Protocol between Italy and Venezuela
relating to the Settlement of Italian Claims

Signed at Washington, February 13, 1903

Whereas certain differences have arisen between Italy and the United States of Venezuela, in connection with the Italian claims against the Venezuelan Government, the undersigned, His Excellency Nobile EDMONDO MAYOR DES PANCHES, commander of the Orders of SS. Maurice and Lazarus and the Crown of Italy, Ambassador Extraordinary and Plenipotentiary of His Majesty the King of Italy to the United States of America, and Mr. HERBERT W. BOWEN, duly authorized thereto by the Government of Venezuela, have agreed as follows:

ARTICLE 1.

The Venezuelan Government declare that they recognize in principle the justice of the claims which have been preferred by His Majesty’s Government on behalf of Italian subjects.

ARTICLE 2.

The Venezuelan Government agree to pay to the Italian Government, as a satisfaction of the point of honor, the sum of £ 5,500 (five thousand, five hundred pounds sterling), in cash or its equivalent, which sum is to be paid within sixty days.

ARTICLE 3.

The Venezuelan Government recognize, accept, and will pay the amount of the Italian claims of the first rank derived from the revolutions of 1898–1900, in the sum of 2,810,255 (two million, eight hundred and ten thousand, two hundred and fifty-five) bolivares.

It is expressly agreed that the payment of the above Italian claims of the first rank will be made without being the same claims or the same sum submitted to the Mixed Commission and without any revision or objection.

ARTICLE 4.

The Italian and Venezuelan Governments agree that all the remaining Italian claims, without exception, other than those dealt with in Article VII hereof, shall, unless otherwise satisfied, be referred to a Mixed Commission to be constituted, as soon as possible, in the manner defined in Article VI of the Protocol, and which shall examine the claims and decide upon the amount to be awarded in satisfaction of each.

The Venezuelan Government admit their liability in cases where the claim is for injury to persons and property and for wrongful seizure of the latter, and consequently the questions, which the mixed commission will have to decide in such cases, will only be:

a) Whether the injury took place or whether the seizure was wrongful; and
b) If so, what amount of compensation is due.

In other cases the claims will be referred to the Mixed Commission without reservation.
ARTICLE 5.

The Venezuelan Government being willing to provide a sum sufficient for the payment, within a reasonable time, of the claims specified in Articles III and IV and similar claims preferred by other Governments, undertake and obligate themselves to assign to the Italian Government, commencing the first day of March 1903, for this purpose, and to alienate to no other purpose, 30 per cent of the custom revenues of La Guayra and Puerto Cabello. In the case of failure to carry out this undertaking and obligation, Belgian officials shall be placed in charge of the two ports, and shall administer them until the liabilities of the Venezuelan Government, in respect of the above mentioned claims, shall have been discharged.

Any question as to the distribution of the custom revenues so to be assigned, and as to the rights of Italy, Great Britain, and Germany to a separate settlement of their claims, shall be determined, in default of arrangement, by the Tribunal at The Hague, to which any other Power interested may appeal.

Pending the decision of the Hague Tribunal the said 30 per cent of the receipts of the customs of the ports of La Guayra and Puerto Cabello are to be paid over to the representatives of the Bank of England at Carácas.

ARTICLE 6.

The Mixed Commission shall consist of one Italian member and one Venezuelan member.

In each case, where they come to an agreement, their decision shall be final. In case of disagreement, the claims shall be referred to the decision of an Umpire nominated by the President of the United States of America.

ARTICLE 7.

The Venezuelan Government further undertake to enter into a fresh arrangement respecting the external debt of Venezuela with a view to the satisfaction of the claims of the Bond-holders. This arrangement shall include a definition of the sources from which the necessary payments are to be provided.

ARTICLE 8.

The Treaty of Amity, Commerce and Navigation between Italy and Venezuela of June 19, 1861, is renewed and confirmed. It is however expressly agreed between the two Governments that the interpretation to be given to the articles 4 and 26 is the following:

“According to the article 4, Italians in Venezuela and Venezuelans in Italy cannot in any case receive a treatment less favorable than the natives, and, according to article 26, Italians in Venezuela and Venezuelans in Italy are entitled to receive, in every matter and especially in the matter of claims, the treatment of the most favored nation, as it is established in the same article 26. “If there is doubt or conflict between the two articles, the article 26 will be followed.

“It is further specifically agreed that the above treaty shall never be invoked, in any case, against the provisions of the present Protocol.”
ARTICLE 9.

At once upon the signing of this Protocol, arrangements shall be made by His Majesty’s Government, in concert with the Governments of Germany and Great Britain, to raise the blockade of the Venezuelan ports.

His Majesty’s Government will be prepared to restore the vessels of the Venezuelan Navy which may have been seized, and further to release any other vessel captured under the Venezuelan flag, during the blockade.

The Government of Venezuela hereby obligate themselves and guarantee that the Italian Government shall be wholly exempted and relieved from any reclamations or claims of any kind which may be made by citizens or corporations of Venezuela or by citizens or corporations of any other nation, for detention, or seizure, or destruction of any vessel, or of goods on board of them, which may have been or which may be detained, seized, or destroyed by reason of the blockade instituted and carried on by the three Allied Powers against the Republic of Venezuela.

ARTICLE 10.

The Treaty of Amity, Commerce and Navigation of June 19, 1861, having been renewed and confirmed in accordance with the terms of article VIII of this Protocol, His Majesty’s Government declare that they will be happy to re-establish regular diplomatic relations with the Government of Venezuela.

Washington, D.C., February 13, 1903

(Signed) E. MAYOR DES PLANCHES
(Signed) HERBERT W. BOWEN

We interpret our three Protocols to mean that the 30 per cent referred to therein of the total income of the Custom Houses of La Guaira and Puerto Cabello, shall be delivered to the representative of the Bank of England at Carácas, and that the said 30 per cent is not assigned to any one Power but it is to be retained by the said representative of the Bank of England in Carácas and paid out by him in conformity with the decision rendered by the Tribunal at The Hague.

Washington, February 14, 1903