe, the Netherlands and the Republic of the United States of Indonesia shall cooperate in the field of trade policy. In the last quarter of 1950 new consultations shall be held in connection with the continuation of this cooperation and the way in which it shall be effectuated, both parties being free to determine their standpoints anew.

3. Each of the two parties retains the ultimate decision in such cooperation as well as the ultimate decision on the disposal of its own products with respect to foreign trade. Each of the two parties determines what products and what quantities it desires to offer and the compensation it expects. This implies that in a specific case, one of the parties can take a small part only or even no part at all in a specific trade agreement; in the latter case the other party will nevertheless be entitled to conclude an agreement in view of its own interests. The non-participating party however shall refrain from separately concluding a trade agreement with the third country involved. Once a joint trade agreement has been concluded, neither of the parties shall make alterations therein without previous consultation with the other.

4. In the negotiations with third countries the Netherlands and the Republic of the United States of Indonesia, though forming two separate delegations, act in coordination vis-à-vis the third country. Previous mutual agreement shall be attained on a joint policy.

5. The trade agreements will be signed by or on behalf of the Government of the Netherlands, by or on behalf of the Government of the Republic of the United States of Indonesia on the one hand, and by the third country concerned on the other hand.
6. It shall be previously decided who will act on behalf of the coordinated
delегations. The guiding principle will be that the chairman be appointed
from the delegation having the greater interest in the discussions concerned.

7. The trade- and monetary agreements in force at the transfer of sover-
eignty shall, as far as these agreements concern Indonesia, be taken over
and implemented by the Government of the Republic of the United States
of Indonesia. An enumeration of these agreements is contained in the
attached list.

Article 22

1. With regard to trade intercourse between the Netherlands and Indonesia,
both countries are prepared to consider a system of mutual preferential
treatment. Such a system will be to the advantage of both parties and shall
not be in contravention with international agreements.

2. Both parties act upon the principle that they shall not pay each other
higher prices than prevail elsewhere under like conditions for like products.

3. With regard to imports into both countries, the Republic of the
United States of Indonesia as well as the Netherlands will respectively draw
up lists of import requirements, in accordance with the needs of either
country of consumer goods and of goods for rehabilitation and reconstruc-
tion and based on the foreign exchange available. With regard to exports
from both countries the Netherlands and the Republic of the United States
of Indonesia will reserve and allocate export goods to the other country.

4. Based on the first and third paragraphs of this article the two parties
shall at regular times for a period to be agreed upon, conclude agreements
for mutual trade. The modus vivendi (now to be called trade agreement)
for the period 1 October 1949—1 October 1950 is provisionally accepted
by both parties. In the first quarter of 1950 discussions shall be held between
the two parties as to the implementation and possible alterations of this
agreement.

5. During the period for which certain quotas prevail, in principle no
import-, export- or foreign exchange licences shall be refused, insofar as
they concern a transaction agreed upon between the buyer and the seller,
falling within the scope of the quotas agreed upon. If special circumstances
necessitate deviation from this principle, previous consultation with the
other party shall be held.

6. With regard to trade intercourse and matters connected therewith,
the Netherlands and Indonesia may call upon each other for assistance and
cooperation. Both parties agree that each shall render such assistance if
and when required and considered advisable.

7. In case alterations or amendments in the quotas agreed upon be deemed
necessary, both parties shall decide to this effect in mutual consultation.

Article 23

1. The regulation existing between the Netherlands and Indonesia, ac-
cording to which payments between the two countries and payments with a
number of other countries are effectuated as much as necessary via a commercial account (called C-account new style) remains provisionally in force after the transfer of sovereignty.

2. At the discussions to be held in the first quarter of 1950 (see article 22, paragraph 4) between the two countries, consultation shall be held if and to what extent alterations are desired in the prevailing system.
As far as possible alterations can be arranged between the Netherlands and the Republic of the United States of Indonesia, these shall come into effect as soon as possible; as far as they concern the relations with third countries, consultation shall be held within the framework of the existing agreements.

Article 24

1. It is recommended that the Netherlands appoint a trade representation with the Netherlands High Commissioner in Indonesia to represent its Government, to maintain close contact with the economic agencies of the Government of the Republic of the United States of Indonesia and to render assistance if and when required or considered advisable. It is recommended that the Republic of the United States of Indonesia appoint a trade representation with the Indonesian High Commissioner in the Netherlands to represent its Government, to maintain close contact with the economic agencies of the Netherlands Government and to render assistance if and when required or considered advisable.

2. The administration of the import- and exportquotas and the foreign exchange-licences pertaining thereto in the Netherlands is vested in the Netherlands Government and in the agencies designated to this effect; the same administration in Indonesia is vested in the Government of the Republic of the United States of Indonesia, and in the agencies designated to this effect.

SECTION D
SETTLEMENT OF DEBTS

Article 25

The Republic of the United States of Indonesia shall assume the following debts:

A. The following consolidated loans, calculated as of December 31, 1949:

1. The Netherlands-Indies Loan 1935 bearing interest at the rate of 3½%, issued under the Netherlands-Indies Loan Act 1934 (Staatsblad no. 338) j' the Netherlands-Indies Conversion Loan Act 1934 (Staatsblad no. 423), as amended by Act of 1 November 1934 (Staatsblad no. 539). Amount outstanding as of 31 December 1949, f 36,630,000.—. Remaining duration 21 years.

2. The Netherlands-Indies Conversion Loan 1937 bearing interest at the rate of 3%, issued under the Netherlands-Indies Conversion Loan Act 1934 (Staatsblad no. 245). Amount outstanding as of 31 December 1949 f 90,600,000.—. Remaining duration 18 years.
3. The Netherlands-Indies Loan 1917 A bearing interest at the rate of 3\%\%\%, issued under the Netherlands-Indies Conversion Act 1937 (Staatsblad no. 504). Amount outstanding as of 31 December 1949 £ 616,250,000.——Remaining duration 25 years.

4. Indonesia's share of the Netherlands National Consolidated Debt 1896 bearing interest at the rate of 3\%\%\% (Act of 30 December 1895, Staatsblad no. 236). Amount outstanding as of 31 December 1949 £ 3,300,000.——Remaining duration 3 years.

5. The 3\% Indonesian Loan 1962—1964 (Agreement of 19 May 3 June 1949) being Indonesia's share converted under paragraph 2, article 4 of the Agreement of 8—14 April 1938, in the 3—3\%\%\% Netherlands Government Loan 1938, which loan was converted under the Conversion Act 1948 (Staatsblad no. I 115) and the Loan Act 1946 (Staatsblad no. G 143), amended by the Acts of 27 November 1946 (Staatsblad no. G 333) and of 12 February 1948 (Staatsblad no. I 52). Amount outstanding as of 31 December 1949, £ 79,912,000.——which amount must be redeemed in full on 1 June 1964.

6. Loans contracted with "De Nederlandsche Bank" and "De Javaasche Bank" bearing interest at the rate of 3\%\%\% (Agreements of 14 and 16 January 1932, amended on 28 December 1932) against collateral of Netherlands Treasury Bills set at the disposal of Indonesia under the Act of 25 July 1932 (Staatsblad no. 393), amended by the Act of 15 March 1933 (Staatsblad no. 99). Amount outstanding as of 31 December 1949, total £ 44,624,775.——Remaining duration 13\%\%\% years.

B. The debts to third countries, calculated as of 31 December 1949:
1. Loan Export-Import Bank on behalf of Indonesia within the framework of the E.C.A. aid (Agreement of 28 October 1948). Amount outstanding as of 31 December 1949 U.S. $ 15,000,000.——Remaining duration 24 years. Interest at the rate of 2\%\%\%, at from 30 June 1952.


3. Loan from Canada (Agreement of 9 October 1945). Amount outstanding as of 31 December 1949, Can.$ 15,452,188.21. Remaining duration 6 years. Interest at the rate of 2\%\%\%\%.


C. The following debts to the Kingdom of the Netherlands, calculated as of 31 December 1949, up to the maximum amounts specified hereunder:
1. Indonesia's share in the swing provided in the British Monetary Agreement, of £ 5,400,000.——(P 53,500,000.——).
2. A swing to the C-account of £ 40 000 000.
3. The debit balance on the HG/HI-account of £ 80 000 000.
4. The debit balance on the Bretton Woods accounts, of £ 95 000 000.
(opposite this is an asset of the same amount as participating in Interfund and Interbank).
D. All internal debts of Indonesia at the date of transfer of sovereignty.

**Article 26**
The Government of the Republic of the United States of Indonesia assumes responsibility for payment of both interest and amortization of the debts referred to in the previous article and acquires as regards the debts under C the rights under the existing agreements.

**Article 27**
The remaining debts of the Body-Corporate of Indonesia to the Kingdom of the Netherlands at the date of transfer of sovereignty shall be deemed cancelled after the debts of the Kingdom of the Netherlands to the Body-Corporate of Indonesia at the same date have been offset, which involves a reduction of the external debt due to the Netherlands by the sum calculated as of 31 December 1949, of 2 060 000 000 Netherlands gilders.

**SECTION E**
**FINAL PROVISION**

**Article 28**
The provisions of this agreement as far as the Kingdom of the Netherlands is concerned, shall have reference to the Netherlands exclusively.
APPENDIX TO THE DRAFT FINANCIAL & ECONOMIC AGREEMENT

LIST OF TRADE- AND MONETARY AGREEMENTS IN WHICH INDONESIA PARTICIPATES

<table>
<thead>
<tr>
<th>COUNTRIES</th>
<th>TRADE AGREEMENTS Term</th>
<th>MONETARY AGREEMENTS Term</th>
<th>Term of Notice</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The Argentine</td>
<td>1-7'-48 — 31-12'-52</td>
<td>1-7'-48 — 31-12'-52</td>
<td></td>
</tr>
<tr>
<td>2. Belgium</td>
<td>1-7'-49 — 30-6'-50</td>
<td>21-10'-43 — indefinite; terminable from 1-1'-49 on the 1st January of each year.</td>
<td></td>
</tr>
<tr>
<td>3. Bulgaria</td>
<td>1-1'-49 — 31-12'-49</td>
<td>1-1'-49 — 31-12'-49 implying yearly renewal.</td>
<td></td>
</tr>
<tr>
<td>4. Denmark</td>
<td>1-7'-49 — 30-6'-50</td>
<td>31-1'-46 — indefinite.</td>
<td></td>
</tr>
<tr>
<td>5. Eastern-Germany</td>
<td>1-7'-49 — 30-6'-50</td>
<td>2-7'-49 — 30-6'-50, 1-9'-49 — 31-12'-50 implying six-monthly renewal.</td>
<td></td>
</tr>
<tr>
<td>6. Western-Germany</td>
<td>1-9'-49 — 31-8'-50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. United Kingdom</td>
<td>1-1'-49 — 31-12'-49</td>
<td>7-9'-49 — 7-9'-50.</td>
<td></td>
</tr>
<tr>
<td>8. Finland</td>
<td>1-6'-49 — 31-5'-50</td>
<td>1-6'-49 — indefinite.</td>
<td></td>
</tr>
<tr>
<td>10. Hungary</td>
<td>1-1'-49 — 31-12'-49</td>
<td>1-1'-49 — 31-12'-49 with a one-year renewal subject to notice.</td>
<td></td>
</tr>
<tr>
<td>11. Israel</td>
<td>1-2'-49 — 31-1'-50</td>
<td>1-2'-49 — 31-1'-50.</td>
<td></td>
</tr>
<tr>
<td>12. Italy</td>
<td>1-4'-49 — 31-3'-50</td>
<td>30-6'-48 — indefinite.</td>
<td></td>
</tr>
<tr>
<td>13. Yugoslavia</td>
<td>1-6'-49 — 31-10'-49</td>
<td>1-2'-48 — indefinite (notice can be given before 1-2'-51).</td>
<td></td>
</tr>
<tr>
<td>14. Norway</td>
<td>1-1'-49 — 31-12'-49</td>
<td>6-11'-45 — 1 year implying indefinite renewal.</td>
<td></td>
</tr>
<tr>
<td>15. Austria</td>
<td>4-12'-48 — 7-2'-50</td>
<td>3-12'-46 — indefinite.</td>
<td></td>
</tr>
<tr>
<td>16. Poland</td>
<td>1-1'-49 — 31-12'-49</td>
<td>1-1'-49 — 31-12'-49 implying renewal.</td>
<td></td>
</tr>
<tr>
<td>17. Portugal</td>
<td>7-7'-49 — 30-6'-50</td>
<td>1-3'-46 — 1 year implying renewal.</td>
<td></td>
</tr>
<tr>
<td>18. Russia</td>
<td>10-6'-48 — 10-6'-49.</td>
<td>10-6'-48 — indefinite.</td>
<td></td>
</tr>
<tr>
<td>19. Spain</td>
<td>1-6'-49 — 31-5'-50</td>
<td>21-10'-46 — indefinite.</td>
<td></td>
</tr>
<tr>
<td>21. Sweden</td>
<td>1-3'-49 — 28-2'-50</td>
<td>30-11'-45 — 31-12'-49, unless otherwise agreed.</td>
<td></td>
</tr>
<tr>
<td>22. Switzerland</td>
<td>1-10'-49 — 30-9'-50</td>
<td>24-10'-45 — for 3 years, thereafter implying yearly renewal.</td>
<td></td>
</tr>
<tr>
<td>23. Brazil</td>
<td></td>
<td>1-5'-48 — indefinite; provisional agreement.</td>
<td></td>
</tr>
<tr>
<td>24. Uruguay</td>
<td>15-7'-48 — indefinite</td>
<td>12-6'-47 — 1 year implying renewal.</td>
<td></td>
</tr>
<tr>
<td>25. Turkey</td>
<td>6-9'-49 — 1-7'-50</td>
<td>6-9'-49 — 1-7'-50 subject to implying renewal.</td>
<td></td>
</tr>
</tbody>
</table>

1) Negotiations on a new treaty are now being held.
2) Pending future negotiations the commodity quotas continue indefinitely.
3) Services.
DRAFT CULTURAL AGREEMENT BETWEEN THE
REPUBLIC OF THE UNITED STATES OF INDONESIA
AND THE KINGDOM OF THE NETHERLANDS

The Republic of the United States of Indonesia, and the Kingdom of the
Netherlands animated by the same desire to promote their mutual relations
regarding education, science and culture in general have decided to conclude
an agreement concerning the cultural relations between both States.

CHAPTER I
BASIS AND CHARACTER

Article 1
The cultural relations between the Republic of the United States of
Indonesia and the Kingdom of the Netherlands shall be based on complete
freedom, volition and reciprocity.
The cultural relations between the Republic of the United States of
Indonesia and the Kingdom of the Netherlands shall bear a universal
character and aim at the realization of the free expansion of the free human
mind.

CHAPTER II
PURPOSE

Article 2
Purpose of the agreement is the promotion of the cultural relations between
the Republic of the United States of Indonesia and the Kingdom of the
Netherlands.

CHAPTER III
MEANS TO ACHIEVE THE PURPOSE

Article 3
A joint committee of fourteen members shall be set up, on which the
Government of each partner shall appoint seven members.

Article 4
The committee shall be entrusted with the promotion of the realization of
the cooperation on the basis of this agreement. Directives for the imple-
mentation of this task shall be given in an instruction to be drawn up
jointly by the Governments of the two partners. This instruction shall
further stipulate that the joint committee be authorized to set up working-
committees for the consideration of special subjects. Persons who are not members of the committee may be appointed in these working committees.

Article 5
Each of the two Parties in the joint committee shall submit to its own Government the recommendations and proposals concerning the matters mentioned in articles 6, 12 and 14 on which agreement has been reached in the joint committee.
Each of the two Governments may subsequently submit these proposals and recommendations to the conference of ministers.

Article 6
The two partners shall aim at the promotion in their own country of a reasonable knowledge of the fundamental elements of the other partner’s culture.
This aim shall further be realized by means of radio, film, press, libraries, distribution of reading matter, education and manifestations of art.

Article 7
The two partners undertake to promote the exchange of radio broadcasts in the cultural field and of news.

Article 8
The two partners undertake to support each other, in the interest of the development of education and science and in general of the promotion of culture, if either partner so requests.

Article 9
Without prejudice to the provision of article 8 the two partners shall promote the exchange of professors, teachers, experts in the field of science, education, tuition and arts.

Article 10
The two partners may establish and maintain in each other’s territory institutes of education and art and of other cultural nature, subject to the legal provisions prevailing in the country of establishment.

Article 11
The establishment and maintenance of institutes of education, spiritual care, social care and in general of institutes of a cultural nature in the territory of the other partner by corporations, foundations, societies or private persons, shall not be impeded, notwithstanding the right of each of the two Governments to make provisions for the public security and the moral welfare of the people in society and state, which are not in violation of the human rights as recognized by the United Nations.

