United States Treaties and Other International Agreements

VOLUME 30

IN SIX PARTS

Part 2

1978–79

Compiled, edited, indexed, and published by authority of law (1 U.S.C. § 112a) under the direction of the Secretary of State

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The Act approved September 23, 1950, Ch. 1001, § 2, 64 Stat. 979, 1 U.S.C. § 112a, provides in part as follows:

". . . United States Treaties and Other International Agreements shall be legal evidence of the treaties, international agreements other than treaties, and proclamations by the President of such treaties and agreements, therein contained, in all the courts of the United States, the several States, and the Territories and insular possessions of the United States."

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1980

For sale by the Superintendent of Documents, U.S. Government Printing Office
Washington, D.C. 20402

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BELGIUM

Atomic Energy: Technical Information Exchange, Safety Research and Development of Standards

Arrangement signed at Washington June 6, 1978;
Entered into force June 6, 1978.

ARRANGEMENT

BETWEEN THE U.S. NUCLEAR REGULATORY COMMISSION (U.S.N.R.C.)
AND THE BELGIAN GOVERNMENT

FOR

EXCHANGE OF TECHNICAL INFORMATION IN REGULATORY MATTERS
AND IN COOPERATION IN SAFETY RESEARCH
AND IN STANDARDS DEVELOPMENT

The United States Nuclear Regulatory Commission (U.S.N.R.C.) and the Belgian Government, considering the desirability of a continuing exchange of technical information pertaining to regulatory matters and cooperation in safety research and in standards development of the type required or recommended by these parties for the regulation of safety and environmental impact of nuclear facilities and in further implementation of the Agreement Between the United States of America and the European Atomic Energy Commission in Cooperation for Peaceful Applications of Atomic Energy,[1] conclude the following cooperation agreement:

I. Scope of the Agreement

I-I Technical Information Exchange

The U.S.N.R.C. and the Belgian Government agree to exchange, as available, the following types of technical information related to the regulation of safety and environmental impact of designated nuclear energy facilities and to safety research of designated types of nuclear facilities:

a. Topical reports concerned with technical safety and environmental effects written by or for the parties as a basis for, or in support of, regulatory decisions and policies.

b. Significant licensing actions and safety and environmental decisions affecting these facilities.

c. Detailed documents on the U.S.N.R.C. regulatory procedures, decisions, and other actions concerning U.S. facilities

[1] Signed May 29 and June 18, 1958. TIAS 4091, 9 UST 1116.

designated by the Belgian Government as the prototypes of certain facilities being built in Belgium and reciprocal documents on these Belgian counterpart facilities.

d. Information in the field of reactor safety research which the parties have the right to disclose, either in the possession of one of the parties or available to it, including light water safety information from the technical areas described in Appendices "A" and "B." Each party will transmit immediately to the other information concerning research results, indicating significant safety implications.

e. Reports on operating experience, such as reports on incidents, accidents and shutdowns, and compilations of operating experience and historical reliability data, on components and systems.

f Regulatory procedures for safety and environmental impact evaluation of these nuclear facilities.

g. Each party will make special efforts to give early advice to the other of important events, such as serious operating incidents and government-directed reactor shutdowns, that are of immediate interest to the other

I-2 Cooperation in Safety Research

The execution of joint programs and projects of safety research and development, or those programs and projects under which

activities are divided between the two parties including the use of tests facilities and/or computer programs owned by either party, will be agreed upon on a case-by-case basis. Temporary assignments of personnel by one party in the other party's agency will also be considered on a case-by-case basis.

I-3 Collaboration in Development of Regulatory Standards

The U.S.N.R.C. and the Belgian Government further agree to cooperate in the development of regulatory standards applicable to the designated nuclear facilities.

a. Each party will inform the other of specific subjects on which regulatory standards development work is underway, or is planned, and approximate schedules for moving work forward on those subjects.

b. As is practicable, agreement will be reached from time to time on the standards for which each party will take the lead in developing, in order to avoid unnecessary duplication of effort. These would normally relate to standards that could serve both countries.

c. Copies of regulatory standards required to be used, or proposed for use, by the regulatory organizations of the respective countries will be made available by each party on a timely basis.

II. Administration

a. The exchange of information under this arrangement will be accomplished through letters, reports, and other documents, and visits and meetings arranged in advance on a case-by-case basis.

A meeting will be held annually or at such other times as mutually agreed, to review the exchange activity, to recommend revisions, and to discuss topics coming within the scope of the exchange. The time, place, and agenda for such meetings shall be agreed upon in advance. Visits which take place under the arrangement, including their schedules, shall have the prior approval of the administrators.

b. An administrator will be designated by each party to coordinate its participation in the overall exchange. The administrators shall be the recipients of all documents transmitted under the exchange, including copies of all letters unless otherwise agreed. Within the terms of the exchange, the administrators shall be the main contact points for developing the scope of the exchange, including agreement on the designation of the nuclear energy facilities subject to the exchange, on specific documents and standards to be exchanged, and on standards work to be coordinated.

These detailed arrangements are intended to assure, among other things, that a reasonably balanced exchange giving access to equivalent available information is achieved and maintained.

c. The administrators shall determine the number of copies to be provided of the documents exchanged. Each document will be accompanied by an abstract in English, less than 250 words, describing its scope and content.

d. In general, information received by each party to the agreement may be disseminated freely without further permission of the other party.

Privileged information, including information supplied by the sending party in confidence and on condition that the receiving party protect the information from unauthorized disclosure, will be clearly identified by the sending party with special stamps or other bold lettering. The receiving party will refrain from disseminating, without approval of the sending party, such confidential or privileged information;

i. on the U.S. side, outside the U.S.N.R.C. and consultants and assisting agencies of the Federal Government, and U.S.N.R.C. licensees and contractors for use only within the terms of their licenses and contracts;

ii. on the Belgian side, outside the Belgian Government and its consultants, and assisting agencies, and its contractors for use only within the terms of their contracts;

The parties to this agreement will restate in common the procedures to ask for such an authorization, if necessary, and to meet, so far as the rules of their own country allow it, the application of divulgation from the recipient party Nevertheless, if the recipient party, pursuant to its national legislation, receives an application of divulgation without obtaining the authorization of the sending party, the recipient party undertakes to advise immediately the sending party thereof and, if necessary, to put forward, before the competent authorities, the appropriate arguments which are opposed to the dissemination.

e. Information exchanged under this arrangement shall be subject to the patent provisions in the Patent Addendum of this document.

f Nothing contained in this Arrangement will require either party to do anything which would be inconsistent with its laws and regulations. Should any concern arise about a possible conflict between the terms of this Arrangement and those laws and regulations, the parties will consult regarding the basis of the concern.

g. This agreement shall have a term of five years and may be further extended by mutual written agreement. It may be terminated by either party upon thirty-day notice.

h. The application or use of any information exchanged or transferred between the parties under this arrangement shall be the responsibility of the party receiving it, and the transmitting party does not warrant the suitability of such information for any particular use or application.

i. Recognizing that some information of the type covered in this agreement is not available directly from the Belgian Government or its contractors or within the U.S.N.R.C. or its contractors which are parties to this Agreement but is available from other institutions or agencies of the governments of the parties, each party will assist the other to the maximum extent possible by organizing visits and directing inquiries concerning such information to appropriate agencies of the government concerned. The foregoing shall not constitute a commitment of other institutions or agencies to furnish such information or to receive such visitors.

Done at Washington, D.C., on June 6, 1978, in three original copies, one in the English language, one in the French language, and one in the Dutch language, the three texts being equally authentic.

Signed

[1]

On behalf of the Belgian Government

[2]

On behalf of the U.S. Nuclear Regulatory Commission

[1] W Van Cauwenberg.
[2] Joseph Hendrie.

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APPENDIX "A"

NRC-Belgian Government Reactor Safety Research Exchange

Areas in Which the NRC is Performing LWR Safety Research

1. Primary Coolant System Rupture Studies
2. Heavy Section Steel Technology Program
3. LOFT Program
4. Power Burst Facility - Sub assembly Testing Program
5. Separate Effects Testing - Loss-of-Coolant Accident Studies
6. Loss-of-Coolant Accident Analyses - Analytical Model Development
7. Design Criteria for Piping, Pumps, and Valves
8. Alternate ECCS Studies
9. Core Meltdown Studies
10. Fission Product Release and Transport Studies
11. Probabilistic Studies
12. Zirconium Damage
13. All computer codes applicable to the above at whatever stage of development they may be*
14. Data from all experiments applicable to the above*

* Data and computer codes will be "as is" at the time of the request. NRC or contractor manpower will generally not be available for interpretation of uncompleted work. [Footnote in the original.]

APPENDIX B

USNRC-Belgium Reactor Safety Research Exchange.

Areas in Which Belgium is Performing Light Water Nuclear Reactor Safety Research.

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1. In pile safety experiments in test reactor loops and rigs (still to be defined).

2. Accident analysis computer codes:

   - Whole core accident code

   - Code for the evaluation of forces on pipes resulting from steam line breaks

   - Codes for estimating the pressurization, following a loss-of-coolant accident of the containments surrounding the primary system.

3. Fuel elements behaviour under irradiation (densification, power ramp capabilities, accidental conditions. , experimental and theoretical work).

4. Surveillance of light water nuclear reactor vessels

   - Evolution of the mechanical properties of pressurized water reactor vessels including the characterization of the neutron environment

   - Detection of faults in plates and vessels by acoustic emission

   - Ultrasonic testing of austenitic steel welds and castings and of heavy ferritic steel sections.

5. Instrumentation (experimental work)

   - Medium and long term behaviour of chromel-alumel thermocouples in reactor cores.

   - Vibratory behaviour of structural components in confined spaces (fluid-structure interaction).

   - Early detection of operational anomalies
     ≠ surveillance of rotating machinery
     ≠ analysis of temperature fluctuations of the coolant.

6. Quality control in general.
   Quality control of nuclear fuel (more particularly neutronography of Pu fuel).

7 Radioecology

- Atmospheric diffusion of gaseous & particulate discharges from nuclear power plants.

- Radiological surveillance of nuclear power plant sites
  ≠ surveillance of air
  ≠ surveillance of river waters and sediments
  ≠ surveillance of soils

- Radioactivity biological cycle studies

- Relations between radiation doses and biological effects.

8. Intervention in case of a nuclear accident

- Organisation of an emergency plan and coordination with the intervention means

- Medical intervention in nuclear accidents.

APPENDIX C

PATENT ADDENDUM

A. If in the course of or under this technical exchange and cooperative arrangement between the U.S. Nuclear Regulatory Commission and the Belgian Government an invention is made by an inventor of one party (Inventor Party) as a direct result of information acquired from the other party (Recipient Party) while in attendance at meetings or using information which has been communicated under this exchange arrangement, the Inventor Party obtains all rights to the invention, including the right to obtain a patent in all countries, except the country of the Recipient Party. The Recipient Party receives all rights to the invention in its own country, including the right to obtain a patent. With regard to patent applications and patents acquired in its own country, each party grants the other party a royalty-free, nonexclusive, irrevocable license with the right to grant sublicenses for atomic energy uses. With regard to patent applications and patents acquired in third countries, the Inventor Party grants such a license in all third countries.

B. Each party shall assume the responsibility to pay awards or compensation required to be paid to its own nationals according to its own laws.

ACCORD ENTRE LA U.S. NUCLEAR REGULATORY COMMISSION (U.S.N.R.C.) ET LE GOUVERNEMENT DU ROYAUME DE BELGIQUE POUR L'ECHANGE D'INFORMATIONS TECHNIQUES DANS LE DOMAINE DE LA REGLEMENTATION, DE LA COOPERATION DANS LA RECHERCHE SUR LA SECURITE NUCLEAIRE ET DANS L'ELABORATION DE NORMES

TIAS 9255

ACCORD ENTRE LA U.S. NUCLEAR REGULATORY COMMISSION (U.S.N.R.C.) ET LE GOUVERNEMENT DU ROYAUME DE BELGIQUE POUR L'ECHANGE D'INFORMATIONS TECHNIQUES DANS LE DOMAINE DE LA REGLEMENTATION, DE LA COOPERATION DANS LA RECHERCHE SUR LA SECURITE NUCLEAIRE ET DANS L'ELABORATION DE NORMES

La United States Nuclear Regulatory Commission (U.S.N.R.C.) et le Gouvernement du Royaume de Belgique, considérant l'utilité d'un échange continu d'informations techniques dans le domaine de la règlementation et de la coopération dans la recherche sur la sécurité et dans l'élaboration de normes du type requis ou recommandé par les Parties pour la règlementation de la sécurité et de l'impact sur l'environnement des installations nucléaires et pour la mise en oeuvre future de l'Accord entre les Etats-Unis d'Amérique et la Commission européenne de l'énergie atomique pour la coopération dans les applications pacifiques de l'énergie atomique, ont conclu l'Accord de cooperation suivant:

I. CADRE DE L'ACCORD

1.1 Echange d'informations techniques.

La U.S.N.R.C. et le Gouvernement belge expriment leur accord pour échanger, dans la mesure où ils sont disponibles les types suivants

d'informations techniques relatives à la réglementation de la sécurité et à celle de l'impact sur l'environnement d'installations nucléaires spécifiquement désignées et relatives à la recherche dans le domaine de la sécurité de types d'installations nucléaires spécifiées:

a) rapports relatifs à la securité technique et aux effets sur l'environnement rédigés par ou pour les Parties comme base ou élément de décisions et de politiques réglementaires.

b) dispositions importantes en matière d'autorisation et les décisions en matière de sécurité, ou d'environnement, se rapportant à ces installations.

c) documents détaillés sur les procédures réglementaires de l'U.S. N.R.C., les décisions, et autres mesures concernant les installations américaines qui ont été désignées par le Gouvernement belge comme prototypes de certaines installations en construction en Belgique et à titre de réciprocité les documents analogues concernant les installations belges correspondantes.

d) information dans le domaine de la recherche en matière de sécurité de réacteurs que les Parties ont le droit de communiquer, qu'elle soit en la possession d'une des Parties ou qu'elle lui soit accessible, en ce compris l'information sur la sécurite en

matière de réacteurs à eau légère, relevant des domaines techniques décrits dans les Appendices A et B.

Chaque Partie transmettra immédiatement à l'autre Partie l'information concernant les résultats de la recherche, en indiquant les implications importantes en matière de sécurité.

e) rapports sur l'expérience acquise en exploitation tels les rapports sur les incidents, accidents et arrêts de réacteurs ainsi que des compilations sur l'expérience d'exploitation et des données de fiabilité relatives aux équipements et aux systèmes.

f) procédures réglementaires concernant l'évaluation de la sécurité et de l'effet sur l'environnement de ces installations nucléaires.

g) chaque Partie s'efforcera particulièrement d'aviser rapidement l'autre Partie d'évènements importants qui sont d'un intérêt immédiat pour l'autre Partie comme les incidents d'exploitation sérieux et des arrêts de réacteurs décidés par le Gouvernement.

1.2 Coopération dans la recherche portant sur la sécurité.

L'exécution de programmes communs et de projets de recherche et de développement en matière de sécurité, ou les programmes ou projets dont les activités sont partagées entre les deux Parties, y compris

l'utilisation d'installations d'essais et/ou de programmes d'ordinateurs en la possession d'une des deux Parties, feront l'objet d'accords particuliers entre les deux Parties, réglant chaque cas précis. De même, l'affectation temporaire de personnel d'une des Parties dans un organisme de l'autre Partie sera également considérée cas par cas.

1.3 Collaboration dans l'élaboration des normes réglementaires.

La U.S.N.R.C. et le Gouvernement belge expriment en outre leur accord pour coopérer dans l'élaboration des normes reglementaires applicables aux installations nucléaires désignées.

a) chaque Partie informera l'autre des sujets specifiques pour lesquels du travail de développement des normes réglementaires est en cours ou prévu ainsi que des calendriers approximatifs prevus pour l'exécution du travail sur ces sujets.

b) pour autant qu'il soit possible, un accord sera conclu periodiquement sur les normes réglementaires dont chacune des Parties prendra la direction de l'élaboration, ce afin d'eviter d'inutiles duplications d'efforts. Ces accords devraient normalement se rapporter aux normes réglementaires pouvant servir dans les deux pays.

c) des copies des normes réglementaires que les organisations de règlementation dans les pays respectifs rendent obligatoires ou se proposent de mettre en vigueur, seront périodiquement rendues disponibles par chacune des Parties.

II. GESTION

a) L'échange d'informations prévu sous cet Accord sera effectué sous forme de lettres, rapports et autres documents et par des visites et des conférences arrangées à l'avance selon le principe du cas par cas.

Une réunion se tiendra annuellement ou à tous autres moments convenant aux deux Parties, pour passer en revue les activités d'échanges, recommander des révisions et discuter de sujets se rapportant à l'échange.

La date, l'endroit et l'ordre du jour de ces conférences seront convenus d'avance par les deux Parties. Les visites effectuées en vertu du présent Accord, y compris leurs calendriers devront être d'abord approuvés par les administrateurs.

b) Un administrateur sera désigné par chacune des Parties, en vue de coordonner la participation de sa Partie dans l'échange

général. Les Administrateurs seront les destinataires de tous les documents transmis dans le cadre de l'échange, y compris des copies de toutes les lettres, à moins qu'il n'en ait été convenu autrement.

Dans le cadre de l'échange, les administrateurs seront les points de contact principaux pour développer le domaine des échanges, en ce compris l'assentiment sur la désignation des installations nucléaires soumises à l'échange, sur les documents et normes particulières à échanger et/ou sur le travail de normalisation qui doit être cordonné.

Ces arrangements détaillés sont destines à assurer, entre autres choses, qu'un échange raisonnablement equilibré, donnant accès à une information disponible équivalente, soit realise et maintenu.

c) Les administrateurs détermineront le nombre de copies des documents à échanger Chaque document sera accompagné d'une synthèse en langue anglaise, de moins de 250 mots, décrivant sa portée et son contenu.

d) D'une manière générale, les informations reçues par chacune des Parties au présent Accord pourront être diffusees librement

sans autre autorisation de l'autre Partie. Les informations à circulation restreinte, y compris les informations données par la Partie expéditrice, à titre confidentiel et sous la condition que la Partie destinatrice protège ces informations vis-à-vis d'une divulgation non autorisée, seront clairement identifiées par la Partie expéditrice, à l'aide de cachets ou d'inscriptions nettement visibles. La Partie réceptrice s'abstiendra de diffuser ces informations privilegiées ou confidentielles sans l'approbation de la Partie expéditrice:

i) du côté américain, en dehors de l'U.S.N.R.C., et de ses consultants, des organes supports du gouvernement fédéral ainsi que des contractants de l'U.S.N.R.C. et de ses licenciés autorisés, uniquement dans le cadre de leurs licences ou contrats;

ii) du côté belge, en dehors du gouvernement belge et de ses consultants, de ses organismes supports ainsi que de ses contractants, et ceci uniquement dans le cadre de leurs contrats.

Les Parties à cet Accord redéfiniront conjointement les procédures requises pour une telle approbation si nécessaire, et règleront dans la mesure où cela est autorisé par les lois de leur pays respectif, les demandes de divulgation en provenance de la partie réceptrice.

Toutefois, si la Partie réceptrice, conformément a sa legislation nationale, recoit une demande de divulgation sans avoir obtenu l'approbation de la Partie expéditrice, la Partie receptrice en informera immédiatement la Partie expéditrice et, si nécessaire, exposera devant les Autorités compétentes, les arguments appropriés qui s'opposent à la diffusion.

e) Les informations échangées en vertu de cet Accord seront soumises aux dispositions de l'annexe au présent texte relative aux brevets.

f) Aucune mesure prévue dans le présent Accord n'exigera des Parties signataires de faire quoi que ce soit qui soit en opposition à ses lois et règlements. Si un doute devait se presenter sur un conflit possible entre les dispositions du present Accord et les législations et règlementations en vigueur, les Parties se concerteront pour examiner le fondement de ce doute.

g) Le présent Accord est conclu pour une durée de 5 ans et peut être ultérieurement reconduit par consentement mutuel écrit. Chacune des Parties peut y mettre fin moyennant un préavis de 30 jours.

h) L'application ou l'utilisation de toute information échangée ou transférée entre les Parties dans le cadre du présent Accord, relèvera de la responsabilité de la Partie réceptrice, et la Partie qui transmet l'information ne garantit pas l'idonéité de cette information pour une utilisation ou une application donnée.

i) Reconnaissant que certaines informations du type couvert par cet Accord ne peuvent pas être directement obtenues du Gouvernement belge ou de ses contractants, qui sont Parties à cet Accord, mais peuvent être obtenues dans d'autres institutions ou agences des Gouvernements des Parties, chaque Partie assistera l'autre Partie dans la mesure du possible en organisant des visites et en présentant des requêtes pour recevoir l'information nécessaire auprès des agences responsables du gouvernement en question. Ce qui précède ne constitue pas une obligation pour d'autres institutions ou agences de fournir de telles informations ou de recevoir ces visiteurs.

Fait a Washington, le 6 juin 1978

en triple copie originale, une en francais, une en anglais et une en néerlandais, les trois textes faisant également foi,

POUR LE GOUVERNEMENT DU ROYAUME DE BELGE.

POUR LA U.S. NUCLEAR REGULATORY COMMISSION.

APPENDICE A

ECHANGE entre N.R.C. et le Gouvernement belge en ce qui concerne les recherches sur la sécurité des réacteurs.

Domaines dans lesquels le N.R.C. effectue des recherches relatives à la sécurité des réacteurs à eau légère.

1. Etudes de la rupture du circuit primaire de réfrigération.

2. Programme sur la technologie des aciers de forte épaisseur

3. Programme LOFT.

4. Programme d'essai de sous assemblage des P.B.F (Power Burst Facilities).

5. Essais d'effets distincts - Etudes de l'accident de perte de réfrigérant.

6. Analyses de l'accident de perte de réfrigérant. Développement de modèles analytiques.

7 Critères de conception des tuyauteries, pompes et vannes.

8. Etudes d'alternatives de système de réfrigération d'urgence du coeur (ECCS).

9. Etudes de fusion du coeur

10. Etudes de relachement et de dissémination des produits de fission.

11. Etudes probabilistes.

12. Dégâts dans le zirconium.

13. Tous les codes de calcul par ordinateurs applicables aux points ci-dessus, quel que soit leur stade de développement.(x)

14. Données provenant de tous les essais et relatives aux points ci-dessus.(x)

(x) Codes de calcul par ordinateur et données seront dans l'état où ils se trouvaient à la date de la demande. N.R.C. ou le personnel du contractant ne seront généralement pas disponibles pour interpréter un travail inachevé.

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APPENDICE B

Echanges entre l'USNRC et la Belgique en matière de sûreté nucléaire.

Domaines dans lesquels la Belgique effectue des recherches en matière de sûrete des reacteurs nucleaires à eau legère.

1. Expérience de sûrete en pile (réacteur d'essai) dans des boucles et des capsules (encore à définir).

2. Codes d'ordinateur pour l'analyse d'accidents:

   - Code d'analyse d'accidents concernant la totalite du coeur

   - Code pour l'évaluation des sollicitations des tuyauteries en cas de rupture des tuyauteries de vapeur

   - Codes pour estimer la pressurisation, apres un accident de perte de réfrigérant, des confinements entourant le systeme primaire.

3. Comportement des éléments de combustible (densification, rampes de puissance maximum admissible, conditions accidentelles. , travaux expérimentaux et théoriques).

4. Surveillance des cuves de réacteurs nucleaires à eau legère

   - Evolution des propriétés mécaniques des cuves de réacteurs à eau pressurisée et la détermination des caractéristiques de l'environnement neutronique.

   - Détection des défauts dans les plaques et les cuves par emission acoustique.

   - Contrôle par ultrason des soudures et pièces moulées en acier austénitique ainsi que des pièces de grande section en acier ferritique.

5. Instrumentation (travaux expérimentaux)

   - Comportement à moyen et long termes des thermocouples chromel-alumel dans les coeurs de réacteur

   - Comportement vibratoire des pièces de structure dans des espaces confinés (interaction fluide-structure).

- Détection précoce d'anomalies opérationnelles
  - ≠ surveillance des machines rotatives
  - ≠ analyse des fluctuations de température du réfrigérant

6. - Contrôle de qualité en général
   - Contrôle de qualité des combustibles nucléaires (plus particulièrement neutronographie des combustibles plutonifères).

7 Radioécologie

- Diffusion atmosphérique des décharges gazeuses et des décharges de particules à partir des centrales nucléaires.

- Surveillance radiologique des sites d'implantation des centrales nucléaires
  - ≠ Surveillance de l'air
  - ≠ Surveillance des eaux et sédiments des rivières
  - ≠ Surveillance des sols

- Etudes du cycle biologique de la radioactivité

- Relations entre les doses de radiations et les effets biologiques.

8. Intervention en cas d'accident nucléaire

- Organisation du plan d'urgence et coordination avec les moyens d'intervention

- Intervention médicale en cas d'accident nucléaire.

ANNEXE RELATIVE AUX BREVETS.

A. Si pendant, ou en vertu de cet Accord sur l'échange d'informations techniques et la coopération entre la U.S.N.R.C. et le Gouvernement belge une invention est réalisée par un inventeur d'une Partie (Partie inventeur) résultant directement d'une information acquise de l'autre Partie (Partie réceptrice) lors de la presence à des réunions ou par l'utilisation de l'information communiquee dans le cadre de cet Accord d'échange, la Partie inventeur obtient tous les droits à l'invention, y compris le droit d'obtenir un brevet dans tous les pays, à l'exception du Pays de la Partie receptrice.

La Partie réceptrice obtient tous les droits sur l'invention dans son propre pays, y compris le droit d'obtenir un brevet.

En ce qui concerne les demandes de brevets et les brevets obtenus dans son propre pays, chaque Partie accordera à l'autre une licence exempte de redevances, non exclusive et irrévocable y compris le droit d'accorder des sous-licences pour les utilisations dans le domaine de l'énergie atomique. En ce qui concerne les demandes de brevets et les brevets obtenus dans des pays tiers, la Partie inventeur accorde une telle licence dans tous les pays tiers.

B. Chaque Partie assumera la responsabilité de payer les redevances ou compensations dont le paiement à ses ressortissants est exigé conformément à sa législation nationale.

OVEREENKOMST TUSSEN DE U.S. NUCLEAR REGULATORY COMMISSION (USNRC)
EN DE REGERING VAN HET KONINKRIJK BELGIE STREKKENDE TOT
UITWISSELING VAN TECHNISCHE INFORMATIE BETREFFENDE
REGLEMENTERING EN SAMENWERKING INZAKE VEILIGHEIDSONDERZOEK
EN UITWERKING VAN NORMEN.

OVEREENKOMST TUSSEN DE U.S. NUCLEAR REGULATORY COMMISSION (USNRC) EN DE REGERING VAN HET KONINKRIJK BELGIE STREKKENDE TOT UITWISSELING VAN TECHNISCHE INFORMATIE BETREFFENDE REGLEMENTERING EN SAMENWERKING INZAKE VEILIGHEIDSONDERZOEK EN UITWERKING VAN NORMEN.

De United States Nuclear Regulatory Commission (USNRC) en de Regering van het Koninkrijk België, het nut overwegende om bestendig technische informatie uit te wisselen betreffende reglementering en samenwerking inzake veiligheidsonderzoek alsook op gebied van de uitwerking van normen van het door de Partijen vereiste of aanbevolen type met het oog op de reglementering van de veiligheid en de invloed van kerninstallaties op het leefmilieu, en voor de verdere uitvoering van de overeenkomst tussen de Verenigde Staten van Amerika en de Commissie van de Europese Gemeenschap voor Atoomenergie voor de samenwerking inzake vreedzame aanwending der atoomenergie, hebben de volgende Overeenkomst gesloten:

I. Draagwijdte van de Overeenkomst

1.1 Uitwisseling van technische informatie

De U.S. NRC en de Belgische Regering komen overeen, wanneer beschikbaar, de volgende soorten technische informatie betreffende reglementering inzake veiligheid en inzake invloed op het leefmilieu der aangeduide kerninstallaties

en betreffende veiligheidsonderzoek der aangeduide types der kernenergie-installaties uit te wisselen:

a) desbetreffende verslagen inzake technische veiligheid en invloed op het leefmilieu, opgesteld door of voor de Partijen, en dienend als basis voor of tot staving van reglementaire beslissingen of beleiden.

b) belangrijke maatregelen op het gebied van vergunningen en beslissingen inzake veiligheid en leefmilieu die betrekking hebben op deze installaties.

c) uitvoerige documenten over de reglementeringsprocedure van de U.S. NRC, de beslissingen en andere initiatieven betreffende Amerikaanse installaties die door de Belgische regering zijn aangewezen als prototypes van bepaalde installaties die in België worden gebouwd en, bij wijze van wederkerigheid, overeenkomstige documenten betreffende gelijkaardige Belgische installaties.

d) informatie op het gebied van reaktorveiligheidsonderzoek waarover de Partijen het recht hebben ze te onthullen en die ofwel in het bezit is van één van beide Partijen of tot dewelke ze toegang hebben met inbegrip van informatie betreffende veiligheid inzake

licht water op technisch gebied zoals beschreven in de aanhangsels A en B.

Elke Partij zal onmiddellijk aan de andere Partij informatie doorgeven betreffende de resultaten van het onderzoek met verwijzing naar belangrijke veiligheidsimplicaties.

e) exploitatieverslagen, zoals verslagen over incidenten, ongevallen, stilvallen van reaktoren en uitvoerige verslagen over exploitatie-ervaring alsook een overzicht in de tijd over de betrouwbaarheid der gegevens betreffende onderdelen en systemen.

f) regelementaire procedures betreffende de evaluatie der veiligheid en de weerslag op het leefmilieu van deze kerninstallaties.

g) elke Partij zal zich bijzonder inspannen om bijtijds advies te verstrekken aan de andere Partij over belangrijke gebeurtenissen die van onmiddellijk belang zijn voor de andere Partij, zoals ernstige werkingsincidenten en stilleggingen van reaktoren op grond van beslissingen van de regering.

1.2 Samenwerking inzake veiligheidsonderzoek

De uitvoering van gezamenlijke programma's en projecten voor onderzoek en ontwikkeling inzake veiligheid of van die programma's en projecten waarbij ieder van de Partijen een deel van de werkzaamheden op zich neemt met inbegrip van het gebruik van proefinstallaties en/of computerprogramma's die aan één van beide Partijen toebehoren, zullen het voorwerp uitmaken van bijzondere akkoorden tussen de Partijen waarbij ieder geval afzonderlijk wordt geregeld. Evenzo zal de tijdelijke toewijzing van personeel van een der Partijen bij een organisme van de andere Partij geval per geval worden geregeld.

1.3 Samenwerking bij de uitwerking der reglementaire normen.

De U.S. NRC en de Belgische regering komen verder overeen samen te werken bij de uitwerking van reglementaire normen toepasselijk op de aangeduide kerninstallaties.

a) iedere Partij stelt de andere in kennis van de bijzondere onderwerpen waarover researchwerk voor het vaststellen van reglementaire normen verricht wordt of ontworpen is, alsook van de benaderende tijdschema's die voor de uitvoering van het werk van deze onderwerpen zijn vastgelegd.

b) voor zover uitvoerbaar zal ten gepaste tijde een overeenkomst gesloten worden betreffende de normen waarvan elk der Partijen voor de uitwerking de leiding op zich zal nemen, zulks om nutteloze overlapping der inspanning te vermijden.

Deze akkoorden zullen gewoonlijk op normen betrekking hebben, die door beide landen kunnen worden gebruikt.

c) afschriften van de regelementaire normen die de regelementerende instellingen der respectieve landen vastleggen of zich voornemen toe te passen, worden regelmatig door elk der Partijen beschikbaar gesteld.

II. Beheer

a) De uitwisseling van informatie krachtens deze overeenkomst geschiedt door brieven, verslagen en andere documenten en via bezoeken en bijeenkomsten waarvoor vooraf voor ieder geval afzonderlijk schikkingen worden getroffen. Om het jaar of op elk ander gezamenlijk overeen te komen tijdstip wordt een vergadering georganiseerd teneinde de uitwisselingsactiviteiten te onderzoeken, herzieningen aan te bevelen en teneinde omtrent andere punten in verband met de uitwisseling, van gedachten te wisselen.

Het tijdstip, de plaats en de dagorde van zulke vergaderingen worden vooraf in gezamenlijk overleg vastgesteld. Bezoeken die in het kader van deze Overeenkomst plaatsgrijpen, alsmede de bezoekprogramma's worden vooraf door de beheerders goedgekeurd.

b) Elke Partij wijst een beheerder aan die de deelneming zijner Partij in de uitwisseling zal coördineren.

De beheerders ontvangen alle documenten die in het raam van de uitwisseling worden overgedragen, waaronder begrepen copiën van alle brieven, tenzij anders is overeengekomen.

Binnen het kader van de uitwisseling zijn de beheerders de belangrijkste contactpersonen met het oog op de uitbreiding van het domein van uitwisseling, met inbegrip van het tot stand brengen van overeenstemming betreffende de aanwijzing der kerninstallaties die binnen het bestek van de uitwisseling vallen, betreffende uit te wisselen specifieke documenten en normen, alsmede betreffende coördinatiewerkzaamheden voor het vastleggen van de normen.

Het doel van deze gedetailleerde regelingen is, ondermeer er voor in te staan dat een evenwichtig verdeelde uitwisseling tot stand komt en in stand wordt gehouden, zodat gelijkwaardige beschikbare informatie toegankelijk wordt.

c) De beheerders bepalen hoeveel copiën van de uitgewisselde documenten dienen verstrekt te worden. Elk document zal vergezeld zijn van een samenvatting, gesteld in het Engels, bestaande uit minder dan 250 woorden, waaruit de draagwijdte en de inhoud van het stuk blijkt.

d) In de regel mag elke Overeenkomstsluitende Partij de door haar ontvangen informatie vrij verspreiden zonder dat daartoe de toestemming van de andere Partij vereist is.

Informatie met beperkte verspreiding, met inbegrip van vertrouwelijke informatie, door de afzendende Partij verstrekt, en op voorwaarde dat de ontvangende Partij zodanige informatie tegen onrechtmatige verspreiding beveiligt, zal door de afzendende Partij door middel van speciale stempels of in het oog springende letters duidelijk gekenmerkt worden. De ontvangende Partij staat er voor in dat deze vertrouwelijke informatie of de informatie met een beperkte verspreiding zonder de toestemming van de afzendende Partij niet wordt verspreid:

1) Van Amerikaanse zijde, buiten de U.S. NRC, haar adviseuren en de haar assisterende organismen van de federale regering en voor wat betreft U.S. NRC licentiehouders en contractanten, enkel voorwat betreft binnen de bepalingen van de licenties of contracten.

2) Van Belgische zijde, buiten de Belgische regering en haar adviseurs, assisterende organismen en haar contractanten enkel binnen de bepalingen van hun contracten.

De Overeenkomstsluitende Partijen zullen gezamenlijk de procedures vereist voor dergelijke toelating herbepalen indien nodig, en tegemoetkomen aan het verzoek tot verspreiding van de ontvangende Partij in zoverre de wetten van het eigen land dit toestaan.

Indien de ontvangende Partij evenwel overeenkomstig haar nationale wetgeving, een verzoek tot verspreiding ontvangt zonder te toelating verkregen te hebben van de uitzendende Partij, zal de ontvangende Partij de uitzendende Partij hierover onmiddellijk adviseren en indien nodig het voorbehoud voorleggen van de bevoegde overheid waaruit het verzet tegen verspreiding blijkt.

e) Op informatie die in het raam van deze Overeenkomst wordt uitgewisseld zijn de octrooibepalingen van de octrooibijlage van deze Overeenkomst toepasselijk.

f) Geen enkele bepaling van deze Overeenkomst kan de Partijen ertoe verplichten iets te ondernemen dat strijdig zou zijn met hun

wetten en verordeningen. Mocht het vermoeden rijzen dat de mogelijkheid van conflict tussen de bepalingen van deze Overeenkomst en de vigerende wetten en verordeningen aanwezig is, treden de Partijen in overleg om de grond van dit vermoeden te onderzoeken.

g) Deze Overeenkomst wordt gesloten voor de duur van 5 jaar en kan mits wederkerige schriftelijke mededeling verlengd worden.

Elke Partij kan deze Overeenkomst opzeggen mits een voorafgaande kennisgeving van 30 dagen.

h) De aanwendig of het gebruik van iedere uitgewisselde informatie valt onder de verantwoordelijkheid der Ontvangende Partij, en de Afzendende Partij waarborgt de passende aanwending of gebruik dezer informatie niet.

i) Vermits sommige informatie van het door deze Overeenkomst voorziene type niet onmiddellijk beschikbaar kan gesteld worden door de Belgische regering of haar contractanten, of door de U.S. NRC of haar contractanten, Partijen bij deze Overeenkomst, maar waarover andere instellingen of organismen afhankelijk der Regeringen van de Partijen beschikken, zal elke Partij de andere in de hoogst mogelijke mate bijstaan om bezoeken te organiseren

en onderzoeken in te stellen betreffende zulkdanige informatie bij de betrokken organismen van de betrokken Regering.

Het voorafgaande houdt geen verbintenis in voor andere instellingen of agentschappen om dergelijke informatie te verstrekken of om dergelijke bezoekers te ontvangen.

Gedaan te Washington, op June 6, 1978, in drie originele copies, een in het Frans, een in het Engels en een in het Nederlands, zijnde de drie teksten gelijkelijk authentiek.

VOOR DE REGERING VAN
HET KONINKRIJK BELGIE

VOOR DE U.S. NUCLEAR
REGULATORY COMMISSION

AANHANGSEL A

Uitwisseling tussen NRC en de Belgische Regering
inzake reactor-veiligheidsonderzoek

Gebieden waarin het NRC onderzoek uitoefent betreffende
de veiligheid der lichtwaterreactoren.

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1. Studies der breuken van het primaire koelingsysteem.

2. Technologisch programma voor staalsoorten met grote dikte.

3. LOFT- programma

4. Test Programma voor PBF onderdelen

5. Test van afzonderlijk beschouwde effecten. Studies van ongevallen met verlies van koelmiddel (LOCA)

6. Ontledingen van ongevallen met verlies van koelmiddel. Ontwikkeling van analytische modellen.

7 Kriteria voor leiding-, pomp- en sluitklepontwerpen.

8. Alternatieve studies van het kern-noodkoelsysteem (ECCS).

9. Studies van de kernsmelting.

10. Studies betreffende het vrijmaken en het verspreiden van splijtingsprodukten.

11. Waarschijnlijkheidsstudies.

12. Schade aan het zirconium.

13. Alle op de hiervoorafgaande gegevens toepasselijke computer-rekencodes, onafgezien van hun ontwikkelingsgraad.(*)

14. Gegevens uit alle proeven betreffende de hierboven vermelde punten.*

(*) Computer-reken codes gegevens zullen in de staat "zoals zich bevonden", op't ogenblik van de aanvraag, geleverd worden. Het NRC en het personeel onder kontrakt zullen algemeen gesproken niet voor de interpretatie van onvoltooid werk kunnen instaan.

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AANHANGSEL B

Uitwisseling op het gebied van reactorveiligheid tussen de USNRC en België.

Gebieden waarin in België aan onderzoek gedaan wordt in verband met de veiligheid van Licht Water Reactoren

1. Experimenten in proefreaktoren door middel van kringlopen en speciale opstellingen (nog nader te bepalen).

2. Rekenprogramma's voor ongevallen-analyse

   - Programma voor berekening van een ongeval waarbij de ganse reactorkern betrokken is

   - Programma voor de berekening van de krachten op pijpen afkomstig van breuken in de stoomleiding

   - Rekenprogramma's om de druk te schatten, na een ongeval met koelvloeistofverlies, die op de wanden van de omhulsels die het primair systeem omgeven, zal uitgeoefend worden.

3. Gedrag van splijtstofelementen onder bestraling (verdichting, mogelijkheid om vermogensveranderingen te ondergaan, ongevallencondities. , experimenteel en theoretisch werk).

4. Toezicht op het reactorvat van lichtwater reactoren

   - Evolutie van de mechanische eigenschappen van reactor drukvaten inbegrepen de beschrijving van de nucleaire omgeving

   - Detectie van defecten in platen en vaten door akoestische emissie

   - Ultrasoon testen van lassen in austenitisch staal en gietstukken en van stukken met grote doorsnede in ferritisch staal.

5. Instrumentatie (experimenteel werk)

   - Gedrag op lange en middellange termijn van chromel-alumel thermokoppels in reactorkernen

   - Gedrag onder trillingen van structuurcomponenten in beperkte ruimten (interactie vloeistof-structuur)

- Vroegtijdige detectie van bedrijfsanomalieën
  - ≠ toezicht op roterende machines
  - ≠ analyse van temperatuurschommelingen in het koelmiddel.

6. Algemene kwaliteitscontrole

   - Kwaliteitscontrole van splijtstof (meer bepaald door neutronografie van Pu-splijtstof).

7 Radioecologie

   - Atmosferische diffusie van gasvormige en deeltjesvormige lozingen van kerncentrales

   - Radiologische bewaking van kerncentrale-vestigingen
     - ≠ Bewaking van de lucht
     - ≠ Bewaking van rivierwater en sedimenten
     - ≠ Bewaking van de grondlsag.

   - Studies van de biologische kringloop van de radioactiviteit

   - Verband tussen stralingsdosis en biologische effecten.

8. Tussenkomst in geval van kernongeval

   - Organisatie van een noodplan en coordinatie van de ter beschikking staande hulpmiddelen voor tussenkomst

   - Medische tussenkomst bij kernongevallen.

PATENTAANHANGSEL

A. Indien in de loop van of naar aanleiding van deze technische uitwisseling en samenwerkingsovereenkomst tussen de U.S.N.R.C. en de Belgische Regering een uitvinding wordt gedaan door een uitvinder van de ene Partij (Uitvinder-Partij) als rechtstreeks gevolg van informatie verkregen van de andere Partij (Ontvanger-Partij) tijdens het bijwonen van bijeenkomsten of het gebruiken van gegevens die doorgegeven zijn onder deze overeenkomst, dan verkrijgt de Uitvinder-Partij alle rechten op de uitvinding, inclusief het recht tot verkrijgen van een patent in alle landen, het land van de Ontvanger-Partij uitgezonderd. De Ontvanger-Partij ontvangt alle rechten op de uitvinding in zijn eigen land, inclusief het recht tot het verkrijgen van een patent. Ten aanzien van patent-aanvragen en patenten verkregen in zijn eigen land, verleent elke Partij aan de andere Partij een kosteloze, niet-exclusieve, onherroepelijke vergunning met het recht tot verlenen van onder-vergunning voor aanwendingen op het gebied der atoom-energie. Ten aanzien van patent-aanvragen en patenten verkregen in derde landen, verleent de Uitvinder-Partij zulk een vergunning in alle derde landen.

B. Elke Partij is verantwoordelijk voor het betalen van vergoedingenen toelagen aan zijn onderdanen overeenkomstig de nationale wetgeving.

UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

Aviation: Testing and Development of Anti-Misting Kerosene and Related Equipment

Memorandum of understanding signed at Washington and London June 1 and 14, 1978;
Entered into force June 14, 1978.