Article 12
The joint committee shall study the problem of qualified competence mutually recognized on the basis of certificates and degrees held, as well as the possibilities of adapting various kinds of education of one country to those of the other country.
Article 13
The two partners shall create the opportunity, and if necessary give their assistance for scientific research to be made in the one country by persons from the other country.
Such research may be made subject to the condition that the Government of the country where the research is carried out shall be informed of the results thereof.

Article 14
The two partners shall promote the granting of scholarships in order to enable students or research workers from both countries to initiate or continue their studies or research in the other country. They shall further promote enabling students of science, technics or art of the one country, to spend a term in the other country.

Article 15
The two partners shall promote the establishment of contacts between organizations recognized by the respective countries and active in the cultural field, including youth organizations, taking into account the interests of public security and moral welfare of the people in society and state.

Article 16
The two partners deem it desirable that books, newspapers and periodicals published in one of the two countries be freely admitted to the territory of the other country and shall aim at freedom of duties and of other restrictive measures in this respect. The import of such material may be restricted only by reason of measures in the interest of public security and moral welfare of the people in society and state.

Article 17
The two partners shall promote to the extent of their ability the translation of publications issued in the language (languages) of the one country into the language (languages) of the other country.

Article 18
The two partners shall cooperate in drawing up an inventory of the state of science with regard to Indonesia at the transfer of sovereignty, in particular with respect to natural science, technics, medical science, history, language, economics and adat law.

CHAPTER IV
TRANSFER OF OBJECTS OF CULTURAL VALUE

Article 19
Objects of cultural value originating from Indonesia and which have come into the possession of the Netherlands Government or of the former Netherlands-Indies Government otherwise than by reason of private law shall be transferred to the Government of the Republic of the United States of Indonesia in consequence of the transfer of sovereignty from the
Kingdom of the Netherlands to the Republic of the United States of Indonesia.

For the implementation of the provision of the preceding paragraph the joint committee shall propose a separate regulation on the basis of article 5. In this regulation provisions shall be included concerning a possible exchange of objects of cultural or historical value being the property or in the possession of the one country and originating from or of importance to the other country.

CHAPTER V
ANNUAL REPORT

Article 20

The joint committee shall report on its activities yearly and in writing to each of the two Governments.
DRAFT AGREEMENT ON TRANSITIONAL MEASURES

Article 1
The Kingdom of the Netherlands and the Republic of the United States of Indonesia agree to an assignment of citizens as provided for in the Agreement attached to the present Agreement on Transitional Measures.

Article 2
1. The division of the Republic of the United States of Indonesia into component states shall be established finally by the Constituent Assembly in conformity with the provisions of the Provisional Constitution of the Republic of the United States of Indonesia with the understanding that a plebiscite will be held among the population of territories thereto indicated by the Government of the Republic of the United States of Indonesia upon the recommendation of the United Nations Commission for Indonesia or of an other organ of the United Nations, under supervision of the United Nations Commission for Indonesia of the other United Nations organ referred to, on the question whether they shall form a separate component state.

2. Each component state shall be given the opportunity to ratify the final Constitution. In case a component state does not ratify that Constitution, it will be allowed to negotiate about a special relationship towards the Republic of the United States of Indonesia and the Kingdom of the Netherlands.

Article 3
1. The Kingdom of the Netherlands and the Republic of the United States of Indonesia recognize and accept that all powers and obligations of the Governor-General of Indonesia, arising out of the contracts concluded by him with self-governing territories shall, by virtue of the transfer of sovereignty, be transferred to the Republic of the United States of Indonesia or to any of its component States in case the constitutional law of the Republic of the United States of Indonesia so provides.

2. By the transfer of sovereignty to the Republic of the United States of Indonesia the Rulers of the self-governing territories are ipso jure liberated from their oath of allegiance to Her Majesty the Queen of the Netherlands.

3. The Republic of the United States of Indonesia recognizes the special status of the self-governing territories on the basis of the pertinent provisions in its Constitution and in the Constitutions of its component States,
whereby legal disputes concerning the status of self-governing territories are adjudicated by an independent organ of the Republic of the United States of Indonesia.

Article 4

1. The Kingdom of the Netherlands and the Republic of the United States of Indonesia recognize and accept that all rights and obligations of Indonesia, under private and public law, are ipso jure transferred to the Republic of the United States of Indonesia, unless otherwise provided for in the special agreements included in the Union Statute.

2. The Republic of the United States of Indonesia shall be responsible for the fulfilment of the obligations of the public bodies which previously had a legal status in Indonesia and which are now merged in the Republic of the United States of Indonesia or in its component parts and further guarantees the fulfilment of the obligations of public bodies which continue to exist as such, unless otherwise provided for in the financial and economic agreement.

3. The provision in the preceding paragraphs is not applicable to the residency of New Guinea in view of the fact, as set forth in article 12 of the Charter of Transfer of Sovereignty, that it has not yet been possible to reconcile the views of the parties on New Guinea.

Article 5

1. The Kingdom of the Netherlands and the Republic of the United States of Indonesia understand that, under observance of the provisions of paragraph 2 hereunder, the rights and obligations of the Kingdom arising out of treaties and other international agreements concluded by the Kingdom shall be considered as the rights and obligations of the Republic of the United States of Indonesia only where and inasmuch as such treaties and agreements are applicable to the jurisdiction of the Republic of the United States of Indonesia and with the exception of rights and duties arising out of treaties and agreements to which the Republic of the United States of Indonesia cannot become a party on the ground of the provisions of such treaties and agreements.

2. Without prejudice to the power of the Republic of the United States of Indonesia to denounce the treaties and agreements referred to in paragraph 1 above or to terminate their operation for its jurisdiction by other means as specified in the provisions of those treaties and agreements, the provisions of paragraph 1 above shall not be applicable to treaties and agreements in respect of which consultations between the Republic of the United States of Indonesia and the Kingdom of the Netherlands shall lead to the conclusion that such treaties and agreements do not fall under the stipulations of paragraph 1 above.

Article 6

Provisions concerning the position of the civil Government officials in connection with the transfer of sovereignty are contained in the agreement attached to the present Agreement on Transitional Measures.
Article 7
The withdrawal of the Netherlands armed forces from Indonesia and the reorganization of the armed forces in Indonesia organized and equipped by or on the authority of the Government of Indonesia (Netherlands-Indonesian Government) are regulated or provided for in the Regulations on military affairs attached to the present Agreement on Transitional Measures.

Article 8
1. All stipulations in existing legal regulations and administrative ordinances inasmuch as they are not incompatible with the transfer of sovereignty or with the provisions of the Union Statute, or of the present Agreement on Transitional Measures or of any other agreement concluded between the parties, remain in force without modification as regulations and ordinances of the Kingdom of the Netherlands and of the Republic of the United States of Indonesia respectively, as long as they are not revoked or modified by the competent organs of the Kingdom of the Netherlands or the competent organs of the Republic of the United States of Indonesia respectively.

2. Whenever these legal regulations and administrative ordinances mention Netherlands subjects, this term shall be held to mean citizens of the Kingdom of the Netherlands and of the Republic of the United States of Indonesia.

3. Whenever these legal regulations and administrative ordinances refer to ships or aircraft entitled to fly the Netherlands flag, they refer equally to ships or aircraft entitled to fly the flag of the Kingdom of the Netherlands and to those entitled to fly the flag of the Republic of the United States of Indonesia.

Article 9
The powers which, according to the existing legal regulations and administrative ordinances concerning the general rule over Indonesia, are vested in the Netherlands in Netherlands organs shall, pending further provisions by the competent organs of the Republic of the United States of Indonesia, be wielded by a Delegate appointed for that purpose by the Government of the Republic of the United States of Indonesia.

Article 10
The Kingdom of the Netherlands shall promote membership of the Republic of the United States of Indonesia in the United Nations.
DRAFT AGREEMENT CONCERNING THE ASSIGNMENT OF CITIZENS

The Kingdom of the Netherlands and the Republic of the United States of Indonesia,
considering that at the transfer of sovereignty it shall be determined whether persons who up to that time were subjects of the Kingdom of the Netherlands including those who, under the law of the Republic Indonesia were, in the eyes of the Republic of the United States of Indonesia, citizens of the Republic Indonesia, are to be assigned Netherlands or Indonesian nationality;
agree, that at the transfer of sovereignty the following provisions shall come into effect.

Article 1
Under the terms of the present agreement are deemed to be of age those who have reached the age of eighteen years or those who were married at an earlier age.
Those whose marriage was dissolved before they had reached the age of eighteen years shall continue to be deemed of age.

Article 2
Where the present agreement applies to persons who, under the law of the Republic Indonesia on nationality are citizens of the latter Republic immediately before the transfer of sovereignty, the Republic of the United States of Indonesia understands that the terms “acquiring” or “preserving” Indonesian nationality, as hereafter used in the present agreement imply that Republican nationality shall be converted into Indonesian nationality; and that the terms “retaining” the Netherlands nationality and “rejecting” Indonesian nationality as hereafter used in the present agreement imply the loss of Republican nationality.

Article 3
Netherlands nationals who are of age shall retain their nationality, but, if born in Indonesia or if residing in Indonesia for at least the last six months, they shall, within the time limit therefor stipulated, be entitled to state that they prefer Indonesian nationality.

Article 4
1. Without prejudice to the provisions of paragraph 2 below, Netherlands subjects-non-Netherlanders (Nederlandse onderdaen-niet-Nederlanders) who are of age and who, immediately before transfer of sovereignty be-
longed to the indigenous population (orang* jang asli) of Indonesia shall acquire Indonesian nationality but if they are born outside Indonesia and reside in the Netherlands or in a territory not under the jurisdiction of either partner in the Union, they shall, within the time limit therefor stipulated, be entitled to state that they prefer Netherlands nationality.

2. The subjects of the Netherlands referred to in paragraph 1 above who are residents of Surinam or of the Netherlands Antilles shall
   a. if they were born outside the Kingdom, acquire Indonesian nationality but may, within the time limit therefor stipulated, state that they prefer Netherlands nationality;
   b. if they were born within the Kingdom, retain Netherlands nationality but may within the time limit therefor stipulated, state that they prefer Indonesian nationality.

Article 5

Persons who, immediately before the transfer of sovereignty, are of age and are Netherlands subjects of foreign origin-non-Netherlanders (uitheemse Nederlandse onderdanen-niet-Nederlanders) and who were born in Indonesia or reside in the Republic of the United States of Indonesia shall acquire Indonesian nationality but may, within the time limit therefor stipulated, reject Indonesian nationality;

if, immediately before the transfer of sovereignty, such persons had no other nationality than the Netherlands nationality, they shall regain Netherlands nationality;

if, immediately before the transfer of sovereignty such persons possessed simultaneously an other nationality, they shall, when rejecting Indonesian nationality, regain Netherlands nationality only on the strength of a statement made by them to that effect.

Article 6

Persons who, immediately before the transfer of sovereignty, are of age and are Netherlands subjects of foreign origin-non-Netherlanders (uitheemse Nederlandse onderdanen-niet-Nederlanders) and who were not born in Indonesia and reside within the Kingdom, shall retain Netherlands nationality but may, within the time limit therefor stipulated, state that they prefer Indonesian nationality and reject Netherlands nationality;

those who, at the transfer of sovereignty simultaneously possess a foreign nationality, may simply reject Netherlands nationality, on the understanding that the right to reject Netherlands nationality, connected or not with the right to prefer Indonesian nationality, shall not belong to inhabitants of Surinam of Indian or Pakistani origin.

Article 7

Those who, at the transfer of sovereignty are of age and are Netherlands subjects of foreign origin-non-Netherlanders (uitheemse Nederlandse onderdanen-niet-Nederlanders) and who reside outside a territory under the jurisdiction of either partner in the Union and who were born in the
Netherlands, in Surinam or the Netherlands Antilles, shall retain Netherlands nationality; if these persons are born from parents who were Netherlands subjects by birth in Indonesia, they may, within the time limit therefor stipulated, state that they prefer Indonesian nationality and reject Netherlands nationality; if, at the transfer of sovereignty, these persons simultaneously possess a foreign nationality, they may simply reject Netherlands nationality. If these persons are born outside a territory under the jurisdiction of either partner in the Union, they fall under the terms of the present article or under the terms of article 5 above, according to the place of birth of either father or mother, with due observance of the distinctions established by the provisions of article 1 of the Act of 1892 on Netherlandship and residentship (ingezetenschap); if the parents were also born outside a territory under the jurisdiction of either partner in the Union, the place of birth of the father or of the mother shall be decisive.

Article 8

With due observance of the distinctions established by the provisions of article 1 of the Act of 1892 referred to in article 7 above, persons not of age shall follow the nationality of their father or mother, provided either parent is a Netherlands subject and living at the transfer of sovereignty.

Article 9

With due observance of the distinctions established by the provisions of article 1 of the Act of 1892 referred to in articles 7 and 8 above, persons not of age whose father or mother is, at the transfer of sovereignty, not a Netherlands subject, or is deceased, shall fall directly under the terms of the preceding articles; if these persons have no living parent, their domicile shall be deemed to be their place of actual residence and, in all cases where a statement on their part is provided for, such statements may be made on their behalf by their lawful representative. In the absence of a lawful representative the above provisions shall become applicable at the time such a lawful representative is appointed.

Article 10

The married woman shall follow the status of her husband. In case the marriage is dissolved she shall, within the time limit of one year thereafter, be entitled to make a statement by which she may acquire or reject the nationality she would or could have acquired or rejected by a statement, had she not been married at the transfer of sovereignty.

Article 11

The exercise of the right to prefer or reject a nationality shall not nullify any act previously performed and which would be valid if this right had not been exercised according to the above provisions.
EXECUTIVE REGULATIONS

Article 12
Statements by persons to the effect that they prefer or reject a nationality under the terms of the preceding articles shall be made before or addressed to
a. the High Commissioners of the Parties,
or b. the ordinary judiciary to whose normal jurisdiction these persons belong,
or c. the officials further to be designated by the competent authorities of both states.
Statements of the kind referred to in the preceding paragraph by persons abroad may be made before, or sent to diplomatic or consular authorities of either Party and under whose jurisdiction the person concerned is domiciled.
Signatures or fingerprints appearing on a written statement shall be duly legalized.
A person making or sending a statement as above referred to shall at once receive a certificate thereof.
Statements as referred to above made in the course of a given calendar month shall be published in the course of the following month in the official Gazette of the State whose officials have received such statement; duplicates or certified copies thereof shall be forwarded monthly to the Government of the other State.
Both Parties shall give ample publicity to the conditions on which such statements may be made. These statements and certificates thereof shall be free from stamp duty or cost.

Article 13
Wherever the preceding articles mention "the time limit therefor stipulated", these words shall apply to a period of two years from the transfer of sovereignty.

Article 14
Decisions concerning the exercise or the prevention of exercise of the right of option may be requested from the ordinary judiciary under whose jurisdiction the interested party resides. If the latter resides abroad, the District Court (Arrondissements Rechtbank) of Amsterdam and the ordinary judiciary at Batavia (Djakarta) shall be competent.
Persons concerned in such decisions shall, as in civil law, have the right of appeal and of any other legal recourse. A decision having obtained legal validity shall be notified by the Government of the Party under whose jurisdiction such decision was taken to the Government of the other Party by whom it shall be recognized as binding.

NOTE
None of the provisions in this agreement shall apply to the nationality of the inhabitants of the residency of New Guinea in case the sovereignty over this territory is not transferred to the Republic of the United States of Indonesia.
DRAFT AGREEMENT CONCERNING THE POSITION OF THE CIVIL GOVERNMENT OFFICIALS IN CONNECTION WITH THE TRANSFER OF SOVEREIGNTY

The Republic of the United States of Indonesia and the Kingdom of the Netherlands have agreed as follows.

Article 1
At the transfer of sovereignty the Government of the Republic of the United States of Indonesia shall take over into its service all civil government officials then employed by the Government of Indonesia in permanent or temporary service or on short-term contract, including the personnel of the autonomous communities instituted on the footing of articles 119, 121 and 123 of the Indies Fundamental Law (Indische Staatsregeling), as far as this personnel resorts under the Government of Indonesia.

Article 2
Subject to the provisions in articles 3, 4 and 5, the Government of the Republic of the United States of Indonesia shall accept all rights and obligations which Indonesia has at the transfer of sovereignty in respect of the government officials referred to in article 1 and the former government officials and also the surviving dependants of these officials and former officials.