MEMORANDUM OF UNDERSTANDING

between

THE GOVERNMENT OF

THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND

represented by

THE UNITED KINGDOM PROCUREMENT EXECUTIVE OF
THE MINISTRY OF DEFENCE

and

THE GOVERNMENT OF THE UNITED STATES OF AMERICA

represented by

THE UNITED STATES

DEPARTMENT OF TRANSPORTATION/FEDERAL AVIATION
ADMINISTRATION

concerning

CO-OPERATION IN THE TESTING AND DEVELOPMENT

of

ANTI-MISTING KEROSENE AND RELATED EQUIPMENT

SHORT TITLE

AMK

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SECTION I

INTRODUCTION

A. The Government of the United Kingdom of Great Britain and Northern Ireland, represented by the Procurement Executive of the Ministry of Defence (MOD(PE)) and the Government of the United States of America represented by the Department of Transportation, Federal Aviation Administration (DOT/FAA) with the purpose of saving lives and property through reducing the number and severity of fires following aircraft accidents in which there are survivors of the impact, intend to co-operate in the examination, development and testing of anti-misting kerosene fuels and of equipment related to the use of such fuels.

B. This co-operation will be undertaken by the MOD (PE) and the DOT/FAA each pursuing with their associates and contractors a part of the program of work set out in the Appendix to this Memorandum of Understanding.

C. This Memorandum of Understanding sets out the arrangements and procedures established by the Governments for co-operation in the carrying out of the program of work.

SECTION II

DEFINITIONS

In this Memorandum of Understanding:

(1) "Government" means the MOD(PE) or the DOT/FAA as the the context may require; and "Governments" mean the MOD(PE) and DOT/FAA.

(2) "Program of Work" means the work set out in the Appendix to this Memorandum of Understanding;

(3) "Related Work" means work relating to anti-misting safety fuels for use in aircraft carried out before the day of entry into operation of this Memorandum of Understanding by the representatives or agencies or by an agent or contractor of either of the governments or by a body under the control of either of the Governments.

(4) "Facility" means a laboratory test location or research establishment under the control of or under contract to one of the Governments.

SECTION III

MANAGEMENT

A. Each Government will appoint initially three members to a Management Group, whose function will be to undertake on behalf of the Governments the review of policy relative to, and general direction of, the program of work. Meetings of this Management Group will be held alternately in the United States and in the United Kingdom, and will be convened by a chairman, chosen from the members appointed by the host country. In the case of the United States, the co-chairman, and one other, will be from the DOT/FAA and the third will be from the National Aeronautics and Space Administration. In the case of the United Kingdom, the co-chairman will be from the MOD (PE) and the one representative each from the Department of Industry and the Civil Aviation Authority.

B. The Management Group will meet, as required, to review progress and establish program guidance and priorities at significant decision points in the program. It is expected that this will normally be not more than twice and not less than once a year. It is hoped in particular that a decision can be taken by the Management Group as early as possible, within the first two years of operation of this Memorandum of Understanding, as to the overall viability of this program of work. Such a decision will take into account the technical issues, the potential cost, and the prospects for international implementation of anti-misting kerosene fuels.

C. The Management Group will approve the appointment of two Project Officers, one from the DOT/FAA and one from the MOD (PE). These Project Officers will act alternately as chairman of a joint Technical Group to be responsible for the technical supervision of the program. Each Project Officer will select, with the approval of the appropriate National Co-Chairman of the Management Group, a maximum of four members each from the United States and the United Kingdom respectively for the Technical Group. In addition, as necessary, the two Project Officers may invite additional representation from specialized areas of technical expertise and experience.

D. Each Project Officer, advised by the Technical Group, will be responsible to the Management Group for:

(a) The implementation of his own Government's respective part of the programof work.

(b) The co-ordination of, and any modification of, the parts of the program of work. Modifications to the program will be effective provieed that they are set out in writing, signed by both Project Officers, and endorsed by the Management Group.

(3) Exchange of information arising from the program of work and related work in accordance with Section VI of this Memorandum of Understanding.

Meetings of the Technical Group will normally be held alternately in the United States and the United Kingdom, and will be arranged by the Project Officers as the work program requires.

The Project Officers will report, as required, to their respective Management Group Chairmen and may be invited to be in attendance at the meetings of the Management Group.

SECTION IV

COSTS AND SUPPLY OF MATERIALS

A. The cost of performing any item of the program of work will be borne by the Government in whose facility the item of work is performed unless otherwise specifically agreed by the Management Group.

B. The supply of information, material, or equipment by one Government to the other for the purpose of carrying out the program of work will normally be at the cost of the recipient Government but the cost chargeable to the recipient Government will be limited to the actual cost of procurement by the supplying Government plus normal transportation, insurance costs, and identifiable taxes and customs duties. These arrangements may be varied in specific instances by the Management Group.

C. Either Government may loan to the other information, equipment or material.

D. The recipient Government will use the information, material or equipment only for the purpose of the program of work and in cases of loans, will return the information, material, or equipment at the request of the supplying Government and in accordance with the applicable law.

E. Any arrangement necessitating transfer of funds, arising out of the transfer or loan of information, material, or equipment from one country to the other will be the subject of a separate arrangement between the Government or their respective agencies.

SECTION V

ACCESS TO FACILITIES

A. Each Government will afford all the members of the Technical Group appointed by the other Government (and any person acting for the other Government and authorized by the two Project Officers) access to its facilities for the purpose of aiding appreciation of the performance of any item of the program of work which may be in progress at the facility.

B. This access will be subject to reasonable notification and to the normal security restrictions in existence at the facility and will be subject to the provisions of Section VI and VII of this Memorandum of Understanding.

SECTION VI

EXCHANGE, USE AND COMMERCIAL SECURITY OF INFORMATION

A. The Governments intend, subject to the rights of third parties, to exchange regularly information in their possession and which relates to their respective part of the program of work. The information will be exchanged only through the medium of or with the concurrence of the Project Officers. All information exchanged will be, so far as is practical, in the form of documents.

B. The exchange of information will be on the basis that the information is supplied only for study and evaluation by the recipient Government and that the information will not, without the prior approval in writing of the Government supplying the information, or the owner of the information, be passed to a third person except as may be required by applicable law or published or used for the design, development, or improvement of equipments, chemical products or processes.

C. In furtherance of paragraph B above, each Government will make every effort that it legally may to maintain the information free from any liability to disclosure under any present or future legislative provisions. Each Government may mark documents transmitted to the other with words indicating their owner, their country of origin, that they relate to the program of work, and that they are furnished under conditions of confidence (i.e., are not to be disclosed to or used by a third party without the prior permission of the transmitting Government) or alternatively establishing the conditions of release. The recipient Government will confirm that the documents are received under the conditions indicated.

D. At the specific request of the transmitting Project Officer setting forth the reasons for the request, the intended recipient Project Officer will review documents prior to formal receipt and advise the other Project Officer of his Government's view of its ability to maintain the confidentiality of the documents under applicable law. In doubtful cases, the Project Officers will consult concerning what steps can be taken to provide for confidentiality. It is the understanding of the Governments that this provision should be invoked only in the most unusual circumstances.

E. Each Project Officer will ensure that any request under applicable law for disclosures of information in documents originating in the other country and furnished in accordance with this Memorandum of Understanding is promptly notified to the other Project Officer to afford the latter the opportunity to object to disclosure. The notification will identify applicable time limits and the legal principles involved in the request. If the Government processing the request determines that the requested information cannot legally be withheld, the Government's Project Officer will so advise the other Project Officer sufficiently in advance of the projected disclosure date to permit the latter to initiate whatever steps are deemed appropriate. In cases involving loaned information, the information will be returned to the lender, in accordance with the applicable law.

F. Each Government will grant to the other, or to a person nominated by the other, a licence on fair and reasonable terms to use, for commercial purposes in the United Kingdom and the United States and in other countries to which the licence may be extended under relevant laws and regulations, patented inventions and confidential technical information owned by the Government granting the licence and arising out of its respective part of the program of work. Each Government will also grant a similar licence in respect of patented inventions and confidential technical information which it owns and which arose out of related work.

G. In the event that personnel of both Governments or their contractors participating in the program of work make a joint invention, design, or discovery, then both Governments will in accordance with their national laws take appropriate action to ensure that both Governments or persons nominated by either of them will have the right to the free use for commercial purposes, in the United Kingdom and the United States and in other countries to which the licence may be extended under relevant laws and regulations, of the joint invention, design or discovery. The appropriate action may include making joint application for a patent and the assigning of the patent to one or jointly to both Governments and the granting of a free licence to one or both Governments or to a person nominated by either Government.

H. Any such licence as is referred to in paragraphs F or G of this Section will include the provision that the licencee will be obliged to inform the licencor of all developments, improvements, or inventions that the licencee may make in relation to the subject of the licence and will be obliged to grant a return licence on fair and reasonable terms to the licencor in respect of all the developments, improvements or inventions so made should the licencor so wish.

I. Each Government will use its good offices to arrange for a licence as described in paragraph F of this Section to be granted by a third person who may own relevant patented inventions, designs, discoveries or confidential information in respect of which Government does not have the right to grant such licences.

SECTION VII

MILITARY SECURITY

A. All classified information or material or equipment supplied in accordance with Section IV and VI will be protected in accordance with established security arrangements between the Government of the United Kingdom and the Government of the United States of America.

SECTION VIII

LIABILITY

Neither Government will be liable to the other for any damage, loss,, or injury to personnel, material, or equipment occasioned by or during any activities undertaken pursuant to this Memorandum of Understanding.

SECTION IX

INTERPRETATION, APPLICATION AND MODIFICATION

Any disagreement regarding the interpretation or application of this Memorandum of Understanding will be resolved by consultation between the Governments and will not be referred to any international tribunal or third party for settlement.

The terms of this Memorandum of Understanding may be modified as provided in Section IIID or by the Governments. In the second case, any modification will enter into operation on signature by the duly authorized representatives of the Governments.

SECTION X

ENTRY INTO OPERATION AND TERMINATION

A. This Memorandum of Understanding will enter into operation on the date on which it is signed on behalf of the two Governments. The program of work will be pursued for at least two years from the date on which this Memorandum of Understanding enters into operation. Either Government may terminate the pursuit of its respective part of the program of work after giving 90 days notice in writing.

B. In the event that one or both Governments terminate their participation in the program of work the understandings concerning exchange, use and commercial security of information as set out in Section VI and concerning Military Security as set out in Section VII will remain in effect.

SECTION XI

SIGNATURES OF AUTHORIZED REPRESENTATIVES

A. The foregoing represents the understandings reached between the Government of the United Kingdom of Great Britain and Northern Ireland represented by the Procurement Executive of the Ministry of Defence and the Government of the United States of America represented by the Department of Transportation, Federal Aviation Administration upon the matters referred to therein.

UNITED STATES
represented by
DOT/FEDERAL AVIATION ADMINISTRATION

By: Norman H Plummer [1]

Title: Assistant Administrator for International Aviation Affairs (Acting)

Date: June 1, 1978

UNITED KINGDOM
represented by
MINISTRY OF DEFENCE PROCUREMENT EXECUTIVE

By: Jack Burnham [2]

Title: Director of Resources & Programs

Date: 14 June '78

Appendix see over

[1] Norman H. Plummer.
[2] Jack Burnham
Director of Resources and Programs.

APPENDIX

PURPOSE OF JOINT US/UK PROGRAM

A. The purpose of the joint program is to reach an early decision whether anti-misting kerosene (AMK) is a potential candidate for certification or whether its ultimate use in commercial service is too improbable to justify further work. It is envisaged that this decision will be made by the Management Group before the end of FY-80.

B. The critical questions in evaluating the future potential of AMK for worldwide commercial service have been identified as:

1. Can the additive be made available in adequate quantities and at an acceptable cost with adequate control of quality for worldwide deployment?

2. What degree of protection would AMK provide in post-crash fuel fires?

a. a few minutes after refuelling; ie, typically in the take-off case;

b. at the end of a typical flight cycle; ie, typically in the approach/landing case.

3. What changes, if any, are necessary to enable a civil aircraft to use AMK? For example, are changes necessary to the fuel system tanks, pumps, filters, etc., and/or to the engine fuel management system?

4. Is it feasible in day-to-day commercial operation to blend the additive with kerosene at the fuelling point?

5. To what degree must AMK be degraded before it is suitable for operation in an engine system, and how can this controlled degradation be achieved?

FEDERAL AVIATION ADMINISTRATION

ANTI-MISTING KEROSENE (AMK) FUEL PROGRAM

1. OBJECTIVE. Determine compatibility of an aircraft fuel system using AMK fuel.

   APPROACH: A fuel system rig that is representative of a typical commercial aircraft will be selected to process AMK fuel through representative mission cycles. Test and evaluations of components will be made, followed by a complete integrated fuel system evaluation. The effect of the systems operation on the fuel anti-misting characteristics as required to assess any loss in fire resistance capability will be evaluated.

2. OBJECTIVE. Assess the fire resistance capability of AMK conducted under representative impact-survivable crash conditions.

   APPROACH: Aircraft with large fuel capacity will be subjected to simulated survivable crash conditions to confirm the evidence available from small-scale test results. It is envisioned that up to two tests will be accomplished in FY-78 and a potential of 3-6 tests in FY-79.

3. OBJECTIVE. By fire test simulation, expand range of knowledge of fire resistance capabilities of AMK.

   APPROACH: A fire test rig will be developed that will provide a wider range of post-crash conditions than now exists. Data will be collected for increased dump rates over a range of velocities to supplement existing data.

4. OBJECTIVE: Develop a suitable method for degrading and measuring AMK fuel properties for use in aircraft turbine engines.

   APPROACH: A review will be made of concepts for the degradation of AMK. One or two the most promising concepts will be experimentally evaluated. As a companion effort, methods or equipment as required to measure fire resistance quality of the AMK will be developed.

UNITED KINGDOM PROGRAM

1. OBJECTIVE. To develop methods of producing AMK at an acceptable cost and to an acceptable level of quality on a large scale.

   APPROACH: Problems arising in the worldwide manufacture of AMK will be investigated. In particular solutions will be sought to the problems of quality control of the additive/carrier fluid dispersion and the stability of such dispersions.

2. OBJECTIVE. To demonstrate the feasibility of blending FM9 with kerosene at the aircraft fuelling point at or near realistic aircraft fuelling rates.

   APPROACH: Final optimization of additive/carrier fluid dispersion will be made with the object of ensuring rapid blending of the additive with fuel and the development of fire resistance of the blend within an acceptable time. A suitable blender will be constructed capable of handling flow rates at or near full scale.

3. OBJECTIVE: To demonstrate the fire resistance of AMK under a wide range of conditions.

   APPROACH: Rocket-sled fire tests will be carried out on FM9 dispersions in a range of kerosenes of different chemical compositions including fuels of relayed specification having lower flash points. Tests on fuels made from aged dispersions and on fuels degraded in typical fuel systems will be included.

4. OBJECTIVE: To investigate the feasibility of degrading AMK to an acceptable level by means of a rotary mechanical device.

   APPROACH: The rotary mechanical degrader already developed at RAE will be optimized and scaled-up.

5. OBJECTIVE. To demonstrate the compatibility of AMK with typical fuel system components and to determine the degree to which the fuel is degraded by such components.

   APPROACH: The effectiveness of typical fuel system components with AMK will be determined. The degree to which AMK is degraded by such components will also be determined.

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5. OBJECTIVE. To determine whether AMK will give rise to serious problems in the presence of water.

APPROACH: The compatibility of water with fuels containing FM9 will be determined over a range of realistic operational conditions.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

1. OBJECTIVE. Examine present day jet aircraft engine components with a view toward defining the problems associated with operating on AMK.

APPROACH: Conduct all-up engine tests to map undefined areas needing further investigation. Concurrently, perform single combustor tests to characterize the effect of AMK on engine starting, altitude relight, emission, performance, deposits, liner temperature, efficiency, etc.

2. OBJECTIVE. Perform basic rheology studies to characterize AMK.

APPROACH: Establish means of ascribing "quality" of degraded AMK. Examine degrader concepts. Investigate pool fire build-up inhibition.

CANADA

Great Lakes Water Quality, 1978

Agreement signed at Ottawa November 22, 1978;
Entered into force November 22, 1978.

AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND CANADA ON GREAT LAKES WATER QUALITY, 1978

The Government of the United States of America and the Government of Canada,

Having in 1972 entered into an Agreement on Great Lakes Water Quality; [1]

Reaffirming their determination to restore and enhance water quality in the Great Lakes System;

Continuing to be concerned about the impairment of water quality on each side of the boundary to an extent that is causing injury to health and property on the other side, as described by the International Joint Commission;

Reaffirming their intent to prevent further pollution of the Great Lakes Basin Ecosystem owing to continuing population growth, resource development and increasing use of water;

Reaffirming in a spirit of friendship and cooperation the rights and obligations of both countries under the Boundary Waters Treaty, signed on January 11, 1909, [2] and in particular their obligation not to pollute boundary waters;

Continuing to recognize the rights of each country in the use of its Great Lakes waters;

Having decided that the Great Lakes Water Quality Agreement of April 15, 1972 and subsequent reports of the International Joint Commission provide a sound basis for new and more effective cooperative actions to restore and enhance water quality in the Great Lakes Basin Ecosystem;

Recognizing that restoration and enhancement of the boundary waters can not be achieved independently of other parts of the Great Lakes Basin Ecosystem with which these waters interact;

Concluding that the best means to preserve the aquatic ecosystem and achieve improved water quality throughout the Great Lakes System is by adopting common objectives, developing and implementing cooperative programs and other measures, and

[1] TIAS 7312, 7747, 23 UST 301, 24 UST 2268.
[2] TS 548, 36 Stat. 2448.
[Footnotes added by the Department of State.]

assigning special responsibilities and functions to the International Joint Commission;

Have agreed as follows:

ARTICLE I

DEFINITIONS

As used in this Agreement:

(a) "Agreement" means the present Agreement as distinguished from the Great Lakes Water Quality Agreement of April 15, 1972;

(b) "Annex" means any of the Annexes to this Agreement, each of which is attached to and forms an integral part of this Agreement;

(c) "Boundary waters of the Great Lakes System" or "boundary waters" means boundary waters, as defined in the Boundary Waters Treaty, that are within the Great Lakes System;

(d) "Boundary Waters Treaty" means the Treaty between the United States and Great Britain Relating to Boundary Waters, and Questions Arising Between the United States and Canada, signed at Washington on January 11, 1909;

(e) "Compatible regulations" means regulations no less restrictive than the agreed principles set out in this Agreement;

(f) "General Objectives" are broad descriptions of water quality conditions consistent with the protection of the beneficial uses and the level of environmental quality which the Parties desire to secure and which will provide overall water management guidance;

(g) "Great Lakes Basin Ecosystem" means the interacting components of air, land, water and living organisms, including man, within the drainage basin of the St. Lawrence River at or upstream from the point at which this river becomes the international boundary between Canada and the United States;

(h) "Great Lakes System" means all of the streams, rivers, lakes and other bodies of water that are within the drainage basin on the St. Lawrence River at or upstream from the point at which this river becomes the international boundary between Canada and the United States;

(i) "Harmful quantity" means any quantity of a substance that if discharged into receiving water would be inconsistent with the achievement of the General and Specific Objectives;

(j) "Hazardous polluting substance" means any element or compound identified by the Parties which, if discharged in any quantity into or upon receiving waters or adjoining shorelines, would present an imminent and substantial danger to public health or welfare; for this purpose, "public health or welfare" encompasses all factors affecting the health and welfare of man including but not limited to human health, and the conservation and protection of flora and fauna, public and private property, shorelines and beaches;

(k) "International Joint Commmission" or "Commission" means the International Joint Commission established by the Boundary Waters Treaty;

(l) "Monitoring" means a scientifically designed system of continuing standardized measurements and observations and the evaluation thereof;

(m) "Objectives" means the General Objectives adopted pursuant to Article III and the Specific Objectives adopted pursuant to Article IV of this Agreement;

(n) "Parties" means the Government of Canada and the Government of the United States of America;

(o) "Phosphorus" means the element phosphorus present as a constituent of various organic and inorganic complexes and compounds;

(p) "Research" means development, demonstration and other research activities but does not include monitoring and surveillance of water or air quality;

(q) "Science Advisory Board" means the Great Lakes Science Advisory Board of the International Joint Commission established pursuant to Article VIII of this Agreement,

(r) "Specific Objectives" means the concentration or quantity of a substance or level of effect that the Parties agree, after investigation, to recognize as a maximum or minimum desired limit for a defined body of water or portion thereof, taking into account the beneficial uses or level of environmental quality which the Parties desire to secure and protect;

(s) "State and Provincial Governments" means the Governments of the States of Illinois, Indiana, Michigan, Minnesota, New York, Ohio, Wisconsin and the Commonwealth of Pennsylvania, and the Government of the Province of Ontario;

(t) "Surveillance" means specific observations and measurements relative to control or management;

(u) "Terms of Reference" means the Terms of Reference for the Joint Institutions and the Great Lakes Regional Office established pursuant to this Agreement, which are attached to and form an integral part of this Agreement;

(v) "Toxic substance" means a substance which can cause death, disease, behavioural abnormalties, cancer, genetic mutations, physiological or reproductive malfunctions or physical deformities in any organism or its offspring, or which can become poisonous after concentration in the food chain or in combination with other substances;

(w) "Tributary waters of the Great Lakes System" or "tributary waters" means all the waters within the Great Lakes System that are not boundary waters;

(x) "Water Quality Board" means the Great Lakes Water Quality Board of the International Joint Commission established pursuant to Article VIII of this Agreement.

ARTICLE II

PURPOSE

The purpose of the Parties is to restore and maintain the chemical, physical, and biological integrity of the waters of the Great Lakes Basin Ecosystem. In order to achieve this purpose, the Parties agree to make a maximum effort to develop programs, practices and technology necessary for a better understanding of the Great Lakes Basin Ecosystem and to eliminate or reduce to the maximum extent practicable the discharge of pollutants into the Great Lakes System.

Consistent with the provisions of this Agreement, it is the policy of the Parties that:

(a) The discharge of toxic substances in toxic amounts be prohibited and the discharge of any or all persistent toxic substances be virtually eliminated;

(b) Financial assistance to construct publicly owned waste treatment works be provided by a combination of local, state, provincial, and federal participation; and

(c) Coordinated planning processes and best management practices be developed and implemented by the respective jurisdictions to ensure adequate control of all sources of pollutants.

ARTICLE III

GENERAL OBJECTIVES

The Parties adopt the following General Objectives for the Great Lakes System. These waters should be:

(a) Free from substances that directly or indirectly enter the waters as a result of human activity and that will settle to form putrescent or otherwise objectionable sludge deposits, or that will adversely affect aquatic life or waterfowl;

(b) Free from floating materials such as debris, oil, scum, and other immiscible substances resulting from human activities in amounts that are unsightly or deleterious;

(c) Free from materials and heat directly or indirectly entering the water as a result of human activity that alone, or in combination with other materials, will produce colour, odour, taste, or other conditions in such a degree as to interfere with beneficial uses;

(d) Free from materials and heat directly or indirectly entering the water as a result of human activity that alone, or in combination with other materials, will produce conditions that are toxic or harmful to human, animal, or aquatic life; and

(e) Free from nutrients directly or indirectly entering the waters as a result of human activity in amounts that create growths of aquatic life that interfere with beneficial uses.

ARTICLE IV

SPECIFIC OBJECTIVES

1. The Parties adopt the Specific Objectives for the boundary waters of the Great Lakes System as set forth in Annex 1, subject to the following:

(a) The Specific Objectives adopted pursuant to this Article represent the minimum levels of water quality desired in the boundary waters of the Great Lakes System and are not intended to preclude the establishment of more stringent requirements.

(b) The determination of the achievement of Specific Objectives shall be based on statistically valid sampling data.

(c) Notwithstanding the adoption of Specific Objectives, all reasonable and practicable measures shall be taken to maintain or improve the existing water quality in those areas of the boundary waters of the Great Lakes System where such water quality is better than that prescribed by the Specific Objectives, and in those areas having outstanding natural resource value

(d) The responsible regulatory agencies shall not consider flow augmentation as a substitute for adequate treatment to meet the Specific Objectives.

(e) The Parties recognize that in certain areas of inshore waters natural phenomena exist which, despite the best efforts of the Parties, will prevent the achievement of some of the Specific Objectives. As early as possible, these areas should be identified explicitly by the appropriate jurisdictions and reported to the International Joint Commission.

(f) Limited use zones in the vicinity of present and future municipal, industrial and tributary point source discharges shall be designated by the responsible regulatory agencies within which some of the Specific Objectives may not apply. Establishment of these zones shall not be considered a substitute for adequate treatment or control of discharges at their source. The size shall be minimized to the greatest possible degree, being no larger than that attainable by all reasonable and practicable effluent treatment measures. The boundary of a limited use zone shall not transect the international boundary. Principles for the designation of limited use zones are set out in Annex 2.

2. The Specific Objectives for the boundary waters of the Great Lakes System or for particular portions thereof shall be kept under review by the Parties and by the International Joint Commission, which shall make appropriate recommendations.

3. The Parties shall consult on:

(a) The establishment of Specific Objectives to protect beneficial uses from the combined effects of pollutants; and

(b) The control of pollutant loading rates for each lake basin to protect the integrity of the ecosystem over the long term.

ARTICLE V

STANDARDS, OTHER REGULATORY REQUIREMENTS, AND RESEARCH

1. Water quality standards and other regulatory requirements of the Parties shall be consistent with the achievement of the General and Specific Objectives. The Parties shall use their best efforts to ensure that water quality standards and other regulatory requirements of the State and Provincial Governments shall similarly be consistent with the achievement of these Objectives. Flow augmentation shall not be considered as a substitute for adequate treatment to meet water quality standards or other regulatory requirements.

2. The Parties shall use their best efforts to ensure that:

(a) The principal research funding agencies in both countries orient the research programs of their organizations in response to research priorities identified by the Science Advisory Board and recommended by the Commission; and

(b) Mechanisms be developed for appropriate cost-effective international cooperation.

ARTICLE VI

PROGRAMS AND OTHER MEASURES

1. The Parties shall continue to develop and implement programs and other measures to fulfil the purpose of this Agreement and to meet the General and Specific Objectives. Where present treatment is inadequate to meet the General and Specific Objectives, additional treatment shall be required. The programs and measures shall include the following:

(a) Pollution from Municipal Sources. Programs for the abatement, control and prevention of municipal discharges and urban drainage into the Great Lakes System. These programs shall be completed and in operation as soon as practicable, and in the case of municipal sewage treatment facilities no later than December 31, 1982. These programs shall include:

(i) Construction and operation of waste treatment facilities in all municipalities having sewer systems to provide levels of treatment consistent with the achievement of phosphorus requirements and the General and Specific Objectives, taking into account the effects of waste from other sources;

(ii) Provision of financial resources to ensure prompt construction of needed facilities;

(iii) Establishment of requirements for construction and operating standards for facilities;

(iv) Establishment of pre-treatment requirements for all industrial plants discharging waste into publicly owned treatment works where such industrial wastes are not amenable to adequate treatment or removal using conventional municipal treatment processes;

(v) Development and implementation of practical programs for reducing pollution from storm, sanitary, and combined sewer discharges; and

(vi) Establishment of effective enforcement programs to ensure that the above pollution abatement requirements are fully met.

(b) Pollution from Industrial Sources. Programs for the abatement, control and prevention of pollution from industrial sources entering the Great Lakes System. These programs shall be completed and in operation as soon as practicable and in any case no later than December 31, 1983, and shall include:

(i) Establishment of waste treatment or control requirements expressed as effluent limitations (concentrations and/or loading limits for specific pollutants where possible) for all industrial plants, including power generating facilities, to provide levels of treatment or reduction or elimination of inputs of substances and effects consistent with the achievement of the General and Specific Objectives and other control requirements, taking into account the effects of waste from other sources;

(ii) Requirements for the substantial elimination of discharges into the Great Lakes System of persistent toxic substances;

(iii) Requirements for the control of thermal discharges;

(iv) Measures to control the discharge of radioactive materials into the Great Lakes System;

(v) Requirements to minimize adverse environmental impacts of water intakes;

(vi) Development and implementation of programs to meet industrial pre-treatment requirements as specified under sub-paragraph (a) (iv) above; and

(vii) Establishment of effective enforcement programs to ensure the above pollution abatement requirements are fully met.

(c) Inventory of Pollution Abatement Requirements. Preparation of an inventory of pollution abatement requirements for all municipal and industrial facilities discharging into the Great Lakes System in order to gauge progress toward the earliest practicable completion and operation of the programs listed in sub-paragraphs (a) and (b) above. This inventory, prepared and revised annually, shall include compliance schedules and status of compliance with monitoring and effluent restrictions, and shall be made available to the International Joint Commission and to the public. In the initial preparation of this inventory, priority shall be given to the problem areas previously identified by the Water Quality Board.

(d) Eutrophication. Programs and measures for the reduction and control of inputs of phosphorus and other nutrients, in accordance with the provisions of Annex 3.

(e) Pollution from Agricultural, Forestry and Other Land Use Activities. Measures for the abatement and control of pollution from agricultural, forestry and other land use activities including:

(i) Measures for the control of pest control products used in the Great Lakes Basin to ensure that pest control products likely to have long-term deleterious effects on the quality of water or its biota be used only as authorized by the responsible regulatory agencies; that inventories of pest control products used in the Great Lakes Basin be established and maintained by appropriate agencies; and that research and educational programs be strengthened to facilitate integration of cultural, biological and chemical pest control techniques;

(ii) Measures for the abatement and control of pollution from animal husbandry operations, including encouragement to appropriate agencies to adopt policies and regulations regarding utilization of animal wastes, and site selection and disposal of liquid and solid wastes, and to strengthen educational and technical assistance programs to enable farmers to establish waste utilization, handling and disposal systems;

(iii) Measures governing the hauling and disposal of liquid and solid wastes, including encouragement to appropriate regulatory agencies to ensure proper location, design, and regulation governing land disposal, and to ensure sufficient, adequately trained technical and administrative capability to review plans and to supervise and monitor systems for application of wastes on land;

(iv) Measures to review and supervise road salting practices and salt storage to ensure optimum use of salt and all-weather protection of salt stores in consideration of long-term environmental impact;

(v) Measures to control soil losses from urban and suburban as well as rural areas;

(vi) Measures to encourage and facilitate improvements in land use planning and management programs to take account of impacts on Great Lakes water quality;

(vii) Other advisory programs and measures to abate and control inputs of nutrients, toxic substances and sediments from agricultural, forestry and other land use activities; and

(viii) Consideration of future recommendations from the International Joint Commission based on the Pollution from Land Use Activities Reference.

(f) Pollution from Shipping Activities. Measures for the abatement and control of pollution from shipping sources, including:

(i) Programs and compatible regulations to prevent discharges of harmful quantities of oil and hazardous polluting substances, in accordance with Annex 4;

(ii) Compatible regulations for the control of discharges of vessel wastes, in accordance with Annex 5;

(iii) Such compatible regulations to abate and control pollution from shipping sources as may be deemed desirable in the light of continuing reviews and studies to be undertaken in accordance with Annex 6;

(iv) Programs and any necessary compatible regulations in accordance with Annexes 4 and 5, for the safe and efficient handling of shipboard generated wastes, including oil, hazardous polluting substances, garbage, waste water and sewage, and for their subsequent disposal, including the type and quantity of reception facilities and, if applicable, treatment standards; and

(v) Establishment by the Canadian Coast Guard and the United States Coast Guard of a coordinated system for aerial and surface surveillance for the purpose of enforcement of regulations and the early identification, abatement and clean-up of spills of oil, hazardous polluting substances, or other pollution.

(g) Pollution from Dredging Activities. Measures for the abatement and control of pollution from all dredging activities, including the development of criteria for the identification of polluted sediments and compatible programs for disposal of polluted dredged material, in accordance with Annex 7 Pending the development of compatible criteria and programs, dredging operations shall be conducted in a manner that will minimize adverse effects on the environment.

(h) Pollution from Onshore and Offshore Facilities. Measures for the abatement and control of pollution from onshore and offshore facilities, including programs and compatible regulations for the prevention of discharges of harmful quantities of oil and hazardous polluting substances, in accordance with Annex 8.

(i) Contingency Plan. Maintenance of a joint contingency plan for use in the event of a discharge or the imminent threat of a discharge of oil or hazardous polluting substances, in accordance with Annex 9.

(j) Hazardous Polluting Substances. Implementation of Annex 10 concerning hazardous polluting substances. The Parties shall further consult from time to time for the purpose of revising the list of hazardous polluting substances and of identifying harmful quantities of these substances.

(k) Persistent Toxic Substances. Measures for the control of inputs of persistent toxic substances including control programs for their production, use, distribution and disposal, in accordance with Annex 12.

(l) Airborne Pollutants. Programs to identify pollutant sources and relative source contributions, including the more accurate definition of wet and dry deposition rates, for those substances which may have significant adverse effects on environmental quality including the

indirect effects of impairment of tributary water quality through atmospheric deposition in drainage basins. In cases where significant contributions to Great Lakes pollution from atmospheric sources are identified, the Parties agree to consult on appropriate remedial programs.

(m) Surveillance and Monitoring. Implementation of a coordinated surveillance and monitoring program in the Great Lakes System, in accordance with Annex 11, to assess compliance with pollution control requirements and achievement of the Objectives, to provide information for measuring local and whole lake response to control measures, and to identify emerging problems.

2. The Parties shall develop and implement such additional programs as they jointly decide are necessary and desirable to fulfil the purpose of this Agreement and to meet the General and Specific Objectives.

ARTICLE VII

POWERS, RESPONSIBILITIES AND FUNCTIONS OF THE INTERNATIONAL JOINT COMMISSION

1. The International Joint Commission shall assist in the implementation of this Agreement. Accordingly, the Commission is hereby given, by a Reference pursuant to Article IX of the Boundary Waters Treaty, the following responsibilities:

(a) Collation, analysis and dissemination of data and information supplied by the Parties and State and Provincial Governments relating to the quality of the boundary waters of the Great Lakes System and to pollution that enters the boundary waters from tributary waters and other sources;

(b) Collection, analysis and dissemination of data and information concerning the General and Specific Objectives and the operation and effectiveness of the programs and other measures established pursuant to this Agreement;

(c) Tendering of advice and recommendations to the Parties and to the State and Provincial Governments on problems of and matters related to the quality of the boundary waters of the Great Lakes System including specific recommendations concerning the General and Specific Objectives, legislation, standards and other regulatory requirements, programs and other measures, and intergovernmental agreements relating to the quality of these waters;

(d) Tendering of advice and recommendations to the Parties in connection with matters covered under the Annexes to this Agreement;

(e) Provision of assistance in the coordination of the joint activities envisaged by this Agreement;

(f) Provision of assistance in and advice on matters related to research in the Great Lakes Basin Ecosystem, including identification of objectives for research activities, tendering of advice and recommendations concerning research to the Parties and to the State and Provincial Governments, and dissemination of information concerning research to interested persons and agencies;

(g) Investigations of such subjects related to the Great Lakes Basin Ecosystem as the Parties may from time to time refer to it.

2. In the discharge of its responsibilities under this Reference, the Commission may exercise all of the powers conferred upon it by the Boundary Waters Treaty and by any legislation passed pursuant thereto including the power to conduct public hearings and to compel the testimony of witnesses and the production of documents.

3. The Commission shall make a full report to the Parties and to the State and Provincial Governments no less frequently than biennially concerning progress toward the achievement of the General and Specific Objectives including, as appropriate, matters related to Annexes to this Agreement. This report shall include an assessment of the effectiveness of the programs and other measures undertaken pursuant to this Agreement, and advice and recommendations. In alternate years the Commission may submit a summary report. The Commission may at any time make special reports to the Parties, to the State and Provincial Governments and to the public concerning any problem of water quality in the Great Lakes System.

4. The Commission may in its discretion publish any report, statement or other document prepared by it in the discharge of its functions under this Reference.

5. The Commission shall have authority to verify independently the data and other information submitted by the Parties and by the State and Provincial Governments through such tests or other means as appear appropriate to it, consistent with the Boundary Waters Treaty and with applicable legislation.

6. The Commission shall carry out its responsibilities under this Reference utilizing principally the services of the Water Quality Board and the Science Advisory Board established under Article VIII of this Agreement. The Commission shall also ensure liaison and coordination between the institutions established under this Agreement and other institutions which may address concerns relevant to the Great Lakes Basin Ecosystem, including both those within its purview, such as those Boards related to Great Lakes levels and air pollution matters, and other international bodies, as appropriate.

ARTICLE VIII

JOINT INSTITUTIONS AND REGIONAL OFFICE

1. To assist the International Joint Commission in the exercise of the powers and responsibilities assigned to it under this Agreement, there shall be two Boards:

(a) A Great Lakes Water Quality Board which shall be the principal advisor to the Commission. The Board shall be composed of an equal number of members from Canada and the United States, including representatives from the Parties and each of the State and Provincial Governments; and

(b) A Great Lakes Science Advisory Board which shall provide advice on research to the Commission and to the Water Quality Board. The Board shall further provide advice on scientific matters referred to it by the Commission, or by the Water Quality Board in consultation with the Commission. The Science Advisory

Board shall consist of managers of Great Lakes research programs and recognized experts on Great Lakes water quality problems and related fields.

2. The members of the Water Quality Board and the Science Advisory Board shall be appointed by the Commission after consultation with the appropriate government or governments concerned. The functions of the Boards shall be as specified in the Terms of Reference appended to this Agreement.

3. To provide administrative support and technical assistance to the two Boards, and to provide a public information service for the programs, including public hearings, undertaken by the International Joint Commission and by the Boards, there shall be a Great Lakes Regional Office of the International Joint Commission. Specific duties and organization of the Office shall be as specified in the Terms of Reference appended to this Agreement.

4. The Commission shall submit an annual budget of anticipated expenses to be incurred in carrying out its responsibilities under this Agreement to the Parties for approval. Each Party shall seek funds to pay one-half of the annual budget so approved, but neither Party shall be under an obligation to pay a larger amount than the other toward this budget.

ARTICLE IX

SUBMISSION AND EXCHANGE OF INFORMATION

1. The International Joint Commission shall be given at its request any data or other information relating to water quality in the Great Lakes System in accordance with procedures established by the Commission.

2. The Commission shall make available to the Parties and to the State and Provincial Governments upon request all data or other information furnished to it in accordance with this Article.

3. Each Party shall make available to the other at its request any data or other information in its control relating to water quality in the Great Lakes System.

4. Notwithstanding any other provision of this Agreement, the Commission shall not release without the consent of the owner any information identified as proprietary information under the law of the place where such information has been acquired.

ARTICLE X

CONSULTATION AND REVIEW

1. Following the receipt of each report submitted to the Parties by the International Joint Commission in accordance with paragraph 3 of Article VII of this Agreement, the Parties shall consult on the recommendations contained in such report and shall consider such action as may be appropriate, including:

(a) The modification of existing Objectives and the adoption of new Objectives;

(b) The modification or improvement of programs and joint measures; and

(c) The amendment of this Agreement or any Annex thereto.

Additional consultations may be held at the request of either Party on any matter arising out of the implementation of this Agreement.

2. When a Party becomes aware of a special pollution problem that is of joint concern and requires an immediate response, it shall notify and consult the other Party forthwith about appropriate remedial action.

3. The Parties shall conduct a comprehensive review of the operation and effectiveness of this Agreement following the third biennial report of the Commission required under Article VII of this Agreement.

ARTICLE XI

IMPLEMENTATION

1. The obligations undertaken in this Agreement shall be subject to the appropriation of funds in accordance with the constitutional procedures of the Parties.

2. The Parties commit themselves to seek:

(a) The appropriation of the funds required to implement this Agreement, including the funds needed to develop and implement the programs and other measures provided for in Article VI of this Agreement, and the funds required by the International Joint Commission to carry out its responsibilities effectively;

(b) The enactment of any additional legislation that may be necessary in order to implement the programs and other measures provided for in Article VI of this Agreement; and

(c) The cooperation of the State and Provincial Governments in all matters relating to this Agreement.

ARTICLE XII

EXISTING RIGHTS AND OBLIGATIONS

Nothing in this Agreement shall be deemed to diminish the rights and obligations of the Parties as set forth in the Boundary Waters Treaty.

ARTICLE XIII

AMENDMENT

1. This Agreement, the Annexes, and the Terms of Reference may be amended by agreement of the Parties. The Annexes may also be amended as provided therein, subject to the requirement that such amendments shall be within the scope of this Agreement. All such amendments to the Annexes shall be confirmed by an exchange of notes or letters between the Parties through diplomatic channels which shall specify the effective date or dates of such amendments.

2. All amendments to this Agreement, the Annexes, and the Terms of Reference shall be communicated promptly to the International Joint Commission.

ARTICLE XIV

ENTRY INTO FORCE AND TERMINATION

This Agreement shall enter into force upon signature by the duly authorized representatives of the Parties, and shall remain in force for a period of five years and thereafter until terminated upon twelve months' notice given in writing by one of the Parties to the other.

ARTICLE XV

SUPERSESSION

This Agreement supersedes the Great Lakes Water Quality Agreement of April 15, 1972, and shall be referred to as the "Great Lakes Water Quality Agreement of 1978".