Article 3
The Government of the Republic of the United States of Indonesia shall, for a period of two years after the transfer of sovereignty, make no unfavourable alterations in the provisions prevailing at the transfer of sovereignty, concerning the legal position of the government officials referred to in article 1, in so far and as long as they have Netherlands nationality.

Article 4
The Government of the Republic of the United States of Indonesia shall have the right to regroup and select the civil government officials referred to in article 1 immediately after the transfer of sovereignty.

Article 5
Without prejudice to the principle that a discharge shall always be granted if so requested, also during the transition period referred to in article 3, the following shall prevail in respect of the government officials referred to in the same article, in case of a premature termination of service.
a. In case of an honourable discharge, both during and after the transition period, given—not at the request of the official concerned—by the Government of the Republic of the United States of Indonesia in the interest of the service, through no fault or doing of the official referred to, the discharge regulation prevailing at the moment of discharge, applies. The cost thereof is for account of the Republic of the United States of Indonesia. The discharge regulations set forth in the appendix hereto shall apply to discharges in the transition period as referred to.

b. In case of discharge granted during the transition period, at the request of the official concerned, that official shall not be entitled to any payment by or on behalf of the Government of the Republic of the United States of Indonesia.

c. In case discharge upon request is granted to an official after the termination of the transition period, as a consequence of such alterations in the conditions of service that, in the opinion of the Government of the Republic of the United States of Indonesia, continuation of service cannot reasonably be required of that official, a discharge regulation in force at the time of discharge shall apply.

Article 6

The government officials referred to in the previous articles do not include the ministers of religion who were paid as officials by the Government of Indonesia in their office.

The Government of the Kingdom of the Netherlands and of the Republic of the United States of Indonesia shall enter into consultation at a later date, as regards the status of this group as well as of those who have been pensioned off by virtue of the special instructors pension regulation (Pensioenreglement voor bijzondere leerkrachten).
APPENDIX TO THE DRAFT AGREEMENT CONCERNING
THE POSITION OF THE CIVIL GOVERNMENT OFFICIALS
IN CONNECTION WITH THE TRANSFER OF SOVEREIGNTY

CONDITIONS OF DISCHARGE

A. Government officials in permanent service
The termination of service involves a non activity allowance for a maximum of five years or as much less as is necessary to attain the term of service and age required in accordance with the prevailing provisions for the granting of a normal pension. The non activity allowance amounts for the first two years, to 60% of the first f500,— and 40% of the balance of the last full pay, and thereafter to 40% of the latter, in both cases with a maximum of f750,— per month.
After termination of the period of non activity allowance, if then a term of service counting for pension of at least ten years, has been attained, a pension is granted irrespective of age, calculated in accordance with the existing pension provisions, increased by 4% of the pension basis, in so far as in this way a total of 40% of that basis is not exceeded.

B. Government officials in temporary service and having entered
the service before 1 March 1942
The termination of service involves, in case of a term of service of at least ten years, the granting of a subsidy by way of non activity allowance for a maximum of one year or as much less as is necessary to attain, if the person concerned had been in permanent service, the term of service and age required for the granting of a normal pension. The subsidy by way of non activity allowance amounts to 30% of the full pay, with a maximum of f175,— per month, irrespective of cost-of-living bonus and family allowances. After the termination of the period of non activity allowance, which is to count, if spent in the tropics, in full, and outside the tropics, half, as term of service, a subsidy by way of pension is granted, irrespective of age, if by that time a term of service of at least 15 years is attained, to the amount of four fifths of the pension which would in corresponding cases accrue in virtue of the provision sub A, to government officials in permanent service.

C. Short-term officials
The termination of service involves the consequences contractually stipulated of an interim termination of the service, exclusively for reasons of service.

D. The existing terms of notice of discharge are as follows:
in respect of officials in permanent service one month;
in respect of officials in temporary service, who retain pay after their discharge two months;
in respect of officials in temporary service, who after their discharge are entirely without pay (i.e. the post-war temporary officials) one month plus one month for each full year of service, with a maximum of three months.

E. 'To the officials on non activity allowance and those pensioned, as referred to sub A, who comply with the criteria embodied in the articles 2 and 3 of the Foreign Leave Regulation (Buitenlands Verlofreglement) in so far as they cannot yet make such claims in virtue of the Passage Regulation (Overtochtsreglement) free return passage to the Netherlands is to be granted on the footing of the provisions prevailing in this respect, all possible claims of free return to Indonesia having lapsed.

F. 1. From a proportionate pension or subsidy by way of pension, non-activity allowance or subsidy by way of non activity allowance, granted in virtue of this regulation, an amount is deducted calculated in accordance with a percentage of the pay for work equal to the percentage of the basis applied for the calculation of the payment on behalf of the Government.

2. Officials who enjoy pay granted on behalf of the Government as referred to in the preceding paragraph may, as long as they have not reached the age of 55 years, be obliged to accept suitable work.

3. In case the suitable work is not accepted a same percentage as referred to in the first paragraph shall be deducted from the foregone pay.
DRAFT AGREEMENT ON RENDERING ASSISTANCE WITH REGARD TO PERSONNEL BY THE KINGDOM OF THE NETHERLANDS ON BEHALF OF THE CIVIL SERVICES OF THE REPUBLIC OF THE UNITED STATES OF INDONESIA AND VICE-VERSA

The Republic of the United States of Indonesia and the Kingdom of the Netherlands have agreed as follows.

Article 1
The Republic of the United States of Indonesia and the Kingdom of the Netherlands may freely recruit personnel for their civil services amongst each other’s nationals and in each other’s jurisdiction. The Republic of the United States of Indonesia and the Kingdom of the Netherlands shall cooperate in the recruitment of personnel and temporary assignment of officials for each other’s civil services.

Article 2
The Republic of the United States of Indonesia and the Kingdom of the Netherlands shall consult each other on the manner in which such mutual assistance can further be promoted in the most efficient manner.

Article 3
In case the Republic of the United States of Indonesia on behalf of its representation in the Netherlands and the Kingdom of the Netherlands on behalf of its representation in Indonesia wish to employ personnel belonging to each other’s service, the Parties shall previously consult each other and endeavour to oblige.
DRAFT REGULATIONS ON MILITARY AFFAIRS

The regulations on Military Affairs referred to in article 7 of the Agreement on Transitional measures are divided into the following subjects:

I
Regulations on the Netherlands naval forces in Indonesia after the transfer of sovereignty

II
Regulations on the land forces in Indonesia under Netherlands command after the transfer of sovereignty

III
Regulations on the air forces in Indonesia under Netherlands command after the transfer of sovereignty

I
Regulations on the Netherlands naval forces in Indonesia after the transfer of sovereignty

Chapter I. General principles.
Chapter II. Tasks to be executed by the Royal Netherlands Navy on behalf of the Government of the Republic of the United States of Indonesia during the period of withdrawal of the Royal Netherlands Navy.
Chapter III. Assistance in building up the Navy of the Republic of the United States of Indonesia.
Chapter IV. Manner of and regulations on the withdrawal of the Royal Netherlands Navy.
Chapter V. Regulation on the naval base Surabaja.
Chapter VI. Agreements on the execution of the regulations agreed upon in the preceding chapters.

CHAPTER I
GENERAL PRINCIPLES

Article 1

As a consequence of the transfer of sovereignty the Republic of the United States of Indonesia shall be exclusively responsible for the naval protection of Indonesia.
Article 2
There shall be no Netherlands task in Indonesia for the Royal Netherlands Navy as a Netherlands instrument, for which reason the Royal Netherlands Navy shall be withdrawn from Indonesia.

Article 3
By reason of the preceding articles the naval protection shall be the task of the naval forces of the Republic of the United States of Indonesia.

Article 4
The Netherlands Government is prepared at the request of the Government of the Republic of the United States of Indonesia to render assistance in the execution of the naval tasks as referred to in article 7, in so far as the Republic of the United States of Indonesia is not yet able to fulfil these tasks by own means.
This assistance is to cease gradually.

Article 5
The Netherlands Government is prepared at the request of the Government of the Republic of the United States of Indonesia to render assistance in building up the Navy of the Republic of the United States of Indonesia, so that within the shortest possible time the Republic of the United States of Indonesia shall be able to execute its naval tasks by own means.

Article 6
The period within which the Netherlands naval forces are to be withdrawn from the United States of Indonesia is fixed at one year, unless the sovereign Governments agree otherwise in mutual consultation.

CHAPTER II
TASKS TO BE EXECUTED BY THE ROYAL NETHERLANDS NAVY ON BEHALF OF THE GOVERNMENT OF THE REPUBLIC OF THE UNITED STATES OF INDONESIA DURING THE PERIOD OF WITHDRAWAL OF THE ROYAL NETHERLANDS NAVY

Article 7
At the request of the Government of the Republic of the United States of Indonesia the Royal Netherlands Navy shall during the period of its withdrawal execute the following tasks on behalf of the Republic of the United States of Indonesia:

a. assistance to the maritime services of the Republic of the United States of Indonesia entrusted with the patrol service;

b. minesweeping and minedisposal service, diving and salvage operations;

c. hydrography;

d. assistance with units of the Netherlands Naval Air Force.
Article 8

The Netherlands Government is prepared to transfer on the day of the transfer of sovereignty two corvettes of the Royal Netherlands Navy into the property of the Government of the Republic of the United States of Indonesia. Further, the Netherlands Government is prepared, in consultation with the Government of the Republic of the United States of Indonesia, to transfer as soon as possible after the transfer of sovereignty two additional corvettes, and further other seagoing and airborne craft. Finally the Netherlands Government is prepared to transfer, one year after the transfer of sovereignty, one destroyer into the property of the Republic of the United States of Indonesia.

The financial and other (zakelijke) conditions on which this transfer of ships and aircraft shall take place shall be a subject of consultation between the sovereign Governments.

Article 9

With regard to the taking-over by the Government of the Republic of the United States of Indonesia of the maintenance facilities and supplies of the Royal Netherlands Navy, the following shall be observed:

a. at the moment of the transfer of sovereignty the properties of the present Government of Indonesia are transferred to the Government of the Republic of the United States of Indonesia;

b. The Netherlands Government shall, as soon as possible after the transfer of sovereignty, enter into consultation with the Government of the Republic of the United States of Indonesia, concerning time and financial and other (zakelijke) conditions of transfer of the Netherlands properties considered suitable for such transfer.

Article 10

I. The naval establishments in Indonesia outside the naval base Surabaja which are under the management of the Royal Netherlands Navy, prior to the transfer of sovereignty remain provisionally under the management of the Royal Netherlands Navy.

In mutual consultation the management is gradually transferred to the Navy of the Republic of the United States of Indonesia, with the observance of the following:

a. the naval establishment shall remain in function in order to guarantee a good execution of the naval task;

b. by reason of this agreement and irrespective of whether the Navy of the Republic of the United States of Indonesia or the Royal Netherlands Navy manages an establishment, said establishment shall remain in function on behalf of the Navy of the Republic of the United States of Indonesia and the units of the Royal Netherlands Navy present in Indonesia.

II. Insofar as establishments to be indicated in mutual consultation and situated within the naval base Surabaja are suitable, the provision of the preceding paragraph on naval establishments in Indonesia outside the naval base Surabaja is applicable.
Article 11

The Netherlands Government is prepared, within its capacity, at the request of the Government of the Republic of the United States of Indonesia, to make personnel available for the management of the naval establishment referred to in the preceding article.

Article 12

The personnel and the units of the Royal Netherlands Navy during the period referred to in article 6, shall be under the command of the Flag-officer of the Royal Netherlands Navy in Indonesia (V.K.M.I.), who, in respect of the tasks referred to in article 7, is bound to observe the directives and orders of the Government of the Republic of the United States of Indonesia and is responsible to the Government of the Republic of the United States of Indonesia for the execution of the tasks referred to.

Article 13

The units of the Royal Netherlands Navy in the execution of the tasks referred to in article 7 fly the Netherlands flag and pennant and from the yard the flag of the Republic of the United States of Indonesia.

Article 14

On board the units of the Royal Netherlands Navy entrusted with the execution of the tasks referred to in article 7, liaison-officers of the Republic of the United States of Indonesia may be stationed who may be vested with the authority to investigate.

CHAPTER III

ASSISTANCE IN BUILDING UP THE NAVY OF
THE REPUBLIC OF THE UNITED STATES OF INDONESIA

Article 15

It is agreed in principle that at the request of the Government of the Republic of the United States of Indonesia a naval section as part of the Netherlands Military Mission will be sent out, in which section for the training of Naval personnel of the Republic of the United States of Indonesia and for the naval establishments advisers, instructors and technical personnel will be included.

Article 16

The Netherlands Government is prepared to extend all possible facilities in its training-establishments on behalf of the training of the naval personnel of the Republic of the United States of Indonesia.

Article 17

The Netherlands Government is prepared to offer every possible opportunity on board the ships of the Royal Netherlands Navy for the training of the naval personnel of the Republic of the United States of Indonesia.
Article 18
The Netherlands Government is prepared to extend to the Republic of the United States of Indonesia all possible facilities and assistance in purchasing ships, airplanes and supplies for the Navy of the Republic of the United States of Indonesia.

Article 19
I. The Netherlands Government is prepared to permit the Indonesian regular personnel of the Royal Netherlands Navy to enter voluntarily into the service of the Republic of the United States of Indonesia on conditions to be further defined by the Republic of the United States of Indonesia.
II. Further, the Netherlands Government is prepared to promote Netherlands personnel and former personnel of the Royal Netherlands Navy entering on a voluntary basis into the service of the Navy of the Republic of the United States of Indonesia.

CHAPTER IV
MANNER OF AND REGULATIONS ON THE WITHDRAWAL OF THE ROYAL NETHERLANDS NAVY

Article 20
At the withdrawal of the Royal Netherlands Navy, the Netherlands and Indonesian authorities shall in mutual cooperation take care, that the transfer of the naval tasks be made in the right manner. Pending the gradual withdrawal the Royal Netherlands Navy shall not be employed operationally unless a request in this respect is made by the sovereign Government of the Republic of the United States of Indonesia and unless the Netherlands Government approves the employment.

Article 21
The same provisions apply to the units of the Royal Netherlands Marine Corps with regard to the period of withdrawal as apply to the units of the Royal Netherlands Army.

Article 22
The Navy Department shall be transferred to the Government of the Republic of the United States of Indonesia, the office of the Commander in Chief ceasing to exist as such on the day of the transfer of sovereignty and the liquidation thereof passing to the bureau of the Flag-officer of the Royal Netherlands Navy in Indonesia (V.K.M.I.).

CHAPTER V
REGULATION ON THE NAVAL BASE SURABAJA

Article 23
The Naval Base Surabaja, hereinafter to be called the base, comprises—with the exception of private properties—the land- and sea-territory, and also the shipyards, camps, harbours, aerodromes, establishments, installations, etc. situated thereon, within the boundaries as indicated on the map attached to this agreement.
Article 24
At the transfer of sovereignty the base becomes a naval base of the Republic of the United States of Indonesia with due regard to the provisions in respect of the properties of the Royal Netherlands Navy referred to in article 9 sub b.

Article 25
From the moment at which the sovereignty is transferred an officer of the Royal Netherlands Navy shall be appointed manager of the base by the Government of the Republic of the United States of Indonesia. This appointment is made from a list of three names submitted by the Netherlands Government.

Article 26
The manager of the base is directly responsible for the management to the Minister of Defence of the Republic of the United States of Indonesia, or if necessary through the intermediary of the head of the Naval Section of the Netherlands Military Mission, if the latter acts as adviser to the Minister of Defence of the Republic of the United States of Indonesia.

Article 27
The manager of the base is responsible for maintaining order and security within the base. To this end the Government of the Republic of the United States of Indonesia shall place at his disposal a police force taking the wishes of the manager into full account. The commanding officers of the ships and establishments within the base are bound to follow the directives of the manager in maintaining order and security.

Article 28
The authority to be vested in the manager of the base, shall be laid down in an instruction to be issued by the Minister of Defence of the Republic of the United States of Indonesia. In this matter the advice of the Head of the Naval Section of the Netherlands Military Mission shall be requested.

Article 29
Use of the base and its services shall be made by the forces of the Republic of the United States of Indonesia and units of the Royal Netherlands Navy, present in Indonesia by reason of this agreement in conformity with rules which are identical for both Navies.

Article 30
CHAPTER VI
AGREEMENTS ON THE EXECUTION OF THE REGULATIONS AGREED UPON IN THE PRECEDING CHAPTERS
1. At the transfer of sovereignty, the Government of the United States of Indonesia takes into its service all the civil personnel then employed by the Government of Indonesia, either permanently or temporarily or on short-term contract and working with the Royal Netherlands Navy, in the same manner and on the same conditions as agreed in respect of the other civil government officials of the Government of Indonesia.
2. At the moment referred to under paragraph 1 the civil personnel working with the Royal Netherlands Navy in Indonesia on a Netherlands contract of employment remains in the employment of the Royal Netherlands Navy on the existing conditions.