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ACCORD DE 1978 ENTRE LES ÉTATS-UNIS D'AMÉRIQUE ET LE CANADA RELATIF À LA QUALITÉ DE L'EAU DANS LES GRANDS LACS

Le Gouvernement des États-Unis d'Amérique et le Gouvernement du Canada,

Ayant conclu en 1972 un Accord relatif à la qualité de l'eau dans les Grands lacs;

Réaffirment leur détermination à restaurer et à améliorer la qualité de l'eau dans le bassin des Grands lacs;

Continuent d'être préoccupés par la détérioration de la qualité de l'eau de chaque côté de la frontière, forte au point qu'elle cause des dommages à la santé et à la propriété de l'autre côté, comme l'a décrit la Commission mixte internationale;

Réaffirment leur intention d'arrêter la pollution dans l'écosystème du bassin des Grands lacs, favorisée par la croissance démographique ininterrompue, l'exploitation des ressources et l'utilisation croissante de l'eau;

Réaffirment, dans un esprit d'amitié et de coopération, les droits et les obligations conférés aux deux pays par le Traité des eaux limitrophes, signé le 11 janvier 1909, et en particulier l'obligation de ne pas polluer les eaux limitrophes;

Reconnaissent les droits que possède chaque pays à utiliser les eaux des Grands lacs;

Sont d'avis que l'Accord relatif à la qualité de l'eau dans les Grands lacs signé le 15 avril 1972, et les rapports subséquents de la Commission mixte internationale constituent un fondement solide pour une coopération renouvelée et plus efficace entre les deux pays afin de rétablir et d'améliorer la qualité de l'eau dans l'écosystème du bassin des Grands lacs;

Reconnaissent que le rétablissement et l'amélioration de la qualité des eaux limitrophes ne peuvent se faire indépendamment des autres éléments de l'écosystème du bassin des Grands lacs avec lesquels ces eaux sont en interaction;

Concluent que le meilleur moyen de protéger l'écosystème aquatique et d'améliorer la qualité de l'eau dans tout le bassin des Grands lacs est l'adoption d'objectifs communs, l'élaboration et la mise en oeuvre de programmes et de mesures de coopération et l'attribution de responsabilités et de fonctions particulières à la Commission mixte internationale; et

Conviennent en conséquence de ce qui suit:

ARTICLE PREMIER

DÉFINITIONS

Dans le présent Accord, l'expression

a) "Accord" désigne le présent Accord par opposition à l'Accord relatif à la qualité de l'eau dans les Grands lacs, entré en vigueur le 15 avril 1972;

b) "annexe" désigne tout document joint au présent Accord et en formant partie intégrante;

c) "eaux limitrophes du bassin des Grands lacs" ou "eaux limitrophes" désigne les eaux limitrophes, définies dans le Traité des eaux limitrophes, qui font partie du bassin des Grands lacs;

d) "Traité des eaux limitrophes" désigne le Traité entre les États-Unis et la Grande-Bretagne relatif aux eaux limitrophes et aux questions à régler entre les États-Unis et le Canada, signé à Washington le 11 janvier 1909;

e) "règlements compatibles" désigne les règlements non moins restrictifs que les principes acceptés dans le présent Accord;

f) "objectifs généraux" désigne les descriptions générales des conditions qualitatives de l'eau propres à la protection des utilisations bénéfiques de cette eau et au maintien de la qualité de l'environnement, que les Parties désirent établir et qui serviront de guide général de gestion des eaux;

g) "écosystème du bassin des Grands lacs" désigne les composantes interactives de l'air, de la terre et de l'eau et des organismes vivants, y compris l'Homme, qui se trouvent à l'intérieur du bassin de drainage du fleuve Saint-Laurent au point ou en amont du point où ce dernier devient la frontière entre le Canada et les États-Unis;

h) "bassin des Grands lacs" désigne tous les cours d'eau, lacs et autres entités d'eau qui se trouvent à l'intérieur du bassin de drainage du fleuve Saint-Laurent au point ou en amont du point où ce dernier devient la frontière entre le Canada et les États-Unis;

i) "quantité nuisible" désigne toute quantité par laquelle une substance rejetée dans les eaux empêche la réalisation des objectifs généraux et spécifiques;

j) "substance polluante dangereuse" désigne tout élément ou composé identifié par les Parties, qui s'il est rejeté en quelque quantité que ce soit dans les eaux ou sur la rive présente un danger imminent et sérieux pour la santé et le bien-être publics; à cette fin, l'expression "la santé ou le bien-être publics" englobe tous les facteurs qui influent sur la santé et le bien-être de l'Homme, y compris, mais non exclusivement, la protection de la flore et de la faune, des biens publics et privés, des rives et des plages;

k) "Commission mixte internationale" ou "Commission" désigne la Commission mixte internationale établie par le Traité des eaux limitrophes,

l) "contrôle" désigne un système scientifique de mesures et d'observations normalisées et suivies, et leur interprétation;

m) "objectifs" désigne les objectifs généraux adoptés conformément à l'article III et les objectifs spécifiques adoptés conformément à l'article IV du présent Accord;

n) "Parties" désigne le Gouvernement du Canada et le Gouvernement des États-Unis d'Amérique;

o) "phosphore" désigne le phosphore en tant qu'élément constitutif de divers complexes et composés organiques et inorganiques;

p) "recherche" désigne la mise au point, la démonstration et les autres activités connexes, à l'exclusion du contrôle et de la surveillance de la qualité de l'eau ou de l'air;

q) "Conseil consultatif scientifique" désigne le Conseil consultatif scientifique pour les eaux des Grands lacs, de la Commission mixte internationale, établi en vertu de l'article VIII du présent Accord;

r) "objectifs spécifiques" désigne la concentration ou la quantité d'une substance ou l'intensité d'un effet que les Parties conviennent de reconnaître, après étude, comme limite maximale ou minimale souhaitée pour une entité d'eau définie ou une partie déterminée de cette dernière, compte tenu des utilisations bénéfiques ou du degré de qualité de l'environnement que les Parties désirent assurer et protéger;

s) "Gouvernements des États et de la Province" désigne les Gouvernements des États de l'Illinois, de l'Indiana, du Michigan, du Minnesota, de New York, de l'Ohio et du Wisconsin, le Gouvernement du Commonwealth de la Pennsylvanie et le Gouvernement de la Province de l'Ontario;

t) "surveillance" désigne des observations et des mesures particulières dans le cadre des activités de lutte ou de gestion;

u) "mandat" désigne le mandat des institutions mixtes et du Bureau régional des Grands lacs, établi conformément au présent Accord, joint à ce dernier et en faisant partie intégrante;

v) "substance toxique" désigne une substance qui, chez un organisme ou sa progéniture, peut provoquer la mort, la maladie, des troubles du comportement, le cancer, des mutations génétiques, des déficiences physiologiques ou de reproduction, des malformations, ou qui peut devenir poison après s'être accumulée dans la chaîne alimentaire ou combinée à d'autres substances;

w) "eaux tributaires du bassin des Grands lacs" ou "eaux tributaires" désigne toutes les eaux du bassin des Grands lacs qui ne sont pas limitrophes;

x) "Conseil de la qualité de l'eau" désigne le Conseil de la qualité de l'eau des Grands lacs, de la Commission mixte internationale, établi en vertu de l'article VIII du présent Accord.

ARTICLE II

OBJET DE L'ACCORD

Il est dans l'intention des Parties de rétablir et de conserver l'intégrité chimique, physique et biologique des eaux de l'écosystème du bassin des Grands lacs. À cette fin, les Parties conviennent de déployer le plus d'efforts possible pour élaborer des programmes, des pratiques et des techniques visant à mieux connaître cet écosystème et pour éliminer ou réduire le plus possible les rejets de polluants dans le bassin des Grands lacs.

Conformément aux dispositions du présent Accord, les Parties ont pour politique:

a) d'interdire les rejets de substances toxiques en quantités reconnues toxiques et de tâcher d'éliminer les rejets de toutes les substances toxiques rémanentes;

b) d'assurer une aide financière pour la construction d'ouvrages publics de traitement des eaux usées, par la participation sous une forme ou une autre, au niveau des localités, des États, de la Province et des pays; et

c) de faire élaborer et exécuter par les autorités respectives des méthodes de planification coordonées et les pratiques de gestion les plus efficaces possible en vue de lutter contre toutes sources de pollution.

ARTICLE III

OBJECTIFS GÉNÉRAUX

Les Parties adoptent les objectifs généraux suivants, à l'égard du bassin des Grands lacs, à savoir que ces eaux devraient être:

a) exemptes de substances qui y pénètrent directement ou indirectement à la suite d'activités humaines, qui s'y déposent pour former des boues putrescentes ou autrement inacceptables, ou qui ont un effet nocif sur la vie aquatique ou les oiseaux aquatiques;

b) exemptes de matières flottantes telles que débris, hydrocarbures, écume et autres substances non missibles résultant d'activités humaines, en quantités suffisantes pour être désagréables à la vue et nocifs;

c) exemptes de matières et de chaleur y pénétrant directement ou indirectement à la suite d'activités humaines et produisant, seules ou en combinaison avec d'autres matières, des couleurs, des odeurs, un goût ou d'autres altérations à un degré suffisant pour nuire aux utilisations de l'eau;

d) exemptes de matières ou de chaleur y pénétrant directement ou indirectement à la suite d'activités humaines qui, seules ou en combinaison avec d'autres matières, produisent des conditions toxiques pour l'Homme, les animaux ou la vie aquatique ou leur sont nuisibles; et

e) exemptes d'éléments nutritifs y pénétrant directement ou indirectement à la suite d'activités humaines, en quantités favorables à la prolifération de la vie aquatique, aux dépens des utilisations de l'eau.

ARTICLE IV

OBJECTIFS SPÉCIFIQUES

1. Les Parties adoptent les objectifs spécifiques énoncés à l'annexe 1, pour les eaux limitrophes du bassin des Grands lacs, sous réserve des dispositions suivantes:

a) Ces objectifs spécifiques représentent les limites minimales souhaitées pour la qualité des eaux limitrophes du bassin des Grands lacs et ne doivent pas empêcher l'adoption d'exigences plus strictes.

b) La conformité aux objectifs spécifiques doit être déterminée d'après des données d'échantillonnage statistiquement valides.

c) Nonobstant l'adoption d'objectifs spécifiques, toutes les mesures raisonnables et praticables doivent être prises pour préserver ou améliorer la qualité de l'eau dans les parties des eaux limitrophes du bassin des Grands lacs dont la qualité dépasse celle qui est prescrite en vertu

des objectifs spécifiques, et dans les zones désignées comme ayant une valeur exceptionnelle sur le plan des richesses naturelles.

d) Les organismes compétents investis d'un pouvoir de réglementation ne doivent pas envisager la dilution en remplacement des méthodes convenables de traitement, afin de satisfaire aux objectifs spécifiques.

e) Les Parties reconnaissent que, malgré tous leurs efforts, des phénomènes naturels empêcheront, dans certaines eaux intérieures, d'atteindre les objectifs spécifiques. Ces eaux devraient être le plus tôt possible explicitement désignées par les autorités compétentes et portées à la connaissance de la Commission mixte internationale.

f) Les organismes compétents investis d'un pouvoir de réglementation doivent désigner des zones d'utilisation restreinte auxquelles certains objectifs spécifiques peuvent ne pas s'appliquer à proximité de points de rejet actuels et futurs des effluents urbains et industriels et des tributaires. Ces zones ne doivent pas être considérées comme moyens de rechange au traitement ou à l'épuration des rejets à la source, et leurs dimensions doivent être réduites au minimum, de façon à être accessibles à toutes les mesures raisonnables et praticables de traitement des effluents. Une zone d'utilisation restreinte ne doit pas chevaucher la frontière internationale. Les principes devant servir à la désignation des zones d'utilisation restreinte font l'objet de l'annexe 2.

2. Les objectifs spécifiques applicables à la totalité ou à toute partie des eaux limitrophes du bassin des Grands lacs doivent être revus par les Parties et la Commission mixte internationale, laquelle doit faire les recommandations appropriées.

3. Les Parties doivent se consulter:

a) sur l'établissement d'objectifs spécifiques pour protéger les utilisations de l'eau contre les effets combinés des polluants; et

b) sur la réduction des apports de polluants dans chaque cuvette lacustre, pour protéger l'écosystème à long terme.

ARTICLE V

NORMES, AUTRES PRESCRIPTIONS ET RECHERCHE

1. Les normes de qualité de l'eau et les autres prescriptions des Parties doivent être compatibles avec les objectifs généraux et spécifiques. Les Parties doivent s'assurer dans la mesure du possible qu'il en va de même avec les normes et les prescriptions des États et de la Province. La dilution ne doit pas être envisagée en remplacement des méthodes convenables de traitement, afin de satisfaire aux normes applicables à la qualité de l'eau et aux autres prescriptions.

2. Les Parties doivent faire tout leur possible pour que:

a) les principaux organismes finançant la recherche dans les deux pays orientent leurs programmes en fonction des priorités fixées par le Conseil consultatif scientifique et recommandées par la Commission; et

b) des mécanismes soient élaborés en vue d'une collaboration internationale appropriée et efficace compte tenu du coût.

ARTICLE VI

PROGRAMMES ET AUTRES MESURES

1. Les Parties doivent continuer à élaborer et à appliquer des programmes et d'autres mesures pour assurer l'exécution du présent Accord et pour atteindre les objectifs généraux et spécifiques. Lorsque le traitement actuellement appliqué ne permet pas de se conformer à ces objectifs, un traitement supplémentaire est requis. Ces programmes et mesures comprennent:

a) Lutte contre la pollution urbaine Programmes pour réduire et prévenir la pollution due aux rejets et au drainage urbains dans le bassin des Grands lacs. Ces programmes doivent démarrer le plus tôt possible, et, dans le cas des installations municipales de traitement, au plus tard le 31 décembre 1982. Ils doivent comprendre:

(i) la construction et l'exploitation d'installations de traitement des eaux usées dans les municipalités dotées de réseaux d'égouts, afin d'assurer un traitement conforme aux degrés de déphosphatation visés et aux objectifs généraux et spécifiques, comptes tenu des effets de déchets provenant d'autres sources;

(ii) le financement permettant la construction rapide des installations nécessaires,

(iii) la prescription de normes pour la construction et l'exploitation des installations;

(iv) des prescriptions pour le traitement préalable de tous les effluents industriels rejetés dans les systèmes publics de traitement, dans les cas où ces effluents ne peuvent être bien traités ni bien épurés par les procédés classiques,

(v) l'élaboration et la mise en application de moyens éprouvés visant à réduire la pollution due aux rejets des systèmes d'évacuation pluviaux, pseudo-séparatifs et unitaires; et

(vi) la mise sur pied de programmes efficaces de coercition pour assurer le respect intégral des points mentionnés précédemment.

b) Lutte contre la pollution industrielle. Programmes pour réduire et prévenir la pollution industrielle dans le bassin des Grands lacs. Ces programmes doivent démarrer le plus tôt possible, en tous les cas au plus tard le 31 décembre 1983, et doivent comprendre:

(i) l'établissement de prescriptions pour le traitement ou le contrôle des eaux résiduaires, exprimées sous forme de limites (de concentration et/ou d'apport de polluants particuliers lorsque la chose est possible) applicables aux effluents de toutes les usines, y compris les centrales électriques, afin de parvenir à des niveaux de traitement, réduction ou élimination des substances et des effets, conformément aux objectifs généraux et spécifiques et aux autres prescriptions d'assainissement et compte tenu des effets des déchets provenant d'autres sources;

(ii) des prescriptions visant l'élimination dans une mesure appréciable des rejets de substances toxiques rémanentes dans le bassin des Grands lacs;

(iii) des prescriptions contre les rejets thermiques;

(iv) des mesures visant à empêcher le rejet de matières radioactives dans le bassin des Grands lacs;

(v) des prescriptions pour réduire au minimum les répercussions défavorables des prises d'eau sur l'environnement;

(vi) la mise au point et la réalisation de programmes visant à respecter les prescriptions de traitement préalable dans les industries, tel qu'il est indiqué à l'aliéna a)(iv) ci-dessus; et

(vii) l'élaboration de programmes efficaces de coercition pour assurer que les prescriptions susmentionnées sont tout à fait respectées.

c) Inventaire des prescriptions antipollution. Préparation d'un inventaire des prescriptions antipollution visant tous les établissements municipaux et industriels rejetant leurs effluents dans le bassin des Grands lacs, afin de mesurer les progrès réalisés en vue de la réalisation la plus rapide possible des programmes énumérés aux aliénas a) et b) ci-dessus. Cet inventaire, fait et révisé chaque année, comprendra des calendriers de réalisation et exposera dans quelle mesure les établissements se conforment aux exigences de contrôle et de traitement des effluents. L'inventaire sera révisé chaque année et mis à la disposition de la Commission mixte internationale et du public. Lors de la préparation initiale de cet inventaire, la priorité devrait être accordée aux régions critiques désignées par le Conseil de la qualité de l'eau.

d) Lutte contre l'eutrophisation. Mesures et programmes pour réduire et limiter les apports de phosphore et des autres éléments nutritifs, conformément aux dispositions de l'annexe 3.

e) Lutte contre la pollution causée par les exploitations agricoles et forestières et les autres activités liées à l'utilisation des terres. Mesures de réduction et de lutte, y compris:

(i) des mesures visant à limiter les apports de pesticides dans le bassin des Grands lacs, y compris des règlements pour faire en sorte: que les pesticides susceptibles d'être nocifs à long terme pour la qualité de l'eau ou de ses éléments biotiques ne soient utilisés que de la manière autorisée par les organismes compétents investis d'un pouvoir de réglementation; que des inventaires des utilisations des pesticides dans le bassin des Grands lacs soient dressés et tenus par les organismes compétents; et que les programmes de recherche et de vulgarisation soient raffermis, afin de faciliter l'utilisation de techniques culturales, biologiques et chimiques contre les ravageurs;

(ii) des mesures visant à réduire et à combattre la pollution causée par l'élevage, y compris des mesures visant à encourager les organismes compétents à adopter des politiques et des règlements concernant l'utilisation des déchets d'animaux et la sélection de l'emplacement des entreprises d'élevage et de l'élimination des déchets liquides et solides, et de raffermir les programmes pertinents de recherche et de vulgarisation afin de permettre aux agriculteurs d'instaurer des systèmes pour l'utilisation, la manutention et l'élimination des déchets;

(iii) des mesures régissant le transport et l'élimination des déchets liquides et solides, y compris des mesures visant à encourager les organismes compétents à réglementer l'élimination des substances polluantes sur le sol, ainsi que la conception et la sélection des lieux qui y sont consacrés et à s'assurer des compétences techniques et administratives suffisantes et adéquates pour l'examen des plans ainsi que pour la supervision et le contrôle des systèmes d'épandage des déchets sur le sol,

(iv) des mesures visant à examiner et à superviser les pratiques d'épandage de sel sur les routes et de stockage du sel afin d'en assurer une utilisation optimale et la protection des entrepôts en toutes saisons, compte tenu des répercussions à long terme sur l'environnement;

(v) des mesures contre l'érosion dans les régions urbaines et rurales;

(vi) des mesures visant à encourager et à faciliter les améliorations des programmes de planification et de gestion de l'utilisation des terres, de façon à tenir compte des répercussions sur la qualité de l'eau des Grands lacs;

(vii) d'autres mesures et programmes consultatifs destinés à diminuer et limiter les apports d'éléments nutritifs, de substances toxiques et de sédiments attribuables aux exploitations agricoles et forestières et aux autres activités liées à l'utilisation des terres; et

(viii) la prise en considération des recommandations futures de la Commission mixte internationale, fondées sur l'étude de la pollution causée par les activités liées à l'utilisation des terres.

f) Lutte contre la pollution causée par la navigation. Mesures pour réduire et combattre la pollution causée par la navigation, notamment:

(i) des programmes et règlements compatibles pour empêcher les rejets de quantités nuisibles d'hydrocarbures et de substances polluantes dangereuses, conformément à l'annexe 4;

(ii) des règlements compatibles contre les rejets de déchets par les bateaux, conformément à l'annexe 5;

(iii) des règlements compatibles visant à réduire et à combattre la pollution causée par la navigation, dans la mesure où ces règlements peuvent être jugés souhaitables à la lumière des études et examens constants effectués conformément à l'annexe 6;

(iv) des programmes et les règlements compatibles nécessaires, conformément aux annexes 4 et 5, visant la manutention efficace et sûre des déchets produits à bord des bateaux, dont les hydrocarbures, les substances polluantes dangereuses, les ordures, les eaux-vannes et les eaux résiduaires, ainsi que leur élimination ultérieure, y compris la nature et le nombre d'installations destinées à recevoir ces déchets, et, s'il y a lieu, des normes de traitement; et

(v) l'établissement par la Garde côtière des États-Unis et la Garde côtière du Canada d'un système coordonné de surveillance aérienne et en surface pour faire respecter les règlements et pour le repérage et la dépollution rapides des lieux souillés par les hydrocarbures, des substances polluantes dangereuses ou tout autre polluant.

g) Lutte contre la pollution causée par le dragage. Mesures pour réduire et combattre la pollution causée par toutes les activités de dragage, y compris des critères pour la désignation des sédiments pollués et des programmes compatibles en vue de l'élimination des déblais de dragage pollués, conformément à l'annexe 7. En attendant l'élaboration de ces critères et programmes, le dragage devrait se faire de la façon la moins néfaste possible pour l'environnement.

h) Lutte contre la pollution provenant des équipements à terre et dans l'eau. Mesures pour réduire et combattre la pollution provenant des équipements à terre et dans l'eau, y compris des programmes et règlements compatibles pour empêcher les déversements de quantités nuisibles d'hydrocarbures et de substances polluantes dangereuses, conformément à l'annexe 8

i) Plan d'urgence. Maintien d'un plan d'urgence conjoint devant être appliqué en cas de rejet ou de risque imminent de rejet d'hydrocarbures ou de substances polluantes dangereuses, conformément à l'annexe 9

j) Substances polluantes dangereuses. Application des dispositions de l'annexe 10 à l'égard des substances polluantes dangereuses. Les Parties s'engagent à se consulter de temps à autre pour réviser la liste des substances polluantes dangereuses ou pour en déterminer les quantités nocives.

k) Produits toxiques rémanents. Mesures pour limiter les apports de produits toxiques rémanents, y compris la production, l'utilisation, la distribution et l'élimination, conformément à l'annexe 12.

l) Polluants atmosphériques. Programmes pour identifier les sources de pollution et leur importance relative, y compris la définition plus exacte d'"intensité de la sédimentation et des précipitations atmosphériques", pour les substances qui peuvent avoir des effets nocifs marqués sur la qualité de l'environnement, y compris des effets indirects sur la qualité de l'eau des tributaires par le phénomène de sédimentation atmosphérique dans les bassins de drainage. Pour les apports notables de polluants dans les Grands lacs par voie de l'atmosphère, les Parties conviennent de se consulter au sujet des remèdes appropriés.

m) Surveillance et contrôle Mise en oeuvre d'un programme coordonné de surveillance et de contrôle dans le bassin des Grands lacs pour évaluer le respect des prescriptions antipollution, déterminer dans quelle mesure les objectifs généraux et spécifiques sont atteints, recueillir des données en vue de mesurer les réactions locales et globales des lacs aux mesures antipollution, et reconnaître les problèmes naissants

2. Les Parties s'engagent à élaborer et à mettre en oeuvre les programmes supplémentaires qu'elles s'accorderont à juger nécessaires et souhaitables pour la réalisation des objectifs généraux et spécifiques.