Article 31
1. The cost of the Royal Netherlands Navy, including the Royal Netherlands Marine Corps, from 1 January 1950 until the end of the period of withdrawal, shall be for account of the Netherlands.
2. Insofar as the Royal Netherlands Navy renders assistance to the Republic of the United States of Indonesia during this period, the provision of article 6 of the agreement for the implementation of articles 2 and 21 of the Union statute shall apply.
3. For the year 1950 the total amount for the account of the Government of the Republic of the United States of Indonesia as a consequence of the preceding paragraph is to be fixed through previous consultations between the sovereign Governments on the understanding that this amount shall not exceed the exploitation cost of the Royal Netherlands Navy in Indonesia during 1949 (the cost of the Royal Netherlands Marine Corps not included), whereby possible devaluation influences shall be taken into account.
4. The Government of the Republic of the United States of Indonesia shall periodically make available the Indonesian and foreign currencies required for the expenditure of the Royal Netherlands Navy on the basis of a yearly cash-budget respectively foreign currency-budget. This expenditure, insofar as the second paragraph is not applicable, shall be settled later between the Governments of the Netherlands and of the Republic of the United States of Indonesia.

Article 32
Within the boundaries of the establishments referred to in article 10, authority is exercised by the commanding officers concerned. These commanding officers shall guard the establishments with their own means, or, insofar as necessary, with the assistance of the Republic of the United States of Indonesia.

Article 33
The commanding officers of the establishments referred to in article 10, shall render full assistance to the competent authorities of the Republic of the United States of Indonesia as regards the tracing, arresting and bringing up to trial of persons coming under the Indonesian jurisdiction who are suspected of being guilty of an offence and who are within the establishments.

Article 34
Members of the military personnel of the Royal Netherlands Navy who are staying in Indonesia by reason of any agreement with the Republic of the United States of Indonesia, shall be subject to the Netherlands law on military penal procedure and to Netherlands military penal law, Netherlands law on military discipline and further to Indonesian common penal law insofar as military penal law referred to above contains no regulations.
The law on military discipline shall be applied by or on behalf of the commanding officer concerned of the Royal Netherlands Navy. At their request, the Indonesian authorities shall be informed which dispositions have been made in respect of serious offences committed by the military personnel referred to, whereby the interests of the Republic of the United States of Indonesia or of its subjects are concerned.

Article 35

Use of Indonesian ports, aerodromes and of their services, shall be made by the forces of the Republic of the United States of Indonesia and units of the Royal Netherlands Navy present in Indonesia by reason of this agreement in conformity with the rules which are identical for both Navies.

II

Regulations on the land forces in Indonesia under Netherlands command after the transfer of sovereignty

Chapter I. General principles.
Chapter II. The concentration of the land forces under Netherlands command.
Chapter III. Shipment of the troops of the Royal Netherlands Army from Indonesia.
Chapter IV. The reorganization of the land forces which have been formed and equipped by or under the authority of the Government of Indonesia (Netherlands-Indonesian Government).
Chapter V. Social provisions.
Chapter VI. Transfer of the moveables and immovables used by the Royal Netherlands-Indonesian Army.
Chapter VII. Finance.
Chapter VIII. Executive regulations.

CHAPTER I

GENERAL PRINCIPLES

Article 1

The land forces under Netherlands command shall be withdrawn from Indonesia or be reorganized as soon as possible, in accordance with the directives given hereinafter.

Article 2

In consequence of the transfer of sovereignty the responsibility for the internal and external security of Indonesia shall rest with the sovereign Government of the Republic of the United States of Indonesia.

Article 3

1. During the withdrawal of the land forces under Netherlands command the Netherlands and Indonesian authorities concerned shall attend in mutual
cooperation to the orderly transfer of territorial military responsibility.

2. The land forces under Netherlands command which are awaiting shipment or are being reorganized shall not be used for any operation unless upon a request to this effect by the sovereign Government of the Republic of the United States of Indonesia and with the consent of the Netherlands Government.

Article 4

Members of the armed forces which at the time of the transfer of sovereignty are present in Indonesia and which have been formed or equipped by or under the authority of the Government of Indonesia (the Netherlands-Indonesian Government), may be incorporated in the military forces of the Republic of the United States of Indonesia according to provisions to be determined at a later date.

Article 5

The transfer of the appropriate movables and immovables shall take place in mutual consultation in an orderly and businesslike way.

CHAPTER II

THE CONCENTRATION OF THE LAND FORCES UNDER NETHERLANDS COMMAND

Article 6

1. Insofar as this has not been carried out at the time of the transfer of sovereignty the armed forces referred to in article 1 shall be assembled as soon as possible, in areas (rayons) to be determined in mutual consultation.

2. As such may be considered areas in the neighbourhood of ports and areas which offer sufficient accommodation for troops.

3. In order to promote the orderly transfer of the territorial military responsibility the possibility of the reorganisation of the armed forces referred to in article 4 taking place also outside the rayons must be considered.

Article 7

For each rayon a Netherlands commander shall be appointed who shall be in command of the members of the armed forces referred to in article 1 present in this rayon.

Article 8

The armed forces referred to in article 1 have the status of guests who are in the territory of a friendly nation; the Government of the Republic of the United States of Indonesia shall grant all possible facilities.

Article 9

The armed forces referred to in article 1 shall remain under the command of their own officers.

Article 10

The armed forces referred to in article 1 shall retain their organic armament and equipment unless the competent Netherlands military authorities decide otherwise.
Article 11
Without prejudice to the provisions of this chapter the Government of the Republic of the United States of Indonesia shall remain responsible for the maintenance of law and order within the rayons.

Article 12
The members of the armed forces referred to in article 1 shall be subject to the Netherlands law on military penal procedure and to Netherlands military penal law, Netherlands law on military discipline and further to Indonesian common penal law, insofar as military penal law referred to above contains no regulations.
The law on military discipline shall be applied by or on behalf of the officer in command of the armed forces referred to in article 1. At their request the Indonesian authorities shall be informed of the punishment for grave offences which have been committed by the aforementioned members of the armed forces and in which the interests of the Republic of the United States of Indonesia or its subjects are involved.

Article 13
The members of the armed forces referred to in article 1 shall be at liberty to move freely within the rayons. Whenever they want to leave the rayons they shall have a valid pass bearing the signature of the commanding officer referred to in article 7 and vised by a military authority to be appointed by the Republic of the United States of Indonesia. With due regard to article 3, paragraph 2, they shall refrain from all military activities; they shall, however, have the opportunity to train in accordance with regulations to be laid down in mutual consultation.

Article 14
1. In the rayons law and order among the members of the armed forces referred to in article 1 shall be enforced by the competent Netherlands military authorities who, if necessary, send out patrols for this purpose.
2. These patrols are allowed to take action exclusively against the members of the armed forces referred to in article 1.

Article 15
Within the boundaries of the encampments of the armed forces referred to in article 1 the authority shall rest with the officers in command of the units encamped there. These officers shall guard their encampments with their own means.

Article 16
The officers in command referred to in article 15 shall render full assistance to the Government of the Republic of the United States of Indonesia as regards the tracing, arresting and bringing up to trial of persons under Indonesian jurisdiction, who are suspected of being guilty of an offence and who are within the encampment.

Article 17
As regards the carrying of arms in public when off duty the rules obtaining
between sovereign states in peacetime shall apply. In special cases the military authorities concerned shall consult each other on this matter.

Article 18
1. The armed forces referred to in article 1 shall retain such services as are necessary for their maintenance.
2. These maintenance services shall have freedom of movement outside the rayons insofar as required for the performance of their duties and they shall attend to their security with their own means. Further rules for the execution of the provisions of this article shall be established in mutual consultation.

Article 19
Changes in the dislocation of the armed forces referred to in article 1, with the exception of the modifications which are necessary for their shipment, shall take place exclusively in mutual consultation.

CHAPTER III
SHIPMENT OF THE TROOPS OF THE ROYAL NETHERLANDS ARMY FROM INDONESIA

Article 20
After the transfer of sovereignty the Royal Netherlands Army shall be withdrawn from Indonesia within the shortest possible time.

Article 21
To this end the Governments of the Kingdom of the Netherlands and the Republic of the United States of Indonesia shall cooperate to take advantage of all means available.

Article 22
Should it become evident as the Netherlands Government regretfully foresees that lack of shipping or other technical difficulties will prevent the completion of the withdrawal within six months after the transfer of sovereignty, the Netherlands Government will gladly give the authorities of the Republic of the United States of Indonesia free access to details of the arrangements and endeavours of the Netherlands Government for the repatriation of the Royal Netherlands Army.

Article 23
A joint technical committee shall be established to study the technical possibilities of repatriating the Royal Netherlands Army and ways and means of overcoming difficulties.

Article 24
Under its terms of reference, and as anticipated by agreement in the memorandum of 22 June 1949, the United Nations Commission for Indonesia or its successor shall be in a position to assist.
CHAPTER IV
REORGANIZATION OF THE LAND FORCES FORMED AND
EQUIPPED BY OR UNDER THE AUTHORITY OF THE
GOVERNMENT OF INDONESIA
(THE NETHERLANDS-INDONESIAN GOVERNMENT)

Article 25
1. From the date of the transfer of sovereignty the officer commanding
the armed forces referred to in article 1 shall be entrusted with the
reorganization of the armed forces referred to in article 4. This reorgani-
zation shall have as its primary aim to afford the opportunity to eligible
members of said forces to join as soon as possible the military forces of
the Republic of the United States of Indonesia.
2. The word reorganization as used in this agreement, means reorgani-
zation in the sense of paragraph 1 of this article.

Article 26
During the reorganization of the aforementioned armed forces the
administrative and judicial powers which the Indonesian legislation in
force before the transfer of sovereignty conferred on the High Com-
missioner of the Crown with regard to the armed forces referred to in
article 4, shall be executed by or on behalf of the King of the Netherlands.

Article 27
1. During the reorganization every endeavour shall be made in order
that members of the armed forces referred to in article 4 join as far as
possible unitwise the military forces of the Republic of the United States
of Indonesia.
2. With regard to the transfer of maintenance services further regul-
atons shall be established in mutual consultation.

Article 28
1. Those units which prior to the transfer of sovereignty have been
composed and prepared for this purpose by the commanding officers of
the armed forces referred to in article 4 from members of said forces, shall
become members of the military forces of the Republic of the United
States of Indonesia the day after the transfer of sovereignty.
2. Other units thus formed shall be transferred as soon as they have
been prepared for this purpose by the commanding officers of the armed
forces referred to in article 4.

Article 29
In effecting said reorganization the officer in command of the armed
forces referred to in article 1 shall observe the directives jointly established
by or on behalf of the Governments of the Netherlands and of the
Republic of the United States of Indonesia.
Article 30
The officer in command of the armed forces referred to in article 1 and the officer in command of the military forces of the Republic of the United States of Indonesia shall jointly attend to the execution of this reorganization.

Article 31
1. The reorganization shall take place within a period of six months from the day of the publication of the conditions of enlistment in the armed land forces of the Republic of the United States of Indonesia.
2. During this period the provisions concerning the legal status of the military personnel of the armed forces referred to in article 4, in force on the day preceding the transfer of sovereignty shall remain in force without any modification thereof without prejudice to the further provisions laid down in the present agreement.
3. In mutual consultation the Governments of the Kingdom of the Netherlands and of the Republic of the United States of Indonesia may determine that after the completion of the reorganization certain services or sections of services will be continued for the performance of certain tasks and for a definite period.
4. On completion of the reorganization the Royal Netherlands Indonesian Army shall cease to exist. If after the completion of the reorganization a further winding up of the armed forces referred to in article 4 proves necessary, the Governments of the Kingdom of the Netherlands and the Republic of the United States of Indonesia shall consult each other on this matter in good time.

Article 32
After the transfer of sovereignty the military personnel of the armed forces referred to in article 4 shall be destined:
a. partly to enter the service of the Republic of the United States of Indonesia;
b. partly to enter the service of the Kingdom of the Netherlands;
c. for the remainder to leave the services.

Article 33
Acceptance of the arrangements referred to in the previous article under a and b shall be voluntary.

Article 34
If members of the military personnel of the Royal Netherlands Indonesian Army enter the service either of the Republic of the United States of Indonesia or of the Kingdom of the Netherlands without any interruption, the period of service in the Royal Netherlands Indonesian Army shall be fully taken into account.

Article 35
Without prejudice to the two preceding articles, the conditions required for entering the service referred to in article 32 sub a shall be laid down by the Government of the Republic of the United States of Indonesia
and the conditions required for entering the service referred to in article 32 sub b shall be laid down by the Government of the Kingdom of the Netherlands. For joining the armed forces of the Republic of the United States of Indonesia Indonesian nationality is required.

Article 36
Organizations or associations whose members are involved in the reorganization shall be afforded the opportunity to advocate the interests of their members.

Article 37
Leaving the services involves discharge in conformity with the principles laid down in Chapter V.

CHAPTER V
SOCIAL PROVISIONS

Article 38
The military personnel of the Royal Netherlands-Indonesian Army who do not enter the service either of the Kingdom of the Netherlands or of the Republic of the United States of Indonesia shall be discharged with due observance of the provisions mentioned hereinafter.

Article 39
Those who are in permanent service and who, at the time of their discharge under the provisions in force on the day preceding the transfer of sovereignty are entitled to a pension, shall receive a pension computed in accordance with these provisions.

Article 40
Those who are in permanent service and can derive no claim from the provisions of article 39, but who for the assessment of their pension have completed a period of service of fifteen years or more, shall receive a pension computed in accordance with the regulation laid down in the "Indonesisch Staatsblad" 1948, no. 13.

Article 41
1. Those who have no claim based on the provisions of articles 39 and 40 shall receive non activity allowance computed in accordance with the provisions of the following paragraphs of this article.
2. This non activity allowance shall be paid during a period of two-fifths of the time served, on the understanding that it shall be enjoyed for at least one year and at most five years.
3. The sum to be paid monthly amounts to:
during the first six months 80%,
during the next twelve months 60%,
during the remaining months 40% of the full pay last received or of the full pay which those concerned would receive in virtue of their period of service.
4. For the purpose of computing the non activity allowance for corporals, privates 1st class and privates 2nd class their monthly full pay is fixed at £200, £160 and £140 respectively.

5. Should application of the arrangement set forth in the previous paragraphs of this article appear to be less profitable to the person concerned than application of the regulation set forth in article 42, he may demand that the latter regulation be applied to him.

Article 42

1. Those who have been on short term contracts of service and have completed the period contracted for shall receive the payments to which they are entitled on the strength of the regulations effective on the day preceding the transfer of sovereignty.

2. Those who have not yet completed such service period shall receive the payments referred to in the first paragraph — in proportion to the period served — but increased by 20%.

Article 43

The conscripts and reserve conscripts (reserveplichtigen) shall receive the payments and enjoy the special social provisions to which they are entitled on the strength of the regulations in force on the day preceding the transfer of sovereignty.

Article 44

The special provisions effective on the day preceding the transfer of sovereignty, which apply to personnel leaving the military service, shall be carried out.

Article 45

A cut may be applied in the case of cumulation of income to the proportional pensions referred to in article 40 and to the non activity allowance referred to in article 41, as agreed upon in the arrangement of the position of civil servants.

With regard to soldiers on pay (soldijgenietenden) a fair percentage shall be established for the computation of this cut.

Article 46

1. Without prejudice to the provision in the second paragraph, the obligation to accept suitable civil employment may be imposed on those receiving proportional pensions or non activity allowance in accordance with this regulation.

2. The provision laid down in the first paragraph does not apply to those who have reached the age of 55.

Article 47

1. At the date of the transfer of sovereignty civil servants, whether militarized or not, who are under the authority of the Department of War shall pass into the service of the Republic of the United States of Indonesia in accordance with the agreement on the position of officials employed at the civil departments.

2. However during the reorganization this personnel shall continue — as far as necessary — its work in the existing relation.
3. The militarized personnel shall be demilitarized as soon as possible, but at the latest immediately prior to their accepting a function with the Republic of the United States of Indonesia. Up to the moment of demilitarization this personnel shall remain subject to the regulations of the law on military penal procedure to the military penal law and to the law on military discipline applicable to them prior to the transfer of sovereignty.