ARTICLE VII

POUVOIRS, RESPONSABILITÉS ET FONCTIONS DE LA COMMISSION MIXTE INTERNATIONALE

1. La Commission mixte internationale aide à la mise en application du présent Accord. Elle est donc chargée, conformément à l'article IX du Traité des eaux limitrophes et advenant qu'elle est consultée pour étudier un problème particulier, des responsabilités suivantes:

a) collecte, analyse et diffusion des données et des renseignements fournis par les Parties et par les Gouvernements des États et de la Province concernant la qualité des eaux limitrophes du bassin des Grands lacs et la pollution provenant des cours d'eau tributaires ou d'autres sources;

b) collecte, analyse et diffusion de données et de renseignements concernant les objectifs généraux et spécifiques ainsi que l'application et l'efficacité des programmes et autres mesures adoptés en vertu du présent Accord;

c) prestation de conseils et formulation de recommandations aux Parties et aux Gouvernements des États et de la Province sur les questions relatives à la qualité des eaux limitrophes du bassin des Grands lacs, y compris des recommandations précises concernant les objectifs généraux et spécifiques, les lois, normes et autres règles, les programmes et autres mesures, et les accords intergouvernementaux se rattachant à la qualité de ces eaux;

d) prestation de conseils et formulation de recommandations aux Parties sur les questions faisant l'objet des annexes du présent Accord;

e) prestation d'aide pour la coordination des activités conjointes prévues par le présent Accord;

f) prestation d'aide et de conseils en matière de recherche sur l'écosystème du bassin des Grands lacs, y compris l'établissement d'objectifs pour cette recherche, la formulation aux Parties et aux Gouvernements des États et de la Province de conseils et de recommendations sur la recherche et la diffusion aux intéressés de renseignements sur la recherche;

g) investigations sur des sujets relatifs à l'écosystème du bassin des Grands lacs, selon les questions que les Parties pourront à l'occasion rénvoyer à la Commission.

2. Pour s'acquitter du présent mandat, la Commission peut exercer tous les pouvoirs qui lui sont conférés par le Traité des eaux limitrophes et par toute loi adoptée en conformité avec ce Traité, y compris le pouvoir de tenir des audiences publiques et d'exiger la comparution de témoins et la production de documents.

3. La Commission doit, au moins tous les deux ans, présenter un rapport détaillé aux Parties et aux Gouvernements des États et de la Province sur les progrès accomplis vers la réalisation des objectifs généraux et spécifiques, en traitant au besoin des questions liées aux annexes du présent Accord. Ce rapport doit comprendre une évaluation de l'efficacité des programmes et autres mesures adoptés en vertu du présent Accord, ainsi que des conseils et des recommandations. Aux années intermédiaires, la Commission peut présenter un rapport sommaire. La Commission peut à tout moment présenter des rapports spéciaux aux Parties, aux Gouvernements des États et de la Province et au public sur toute question relative à la qualité de l'eau dans le bassin des Grands lacs.

4. La Commission peut, à sa discrétion, publier tout rapport, déclaration ou autre document qu'elle peut rédiger dans le cadre du présent mandat.

5. La Commission est autorisée à vérifier indépendamment les données et autres renseignements fournis par les Parties et par les Gouvernements des États et de la Province, par des essais ou par tout autre moyen qu'elle juge approprié, en conformité avec le Traité des eaux limitrophes et les lois applicables.

6. La Commission s'acquitte de ces responsabilités, principalement par l'entremise du Conseil de la qualité de l'eau et du Conseil consultatif scientifique, établis en vertu de l'article VIII du présent Accord. Elle assure la liaison et la coordination entre les institutions établies en vertu du présent Accord et entre les autres institutions qui se préoccupent de l'écosystème du bassin des Grands lacs, y compris celles qui relèvent d'elle, comme les commissions s'intéressant au niveau des Grands lacs et à la pollution atmosphérique, et, s'il y a lieu, d'autres organismes internationaux.

ARTICLE VIII

INSTITUTIONS MIXTES ET BUREAU RÉGIONAL

1. Deux Conseils aident la Commission mixte internationale à exercer les responsabilités et les pouvoirs qui lui sont conférés par le présent Accord.

a) un Conseil de la qualité de l'eau des Grands lacs, qui agit comme principal conseiller auprès de la Commission; il se compose d'un nombre égal de membres du Canada et des États-Unis, dont des représentants des Parties et de chacun des Gouvernements des États et de la Province; et

b) un Conseil consultatif scientifique pour les eaux des Grands lacs qui conseille la Commission et le Conseil de la qualité de l'eau en matière de recherche; il agit aussi comme conseiller pour toutes les questions scientifiques qui lui sont soumises par la Commission ou par le Conseil de la qualité de l'eau, en consultation avec la Commission; il est formé d'administrateurs de programmes de recherche sur les Grands lacs et d'experts reconnus en ce qui a trait aux problèmes de la qualité de l'eau des Grands lacs et aux domaines connexes.

2. Les membres du Conseil de la qualité de l'eau et du Conseil consultatif scientifique sont nommés par la Commission après consultation avec le ou les Gouvernements intéressés. Les fonctions des Conseils sont précisées dans le mandat joint au présent Accord.

3. Un Bureau régional des Grands lacs sera créé au sein de la Commission mixte internationale en vue d'apporter soutien administratif et aide technique aux deux Conseils et de mettre sur pied un service d'information publique, y compris des audiences publiques sur les programmes entrepris par la Commission et les Conseils. Les tâches et la structure du Bureau sont précisées dans le mandat joint au présent Accord.

4. Chaque année la Commission soumet à l'approbation des Parties le budget des dépenses prévues pour s'acquitter des responsabilités qui lui incombent en vertu du présent Accord. Chaque Partie subvient à la moitié des dépenses approuvées, mais elle n'est pas obligée de verser un montant plus élevé que l'autre à cet égard.

ARTICLE IX

COMMUNICATION ET ÉCHANGE DE RENSEIGNEMENTS

1. La Commission mixte internationale peut exiger toutes données ou tous autres renseignements relatifs à la qualité des eaux du bassin des Grands lacs, conformément aux modalités établies par elle.

2. La Commission doit mettre à la disposition des Parties et des Gouvernements des États et de la Province, à leur demande, toutes données ou tous autres renseignements qui lui sont fournis conformément au présent article.

3. Chaque Partie doit mettre à la disposition de l'autre, à sa demande, toutes données ou tous autres renseignements qu'elle possède concernant la qualité des eaux du bassin des Grands lacs.

4. Nonobstant toute autre disposition du présent Accord, la Commission ne doit pas communiquer, sans le consentement du propriétaire, les renseignements désignés privés en vertu de toute loi du territoire où ces renseignements ont été obtenus.

ARTICLE X

CONSULTATIONS ET EXAMEN

1. Après réception de chaque rapport présenté aux Parties par la Commission mixte internationale, conformément au paragraphe 3 de l'article VII du présent Accord, les Parties doivent se consulter au sujet des recommandations figurant dans ledit rapport et envisager toute mesure appropriée, y compris:

a) la modification des objectifs en vigueur et l'adoption de nouveaux;

b) la modification ou l'amélioration des programmes et des mesures conjointes; et

c) la modification du présent Accord ou de ses annexes

Des consultations supplémentaires peuvent avoir lieu, à la demande de l'une ou l'autre des Parties, sur toute question qui découle de la mise en oeuvre du présent Accord.

2. Si une Partie vient à prendre connaissance d'un problème particulier de pollution qui intéresse les Parties et exige des mesures immédiates, elle doit sans délai avertir et consulter l'autre Partie au sujet des remèdes appropriés.

3. Les Parties doivent procéder à l'examen détaillé de l'application et de l'efficacité du présent Accord après le dépôt du troisième rapport bisannuel exigé à l'article VII du présent Accord.

ARTICLE XI

EXÉCUTION

1. Les obligations qui incombent aux Parties en vertu du présent Accord sont assujetties à l'affectation des fonds nécessaires, conformément aux procédures constitutionnelles des Parties.

2. Les Parties s'engagent:

a) à obtenir les fonds nécessaires à la mise en oeuvre du présent Accord, y compris les fonds requis pour l'élaboration et.l'exécution des programmes et autres mesures prévus à l'article VI du présent Accord, et les fonds dont a besoin la Commission mixte internationale pour s'acquitter efficacement de ses responsabilités;

b) à faire adopter toutes lois supplémentaires que peut nécessiter l'exécution des programmes et autres mesures prévus à l'article VI du présent Accord; et

c) à s'assurer la coopération des Gouvernements des États et de la Province sur toutes les questions qui se rattachent au présent Accord.

ARTICLE XII

OBLIGATIONS ET DROITS ACTUELS

Aucune disposition du présent Accord ne doit être interprétée comme pouvant restreindre les droits et obligations conférés aux Parties par le Traité des eaux limitrophes.

ARTICLE XIII

MODIFICATIONS

1. Le présent Accord, ses annexes et le mandat peuvent être modifiés par voie d'accord entre les Parties. Les annexes peuvent aussi être modifiées selon leurs dispositions respectives, à condition que les modifications restent dans le champ d'application de l'Accord. Les modifications aux annexes doivent être confirmées par un échange de notes ou de lettres entre les Parties, par les voies diplomatiques, précisant la ou les dates d'entrée en vigueur de ces modifications.

2. Toute modification à l'Accord, à ses annexes ou au mandat doit être communiquée sans délai à la Commission mixte internationale.

ARTICLE XIV

ENTRÉE EN VIGUEUR ET RÉSILIATION

Le présent Accord entre en vigueur au moment de sa signature par les représentants attitrés des Parties et reste en vigueur pour une période de cinq ans, et ainsi par la suite, à moins que l'une des Parties n'y mette fin par préavis écrit de douze mois à l'autre Partie.

ARTICLE XV

REMPLACEMENT

Le présent Accord remplace l'Accord relatif à la qualité de l'eau dans les Grands lacs du 15 avril 1972 et doit être cité sous le titre "Accord de 1978 relatif à la qualité de l'eau dans les Grands lacs"

TIAS 9257

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IN WITNESS WHEREOF the undersigned representatives, duly authorized by their respective Governments, have signed this Agreement.

DONE in duplicate at Ottawa in the English and French languages, both versions being equally authentic, this 22nd day of November 1978.

EN FOI DE QUOI, les représentants soussignées, dûment authorisés par leur Gouvernement respectif, ont signé le présent Accord.

FAIT en double exemplaire à Ottawa en français et en anglais, chaque version faisant également foi, ce 22ième jour de novembre 1978.

Cyrus R. Vance [1]

For the Government of the United States of America
Pour le Gouvernement des Etats-Unis d'Amérique

[SEAL]

Barbara Blum [2]

[3]

[SEAL]

For the Government of Canada
Pour le Gouvernement du Canada

L. S. Marchand [4]

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[1] Cyrus R. Vance.
[2] Barbara Blum.
[3] Don Jamieson.
[4] L. S. Marchand.
[Footnotes added by the Department of State.]

ANNEX 1

SPECIFIC OBJECTIVES

These Objectives are based on available information on cause/effect relationships between pollutants and receptors to protect the recognized most sensitive use in all waters. These Objectives may be amended, or new Objectives may be added, by mutual consent of the Parties.

I. CHEMICAL

A. Persistent Toxic Substances

1. Organic

(a) Pesticides

Aldrin/Dieldrin

The sum of the concentrations of aldrin and dieldrin in water should not exceed 0.001 microgram per litre. The sum of concentrations of aldrin and dieldrin in the edible portion of fish should not exceed 0.3 microgram per gram (wet weight basis) for the protection of human consumers of fish.

Chlordane

The concentration of chlordane in water should not exceed 0.06 microgram per litre for the protection of aquatic life.

DDT and Metabolites

The sum of the concentrations of DDT and its metabolites in water should not exceed 0.003 microgram per litre. The sum of the concentrations of DDT and its metabolites in whole fish should not exceed 1.0 microgram per gram (wet weight basis) for the protection of fish-consuming aquatic birds.

Endrin

The concentration of endrin in water should not exceed 0.002 microgram per litre. The concentration of endrin in the edible portion of fish should not exceed 0.3 microgram per gram (wet weight basis) for the protection of human consumers of fish.

Heptachlor/Heptachlor Epoxide

The sum of the concentrations of heptachlor and heptachlor epoxide in water should not exceed 0.001 microgram per litre. The sum of the concentrations of heptachlor and heptachlor epoxide in edible portions of fish should not exceed 0.3 microgram per gram (wet weight basis) for the protection of human consumers of fish.

Lindane

The concentration of lindane in water should not exceed 0.01 microgram per litre for the protection of aquatic life. The concentration

of lindane in edible portions of fish should not exceed 0.3 microgram per gram (wet weight basis), for the protection of human consumers of fish.

Methoxychlor

The concentration of methoxychlor in water should not exceed 0.04 microgram per litre for the protection of aquatic life.

Mirex

For the protection of aquatic organisms and fish-consuming birds and animals, mirex and its degradation products should be substantially absent from water and aquatic organisms. Sustantially absent here means less than detection levels as determined by the best scientific methodology available.

Toxaphene

The concentration of toxaphene in water should not exceed 0.008 microgram per litre for the protection of aquatic life.

(b) Other Compounds

Phthalic Acid Esters

The concentration of dibutyl phthalate and di(2-ethylhexyl) phthalate in water should not exceed 4.0 micrograms per litre and 0.6 microgram per litre, respectively, for the protection of aquatic life. Other phthalic acid esters should not exceed 0.2 microgram per litre in waters for the protection of aquatic life.

Polychlorinated Biphenyls (PCBs)

The concentration of total polychlorinated biphenyls in fish tissues (whole fish, calculated on a wet weight basis), should not exceed 0.1 microgram per gram for the protection of birds and animals which consume fish.

Unspecified Organic Compounds

For other organic contaminants, for which Specific Objectives have not been defined, but which can be demonstrated to be persistent and are likely to be toxic, the concentrations of such compounds in water or aquatic organisms should be substantially absent, i.e., less than detection levels as determined by the best scientific methodology available.

2. Inorganic

(a) Metals

Arsenic

The concentrations of total arsenic in an unfiltered water sample should not exceed 50 micrograms per litre to protect raw waters for public water supplies.

Cadmium

The concentration of total cadmium in an unfiltered water sample should not exceed 0.2 microgram per litre to protect aquatic life.

Chromium

The concentration of total chromium in an unfiltered water sample should not exceed 50 micrograms per litre to protect raw waters for public water supplies.

Copper

The concentration of total copper in an unfiltered water sample should not exceed 5 micrograms per litre to protect aquatic life.

Iron

The concentration of total iron in an unfiltered water sample should not exceed 300 micrograms per litre to protect aquatic life.

Lead

The concentration of total lead in an unfiltered water sample should not exceed 10 micrograms per litre in Lake Superior, 20 micrograms per litre in Lake Huron and 25 micrograms per litre in all remaining Great Lakes to protect aquatic life.

Mercury

The concentration of total mercury in a filtered water sample should not exceed 0.2 microgram per litre nor should the concentration of total mercury in whole fish exceed 0.5 microgram per gram (wet weight basis) to protect aquatic life and fish-consuming birds.

Nickel

The concentration of total nickel in an unfiltered water sample should not exceed 25 micrograms per litre to protect aquatic life.

Selenium

The concentration of total selenium in an unfiltered water sample should not exceed 10 micrograms per litre to protect raw water for public water supplies.

Zinc

The concentration of total zinc in an unfiltered water sample should not exceed 30 micrograms per litre to protect aquatic life.

(b) Other Inorganic Substances

Fluoride

The concentration of total fluoride in an unfiltered water sample should not exceed 1200 micrograms per litre to protect raw water for public water supplies.

Total Dissolved Solids

In Lake Erie, Lake Ontario and the International Section of the St. Lawrence River, the level of total dissolved solids should not exceed 200 milligrams per litre. In the St. Clair River, Lake St. Clair, the Detroit River and the Niagara River, the level should be consistent with maintaining the levels of total dissolved solids in Lake Erie and Lake Ontario at not to exceed 200 milligrams per litre. In the remaining boundary waters, pending further study, the level of total dissolved solids should not exceed present levels.

B. Non-Persistent Toxic Substances

1. Organic Substances

(a) Pesticides

Diazinon

The concentration of diazinon in an unfiltered water sample should not exceed 0.08 microgram per litre for the protection of aquatic life.

Guthion

The concentration of guthion in an unfiltered water sample should not exceed 0.005 microgram per litre for the protection of aquatic life.

Parathion

The concentration of parathion in an unfiltered water sample should not exceed 0.008 microgram per litre for the protection of aquatic life.

Other Pesticides

The concentration of unspecified, non-persistent pesticides should not exceed 0.05 of the median lethal concentration on a 96-hour test for any sensitive local species.

(b) Other Substances

Unspecified Non-Persistent Toxic Substances and Complex Effluents

Unspecified non-persistent toxic substances and complex effluents of municipal, industrial or other origin should not be present in concentrations which exceed 0.05 of the median lethal concentration in a 96-hour test for any sensitive local species to protect aquatic life.

Oil and Petrochemicals

Oil and petrochemicals should not be present in concentrations that:

(i) can be detected as visible film, sheen or discolouration on the surface;

(ii) can be detected by odour;

(iii) can cause tainting of edible aquatic organisms; and

(iv) can form deposits on shorelines and bottom sediments that are detectable by sight or odour, or are deleterious to resident aquatic organisms.

2. Inorganic Substances

Ammonia

The concentration of un-ionized ammonia (NH_3) should not exceed 20 micrograms per litre for the protection of aquatic life. Concentrations of total ammonia should not exceed 500 micrograms per litre for the protection of public water supplies.

Hydrogen Sulfide

The concentration of undissociated hydrogen sulfide should not exceed 2.0 micrograms per litre to protect aquatic life.

C. Other Substances

1. Dissolved oxygen

In the connecting channels and in the upper waters of the Lakes, the dissolved oxygen level should not be less than 6.0 milligrams per litre at any time; in hypolimnetic waters, it should be not less than necessary for the support of fishlife, particularly cold water species.

2. pH

Values of pH should not be outside the range of 6.5 to 9.0, nor should discharge change the pH at the boundary of a limited use zone more than 0.5 units from that of the ambient waters.

3. Nutrients

Phosphorus

The concentration should be limited to the extent necessary to prevent nuisance growths of algae, weeds and slimes that are or may become injurious to any beneficial water use. (Specific phosphorus control requirements are set out in Annex 3.)

4. Tainting Substances

(a) Raw public water supply sources should be essentially free from objectionable taste and odour for aesthetic reasons.

(b) Levels of phenolic compounds should not exceed 1.0 microgram per litre in public water supplies to protect against taste and odor in domestic water.

(c) Substances entering the water as the result of human activity that cause tainting of edible aquatic organisms should not be present in concentrations which will lower the acceptability of these organisms as determined by organoleptic tests.

II. PHYSICAL

A. Asbestos

Asbestos should be kept at the lowest practical level and in any event should be controlled to the extent necessary to prevent harmful effects on human health.

B. Temperature

There should be no change in temperature that would adversely affect any local or general use of the waters.

C. Settleable and Suspended Solids, and Light Transmission

For the protection of aquatic life, waters should be free from substances attributable to municipal, industrial or other discharges resulting from human activity that will settle to form putrescent or otherwise objectionable sludge deposits or that will alter the value of Secchi disc depth by more than 10 per cent.

III. MICROBIOLOGICAL

Waters used for body contact recreation activities should be substantially free from bacteria, fungi, or viruses that may produce enteric disorders or eye, ear, nose, throat and skin infections or other human diseases and infections.

IV. RADIOLOGICAL

The level of radioactivity in waters outside of any defined source control area should not result in a TED_{50} (total equivalent dose integrated over 50 years as calculated in accordance with the methodology established by the International Commission on Radiological Protection) greater than 1 millirem to the whole body from a daily ingestion of 2.2 litres of lake water for one year. For dose commitments between 1 and 5 millirem at the periphery of the source control area, source investigation and corrective action are recommended if releases are not as low as reasonably achievable. For dose commitments greater than 5 millirem, the responsible regulatory authorities shall determine appropriate corrective action.

ANNEX 2

LIMITED USE ZONES

1. The Parties, in consultation with the State and Provincial Governments, shall take measures to define and describe all existing and future limited use zones, and shall prepare an annual report on these measures. The measures shall include:

(a) Identification and quantitative and qualitative description of all point source waste discharges (including tributaries) to boundary waters;

(b) Delineation of boundaries for limited use zones assigned to identified discharges;

(c) Assessment of the impact of the proposed limited use zones on existing and potential beneficial uses; and

(d) Continuing review and revision of the extent of limited use zones to achieve maximum possible reduction in size and effect of such zones in accordance with improvements in waste treatment technology.

2. Limited use zones within the boundary waters of the Great Lakes System shall be designated for industrial discharges, and for municipal discharges in excess of 1 million gallons per day before January 1, 1980, in accordance with the following principles:

(a) The boundary of a limited use zone shall not transect the international boundary.

(b) The size, shape and exact location of a limited use zone shall be specified on a case-by-case basis by the responsible regulatory agency. The size shall be minimized to the greatest possible degree, being no larger than that attainable by all reasonable and practicable effluent treatment measures.

(c) Specific Objectives and conditions applicable to the receiving water body shall be met at the boundary of limited use zones.

(d) Existing biological, chemical, physical and hydrological conditions shall be defined before considering the location of a new limited use zone or restricting an existing one.

(e) Areas of extraordinary natural resource value shall not be designated as limited use zones.

(f) Limited use zones shall not form barriers to migratory routes of aquatic species or interfere with biological communities or populations of important species to a degree which damages the ecosystem, or diminishes other beneficial uses disproportionately. Routes of passage for specific organisms which require protection and which would normally inhabit or pass through limited use zones shall be assured either by location of the zones, or by design of conditions within the zones.