CHAPTER VI
TRANSFER OF MOVABLES AND IMMOVABLES IN USE WITH THE ROYAL NETHERLANDS INDONESIAN ARMY

Article 48
A plan shall be drawn up for the transfer of the movables and immovables in use with the Royal Netherlands-Indonesian Army in mutual consultation between the Commander of the Netherlands forces and the Minister of Defence of the Republic of the United States of Indonesia.

Article 49
In drawing up this plan the following considerations shall be taken into account:

a. the safety of the forces of both parties;
b. the tasks to be performed by these forces;
c. the object to be attained, viz. that by a gradual transfer of all movables and immovables in use with the Royal Netherlands Indonesian Army at the end of the reorganization period of the Royal Netherlands Indonesian Army all the movables and immovables in use with the Royal Netherlands Indonesian Army shall be transferred to the Republic of the United States of Indonesia.

Article 50
The execution of the plan mentioned under article 48 is an object of common concern of both the Commander of the Netherlands forces in Indonesia and the Commander of the forces of the Republic of the United States of Indonesia. The Commander of the Netherlands forces in Indonesia shall be responsible for the movables and immovables in use with the Royal Netherlands Indonesian Army until their transfer.

CHAPTER VII
FINANCE

Article 51
1. After the transfer of sovereignty the cost of the Royal Netherlands Army shall be borne by the Kingdom of the Netherlands.
2. Periodically the Government of the Republic of United States of Indonesia shall place at the disposal of the Commander of the Netherlands Army in Indonesia or of the authorities to be appointed by him the
Indonesian currency required for payment of salaries etc. of the Royal Netherlands Army; the Government of the Republic of the United States of Indonesia shall also provide the means for feeding, lodging, clothing etc. of the Royal Netherlands Army. Afterwards the account of these expenses shall be settled between the Kingdom of the Netherlands and the Republic of the United States of Indonesia.

Article 52
If and insofar as units of the Royal Netherlands Army and of the Netherlands Air Force (L.S.K.) render services to the Government of the Republic of United States of Indonesia at the latter's request, the cost of these units during the period concerned shall be chargeable to the Republic of the United States of Indonesia in accordance with an arrangement, if possible previously to be agreed upon.

Article 53
If and insofar as materiel belonging to the Royal Netherlands Army and the Netherlands Air Force at the request of the authorities appointed by the Government of the Republic of the United States of Indonesia is transferred to the Republic of the United States of Indonesia, the payment shall be arranged by mutual and as far as possible previous consultation.

Article 54
1. The cost of the Royal Netherlands Indonesian Army during the period between the transfer of sovereignty and the completion of the reorganization shall be paid by the Republic of the United States of Indonesia.

2. The cost of pensions, non activity allowance, lump sums (uitkeringen ineen) and other social provisions of former personnel and personnel of the Royal Netherlands Indonesian Army shall be borne by the Republic of the United States of Indonesia.

Consequently insofar as members of the personnel of the Royal Netherlands Indonesian Army enter the service of the Netherlands Government, a settlement shall be made between the Governments of the Kingdom of the Netherlands and of the Republic of the United States of Indonesia in accordance with an arrangement to be agreed upon with regard to their acquired rights.

Those members of the Royal Netherlands Indonesian Army who have entered the service of the Royal Netherlands Indonesian Army since March 1942 and who do not acquire Indonesian nationality before the completion of the reorganization shall be exempted from the provisions laid down in this paragraph. The cost of the social provision of those members of the Royal Netherlands Indonesian Army shall be borne by the Government of the Kingdom of the Netherlands.

3. During the period of reorganization the Government of the Republic of the United States of Indonesia shall periodically place at the disposal of the Commander of the Netherlands Armed Forces in Indonesia the funds he requires for the execution of this reorganization.
CHAPTER VIII
EXECUTIVE REGULATIONS

Article 55
The supervision of the execution of the decisions taken at the Round Table Conference in the military field shall be exercised from the date of the transfer of sovereignty in a manner to be agreed upon in mutual consultation between both governments, without prejudice to the provisions concerning general supervision of the execution of the agreements reached at the Round Table Conference.

Article 56
With regard to the execution of the present agreement the military authorities of the Kingdom of the Netherlands and the Republic of the United States of Indonesia shall cooperate in such a way as to ensure its expedient and complete implementation in the military technical field. For this purpose they shall make use of liaison officers.

III
Regulation the air forces in Indonesia under Netherlands command after the transfer of sovereignty

Article 1
As a consequence of the transfer of sovereignty, the Republic of the United States of Indonesia shall be exclusively responsible for the air protection in Indonesia.

Article 2
The task of the air protection in the military sense is, by reason of the foregoing, therefore the task of the Air Force of the Republic of the United States of Indonesia.

Article 3
There shall be no further Netherlands task in Indonesia for the air forces under Netherlands command as a Netherlands instrument, for which reason the air forces referred to shall be withdrawn from Indonesia.

Article 4
The Netherlands Government is prepared at the request of the Government of the Republic of the United States of Indonesia to render assistance by way of making available personnel and material insofar as the United States of Indonesia is not yet sufficiently able to execute its tasks by own means. This assistance is to cease gradually.

Article 5
The Netherlands Government is prepared at the request of the Republic of the United States of Indonesia to render assistance through a mission as a section of the Netherlands Military Mission in building up the Air Force of the Republic of the United States of Indonesia so that within the shortest possible time the Republic of the United States of Indonesia shall be able to execute its tasks with own means.
Article 6

The assistance referred to in articles 4 and 5 may comprise:

a. assistance in building up and training the Air Force of the Republic of the United States of Indonesia;

b. offering opportunity for and assistance in the purchase, maintenance and repair of materiel;

c. personnel on behalf of the air traffic-control on aerodromes which are to be indicated later;

d. the execution of special tasks.

Article 7

All provisions in respect of assistance to be rendered as referred to in the articles 4 and 5, applicable to the forces of which the air forces are parts, shall as far as possible apply to the air forces in a corresponding manner.

Article 8

All provisions in respect of the reorganization and withdrawal of the forces of which the air forces are parts, shall apply in a corresponding manner to the air forces, as far as these need not to be deviated from in view of the independent position of the Airforce of the Republic of the United States of Indonesia and the organic interwovenness of the parts of the Netherlands Air Forces (L.S.K.) in Indonesia and the Military Airforce of the Royal Netherlands-Indonesian Army. It shall be the aim to complete the reorganization of the air forces within six months after the transfer of sovereignty.

Article 9

The safety of the Netherlands personnel, employed at airbases which are under command of the Republic of the United States of Indonesia shall be the responsibility of the Government of the Republic of the United States of Indonesia.

Article 10

Within a period of three months after the transfer of sovereignty, the Government of the Republic of the United States of Indonesia shall inform the Netherlands Government of the number and kind of personnel of the Netherlands air forces which it considers necessary for the tasks referred to in articles 4, 5 and 6.

Article 11

All provisions for the take-over of personnel and material of the forces of which the air forces are parts, shall apply in a corresponding manner to the air forces.

In this respect the significant importance is pointed out of continued functioning in accordance with normal peace-time requirements of the airtraffic service on the aerodromes which will be considered necessary for the civil aviation of the Republic of the United States of Indonesia. Furthermore it is to be observed that this take-over will be completed within the period referred to in article 8 paragraph 2.
EXCHANGE OF LETTERS
The Hague, 2 November 1949.

To the Chairmen of the Delegations of the Government of the Republic Indonesia and of the Federal Consultative Assembly.

Sirs,

I have the honour to inform you that the Netherlands Delegation to the Round Table Conference states that the following has been agreed upon by the Delegation to the Conference.

The clause in article 2 of the Draft Charter of Transfer of Sovereignty reading: "the status quo of the residency of New Guinea shall be maintained" means: "through continuing under the Government of the Netherlands".

I shall appreciate learning if you can agree to the foregoing.

I have the honour to be,

Your obedient servant,

J. H. VAN MAARSEVEEN.

Chairman of the Netherlands Delegation to the Round Table Conference.
DELEGATION OF THE
REPUBLIC INDONESIA

No. 2/E.L.

F.C.A.-
DELEGATION

The Hague, 2 November 1949.

Sir,

We have the honour to acknowledge receipt of your letter and we can inform you that the Delegations of the Republic Indonesia and the Federal Consultative Assembly to the Round Table Conference state that the following has been agreed upon by the Delegations to the Conference.

The clause in article 2 of the Draft Charter of Transfer of Sovereignty reading: "the status quo of the residency of New Guinea shall be maintained" means: "through continuing under the Government of the Netherlands".

We have the honour to be,

Your obedient servants,

MOHAMMAD HATTA,
Chairman of the Republican Delegation to the Round Table Conference.

HAMID,
Chairman of the F.C.A.-Delegation to the Round Table Conference.

To the Chairman of the Netherlands Delegation to the Round Table Conference,
The Hague.
Netherlands Delegation
To the Round Table Conference

Secretariat
No. 871

The Hague, 2 November 1949.

To the Chairman of the Delegations of the
Government of the Republic Indonesia and
of the Federal Consultative Assembly.

Sirs,

I have the honour to inform you that the Netherlands Delegation to the Round Table Conference takes the view that the following has been agreed upon by the Delegations to the Conference.

The Netherlands can act as partner in the Union in and on behalf of the Kingdom of the Netherlands should the outcome of the continued consultation with Surinam and the Netherlands Antilles give cause thereto. The status of the Kingdom of the Netherlands as a partner in the Union shall remain unaffected thereby.

I shall appreciate learning if you can agree to the foregoing.

I have the honour to be,

Your obedient servant,
J. H. Van Maarseveen,
Chairman of the Netherlands Delegation
to the Round Table Conference.
The Hague, 2 November 1949.

Sir,

We have the honour to acknowledge receipt of your letter and can inform you that the Delegations of the Republic Indonesia and the Federal Consultative Assembly to the Round Table Conference take the view that the following has been agreed upon by the Delegations to the Conference.

The Netherlands can act as partner in the Union in and on behalf of the Kingdom of the Netherlands should the outcome of the continued consultation with Surinam and the Netherlands Antilles give cause thereto.

The status of the Kingdom of the Netherlands as a partner in the Union shall remain unaffected thereby.

We have the honour to be,

Your obedient servants,

MOHAMMAD HATTA,
Chairman of the Republican Delegation to the Round Table Conference.

HAMID,
Chairman of the F.C.A.-Delegation to the Round Table Conference.

To the Chairman of the Netherlands Delegation to the Round Table Conference,
The Hague.
The Hague, 2 November 1949.

To the Chairman of the Delegations of the Government of the Republic Indonesia and of the Federal Consultative Assembly.

Sirs,

I have the honour to inform you that the Netherlands Delegation to the Round Table Conference takes the view that the following has been agreed upon by the Delegations to the Conference.

In mutual consultation, the Netherlands Government and the Government of the Republic of the United States of Indonesia shall establish regulations with regard to the tracing of graves of those who fell, as well as with regard to the exhumation, identification, registration and reburial of the remains of such persons. Moreover, in mutual consultation, they shall establish regulations concerning the foundation, upkeep and maintenance of the field of honour of Peutjut at Kuta Radja and the fields of honour which are now being administered or laid out by the Army Graves Service in Indonesia.

I have the honour to be,

Your obedient servant,
J. H. VAN MAARSEVEEN,
Chairman of the Netherlands Delegation to the Round Table Conference.
DELEGATION OF THE
REPUBLIC INDONESIA

No. 10/E.L.

The Hague, 2 November 1949.

Sir,

We have the honour to inform you that the Indonesian Delegations to the Round Table Conference take the view that the following has been agreed upon by the Delegations to the Conference.

In mutual consultation the Netherlands Government and the Government of the Republic of the United States of Indonesia shall establish regulations with regard to the tracing of graves of those who fell, as well as with regard to the exhumation, identification, registration and reburial of the remains of such persons.

Moreover, in mutual consultation, they shall establish regulations concerning the foundation, upkeep and maintenance of the field of honour of Peutjut at Kuta Radja and the fields of honour which are now being administered or laid out by the Army Graves Service in Indonesia.

We have the honour to be,

Your obedient servants,

MOHAMMAD HATTA, 
Chairman of the Republican Delegation to the Round Table Conference.

HAMID, 
Chairman of the F.C.A.-Delegation to the Round Table Conference.

To the Chairman of the Netherlands Delegation to the Round Table Conference,
The Hague.

82
The Hague, 2 November 1949.

To the Chairman of the Delegations of the Government of the Republic Indonesia and of the Federal Consultative Assembly.

Sirs,

I have the honour to inform you that the Netherlands Delegation to the Round Table Conference has taken the view that the following has been agreed upon by the Delegations to the Conference.

a. Not until after the transfer of sovereignty can the composition and the definition of the tasks of the military missions to be exchanged by the partners of the Netherlands-Indonesian Union be regulated by the respective Governments in mutual consultation in accordance with article 7 of the draft agreement attached to the Draft Union Statute for the implementation of the articles 2 and 21 of the Statute referred to.

b. However as of the transfer of sovereignty referred to above a Netherlands military mission shall be active in Indonesia, the task of which mission shall be to assist in building up and training the forces of the Republic of the United States of Indonesia and further to act as advisers on matters of a military nature.

c. In view of the agreement under b and pending a regulation referred to under a, the Committee for Military Affairs to the Round Table Conference has drawn up a draft agreement on the Military Mission as represented hereinafter, to which agreement parties shall adhere until the regulation referred to under a shall have been established.
DRAFT AGREEMENT ON THE MILITARY MISSION

CHAPTER I

TASK AND DURATION

Article 1
The task of the Netherlands Military Mission shall be to assist the Government of the Republic of the United States of Indonesia in building up and training the forces of the Republic of the United States of Indonesia and to act as adviser on matters of a military nature.

Article 2
The agreement is concluded for a period of three years, effective from the date of signing the present agreement unless previously terminated or extended in accordance with rules set forth hereinafter.

Article 3
The two Governments shall consult each other at least one year before the expiration of the period referred to in article 2 concerning possible extension of stay of the mission or concerning possible alteration in the composition and tasks thereof.

Article 4
The present agreement may be terminated before the expiration of the period referred to in article 2 or before the expiration of the extension agreed upon in accordance with article 3, by means of notification in writing from one of the two Governments whereby a term of notice of six months shall be observed.

Article 5
Upon the initiative of one of the two Governments the present agreement may be terminated immediately and unconditionally should either Government be involved in internal disturbances or external hostilities or for reasons of general interest to the Kingdom of the Netherlands or to the Republic of the United States of Indonesia.

CHAPTER II

COMPOSITION

Article 6
The Netherlands Military Mission shall form a single entity; it shall comprise a naval section, an army section and an air force section.

Article 7
The Government of the Republic of the United States of Indonesia shall inform the Government of the Kingdom of the Netherlands of its desires
regarding the composition of the Military Mission in connection with the
tasks to be carried out by said Mission, whereupon the composition shall
be determined by the two Governments in mutual consultation.

Article 8
Alterations in the composition of the Military Mission shall not be made
except by mutual consultation of the two Governments.

Article 9
Any member of the Military Mission may be relieved of his membership
at any time by the Government of the Kingdom of the Netherlands, the
Government of the Kingdom of the Netherlands undertaking to provide
a substitute member.

CHAPTER III
ACTIVITIES AND RANKS

Article 10
The personnel of the Military Mission shall carry out instructions, on the
nature of which and the manner of carrying out agreement exists between
the Minister of Defence of the Republic of the United States of Indonesia
and the Head of the Military Mission.

Article 11
On subjects which might prove or may be expected to bear a political
character, consultations shall be held between the Government of the
Republic of the United States of Indonesia and the Government of the
Kingdom of the Netherlands.

Article 12
Each member of the Mission shall carry out his duties in the Mission in
the rank he holds with the forces of the Kingdom of the Netherlands and
shall wear the prescribed Netherlands uniform and distinctives pertaining
thereto.

Article 13
The members of the Mission shall remain personnel of the Netherlands
forces and in consideration thereof remain bound to their obligations towards
the Kingdom of the Netherlands.

Article 14
Within the scope of the fulfilment of their task, the members of the
Military Mission shall be obliged to follow the directives and instructions of
the competent military authorities, respectively for the navy, army and air
force, of the Republic of the United States of Indonesia and as such shall
be responsible to the Government of the Republic of the United States of
Indonesia through the intermediary of the Head of the Military Mission.

Article 15
The members of the Military Mission shall as much as possible be organized
in groups.
The competent military authorities of the Republic of the United States of Indonesia shall consult the senior officer of each group concerning the directives and instructions within the scope of the fulfilment of their task.

Article 16

The members of the Military Mission shall be entitled to all the honours and privileges which the laws and regulations concerning the forces of the Republic of the United States of Indonesia grant to personnel of a corresponding rank.