(g) Conditions shall not be permitted within the limited use zones which:

(i) are rapidly lethal to important aquatic life;

(ii) cause irreversible responses which could result in detrimental post-exposure effects; or

(iii) result in bioconcentration of toxic substances which are harmful to the organism or its consumers.

(h) Concentrations of toxic substances at any point in the limited use zone where important species are physically capable of residing shall not exceed the 24-hour LC_{50}.

(i) Every attempt shall be made to insure that the zones are free from:

(i) objectionable deposits;

(ii) unsightly or deleterious amounts of flotsam, debris, oil, scum and other floating matter;

(iii) substances producing objectionable colour, odour, taste or turbidity; and

(iv) substances and conditions or combinations thereof at levels which produce aquatic life in nuisance quantities that interfere with other uses.

(j) Limited use zones may overlap unless the combined effects exceed the conditions set forth in other guidelines.

(k) As a general condition, limited use zones should not overlap with municipal and other water intakes and recreational areas. However, knowledge of local effluent characteristics and effects could allow such a combination of uses.

3. Candidate areas for designation as limited use zones shall be reported, in all available detail, by the responsible regulatory agencies to the International Joint Commission. Within 60 days, the Commission may comment upon the extent of the area proposed for designation as a limited use zone, or any other aspect or measure to promote the attainment of the General and Specific Objectives of this Agreement. The responsible regulatory agency will take the comments of the Commission into account prior to making a formal designation of the area as a limited use zone. If no comment is received from the Commission within 60 days, it may be assumed that the Commission agrees with the proposed designation.

4. The Parties shall consult to develop more definitive procedures to delineate the extent of individual limited use zones and to develop scientific guidelines for determining the maximum portions of the boundary waters of each of the Great Lakes and connecting channels which may be occupied by limited use zones.

ANNEX 3

CONTROL OF PHOSPHORUS

1. The purpose of the following programs is to minimize eutrophication problems and to prevent degradation with regard to phosphorus in the boundary waters of the Great Lakes System. The goals of phosphorus control are:

(a) Restoration of year-round aerobic conditions in the bottom waters of the Central Basin of Lake Erie;

(b) Substantial reduction in the present levels of algal biomass to a level below that of a nuisance condition in Lake Erie;

(c) Reduction in present levels of algal biomass to below that of a nuisance condition in Lake Ontario including the International Section of the St. Lawrence River;

(d) Maintenance of the oligotrophic state and relative algal biomass of Lakes Superior and Huron;

(e) Substantial elimination of algal nuisance growths in Lake Michigan to restore it to an oligotrophic state; and

(f) The elimination of algal nuisance in bays and in other areas wherever they occur.

2. The following programs shall be developed and implemented to reduce input of phosphorus to the Great Lakes:

(a) Construction and operation of municipal waste treatment facilities in all plants discharging more than one million gallons per day to achieve, where necessary to meet the loading allocations to be developed pursuant to paragraph 3 below, or to meet local conditions, whichever are more stringent, effluent concentrations of 1.0 milligram per litre total phosphorus maximum for plants in the basins of Lakes Superior, Michigan, and Huron, and of 0.5 milligram per litre total phosphorus maximum for plants in the basins of Lakes Ontario and Erie.

(b) Regulation of phosphorus introduction from industrial discharges to the maximum practicable extent.

(c) Reduction to the maximum extent practicable of phosphorus introduced from diffuse sources into Lakes Superior, Michigan, and Huron; and reduction by 30 per cent of phosphorus introduced from diffuse sources into Lakes Ontario and Erie, where necessary to meet the loading allocations to be developed pursuant to paragraph 3 below, or to meet local conditions, whichever are more stringent.

(d) Reduction of phosphorus in household detergents to 0.5 per cent by weight where necessary to meet the loading allocations to be developed pursuant to paragraph 3 below, or to meet local conditions, whichever are more stringent.

(e) Maintenance of a viable research program to seek maximum efficiency and effectiveness in the control of phosphorus introductions into the Great Lakes.

3. The following table establishes phosphorus loads for the base year (1976) and future phosphorus loads. The Parties, in cooperation with the State and Provincial Governments, shall within eighteen months after the date of entry into force of this Agreement confirm the future phosphorus loads, and based on these establish load allocations and compliance schedules, taking into account the recommendations of the International Joint Commission arising from the Pollution from Land Use Activities Reference. Until such loading allocations and compliance schedules are established, the Parties agree to maintain the programs and other measures specified in Annex 2 of the Great Lakes Water Quality Agreement of 1972.

Basin	1976 Phosphorus Load in Metric Tonnes Per Year	Future Phosphorus Load in Metric Tonnes Per Year
Lake Superior	3600	3400*
Lake Michigan	6700	5600*
Main Lake Huron	3000	2800*
Georgian Bay	630	600*
North Channel	550	520*
Saginaw Bay	870	440**
Lake Erie	20000	11000**
Lake Ontario	11000	7000**

* These loadings would result if all municipal plants over one million gallons per day achieved an effluent of 1 milligram per litre of phosphorus.

** These loadings are required to meet the goals stated in paragraph 1 above.

ANNEX 4

DISCHARGES OF OIL AND HAZARDOUS POLLUTING SUBSTANCES FROM VESSELS

1. Definitions. As used in this Annex:

(a) "Discharge" includes, but is not limited to, any spilling, leaking, pumping, pouring, emitting or dumping; it does not include unavoidable direct discharges of oil from a properly functioning vessel engine;

(b) "Harmful quantity of oil" means any quantity of oil that, if discharged from a ship that is stationary into clear calm water on a clear day, would produce a film or a sheen upon, or discolouration of, the surface of the water or adjoining shoreline, or that would cause a sludge or emulsion to be deposited beneath the surface of the water or upon the adjoining shoreline;

(c) "Oil" means oil of any kind or in any form, including, but not limited to, petroleum, fuel oil, oil sludge, oil refuse, oil mixed with ballast or bilge water, and oil mixed with wastes other than dredged material;

(d) "Tanker" means any vessel designed for the carriage of liquid cargo in bulk; and

(e) "Vessel" means any ship, barge or other floating craft, whether or not self-propelled.

2. General Principles. Compatible regulations shall be adopted for the prevention of discharges into the Great Lakes System of harmful quantities of oil and hazardous polluting substances from vessels in accordance with the following principles:

(a) The discharge of a harmful quantity of oil or hazardous polluting substance shall be prohibited and made subject to appropriate penalties; and

(b) As soon as any person in charge has knowledge of any discharge of harmful quantities of oil or hazardous polluting substances, immediate notice of such discharge shall be given to the appropriate agency in the jurisdiction where the discharge occurs; failure to give this notice shall be made subject to appropriate penalties.

3. Oil. The programs and measures to be adopted for the prevention of discharges of harmful quantities of oil shall include:

(a) Compatible regulations for design, construction, and operation of vessels based on the following principles:

(i) Each vessel shall have a suitable means of containing on board cargo oil spills caused by loading or unloading operations;

(ii) Each vessel shall have a suitable means of containing on board fuel oil spills caused by loading or unloading operations, including those from tank vents and overflow pipes;

(iii) Each vessel shall have the capability of retaining on board oily wastes accumulated during vessel operation;

(iv) Each vessel shall be capable of off-loading retained oily wastes to a reception facility;

(v) Each vessel shall be provided with a means for rapidly and safely stopping the flow of cargo or fuel oil during loading, unloading or bunkering operations in the event of an emergency;

(vi) Each vessel shall be provided with suitable lighting to adequately illuminate all cargo and fuel oil handling areas if the loading, unloading or bunkering operations occur at night,

(vii) Hose assemblies used on board vessels for oil loading, unloading, or bunkering shall be suitably designed, identified, and inspected to minimize the possibility of failure; and

(viii) Oil loading, unloading, and bunkering systems shall be suitably designed, identified, and inspected to minimize the possibility of failure; and

(b) Programs to ensure that merchant vessel personnel are trained in all functions involved in the use, handling, and stowage of oil and in procedures for abatement of oil pollution.

4. Hazardous Polluting Substances. The programs and measures to be adopted for the prevention of discharges of harmful quantities of hazardous polluting substances carried as cargo shall include.

(a) Compatible regulations for the design, construction, and operation of vessels using as a guide the Code for the Construction and Equipment of Ships Carrying Dangerous Chemicals in Bulk as established through the Inter-Governmental Maritime Consultative Organization (IMCO), including the following requirements.

(i) Each vessel shall have a suitable means of containing on board spills caused by loading or unloading operations;

(ii) Each vessel shall have a capability of retaining on board wastes accumulated during vessel operation;

(iii) Each vessel shall be capable of off-loading wastes retained to a reception facility;

(iv) Each vessel shall be provided with a means for rapidly and safely stopping the flow during loading or unloading operations in the event of an emergency; and

(v) Each vessel shall be provided with suitable lighting to adequately illuminate all cargo handling areas if the loading or unloading operations occur at night,

(b) Identification of vessels carrying cargoes of hazardous polluting substances in bulk, containers, and package form, and of all such cargoes:

(c) Identification in vessel manifests of all hazardous polluting substances;

(d) Procedures for notification to the appropriate agency by the owner, master or agent of a vessel of all hazardous polluting substances; and

(e) Programs to ensure that merchant vessel personnel are trained in all functions involving the use, handling, and stowage of hazardous polluting substances; the abatement of pollution from such substances; and the hazards associated with the handling of such substances.

5. Additional Measures. Both Parties shall take, as appropriate, action to ensure the provision of adequate facilities for the reception, treatment, and subsequent disposal of oil and hazardous polluting substances wastes from all vessels.

ANNEX 5

DISCHARGES OF VESSEL WASTES

1. Definitions. As used in this Annex:

(a) "Discharge" includes, but is not limited to, any spilling, leaking, pumping, pouring, emitting, and dumping;

(b) "Garbage" means all kinds of victual, domestic, and operational wastes, excluding fresh fish and parts thereof generated during the normal operation of the ship and liable to be disposed of continually or periodically;

(c) "Sewage" means human or animal waste generated on board ship and includes wastes from water closets, urinals, or a hospital facility;

(d) "Vessel" means any ship, barge or other floating craft, whether or not self-propelled, and

(e) "Waste water" means water in combination with other substances, including ballast water and water used for washing cargo holds, but excluding water in combination with oil, hazardous polluting substances, or sewage.

2. General Principles. Compatible regulations shall be adopted governing the discharge into the Great Lakes System of garbage, sewage, and waste water from vessels in accordance with the following principles:

(a) The discharge of garbage shall be prohibited and made subject to appropriate penalties;

(b) The discharge of waste water in amounts or in concentrations that will be deleterious shall be prohibited and made subject to appropriate penalties; and

(c) Every vessel operating in these waters that is provided with toilet facilities shall be equipped with a device or devices to contain, incinerate, or treat sewage to an adequate degree; appropriate penalties shall be provided for failure to comply with the regulations.

3. Critical Use Areas. Critical use areas of the Great Lakes System may be designated where the discharge of waste water or sewage shall be limited or prohibited.

4. Containment Devices. Regulations may be established requiring a device or devices to contain the sewage of pleasure craft or other classes of vessels operating in the Great Lakes System or designated areas thereof.

5. Additional Measures. The Parties shall take, as appropriate, action to ensure the provision of adequate facilities for the reception, treatment, and subsequent disposal of garbage, waste water, and sewage from all vessels.

ANNEX 6

REVIEW OF POLLUTION FROM SHIPPING SOURCES

1. Review. The Canadian Coast Guard and the United States Coast Guard shall continue to review services, systems, programs, recommendations, standards, and regulations relating to shipping activities for the purpose of maintaining or improving Great Lakes water quality. The reviews shall include:

(a) Review of vessel equipment, vessel manning, and navigation practices or procedures, and of aids to navigation and vessel traffic management, for the purpose of precluding casualties which may be deleterious to water quality;

(b) Review of practices and procedures regarding waste water and their deleterious effect on water quality;

(c) Review of practices and procedures, as well as current technology for the treatment of vessel sewage; and

(d) Review of current practices and procedures regarding the prevention of pollution fro- the loading, unloading, or on board transfer of cargo.

2. Consultation. Representatives of the Canadian Coast Guard and the United States Coast Guard, and other interested agencies, shall meet at least annually to consider this Annex. A report of this annual consultation shall be furnished to the International Joint Commission prior to its annual meeting on Great Lakes water quality. The purpose of the consultation shall be to:

(a) Provide an interchange of information with respect to continuing reviews, ongoing studies, and areas of concern;

(b) Identify and determine the relative importance of problems requiring further study; and

(c) Apportion responsibility, as between the Canadian Coast Guard and the United States Coast Guard, for the studies, or portions thereof, which were identified in subparagraph 2(b) above.

3. Studies. Where a review identifies additional areas for improvement, the Canadian Coast Guard and the United States Coast Guard, and other interested agencies, will undertake a study to establish improved procedures for the abatement and control of pollution from shipping sources, and will:

(a) Develop a brief study description which will include the nature of the perceived problem, procedures to quantify the problem, alternative solutions to the problem, procedures to determine the best alternative, and an estimated completion date;

(b) Transmit study descriptions to the International Joint Commission and other interested agencies;

(c) Transmit the study, or a brief summary of its conclusions, to the International Joint Commission and other interested agencies; and

(d) Transmit a brief status report to the International Joint Commission and other interested agencies if the study is not completed by the estimated completion date.

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4. Responsibility Responsibility for the coordination of the review, consultation, and studies is assigned to the Canadian Coast Guard and the United States Coast Guard.

ANNEX 7

DREDGING

1. There shall be established, under the auspices of the Water Quality Board, a Subcommittee on Dredging. The Subcommittee shall.

(a) Review the existing practices in both countries relating to dredging activities, as well as the previous work done by the International Working Group on Dredging, with the objective of developing, within one year of the date of entry into force of this Agreement, compatible guidelines and criteria for dredging activities in the boundary waters of the Great Lakes System;

(b) Maintain a register of significant dredging projects being undertaken in the Great Lakes System with information to allow for the assessment of the environmental effects of the projects. The register shall include pertinent statistics to allow for the assessment of pollution loadings from dredged materials to the Great Lakes System;

(c) Encourage the exchange of information relating to developments of dredging technology and environmental research.

2. The Subcommittee shall identify specific criteria for the classification of polluted sediments of designated areas of intensive and continuing dredging activities within the Great Lakes System. Pending development of criteria and guidelines by the Subcommittee, and their acceptance by the Parties, the Parties shall continue to apply the criteria now in use by the regulatory authorities; however, neither Party shall be precluded from applying standards more stringent than those now in use.

3. The Parties shall continue to direct particular attention to the identification and preservation of significant wetland areas in the Great Lakes Basin Ecosystem which are threatened by dredging and disposal activities.

4. The Parties shall encourage research to investigate advances in dredging technology and the pathways, fate and effects of nutrients and contaminants of dredged materials.

5. The Subcommittee shall undertake any other activities as the Water Quality Board may direct.

ANNEX 8

DISCHARGES FROM ONSHORE AND OFFSHORE FACILITIES

1. Definitions. As used in this Annex:

(a) "Discharge" means the introduction of polluting substances into receiving waters and includes, but is not limited to, any spilling, leaking, pumping, pouring, emitting or dumping; it does not include continuous effluent discharges from municipal or industrial treatment facilities;

(b) "Harmful quantity of oil" means any quantity of oil that, if discharged into clear calm waters on a clear day, would produce a film or sheen upon, or discolouration of the surface of the water or adjoining shoreline, or that would cause a sludge or emulsion to be deposited beneath the surface of the water or upon the adjoining shoreline;

(c) "Facility" includes motor vehicles, rolling stock, pipelines, and any other facility that is used or capable of being used for the purpose of processing, producing, storing, disposing, transferring or transporting oil or hazardous polluting substances, but excludes vessels;

(d) "Offshore facility" means any facility of any kind located in, on or under any water;

(e) "Onshore facility" means any facility of any kind located in, on or under, any land other than submerged land;

(f) "Oil" means oil of any kind or in any form, including, but not limited to petroleum, fuel oil, oil sludge, oil refuse, and oil mixed with wastes, but does not include constituents of dredged spoil.

2. Principles. Regulations shall be adopted for the prevention of discharges into the Great Lakes System of harmful quantities of oil and hazardous polluting substances from onshore and offshore facilities in accordance with the following principles:

(a) Discharges of harmful quantities of oil or hazardous polluting substances shall be prohibited and made subject to appropriate penalties;

(b) As soon as any person in charge has knowledge of any discharge of harmful quantities of oil or hazardous polluting substances, immediate notice of such discharge shall be given to the appropriate agency in the jurisdiction where the discharge occurs; failure to give this notice shall be made subject to appropriate penalties.

3. Programs and Measures. The programs and measures to be adopted shall include the following:

(a) Review of the design, construction, and location of both existing and new facilities for their adequacy to prevent the discharge of oil or hazardous polluting substances;

(b) Review of the operation, maintenance and inspection procedures of facilities for their adequacy to prevent the discharge of oil or hazardous polluting substances;

(c) Development and implementation of regulations and personnel training programs to ensure the safe use and handling of oil or hazardous polluting substances;

(d) Programs to ensure that at each facility plans and provisions are made and equipment provided to stop rapidly and safely, contain, and clean up discharges of oil or hazardous polluting substances; and

(e) Compatible regulations and other programs for the identification and placarding of containers, vehicles and other facilities containing, carrying or handling oil or hazardous polluting substances; and, where appropriate, notification to appropriate agencies of vehicle movements, maintenance of a registry, and identification in manifests of such substances to be carried.

4. Implementation.

(a) Each Party shall submit a report to the International Joint Commission outlining its programs and measures, existing or proposed, for the implementation of this Annex within six months of the date of entry into force of this Agreement.

(b) The report shall outline programs and measures, existing or proposed, for each of the following types of onshore and offshore facilities:

(i) land transportation including rail and road modes;

(ii) pipelines on land and submerged under water;

(iii) offshore drilling rigs and wells;

(iv) storage facilities both onshore and offshore; and

(v) wharves and terminals with trestle or underwater pipeway connections to land and offshore island type structures and buoys used for the handling of oil or hazardous polluting substances.

(c) The report shall outline programs and measures, existing or proposed, for any other type of onshore or offshore facility.

(d) Upon receipt of the reports, the Commission, in consultation with the Parties, shall review the programs and measures outlined for adequacy and compatibility and, if necessary, make recommendations to rectify any such inadequacy or incompatibility it finds.

ANNEX 9

JOINT CONTINGENCY PLAN

1. The Plan. The "Joint Canada-United States Marine Pollution Contingency Plan for the Great Lakes (CANUSLAK)" adopted on June 20, 1974, shall be maintained in force, as amended from time to time. The Canadian Coast Guard and the United States Coast Guard shall, in cooperation with other affected parties, identify and provide detailed Supplements for areas of high risk and of particular concern in augmentation of CANUSLAK. It shall be the responsibility of the United States Coast Guard and the Canadian Coast Guard to coordinate and to maintain the Plan and the Supplements appended to the Plan.

2. Purpose. The purpose of the Plan is to provide for coordinated and integrated response to pollution incidents in the Great Lakes System by responsible federal, state, provincial and local agencies. The Plan supplements the national, provincial and regional plans of the Parties.

3. Pollution Incidents.

(a) A pollution incident is a discharge, or an imminent threat of discharge of oil, hazardous polluting substance or other substance of such magnitude or significance as to require immediate response to contain, clean up, and dispose of the material.

(b) The objectives of the Plan in pollution incidents are:

(i) To develop appropriate preparedness measures and effective systems for discovery and reporting the existence of a pollution incident within the area covered by the Plan;

(ii) To institute prompt measures to restrict the further spread of the pollutant; and

(iii) To provide adequate cleanup response to pollution incidents.

4. Funding. The costs of operations of both Parties under the Plan shall be borne by the Party in whose waters the pollution incident occurred, unless otherwise agreed.

5. Amendment. The Canadian Coast Guard and the United States Coast Guard are empowered to amend the Plan subject to the requirement that such amendments shall be consistent with the purpose and objectives of this Annex.

ANNEX 10

HAZARDOUS POLLUTING SUBSTANCES

1. The Parties shall:

(a) Maintain a list, to be known as Appendix 1 of this Annex (hereinafter referred to as Appendix 1), of substances known to have toxic effects on aquatic and animal life and a risk of being discharged to the Great Lakes System;

(b) Maintain a list, to be known as Appendix 2 of this Annex (hereinafter referred to as Appendix 2), of substances potentially having such effects and such a risk of discharge, and to give priority to the examination of these substances for possible transfer to Appendix 1,

(c) Ensure that these lists are continually revised in the light of growing scientific knowledge; and

(d) Develop and implement programs and measures to minimize or eliminate the risk of release of hazardous polluting substances to the Great Lakes System.

2. Hazardous polluting substances to be listed in Appendix 1 shall be determined in accordance with the following procedures:

(a) Selection of all hazardous substances for listing in Appendix 1 shall be based upon documented toxicological and discharge potential data which have been evaluated by the Parties and deemed to be mutually acceptable.

(b) Revisions to Appendix 1 may be made by mutual consent of the Parties and shall be treated as amendments to this Annex for the purposes of Article XIII of this Agreement.

(c) Using the agreed selection criteria, either Party may recommend at any time a substance to be added to the list in Appendix 1. Such substance need not previously have been listed in Appendix 2. The Party receiving the recommendation will have 60 days to review the associated documentation and either reject the proposed substance or accept the substance pending completion of appropriate procedural or domestic regulatory requirements. Cause for rejection must be documented and submitted to the initiating Party and may be the basis for any further negotiations.