Article 17

Members of the military personnel belonging to the Military Mission shall be subject to the Netherlands law on Military Penal Procedure and to Netherlands Military Penal Law, Netherlands Law on Military Discipline and further to Indonesian common Penal Law insofar as military penal law referred to above contains no regulations. The Law on Military Discipline shall be applied by or on behalf of the Head of the Military Mission. At their request the Indonesian Authorities shall be informed which dispositions have been made in respect of serious offences committed by the military personnel referred to, whereby the interests of the Republic of the United States of Indonesia or of its subjects are concerned.

Article 18

Diplomatic immunity shall be enjoyed by the Head of the Military Mission and by some members of the Mission to be designated in consultation with the Government of the Republic of the United States of Indonesia.

CHAPTER IV

FINANCIAL AND ADMINISTRATIVE PROVISIONS

Article 19

1. The members of the Military Mission shall fall under the financial and administrative management of the Netherlands.

2. The cost of the Mission composed in accordance with articles 6, 7, 8 and 9, and of the tasks performed by the Mission as agreed upon in accordance with articles 10 and 11, shall be borne by the Republic of the United States of Indonesia.

3. The Government of the Republic of the United States of Indonesia shall periodically put the necessary funds at the disposal of the Head of the Netherlands Military Mission on the basis of a yearly cash-budget drawn up by the Head of that Mission and approved by the Government of the Republic of the United States of Indonesia. The foreign currency required for the expenditure of the Mission shall also be made available periodically and on the basis of a yearly foreign currency budget drawn up by the Head of the Mission and approved by the Government of the Republic of the United States of Indonesia.

If necessary alterations in the cash-budget respectively the foreign currency budget can be proposed by the Head of the Mission.
Article 20

1. The financial position of the personnel of the Military Mission shall be subject to Netherlands regulations. Insofar as these regulations refer particularly to the service of Netherlands military personnel in the Netherlands Military Mission, they shall be maintained, respectively introduced or altered after consultation with the Republic of the United States of Indonesia.

2. Article 19, paragraph 2, in respect of salaries and emoluments, shall be effective from the day of departure from the Netherlands for members of the Military Mission and shall prevail until the day of arrival in the Netherlands after termination of service in the Military Mission, and eventually thereafter until the day of termination of each leave to which the members of the Mission are entitled as a consequence of the attachment to the Military Mission.

3. The second paragraph of article 19 shall also be applicable to cost of transport of personnel and of their families from the Netherlands to Indonesia and back.

4. Expenses for travelling in ships and airplanes of the Royal Netherlands Navy will not be charged.

Article 21

1. Members of the Mission shall be exempt from taxes of the Republic of the United States of Indonesia in accordance with an arrangement to be made between the two partners, which arrangement shall be drawn up in analogy with the internationally usual arrangements in this respect.

2. A similar arrangement shall be made regarding import and export duties and other taxes and excises levied on certain goods intended for or in use of the Mission.

3. Should a member of the Mission die, his succession shall be arranged fiscally as if he had died in the Netherlands.

Article 22

The Government of the Republic of the United States of Indonesia shall grant travel and hotel allowances for tours of duty within the jurisdiction of the Republic of the United States of Indonesia, such tours of duty to be made in accordance with the provisions for accommodation also applicable to military personnel in the service of the Republic of the United States of Indonesia.

Article 23

In case of death of one of the members of the Military Mission or of one of the members of the family of a member of the Military Mission, if the family of the deceased desires that the deceased be transported to the Netherlands, the Republic of the United States of Indonesia shall bear the cost of and render assistance in such transport.
CHAPTER V
SPECIAL PROVISIONS

Article 24
The Government of the Republic of the United States of Indonesia shall extend proper facilities to the members of the Military Mission.

Article 25
Any reference in this agreement made to families shall apply to wife and children only.

Article 26
The members of the Military Mission shall be entitled to an annual leave of one month. Any unused part of said leave shall be cumulative from year to year during the period of attachment in the Military Mission. Without prejudice to the general facilities prevailing for military personnel regarding the use of public conveyances, travelling expenses during leave shall not be borne by the Republic of the United States of Indonesia. The Head of the Military Mission shall grant leave as referred to in article 26, taking into account the interests of the Republic of the United States of Indonesia.

Article 28
The Government of the Republic of the United States of Indonesia shall provide for complete and proper medical care of the members of the Military and their families.

Article 29
Members of the Military Mission who, on account of ill health are unable to carry out their duties for any length of time shall be replaced.

I have the honour to be,

Your obedient servant,

J. H. VAN MAARSEVEEN,
Chairman of the Netherlands Delegation
to the Round Table Conference.
The Hague, 2 November 1949.

Sir,

We have the honour to inform you that the Indonesian Delegations to the Round Table Conference take the view that the following has been agreed upon by the Delegations to the Conference.

a. Not until after the transfer of sovereignty can the composition and the definition of the tasks of the military missions to be exchanged by the partners of the Netherlands-Indonesian Union be regulated by the respective Governments in mutual consultation in accordance with article 7 of the draft agreement attached to the Draft Union Statute for the implementation of the articles 2 and 21 of the Statute referred to.

b. However as of the transfer of sovereignty referred to above a Netherlands military mission shall be active in Indonesia, the task of which mission shall be to assist in building up and training the forces of the Republic of the United States of Indonesia and further to act as advisers on matters of a military nature.

c. In view of the agreement under b and pending a regulation referred to under a, the Committee for Military Affairs to the Round Table Conference has drawn up a draft agreement on the Military Mission as represented hereinafter, to which agreement parties shall adhere until the regulation referred to under a shall have been established.

To the Chairman of the Netherlands Delegation
to the Round Table Conference,
The Hague.
DRAFT AGREEMENT ON THE MILITARY MISSION

CHAPTER I
TASK AND DURATION

Article 1
The task of the Netherlands Military Mission shall be to assist the Government of the Republic of the United States of Indonesia in building up and training the forces of the Republic of the United States of Indonesia and to act as adviser on matters of a military nature.

Article 2
The agreement is concluded for a period of three years, effective from the date of signing the present agreement unless previously terminated or extended in accordance with rules set forth hereinafter.

Article 3
The two Governments shall consult each other at least one year before the expiration of the period referred to in article 2 concerning possible extension of stay of the mission or concerning possible alteration in the composition and tasks thereof.

Article 4
The present agreement may be terminated before the expiration of the period referred to in article 2 or before the expiration of the extension agreed upon in accordance with article 3, by means of notification in writing from one of the two Governments whereby a term of notice of six months shall be observed.

Article 5
Upon the initiative of one of the two Governments the present agreement may be terminated immediately and unconditionally should either Government be involved in internal disturbances or external hostilities or for reasons of general interest to the Kingdom of the Netherlands or to the Republic of the United States of Indonesia.

CHAPTER II
COMPOSITION

Article 6
The Netherlands Military Mission shall form a single entity; it shall comprise a naval section, an army section and an air force section.

Article 7
The Government of the Republic of the United States of Indonesia shall inform the Government of the Kingdom of the Netherlands of its desires regarding the composition of the Military Mission in connection with the tasks to be carried out by said Mission, whereupon the composition shall be determined by the two Governments in mutual consultation.
Article 8
Alterations in the composition of the Military Mission shall not be made except by mutual consultation of the two Governments.

Article 9
Any member of the Military Mission may be relieved of his membership at any time by the Government of the Kingdom of the Netherlands, the Government of the Kingdom of the Netherlands undertaking to provide a substitute member.

CHAPTER III
ACTIVITIES AND RANKS

Article 10
The personnel of the Military Mission shall carry out instructions, on the nature of which and the manner of carrying out agreement exists between the Minister of Defence of the Republic of the United States of Indonesia and the Head of the Military Mission.

Article 11
On subjects which might prove or may be expected to bear a political character, consultations shall be held between the Government of the Republic of the United States of Indonesia and the Government of the Kingdom of the Netherlands.

Article 12
Each member of the Mission shall carry out his duties in the Mission in the rank he holds with the forces of the Kingdom of the Netherlands and shall wear the prescribed Netherlands uniform and distinctives pertaining thereto.

Article 13
The members of the Mission shall remain personnel of the Netherlands forces and in consideration thereof remain bound to their obligations towards the Kingdom of the Netherlands.

Article 14
Within the scope of the fulfilment of their task, the members of the Military Mission shall be obliged to follow the directives and instructions of the competent military authorities, respectively for the navy, army and air force, of the Republic of the United States of Indonesia and as such shall be responsible to the Government of the Republic of the United States of Indonesia through the intermediary of the Head of the Military Mission.

Article 15
The members of the Military Mission shall as much as possible be organized in groups.
The competent military authorities of the Republic of the United States of Indonesia shall consult the senior officer of each group concerning the directives and instructions within the scope of the fulfilment of their task.
Article 16
The members of the Military Mission shall be entitled to all the honours and privileges which the laws and regulations concerning the forces of the Republic of the United States of Indonesia grant to personnel of a corresponding rank.

Article 17
Members of the military personnel belonging to the Military Mission shall be subject to the Netherlands law on Military Penal Procedure and to Netherlands Military Penal Law, Netherlands Law on Military Discipline and further to Indonesian common Penal Law insofar as military penal law referred to above contains no regulations.
The Law on Military Discipline shall be applied by or on behalf of the Head of the Military Mission. At their request the Indonesian Authorities shall be informed which dispositions have been made in respect of serious offences committed by the military personnel referred to, whereby the interests of the Republic of the United States of Indonesia or of its subjects are concerned.

Article 18
Diplomatic immunity shall be enjoyed by the Head of the Military Mission and by some members of the Mission to be designated in consultation with the Government of the Republic of the United States of Indonesia.

CHAPTER IV
FINANCIAL AND ADMINISTRATIVE PROVISIONS

Article 19
1. The members of the Military Mission shall fall under the financial and administrative management of the Netherlands.
2. The cost of the Mission composed in accordance with articles 6, 7, 8 and 9, and of the tasks performed by the Mission as agreed upon in accordance with articles 10 and 11, shall be borne by the Republic of the United States of Indonesia.
3. The Government of the Republic of the United States of Indonesia shall periodically put the necessary funds at the disposal of the Head of the Netherlands Military Mission on the basis of a yearly cash-budget drawn up by the Head of that Mission and approved by the Government of the Republic of the United States of Indonesia. The foreign currency required for the expenditure of the Mission shall also be made available periodically and on the basis of a yearly foreign currency budget drawn up by the Head of the Mission and approved by the Government of the Republic of the United States of Indonesia.
If necessary alterations in the cash-budget respectively the foreign currency budget can be proposed by the Head of the Mission.

Article 20
1. The financial position of the personnel of the Military Mission shall be subject to Netherlands regulations. Insofar as these regulations refer particularly to the service of Netherlands military personnel in the Nether-
lands Military Mission, they shall be maintained, respectively introduced or altered after consultation with the Republic of the United States of Indonesia.

2. Article 19, paragraph 2, in respect of salaries and emoluments, shall be effective from the day of departure from the Netherlands for members of the Military Mission and shall prevail until the day of arrival in the Netherlands after termination of service in the Military Mission, and eventually thereafter until the day of termination of each leave to which the members of the Mission are entitled as a consequence of the attachment to the Military Mission.

3. The second paragraph of article 19 shall also be applicable to cost of transport of personnel and of their families from the Netherlands to Indonesia and back.

4. Expenses for travelling in ship and airplanes of the Royal Netherlands Navy will not be charged.

Article 21

1. Members of the Mission shall be exempt from taxes of the Republic of the United States of Indonesia in accordance with an arrangement to be made between the two partners, which arrangement shall be drawn up in analogy with the internationally usual arrangements in this respect.

2. A similar arrangement shall be made regarding import and export duties and other taxes and excises levied on certain goods intended for or in use of the Mission.

3. Should a member of the Mission die, his succession shall be arranged fiscally as if he had died in the Netherlands.

Article 22

The Government of the Republic of the United States of Indonesia shall grant travel and hotel allowances for tours of duty within the jurisdiction of the Republic of the United States of Indonesia, such tours of duty to be made in accordance with the provisions for accommodation also applicable to military personnel in the service of the Republic of the United States of Indonesia.

Article 23

In case of death of one of the members of the Military Mission or of one of the members of the family of a member of the Military Mission, if the family of the deceased desires that the deceased be transported to the Netherlands, the Republic of the United States of Indonesia shall bear the cost of and render assistance in such transport.

CHAPTER V
SPECIAL PROVISIONS

Article 24

The Government of the Republic of the United States of Indonesia shall extend proper facilities to the members of the Military Mission.
Article 25
Any reference in this agreement made to families shall apply to wife and children only.

Article 26
The members of the Military Mission shall be entitled to an annual leave of one month.
Any unused part of said leave shall be cumulative from year to year during the period of attachment in the Military Mission.
Without prejudice to the general facilities prevailing for military personnel regarding the use of public conveyances, travelling expenses during leave shall not be borne by the Republic of the United States of Indonesia.

Article 27
The Head of the Military Mission shall grant leave as referred to in article 26, taking into account the interests of the Republic of the United States of Indonesia.

Article 28
The Government of the Republic of the United States of Indonesia shall provide for complete and proper medical care of the members of the Military Mission and their families.

Article 29
Members of the Military Mission who, on account of ill health are unable to carry out their duties for any length of time shall be replaced.

We have the honour to be,

Your obedient servants,

MOHAMMAD HATTA,  
Chairman of the  
Republican Delegation to the  
Round Table Conference.

HAMID,  
Chairman of the  
P.C.A.-Delegation to the  
Round Table Conference.
The Hague, 2 November 1949.

To the Chairman of the Delegations of the Government of the Republic Indonesia and of the Federal Consultative Assembly.

Sirs,

I have the honour to inform you that the Netherlands Delegation to the Round Table Conference takes the view that the following has been agreed upon by the Delegations to the Conference.

With reference to the agreement entered into by the parties, in which inter alia the period for the withdrawal from Indonesia of the Royal Netherlands Navy has been fixed at one year, the Chairmen of the two Indonesian Delegations confirm their agreement with the Chairman of the Netherlands Delegation that immediately after transfer of sovereignty discussions will be initiated between the Government of the Republic of the United States of Indonesia and the Government of the Kingdom of the Netherlands on the maritime contribution to be made by the Netherlands to the Republic of the United States of Indonesia on the basis of articles 4 and 5 of the draft agreement for the implementation of articles 2 and 21 of the Draft Union Statute.

The Delegations of the Republic Indonesia and of the Federal Consultative Assembly are convinced of the necessity of such discussions. They realize that for technical reasons it will not be possible for the Netherlands to give the assistance referred to in article 3 of the draft agreement for the implementation of articles 2 and 21 of the Draft Union Statute for a period longer than one year should the above discussions not result in an agreement at the latest four months after transfer of sovereignty.

I have the honour to be,

Your obedient servant,

J. H. VAN MAARSEVEEN,
Chairman of the Netherlands Delegation to the Round Table Conference.
DELEGATION OF THE
REPUBLIC INDONESIA

No. 12/E.L.

The Hague, 2 November 1949.

Sir,

We have the honour to inform you that the Indonesian Delegation to the Round Table Conference take the view that the following has been agreed upon by the Delegations to the Conference.

With reference to the agreement entered into by the parties, in which inter alia the period for the withdrawal from Indonesia of the Royal Netherlands Navy has been fixed at one year, the Chairmen of the two Indonesian Delegations confirm their agreement with the Chairman of the Netherlands Delegation that immediately after transfer of sovereignty discussions will be initiated between the Government of the Republic of the United States of Indonesia and the Government of the Kingdom of the Netherlands on the maritime contribution to be made by the Netherlands to the Republic of the United States of Indonesia on the basis of articles 4 and 5 of the draft agreement for the implementation of articles 2 and 21 of the Draft Union Statute.

The Delegations of the Republic Indonesia and of the Federal Consultative Assembly are convinced of the necessity of such discussions. They realize that for technical reasons it will not be possible for the Netherlands to give the assistance referred to in article 3 of the draft agreement for the implementation of articles 2 and 21 of the Draft Union Statute for a period longer than one year should the above discussions not result in an agreement at the latest four months after transfer of sovereignty.

We have the honour to be,

Your obedient servants,

MOHAMMAD HATTA,
Chairman of the Republican Delegation to the Round Table Conference.

HAMID,
Chairman of the F.C.A.-Delegation to the Round Table Conference.

To the Chairman of the Netherlands Delegation to the Round Table Conference,
The Hague.
The Hague, 2 November 1949.

To the Chairman of the Delegations of the Government of the Republic Indonesia and of the Federal Consultative Assembly.

Sirs,

I have the honour to inform you that agreement has also been reached at the conclusion of the Financial and Economic Agreement, on the following six points:

1. The Government of the Republic of the United States of Indonesia recognizes the special position of former government personnel of Indonesia and of their surviving relatives and undertakes to continue the present treatment of said categories of persons after the transfer of sovereignty. The provisions of the preceding paragraph involve that payment of pensions of former government personnel of Indonesia and payments to their surviving relatives, as far as such personnel or surviving relatives are domiciled in the Netherlands, shall be effected in Netherlands currency with the understanding that negotiations be undertaken not later than March 1950, in order to arrive at an equitable solution. The present practice shall remain in force until agreement is reached.

2. Should the International Monetary Fund request direct information from the Republic of the United States of Indonesia after the transfer of sovereignty but before the Republic of the United States of Indonesia has acquired membership of that Fund, or should the Fund desire to make an investigation, the Republic of the United States of Indonesia will submit the information and permit the investigation requested, if and insofar as this is required under the rules of procedure for the consideration of applications for membership of the Fund.

3. In respect of the HG-credit, it is agreed that the prevailing regulation be continued until a new regulation shall have been made in agreement between the two parties. Consultation to this effect shall be entered into as soon as possible. Serious efforts will be made to complete the consultation before the end of March 1950.
4. The General Shipping Agreement, including the Appendices pertaining thereto for the implementation thereof, shall continue in force until the end of March 1950, on the understanding that wherever the present regulations provide for unilateral decisions by one of the parties, such decisions shall be made by the two parties in mutual agreement. Negotiations to revise this agreement shall be undertaken as soon as possible.

5. The arrangements regarding foreign exchange regulations made within the framework of the “Coördinatie-College Nederland-Indonesië”—whereby reference is made to the attached Chapters XI, XIII and XIV of the Summary of Conclusions of said Coördinatie-College, Financial Sector—remain in force as long as they are not modified in mutual consultation between the Netherlands and the Republic of the United States of Indonesia. Said consultation shall take place in the first quarter of 1950.

6. After the transfer of sovereignty, means will be created for the purpose of a practical operation with regard to the cooperation in trade policy.

I shall appreciate learning if you can agree to the foregoing.

I have the honour to be,

Your obedient servant,

J. H. VAN MAARSEVEEN,
Chairman of the Netherlands Delegation to the Round Table Conference.
APPENDIX referred to in point 5 of the letter of the Chairman of the Netherlands Delegation to the Round Table Conference of 2 November 1949, no. 847, and of the letter of the Chairman of the Delegations of the Republic Indonesia and of the Federal Consultative Assembly of 2 November 1949, no. 8/E.L.

Chapters XI, XIII and XIV of the Summary of the Conclusions of the Coördinatie-College, Financial Sector

HOOFDSTUK XI
DEVIEZENINGEZETENSCAP EN DEVIEZENRECHTELIJK EIGENDOM VAN VERMOGENSWAARDEN

Paragraaf 1

Deviezeningezetenschap

1. Onder „ingezetenen” wordt verstaan:
   a. natuurlijke personen, die hun woonplaats in het binnenland hebben, dan wel gewoonlijk aldaar verblijven;
   b. rechtspersonen en vennootschappen, die in het binnenland zijn gevestigd of worden bestuurd dan wel — in nader door De Nederlandsche Bank respectievelijk het Deviezeninstituut voor Indonesië te bepalen gevallen — aldaar kantoor houden;
   c. filialen, bijkantoren en bedrijven in het binnenland van een niet-ingezetene, ongeacht of zij al dan niet rechtspersoonlijkheid bezitten.

2. Onder „niet-ingezetenen” wordt verstaan:
   a. natuurlijke en rechtspersonen en vennootschappen, niet vallende onder de omschrijving „ingezetenen”;
   b. filialen, bijkantoren en bedrijven in het buitenland van een ingezetene, ongeacht of zij al dan niet rechtspersoonlijkheid bezitten, tenzij zij in het binnenland worden bestuurd.

3. Het deviezeningezetenschap van natuurlijke personen, woonachtig in Nederland respectievelijk Indonésië wordt als regel geacht te zijn verkregen of te zijn verloren gegaan na vervolg van 1 jaar in het binnenland respectievelijk het andere gehedsdeel, tenzij reeds dadelijk of na enige tijd als zeker kan worden aangenomen, dat dit vervolg langer dan één jaar zal duren, in welk geval het ingezetenschap ingaat of eindigt op het moment, dat zulks als zeker wordt aangenomen. In twijfelgevallen zal De Nederlandsche Bank respectievelijk het Deviezeninstituut voor Indonésië zelfstandig een beslissing nemen ten aanzien van het ingezetenschap van personen afkomstig uit Indonésië respectievelijk Nederland, van welke beslissing beide instanties elkaar terstond mededeling zullen doen.
Paragraaf 2

Beschikkingsrecht over vermogenswaarden luidende in Nederlands en Indonesisch courant

1. Nederland en Indonesië zien af van vordering van niet-commerciële vermogenswaarden luidende in Indonesisch respectievelijk Nederlands courant.

2. Indonesië staat aan natuurlijke personen, deviezenigezetenen van Indonesië, toe te beschikken over hun toebehorende vermogenswaarden in Nederland. Nederland zal zoveel mogelijk hieraan medewerken door het doen verlenen van de nodige vergunningen.

Paragraaf 3

Deviezenrechtelijk eigendom van vermogenswaarden van filialen enz. in het andere gebiedsdeel

1. Zonder ten aanzien van de vraag, welke vermogenswaarden als behorende aan de in het ene gebiedsdeel gevestigde filialen, bijkantoren of bedrijven van ingezetenen van het andere gebiedsdeel dienen te worden beschouwd en derhalve tot de deviezenhuishouding van het ene gebiedsdeel dienen te worden gerekend, een principiële formule op te stellen, wordt om praktische redenen de volgende werkbasis aanvaard:
   a. als vermogenswaarden van een in Indonesië gevestigd filiaal, bijkantoor of bedrijf van een ingezetene van Nederland worden beschouwd de per 10 Mei 1940 aan bedoeld filiaal, bijkantoor of bedrijf voor de directe bedrijfswinst en verlies staande vermogenswaarden, alsmede alle waarden welke sindsdien door deze bedrijfswinst en verlies zijn op gekregen, voorzover niet deze vermogenswaarden in overeenstemming met de Indonesische deviezenvoorschriften ter beschikking van de ingezetene van Nederland zijn gesteld;
   b. als vermogenswaarden van een in Nederland gevestigd filiaal, bijkantoor of bedrijf van een ingezetene van Indonesië worden beschouwd de per 10 Mei 1940 aan bedoeld filiaal, bijkantoor of bedrijf voor de directe bedrijfswinst en verlies staande vermogenswaarden, alsmede alle waarden, welke sindsdien door deze bedrijfswinst en verlies zijn op gekregen, voor zover niet deze vermogenswaarden in overeenstemming met de Nederlandse deviezenvoorschriften ter beschikking van de ingezetene van Indonesië zijn gesteld.

2. Ingeval de toepassing van de onder 1 vermelde werkbasis tot aperte onbillijkheden zou leiden, zullen De Nederlandse Bank en het Deviezeninstituut voor Indonesië in onderling overleg van geval tot geval een beslissing nemen.

Paragraaf 4

Deviezenrechtelijk eigendom van vermogenswaarden en bedrijfswinsten van filialen, bijkantoren enz. buiten Nederland en Indonesië

1. Ten aanzien van de verdeling tussen Nederland en Indonesië van vermogenswaarden belegd in filialen en bijkantoren buiten deze gebiedsdelen, zomende van de netto bedrijfswinsten in deviezen, die sedertdien uit deze beleggingen zijn voortgekomen, zal het in paragraaf 3 vastgelegde
zogenaamde 10 Mei-criterium van kracht zijn. Deze regel valt te formuleren door in de in genoemde paragraaf 3 weergegeven conclusie onder lid 1, sub a en sub b achter „welke sedertdien door deze bedrijfsuitoefening in Indonesië (respectievelijk Nederland)” toe te voegen: „of in het buitenland”.

2. Wanneer op grond van de in lid 1 vermelde werkbasis vastgesteld is, dat bepaalde zich in het buitenland bevindende vermogenswaarden tot het Indonesische deviezenvermogen behoren, zal worden nagegaan, of er voor Nederland aanleiding bestaat, dat Indonesisch belang over te nemen tegen resûtutie van de daarvoor uitgelegde deviezen c.q. de waarde der investatie. Deze aanleiding wordt verondersteld aanwezig te zijn, wanneer het object buiten de Indonesische economische sfeer is gelegd, ofschoon dit voor Nederland geenszins een verplichting tot overname inhoudt. Elk geval zal op zijn eigen mérites worden bezien. Indonesië is daarbij bereid om in nader overleg verrekening in vreemde valuta uit te stellen, indien de deviezenpositie van Nederland zulks wenselijk maakt.

Paragraaf 9

Positie handelshuizen in Japan

1. Er zal naar worden gestreefd dat de met de betrokken Amerikaanse autoriteiten te treffen regelingen ruimte laten voor eventuele vestiging van Nederlandse handelshuizen, al dan niet in het kader van een trustmaatschappij.

2. Op grond van het feit, dat de in Japan te vestigen handelshuizen feitelijk als aan- en verkoopkantoren van in Indonesië gevestigde handelshuizen moeten worden beschouwd, zullen voor zover ten behoeve van hun oprichting en instandhouding door Indonesië deviezen zijn verstrekt, deze huizen, zolang deze factoren gelden, tot het deviezenvermogen van Indonesië behoren.

HOOFDSTUK XIII

FINANCIERING VAN DOCHTERMAATSCHAPPIJEN IN INDONESIE DOOR NEDERLAND OF DOOR INDONESIE

1. De financiering van Indonesische dochtermaatschappijen van Nederlandse ondernemingen dient achtereenvolgens op de volgende wijze te geschieden:
   a. door aanwending van de saldi in Indonesië;
   b. door financiering door Indonesische banken met korte bedrijfscrediet ten en met langere bedrijfscredieten tegen in Indonesië aanwezig onderpand in de mate, waarin dit ook reeds vóór 1940 placht te geschieden en/of door transfer uit Nederland ten laste van de moedersmaatschappijen.

2. Nederland zal van Overheidswege aan de uitvoering van deze bepaling steun verlenen door in voorkomende gevallen moedersmaatschappijen, die niet bereid zijn tot investering over te gaan, daartoe aan te sporen.

3. In beginsel zal tegenover buitenlandse maatschappijen dezelfde als in lid 1 genoemde gedragslijn worden gevolgd.

4. Erkend wordt, dat in zeer bijzondere gevallen afwijkingen van de hoofdregel noodzakelijk kunnen zijn, met name indien de moedersmaatschappij weigerachtig blijft te investeren en het betrokken bedrijf voor Indonesië van vitaal belang is.

101
HOOF DSTUK XIV
EFFECTENVERKEER INDONESIË — NEDERLAND

Paragraaf 1

Obligaties met pari-clausule

Wat betreft de mogelijkheid tot opzending naar Nederland van obligaties met pari-clausule is bepaald dat:

a. de nog niet uitbetaalde lossingen en achterstallige coupons uitsluitend in Indonesië betaalbaar zijn, terwijl de overmaking van deze gelden geschiedt binnen het kader van het transfer-schema;

b. met betrekking tot de nog aanwezige obligaties onderscheid wordt gemaakt tussen:

1. obligaties, die het eigendom zijn van niet-Indonesische deviezeningezetenen;

2. obligaties, die het eigendom zijn van Indonesische deviezeningezetenen;

3. obligaties, die het eigendom zijn van Indonesische deviezeningezetenen, rechtspersonen;

waarbij als regel is aanvaard, dat voor de opzending naar Nederland van de sub 1 en sub 2 bedoelde stukken onvoorwaardelijke vergunning wordt verleend, van de sub 3 bedoelde stukken in het algemeen geen vergunning zal worden verleend.

Daarbij wordt aangetekend, dat genoemde faciliteit voor zover zij natuurlijke personen betreft, uitsluitend zal gelden voor de oorspronkelijke houders van de obligaties.

Paragraaf 2

Buitenlandse effecten van Indonesische ingezetenen

1. Het is in het kader van de samenwerking tussen Nederland en Indonesië uitermate gewenst, dat de Nederlandse banken zoveel mogelijk medewerking verlenen aan de uitvoering van de Indonesische deviezenbepalingen, hetgeen o.a. inhoudt, dat bij het beschikken over buitenlandse effecten door een Indonesische ingezetene, de bank, waar deze effecten in depôt liggen, aan genoemd persoon vraagt de vergunning van het Deviezeninstituut voor Indonesië over te leggen.

2. Hoewel De Nederlandsche Bank de Nederlandse bankinstellingen niet tot deze medewerking kan verplichten, is zij bereid gevonden aan de Nederlandse bankinstellingen een mededeling hieromtrent te doen uitgaan. Mocht desondanks het nagestreefde doel niet worden bereikt, dan zal het Deviezeninstituut voor Indonesië tot concentrering van alle buitenlandse effecten van Indonesische ingezetenen ten name van deviezenbanken in Indonesië overgaan.

3. Bij verkoop van buitenlandse effecten, liggend in een depôt bij een bank in Nederland, door een Indonesisch ingezetene, zal de overdracht van de buitenlandse valuta door Nederland aan Indonesië plaats vinden tegen betaling door Indonesië ten laste van de F-respectievelijk C-rekening, zodat de Indonesische ingezetene afrekening in Nederlands courant ontvangt.
Sir,

We have the honour to acknowledge receipt of your letter of today's date reading as follows:

"I have the honour to inform you that agreement has also been reached at the conclusion of the Financial and Economic Agreement, on the following six points:

1. The Government of the Republic of the United States of Indonesia recognizes the special position of former government personnel of Indonesia and of their surviving relatives and undertakes to continue the present treatment of said categories of persons after the transfer of sovereignty. The provisions of the preceding paragraph involve that payment of pensions of former government personnel of Indonesia and payments to their surviving relatives, as far as such personnel or surviving relatives are domiciled in the Netherlands, shall be effected in Netherlands currency with the understanding that negotiations be undertaken not later than March 1950, in order to arrive at an equitable solution. The present practice shall remain in force until agreement is reached.

2. Should the International Monetary Fund request direct information from the Republic of the United States of Indonesia after the transfer of sovereignty but before the Republic of the United States of Indonesia has acquired membership of that Fund, or should the Fund desire to make an investigation, the Republic of the United States of Indonesia will submit the information and permit the investigation requested, if, and insofar as this is required under the rules of procedure for the consideration of applications for membership of the Fund.

3. In respect of the HG-credit, it is agreed that the prevailing regulations be continued until a new regulation shall have been made in agreement between the two parties. Consultation to this effect shall be entered into as soon as possible. Serious efforts will be made to complete the consultation before the end of March, 1950.

4. The General Shipping Agreement, including the Appendices pertaining thereto for the implementation thereof, shall continue in force until the end of March 1950, on the understanding that wherever the present regulations provide for unilateral decisions by one of the parties, such decisions
shall be made by the two parties in mutual agreement. Negotiations to revise this agreement shall be undertaken as soon as possible.

i. The arrangements regarding foreign exchange regulations made within the framework of the "Coördinatie-College Nederland-Indonesië"—whereby reference is made to the attached Chapters XI, XIII and XIV of the Summary of Conclusions of said Coördinatie-College, Financial Sector—remain in force as long as they are not modified in mutual consultation between the Netherlands and the Republic of the United States of Indonesia. Said consultation shall take place in the first quarter of 1950.

6. After the transfer of sovereignty, means will be created for the purpose of a practical operation with regard to the cooperation in trade policy. I shall appreciate learning if you can agree to the foregoing.”

We have the pleasure of informing you that we fully concur with the contents of this letter.

We have the honour to be,

Your obedient servants,

MOHAMMAD HATTA,  
Chairman of the Republican Delegation to the Round Table Conference.

HAMID,  
Chairman of the F.C.A.-Delegation to the Round Table Conference.

To the Chairman of the Netherlands Delegation to the Round Table Conference,  
The Hague.
The Hague, 2 November 1949.

To the Chairman of the Delegations of the Government of the Republic Indonesia and of the Federal Consultative Assembly.

Sirs,

I have the honour to inform you as follows.

The Netherlands Government is prepared to annul the tin-agreement (so-called tin pledge) contracted between the body-corporate State of the Netherlands and the body-corporate Indonesia. The Netherlands Government proposes in this connection that after the transfer of sovereignty an arrangement be made to safeguard the Netherlands against risks emanating from guarantees given by the Netherlands in regard of debts of Indonesia and that in this arrangement inter alia be incorporated that other creditors shall not be placed by Indonesia in a more favourable position than the Netherlands with regard to securities for due payment of debts contracted or to be contracted by Indonesia. The Netherlands Government proposes the consultation concerning this arrangement to take place in the frame of the Union as soon as possible after the transfer of sovereignty.

I shall appreciate learning if you can agree to the foregoing.

I have the honour to be,

Your obedient servant,

J. H. VAN MAARSEVEEN,

Chairman of the Netherlands Delegation
to the Round Table Conference.
DELEGATION OF THE
REPUBLIC INDONESIA

No. 9/E.L.

The Hague, 2 November 1949.

Sir,

We have the honour to inform you that our Delegations are gratified to learn that the Netherlands Government is prepared to annul the tin-agreement (so-called tin pledge) contracted between the body-corporate State of the Netherlands and the body-corporate Indonesia. Our Delegations fully agree that after the transfer of sovereignty discussions be opened as soon as possible in the frame of the Union in order to find out in what way your request to safeguard the Netherlands against risks emanating from guarantees given by the Netherlands in regard of debts of Indonesia can be met. Our Delegations fully share the view that other creditors shall not be placed by Indonesia in a more favourable position than the Netherlands with regard to securities for due payment of debts contracted or to be contracted by Indonesia.

Hoping to have given a satisfactory reply to your letter of to-day, we have the honour to be,

Your obedient servants,

MOHAMMAD HATTA,  
Chairman of the  
Republican Delegation to the  
Round Table Conference.

HAMID,  
Chairman of the  
F.C.A.-Delegation to the  
Round Table Conference.

To the Chairman of the Netherlands Delegation to the Round Table Conference,  
The Hague.
NETHERLANDS DELEGATION
TO THE ROUND TABLE
CONFERENCE

Secretariat

No. 872

The Hague, 2 November 1949.

To the Chairman of the Delegation of the
Government of the Republic Indonesia and
of the Federal Consultative Assembly.

Sirs,

I have the honour to inform you that the Netherlands Delegation to the
Round Table Conference takes the view that it has been agreed by the
Delegations to the Conference that the partners in the Union commit
themselves to mutual consultation before including provisions in their
legislation on nationality which might cause nationality conflicts between
their legislations.

I would appreciate learning if you can agree to the foregoing.

I have the honour to be,

Your obedient servant,

J. H. VAN MAARSEVEEN,
Chairman of the Netherlands Delegation
to the Round Table Conference.
DELEGATION OF THE
REPUBLIC INDONESIA

No. 4/E.L.

F.C.A.-
DELEGATION

The Hague, 2 November 1949.

Sir,

We have the honour to acknowledge receipt of your letter and can inform you that the Delegations of the Republic Indonesia and the Federal Consultative Assembly to the Round Table Conference take the view that the Delegations to the Conference have agreed that the partners in the Union commit themselves to mutual consultation before including provisions in their legislation on nationality which might cause nationality conflicts between their legislations.

We have the honour to be,

Your obedient servants,

MOHAMMAD HATTA,  HAMID,
Chairman of the  Chairman of the
Republican Delegation to the  F.C.A.-Delegation to the
Round Table Conference.  Round Table Conference.

To the Chairman of the Netherlands Delegation
to the Round Table Conference,
The Hague.
The Hague, 2 November 1949.

To the Chairman of the Delegation of the Government of the Republic Indonesia and of the Federal Consultative Assembly.

Sirs,

I have the honour to inform you that the Netherlands Delegation to the Round Table Conference takes the view that the following has been agreed upon by the Delegation to the Conference.

Each of the partners shall provide in his legislation on nationality that the entering by his nationals into the service of the other partner or of a public body within the jurisdiction of that partner shall not entail loss or limitation of nationality.

I shall appreciate learning if you can agree to the foregoing.

I have the honour to be,

Your obedient servant,

J. H. VAN MAARSEVEEN,
Chairman of the Netherlands Delegation to the Round Table Conference.
DELEGATION OF THE
REPUBLIC INDONESIA

No. 6/E.L.

The Hague, 2 November 1949.

Sir,

We have the honour to acknowledge receipt of your letter and can inform you that the Delegations of the Republic Indonesia and the Federal Consultative Assembly to the Round Table Conference take the view that the following has been agreed upon by the Delegations to the Conference. Each of the partners shall provide in his legislation on nationality that the entering by his nationals into the service of the other partner or of a public body within the jurisdiction of that partner shall not entail loss or limitation of nationality.

Your obedient servants,

MOHAMMAD HATTA,
Chairman of the Republican Delegation to the Round Table Conference.

HAMID,
Chairman of the F.C.A.-Delegation to the Round Table Conference.

To the Chairman of the Netherlands Delegation to the Round Table Conference,
The Hague.
NETHERLANDS DELEGATION
TO THE ROUND TABLE
CONFERENCE

Secretariat
No. 849

The Hague, 2 November 1949.

To the Chairman of the Delegation of the
Government of the Republic Indonesia and
of the Federal Consultative Assembly.

Sirs,

I have the honour to inform you that the Netherlands Delegation to the
Round Table Conference takes the view that the following has been agreed
upon by the Delegations to the Conference.

As long as no further regulation on this subject has been made between
the partners in the Union, they shall not differentiate between their own
nationals and nationals of the partner in regard to the rights concerning
civil procedure.

I shall appreciate learning if you can agree to the foregoing.

I have the honour to be,

Your obedient servant,

J. H. VAN MAARSEVEEN,
Chairman of the Netherlands Delegation
to the Round Table Conference.
Sir,

We have the honour to acknowledge receipt of your letter on the rights of citizens concerning civil procedure and can inform you that the Delegations of the Republic Indonesia and the Federal Consultative Assembly to the Round Table Conference take the view that the following has been agreed upon by the Delegations to the Conference.

As long as no further regulation on this subject has been made between the partners in the Union, they shall not differentiate between their own nationals and nationals of the partner in regard to the rights concerning civil procedure.

We have the honour to be,

Your obedient servants,

MOHAMMAD HATTA,  
Chairman of the Republican Delegation to the Round Table Conference.

HAMID,  
Chairman of the F.C.A.-Delegation to the Round Table Conference.

To the Chairman of the Netherlands Delegation to the Round Table Conference,  
The Hague.
Netherlands Delegation
To the Round Table Conference

Secretariat
No. 873

The Hague, 2 November 1949.
To the Chairman of the Delegation of the Government of the Republic Indonesia and of the Federal Consultative Assembly.

Sirs,

I have the honour to inform you that the Netherlands Delegation to the Round Table Conference understands that in consequence of the provisions contained in article 25 of the Draft Union Statute, concerning the exchange of High Commissioners, the following has been agreed upon by the Delegations to the Conference.

Article 1
The High Commissioners shall enjoy the privileges and immunities of Ambassadors of foreign powers.

Article 2
Before the Government of one of the partners proceeds to the appointment of a High Commissioner, it shall ascertain whether the Government of the other partner agrees to that appointment.

Article 3
As soon as a High Commissioner has been appointed, the Government of the other partner shall be informed thereof. A High Commissioner thus appointed shall receive an introductory letter signed by the Head of his State, which he shall present in person to the Head of State of the other partner upon arrival at his post. The date on which this presentation takes place shall be held to be the date of assumption of office.

Article 4
The order of precedence in relation to foreign Ambassadors shall be determined by the date of assumption of office.

Article 5
The partners shall be authorized to appoint Commissioners who will function under the supervision of the High Commissioners in localities to be agreed upon. They shall have the status of consular representatives and shall have the rank of Consul-General or Consul.
Article 6
The Commissioners shall enjoy the privileges and immunities of career consular representatives of foreign powers.

Article 7
The Government of each partner shall inform the Government of the other partner through the High Commissioner accredited to that Government of the appointment of a Commissioner with the request to confirm him in the exercise of his office.

Article 8
The order of precedence in relation to foreign consular representatives shall be determined by the date of assumption of office.

Article 9
In the office of the High Commissioners officials shall be in function with diplomatic status. They shall have the title of deputy High Commissioner, 1st, 2nd or 3rd Secretary.
In the office of the Commissioners officials shall be in function with consular status. They shall have the title of 1st, 2nd or 3rd Secretary.
I shall appreciate learning if you can agree to the foregoing.
I have the honour to be,

Your obedient servant,

J. H. VAN MAARSEVEEN,
Chairman of the Netherlands Delegation to the Round Table Conference.

114
Sir,

We have the honour to acknowledge receipt of your letter concerning the exchange of High Commissioners and can inform you that in consequence of the provisions contained in article 25 of the Draft Union Statute the Delegations of the Republic Indonesia and the Federal Consultative Assembly to the Round Table Conference take the view that the following has been agreed upon by the Delegations to the Conference.

Article 1

The High Commissioners shall enjoy the privileges and immunities of Ambassadors of foreign powers.

Article 2

Before the Government of one of the partners proceeds to the appointment of a High Commissioner, it shall ascertain whether the Government of the other partner agrees to that appointment.

Article 3

As soon as a High Commissioner has been appointed, the Government of the other partner shall be informed thereof. A High Commissioner thus appointed shall receive an introductory letter signed by the Head of his State, which he shall present in person to the Head of State of the other partner upon arrival at his post. The date on which this presentation takes place shall be held to be the date of assumption of office.

Article 4

The order of precedence in relation to foreign Ambassadors shall be determined by the date of assumption of office.

Article 5

The partners shall be authorized to appoint Commissioners who will function under the supervision of the High Commissioners in localities to be agreed upon. They shall have the status of consular representatives and shall have the rank of Consul-General or Consul.

Article 6

The Commissioners shall enjoy the privileges and immunities of career consular representatives of foreign powers.
Article 7
The Government of each partner shall inform the Government of the other partner through the High Commissioner accredited to that Government of the appointment of a Commissioner with the request to confirm him in the exercise of his office.

Article 8
The order of precedence in relation to foreign consular representatives shall be determined by the date of assumption of office.

Article 9
In the office of the High Commissioners officials shall be in function with diplomatic status. They shall have the title of deputy High Commissioner, 1st, 2nd or 3rd Secretary.
In the office of the Commissioners officials shall be in function with consular status. They shall have the title of 1st, 2nd or 3rd Secretary.

We have the honour to be,

Your obedient servants,

MOHAMMAD HATTA,  
Chairman of the  
Republication Delegation to the  
Round Table Conference.

HAMID,  
Chairman of the  
F.C.A.-Delegation to the  
Round Table Conference.

To the Chairman of the Netherlands Delegation  
to the Round Table Conference,  
The Hague.
THE HAGUE, 2 November 1949.

To the Chairman of the Delegation of the Government of the Republic Indonesia and of the Federal Consultative Assembly.

Sir,

I have the honour to inform you that the Netherlands Delegation to the Round Table Conference takes the view that the following has been agreed upon by the Delegations to the Conference.

In view of the provisions in articles 8 and 9 of the Draft Agreement on Transitional Measures and the institution of the Offices of the High Commissioners, the Delegations deem it necessary that further regulations be made in mutual consultation as soon as possible concerning financial management and financing of expenditures in each other's jurisdiction whereby a granting of credit on current account should be considered on conditions further to be agreed upon.

In said agreement provisions can be made as far as necessary and under conditions to be included therein, to place temporarily at the disposal of the Government of the Republic of the United States of Indonesia on behalf of the Delegate in the Netherlands of Netherlands Government officials who are at present working at the Commissariat for Indonesian Affairs along with Government officials of Indonesia.

The Delegations further agreed that, in case the Delegate of the Republic of the United States of Indonesia referred to in article 9 of the Draft Agreement on Transitional Measures has not yet assumed his duties at the moment of transfer of sovereignty until then his duties will be carried out by the present Commissioner for Indonesian Affairs who thereby will be responsible to and will observe binding instructions from the Government of the Republic of the United States of Indonesia.

I shall appreciate learning if you can agree to the foregoing.

I have the honour to be,

Your obedient servant,

J. H. VAN MAARSEVEEN,
Chairman of the Netherlands Delegation to the Round Table Conference.
DELEGATION OF THE
REPUBLIC INDONESIA

No. 1/E.L.

The Hague, 2 November 1949.

Sir,

We have the honour to acknowledge receipt of your letter and can inform you that the Delegations of the Republic Indonesia and the Federal Consultative Assembly to the Round Table Conference take the view that the following has been agreed upon by the Delegations to the Conference.

In view of the provisions in articles 8 and 9 of the Draft Agreement on Transitional Measures and the institution of the Offices of the High Commissioners, the Delegations deem it necessary that further regulations be made in mutual consultation as soon as possible concerning financial management and financing of expenditures in each other's jurisdiction whereby a granting of credit on current account should be considered on conditions further to be agreed upon.

In said agreement provisions can be made as far as necessary and under conditions to be included therein, to place temporarily at the disposal of the Government of the Republic of the United States of Indonesia on behalf of the Delegate in the Netherlands of Netherlands Government officials who are at present working at the Commissariat for Indonesian Affairs along with Government officials of Indonesia.

The Delegations further agreed that, in case the Delegate of the Republic of the United States of Indonesia referred to in article 9 of the Draft Agreement on Transitional Measures has not yet assumed his duties at the moment of transfer of sovereignty until then his duties will be carried out by the present Commissioner for Indonesian Affairs who thereby will be responsible to and will observe binding instructions from the Government of the Republic of the United States of Indonesia.

We have the honour to be,

Your obedient servants,

MOHAMMAD HATTA,
Chairman of the Republican Delegation to the Round Table Conference.

HAMID,
Chairman of the F.C.A.-Delegation to the Round Table Conference.

To the Chairman of the Netherlands Delegation to the Round Table Conference,
The Hague.
NETHERLANDS DELEGATION
TO THE ROUND TABLE
CONFERENCE

Secretariat

No. 843

The Hague, 2 November 1949.

To the Chairman of the Delegation of the
Government of the Republic Indonesia and
of the Federal Consultative Assembly.

Sirs,

I have the honour to inform you that the Netherlands Delegation to the Round Table Conference takes the view that the following has been agreed upon by the Delegations to the Conference.

1. The three Delegations in the Committee for Military Affairs are unanimously of the opinion that with a view to an orderly execution of the decisions taken at the Round Table Conference concerning the withdrawal or reorganization of the air forces under Netherlands command, it is recommended that a Preparatory Committee be formed as soon as possible after the termination of the Round Table Conference. This Committee shall inter alia pay attention to the problem of voluntary enlistment of Netherlands Air Force personnel with the Air Force of the Republic of the United States of Indonesia in order that said enlistment may take place as soon as possible after the transfer of sovereignty.

2. The three Delegations in the Committee for Military Affairs are unanimously of the opinion that with a view to an orderly execution of the decisions taken at the Round Table Conference and laid down in the Naval Agreement, it is recommended that a Preparatory Committee be formed as soon as possible after the termination of the Round Table Conference.

The three Delegations recommend that this Committee in Indonesia be composed of representatives of the Netherlands and Republican Governments and of the Federal Consultative Assembly.

I have the honour to be,

Your obedient servant,

J. H. VAN MAARSEVEEN,
Chairman of the Netherlands Delegation
to the Round Table Conference.
DELEGATION OF THE
REPUBLIC INDONESIA

No. 13/E.L.

The Hague, 2 November 1949.

Sir,

We have the honour to inform you that the Indonesian Delegations to the Round Table Conference take the view that the following has been agreed upon by the Delegations to the Conference.

1. The three Delegations in the Committee for Military Affairs are unanimously of the opinion that with a view to an orderly execution of the decisions taken at the Round Table Conference concerning the withdrawal or reorganization of the air forces under Netherlands command, it is recommended that a Preparatory Committee be formed as soon as possible after the termination of the Round Table Conference.

This Committee shall inter alia pay attention to the problem of voluntary enlistment of Netherlands Air Force personnel with the Air Force of the Republic of the United States of Indonesia in order that said enlistment may take place as soon as possible after the transfer of sovereignty.

2. The three Delegations in the Committee for Military Affairs are unanimously of the opinion that with a view to an orderly execution of the decisions taken at the Round Table Conference and laid down in the Naval Agreement, it is recommended that a Preparatory Committee be formed as soon as possible after the termination of the Round Table Conference.

The three Delegations recommend that this Committee in Indonesia be composed of representatives of the Netherlands and Republican Governments and of the Federal Consultative Assembly.

We have the honour to be,

Your obedient servants,

MOHAMMAD HATTA,
Chairman of the
Republican Delegation to the
Round Table Conference.

HAMID,
Chairman of the
F.C.A.-Delegation to the
Round Table Conference.

To the Chairman of the Netherlands Delegation
to the Round Table Conference,
The Hague.