3. The criteria to be applied to the selection of substances as candidates for listing in Appendix 1 are:

(a) Acute toxicological effects, as determined by whether the substance is lethal to:

(i) One-half of a test population of aquatic animals in 96 hours or less at a concentration of 500 milligrams per litre or less; or

(ii) One-half of a test population of animals in 14 days or less when administered in a single oral dose equal to or less than 50 milligrams per kilogram of body weight; or

(iii) One-half of a test population of animals in 14 days or less when dermally exposed to an amount equal to or less than 200 milligrams per kilogram body weight for 24 hours; or

(iv) One-half of a test population of animals in 14 days or less when exposed to a vapour concentration equal to or less than 20 cubic centimeters per cubic meter in air for one hour; or

(v) Aquatic flora as measured by a maximum specific growth rate or total yield of biomass which is 50 per cent lower than a control culture over 14 days in a medium at concentrations equal to or less than 100 milligrams per litre.

(b) Risk of discharge into the Great Lakes System, as determined by:

(i) Gathering information on the history of discharges or accidents;

(ii) Assessing the modal risks during transport and determining the use and distribution patterns;

(iii) Identifying quantities manufactured or imported.

4. Potentially hazardous polluting substances to be listed in Appendix 2 of this Annex shall be determined in accordance with the following procedures:

(a) Either Party may add new substances to Appendix 2 by notifying the other in writing that the substance is considered to be a potential hazard because of documented information concerning aquatic toxicity, mammalian and other vertebrate toxicity, phytotoxicity, persistence, bio-accumulation, mutagenicity, teratogenicity, carcinogenicity, environmental translocation or because of documented information on risk of discharge to the environment. The documentation of the potential hazard and the selected criteria upon which it is based will also be submitted.

(b) Removal of substances from Appendix 2 shall be by mutual consent of the Parties.

(c) The Parties shall give priority to the examination of substances listed in Appendix 2 for possible transfer to Appendix 1.

5. Programs and measures to control the risk of pollution from transport, storage, handling and disposal of hazardous polluting substances are contained in Annexes 4 and 8.

APPENDIX 1

HAZARDOUS POLLUTING SUBSTANCES

Acetaldehyde
Acetic Acid
Acetic Anhydride
Acetone Cyanohydrin
Acetyl Bromide
Acetyl Chloride
Acrolein
Acrylonitrile
Aldrin
Allyl Alcohol
Allyl Chloride
Aluminum Sulfate
Ammonia
Ammonium Acetate
Ammonium Benzoate
Ammonium Bicarbonate
Ammonium Bichromate
Ammonium Bifluoride
Ammonium Bisulfite
Ammonium Carbamate
Ammonium Carbonate
Ammonium Chloride
Ammonium Chromate
Ammonium Citrate, Dibasic
Ammonium Fluoborate
Ammonium Fluoride
Ammonium Hydroxide
Ammonium Oxalate
Ammonium Silicofluoride
Ammonium Sulfamate
Ammonium Sulfide
Ammonium Sulfite
Ammonium Tartrate
Ammonium Thiocyanate
Ammonium Thiosulfate
Amyl Acetate
Aniline
Antimony Pentachloride
Antimony Potassium Tartrate
Antimony Tribromide
Antimony Trichloride
Antimony Trifluoride
Antimony Trioxide
Arsenic Disulfide
Arsenic Pentoxide
Arsenic Trichloride
Arsenic Trioxide
Arsenic Trisulfide
Barium Cyanide
Benzene
Benzoic Acid
Benzonitrile
Benzoyl Chloride
Benzyl Chloride
Beryllium Chloride
Beryllium Fluoride
Beryllium Nitrate
Butyl Acetate
Butylamine
Butyric Acid
Cadmium Acetate
Cadmium Bromide

Cadmium Chloride
Calcium Arsenate
Calcium Arsenite
Calcium Carbide
Calcium Chromate
Calcium Cyanide
Calcium Dodecylbenzenesulfonate
Calcium Hydroxide
Calcium Hypochlorite
Calcium Oxide
Captan
Carbaryl
Carbon Disulfide
Chlordane
Chlorine
Chlorobenzene
Chloroform
Chlorosulfonic Acid
Chlorpyrifos
Chromic Acetate
Chromic Acid
Chromic Sulfate
Chromous Chloride
Cobaltous Bromide
Cobaltous Formate
Cobaltous Sulfamate
Coumaphos
Cresol
Cupric Acetate
Cupric Acetoarsenite
Cupric Chloride
Cupric Nitrate
Cupric Oxalate
Cupric Sulfate
Cupric Sulfate, Ammoniated
Cupric Tartrate
Cyanogen Chloride
Cyclohexane
2,4-D Acid
2,4-D Esters
Dalapon
DDT
Diazinon
Dicamba
Dichlobenil
Dichlone
Dichlorvos
Dieldrin
Diethylamine
Dimethylamine
Dinitrobenzene (mixed)
Dinitrophenol
Diquat
Disulfoton
Diuron
Dodecylbenzenesulfonic Acid
Endosulfan
Endrin
Ethion
Ethylbenzene
Ethylenediamine
EDTA
Ferric Ammonium Citrate
Ferric Ammonium Oxalate
Ferric Chloride
Ferric Fluoride
Ferric Nitrate
Ferric Sulfate

Ferrous Ammonium Sulfate
Ferrous Chloride
Ferrous Sulfate
Formaldehyde
Formic Acid
Fumaric Acid
Furfural
Guthion
Heptachlor
Hydrochloric Acid
Hydrofluoric Acid
Hydrogen Cyanide
Isoprene
Isopropanolamine Dodecylbenzenesulfonate
Kelthane
Lead Acetate
Lead Arsenate
Lead Chloride
Lead Fluoborate
Lead Fluoride
Lead Iodide
Lead Nitrate
Lead Stearate
Lead Sulfate
Lead Sulfide
Lead Thiocyanate
Lindane
Lithium Chromate
Malathion
Maleic Acid
Maleic Anhydride
Mercuric Cyanide
Mercuric Nitrate
Mercuric Sulfate
Mercuric Thiocyanate
Mercurous Nitrate
Methoxychlor
Methyl Mercaptan
Methyl Methacrylate
Methyl Parathion
Mevinphos
Mexacarbate
Monoethylamine
Monomethylamine
Naled
Naphthalene
Naphthenic Acid
Nickel Ammonium Sulfate
Nickel Chloride
Nickel Hydroxide
Nickel Nitrate
Nickel Sulfate
Nitric Acid
Nitrobenzene
Nitrogen Dioxide
Nitrophenol (mixed)
Paraformaldehyde
Parathion
Pentachlorophenol
Phenol
Phosgene
Phosphoric Acid
Phosphorus
Phosphorus Oxychloride
Phosphorus Pentasulfide
Phosphorus Trichloride
Polychlorinated Biphenyls
Potassium Arsenate

Potassium Arsenite
Potassium Bichromate
Potassium Chromate
Potassium Cyanide
Potassium Hydroxide
Potassium Permanganate
Propionic Acid
Propionic Anhydride
Pyrethrins
Quinoline
Resorcinol
Selenium Oxide
Sodium
Sodium Arsenate
Sodium Arsenite
Sodium Bichromate
Sodium Bifluoride
Sodium Bisulfite
Sodium Chromate
Sodium Cyanide
Sodium Dodecylbenzenesulfonate
Sodium Fluoride
Sodium Hydrosulfide
Sodium Hydroxide
Sodium Hypochlorite
Sodium Methylate
Sodium Nitrite
Sodium Phosphate, Dibasic
Sodium Phosphate, Tribasic
Sodium Selenite
Strontium Chromate
Strychnine
Styrene
Sulfuric Acid
Sulfur Monochloride
2,4,5-T Acid
2,4,5-T Esters
TDE
Tetraethyl Lead
Tetraethyl Pyrophosphate
Toluene
Toxaphene
Trichlorfon
Trichlorophenol
Triethanolamine Dodecylbenzenesulfonate
Triethylamine
Trimethylamine
Uranyl Acetate
Uranyl Nitrate
Vanadium Pentoxide
Vanadyl Sulfate
Vinyl Acetate
Xylene (mixed)
Xylenol
Zinc Acetate
Zinc Ammonium Chloride
Zinc Borate
Zinc Bromide
Zinc Carbonate
Zinc Chloride
Zinc Cyanide
Zinc Fluoride
Zinc Formate
Zinc Hydrosulfite
Zinc Nitrate
Zinc Phenolsulfonate
Zinc Phosphide
Zinc Silicofluoride

Zinc Sulfate
Zirconium Nitrate
Zirconium Potassium Fluoride
Zirconium Sulfate
Zirconium Tetrachloride

APPENDIX 2

POTENTIAL HAZARDOUS POLLUTING SUBSTANCES

Acridine
Allethrin
Aluminum Fluoride
Aluminum Nitrate
Ammonium Bromide
Ammonium Hypophosphite
Ammonium Iodide
Ammonium Pentaborate
Ammonium Persulfate
Antimony Pentafluoride
Antimycin.A
Arsenic Acid
Barban
Benfluralin
Bensulide
Benzene Hexachloride
Beryllium Sulfate
Butifos
Cadmium
Cadmium Cyanide
Cadmium Nitrate
Captafol
Carbophenothion
Chlorflurazole
Chlorothion
Chlorpropham
Chromic Chloride
Chromium
Chromyl Chloride
Cobaltous Fluoride
Copper
Crotoxyphos
Cupric Carbonate
Cupric Citrate
Cupric Formate
Cupric Glycinate
Cupric Lactate
Cupric Paraamino Benzoate
Cupric Salicylate
Cupric Subacetate
Cuprous Bromide
Demeton
Dibutyl Phthalate
Dicapthon
2,4-Dinitrochlorobenzene
p-Dinitrocresol
Dinocap
Dinoseb
Dioxathion
Dodine
EPN
Gold Trichloride
Hexachlorophene
Hydrogen Sulfide
m-Hydroxybenzoic Acid
p-Hydroxybenzoic Acid
Hydroxylamine
2-Hydroxyphenazine-1-Carboxylic Acid
Lactonitrile
Lead Tetraacetate
Lead Thiosulfate
Lead Tungstate

Lithium Bichromate
Malachite Green
Manganese Chloride, Anhydrous
MCPA
Mercuric Acetate
Mercuric Chloride
Mercury
Metam-Sodium
p-Methylamino-Phenol
2-Methyl-Napthoquinone
Neburon
Nickel Formate
Phenylmercuric Acetate
n-Phenyl Naphthylamine
Phorate
Phosphamidon
Picloram
Potassium Azide
Potassium Cuprocyanide
Potassium Ferricyanide
Propyl Alcohol
Pyridyl Mercuric Acetate
Rotenone
Silver
Silver Nitrate
Silver Sulfate
Sodium Azide
Sodium 2-Chlorotoluene-5-Sulfonate
Sodium Pentachlorophenate
Sodium Phosphate, Monobasic
Sodium Sulfide
Stannous Fluoride
Strontium Nitrate
Sulfoxide
Temephos
Thallium
Thionazin
1,2,4-Trichlorobenzene
Uranium Peroxide
Uranyl Sulfate
Zinc Bichromate
Zinc Potassium Chromate
Zirconium Acetate
Zirconium Oxychloride

ANNEX 11

SURVEILLANCE AND MONITORING

1. Surveillance and monitoring activities shall be undertaken for the following purposes:

(a) Compliance. To assess the degree to which jurisdictional control requirements are being met.

(b) Achievement of General and Specific Objectives. To provide definitive information on the location, severity, areal or volume extent, frequency and duration of non-achievement of the Objectives, as a basis for determining the need for more stringent control requirements.

(c) Evaluation of Water Quality Trends. To provide information for measuring local and whole lake response to control measures using trend analyses and cause/effect relationships, and to provide information which will assist in the development and application of predictive techniques for assessing impact of new developments and pollution sources. The results of water quality evaluations will be used for:

(i) assessing the effectiveness of remedial and preventative measures and identifying the need for improved pollution control,

(ii) assessing enforcement and management strategies; and

(iii) identifying the need for further technology development and research activities.

(d) Identification of Emerging Problems. To determine the presence of new or hitherto undepected problems in the Great Lakes Basin Ecosystem, leading to the development and implementation of appropriate pollution control measures.

2. A joint surveillance and monitoring program necessary to ensure the attainment of the foregoing purposes shall be developed and implemented among the Parties and the State and Provincial Governments. The Great Lakes International Surveillance Plan contained in the Water Quality Board Annual Report of 1975 and revised in subsequent reports shall serve as a model for the development of the joint surveillance and monitoring program.

3. The program shall include baseline data collection, sample analysis, evaluation and quality assurance programs (including standard sampling and analytical methodology, inter-laboratory comparisons, and compatible data management) to allow assessments of the following:

(a) Inputs from tributaries, point source discharges, atmosphere, and connecting channels;

(b) Whole lake data including that for nearshore areas (such as harbours and embayments general shoreline and cladophora growth areas), open waters of the Lakes, fish contaminants, and wildlife contaminants; and

(c) Outflows including connecting channels, water intakes and outlets.

ANNEX 12

PERSISTENT TOXIC SUBSTANCES

1. Definitions. As used in this Annex:

(a) "Persistent toxic substance" means any toxic substance with a half-life in water of greater than eight weeks;

(b) "Half-life" means the time required for the concentration of a substance to diminish to one-half of its original value in a lake or water body;

(c) "Early warning system" means a procedure to anticipate future environmental contaminants (i.e., substances having an adverse effect on human health or the environment) and to set priorities for environmental research, monitoring and regulatory action.

2. General Principles.

(a) Regulatory strategies for controlling or preventing the input of persistent toxic substances to the Great Lakes System shall be adopted in accordance with the following principles:

(i) The intent of programs specified in this Annex is to virtually eliminate the input of persistent toxic substances in order to protect human health and to ensure the continued health and productivity of living aquatic resources and man's use thereof;

(ii) The philosophy adopted for control of inputs of persistent toxic substances shall be zero discharge.

(b) The Parties shall take all reasonable and practical measures to rehabilitate those portions of the Great Lakes System adversely affected by persistent toxic substances.

3. Programs. The Parties, in cooperation with the State and Provincial Governments, shall develop and adopt the following programs and measures for the elimination of discharges of persistent toxic substances:

(a) Identification of raw materials, processes, products, by-products, waste sources and emissions involving persistent toxic substances, and quantitative data on the substances, together with recommendations on handling, use and disposition. Every effort shall be made to complete this inventory by January, 1982;

(b) Establishment of close coordination between air, water and solid waste programs in order to assess the total input of toxic substances to the Great Lakes System and to define comprehensive, integrated controls;

(c) Joint programs for disposal of hazardous materials to ensure that these materials such as pesticides, contaminated petroleum products, contaminated sludge and dredge spoils and industrial wastes are properly transported and disposed of. Every effort shall be made to implement these programs by 1980.

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4. Monitoring. Monitoring and research programs in support of the Great Lakes International Surveillance Plan should be established at a level sufficient to identify:

(a) Temporal and spatial trends in concentration of persistent toxic substances such as PCB, mirex, DDT, mercury and dieldrin, and of other substances known to be present in biota and sediment of the Great Lakes System;

(b) The impact of persistent toxic substances on the health of humans and the quality and health of living aquatic systems;

(c) The sources of input of persistent toxic substances; and

(d) The presence of previously unidentified persistent toxic substances.

5. Early Warning System. An early warning system consisting of, but not restricted to, the following elements shall be established to anticipate future toxic substances problems:

(a) Development and use of structure-activity correlations to predict environmental characteristics of chemicals;

(b) Compilation and review of trends in the production, import, and use of chemicals;

(c) Review of the results of environmental testing on new chemicals;

(d) Toxicological research on chemicals, and review of research conducted in other countries;

(e) Maintenance of a biological tissue bank and sediment bank to permit retroactive analysis to establish trends over time;

(f) Monitoring to characterize the presence and significance of chemical residues in the environment;

(g) Development and use of mathematical models to predict consequences of various loading rates of different chemicals;

(h) Development of a data bank for storage of information on physical/chemical properties, toxicology, use and quantities in commerce of known and suspected persistent toxic substances.

6. Human Health. The Parties shall establish action levels to protect human health from the individual and interactive effects of toxic substances.

7. Research. Research should be intensified to determine the pathways, fate and effects of toxic substances aimed at the protection of human health, fishery resources and wildlife of the Great Lakes Basin Ecosystem. In particular, research should be conducted to determine:

(a) The significance of effects of persistent toxic substances on human health and aquatic life;

(b) Interactive effects of residues of toxic substances on aquatic life, wildlife, and human health; and

(c) Approaches to calculation of acceptable loading rates for persistent toxic substances, especially those which, in part, are naturally occurring.

TERMS OF REFERENCE

FOR THE JOINT INSTITUTIONS AND THE GREAT LAKES REGIONAL OFFICE

1. Great Lakes Water Quality Board

(a) This Board shall be the principal advisor to the International Joint Commission with regard to the exercise of all the functions, powers and responsibilities (other than those functions and responsibilities of the Science Advisory Board pursuant to paragraph 2 of these Terms of Reference) assigned to the Commission under this Agreement. In addition, the Board shall carry out such other functions, related to the water quality of the boundary waters of the Great Lakes System, as the Commission may request from time to time.

(b) The Water Quality Board, at the direction of the Commission, shall:

(i) Make recommendations on the development and implementation of programs to achieve the purpose of this Agreement;

(ii) Assemble and evaluate information evolving from such programs;

(iii) Identify deficiencies in the scope and funding of such programs and evaluate the adequacy and compatibility of results;

(iv) Examine the appropriateness of such programs in the light of present and future socio-economic imperatives; and

(v) Advise the Commission on the progress and effectiveness of such programs and submit appropriate recommendations.

(c) The Water Quality Board, on behalf of the Commission, shall undertake liaison and coordination between the institutions established under this Agreement and other institutions and jurisdictions which may address concerns relevant to the Great Lakes Basin Ecosystem so as to ensure a comprehensive and coordinated approach to planning and to the resolution of problems, both current and anticipated.

(d) The Water Quality Board shall report to the Commission periodically as appropriate, or as required by the Commission, on all aspects relating to the operation and effectiveness of this Agreement.

2. Great Lakes Science Advisory Board

(a) This Board shall be the scientific advisor to the Commission and the Water Quality Board.

(b) The Science Advisory Board shall be responsible for developing recommendations on all matters related to research and the development of scientific knowledge pertinent to the identification, evaluation and resolution of current and anticipated problems related to Great Lakes water quality

(c) To effect these responsibilities the Science Advisory Board shall.

(i) Review scientific information in order to:

a. examine the impact and adequacy of research and the reliability of research results, and ensure the dissemination of such results;

b. identify additional research requirements;

c. identify specific research programs for which international cooperation is desirable; and

(ii) Advise jurisdictions of relevant research needs, solicit their involvement and promote coordination.

(d) The Science Advisory Board shall seek analyses, assessments and recommendations from other scientific, professional, academic, governmental or intergovernmental groups relevant to Great Lakes Basin Ecosystem research.

(e) The Science Advisory Board shall report to the Commission and the Water Quality Board periodically as appropriate, or as required by the Commission, on all matters of a scientific or research nature relating to the operation and effectiveness of this Agreement.

3. The Great Lakes Regional Office

(a) This Office, located at Windsor, Ontario, shall assist the Commission and the two Boards in the discharge of the functions specified in subparagraph (b) below.

(b) The Office shall perform the following functions:

(i) Provide administrative support and technical assistance for the Water Quality Board and the Science Advisory Board and their sub-organizations, to assist the Boards in discharging effectively the responsibilities, duties and functions assigned to them.

(ii) Provide a public information service for the programs, including public hearings, undertaken by the Commission and its Boards.

(c) The Office shall be headed by a Director who shall be appointed by the Commission in consultation with the Parties and with the Co-Chairmen of the Boards. The position of Director shall alternate between a Canadian citizen and a United States citizen. The term of office for the Director shall be determined in the review referred to in subparagraph (d) below.

(d) The Parties, mindful of the need to staff the Great Lakes Regional Office to carry out the functions assigned the Commission by this Agreement, shall, within six months from the date of entry into force of this Agreement, complete a review of the staffing of the Office. This review shall be conducted by the Parties based upon recommendations of the Commission after consultation with the Co-Chairmen of the Boards. Subsequent reviews may be requested by either Party, or recommended by the Commission, in order to ensure that the staffing of the Regional Office is maintained at a level and character commensurate with its assigned functions.

(e) Consistent with the responsibilities assigned to the Commission, and under the general supervision of the Water Quality Board, the Director shall be responsible for the management of the Regional Office and its staff in carrying out the functions described herein.

(f) The Co-Chairmen of the Boards, in consultation with the Director, will determine the activities which they wish the Office to carry out on behalf of, or in support of the Boards, within the current capability of the Office and its staff. The Director is responsible to the Co-Chairmen of each Board for activities carried out on behalf of, or in support of such Board, by the Office or individual staff members.

(g) The Commission, in consultation with the Director, will determine the public information activities to be carried out on behalf of the Commission by the Regional Office.

(h) The Director shall be responsible for preparing an annual budget to carry out the functions of the Boards and the Regional Office for submission jointly by the two Boards to the Commission for approval and procurement of resources.

ANNEXE 1

OBJECTIFS SPÉCIFIQUES

Les présents objectifs s'appuient sur les rapports connus de cause à effet entre les polluants et les milieux récepteurs et visent à protéger dans toutes les eaux les utilisations reconnues comme les plus sensibles. Ces objectifs peuvent être modifiés, et de nouveaux peuvent être ajoutés, sur consentement mutuel des Parties.

I CARACTÉRISTIQUES CHIMIQUES

A. Substances toxiques rémanentes

1. Organiques

a) Pesticides

Aldrine et dieldrine

La concentration totale de dieldrine et d'aldrine dans l'eau ne devrait pas dépasser 0,001 microgramme par litre. Dans les parties comestibles des poissons, elle ne devrait pas dépasser 0,3 microgramme par gramme (en poids frais), pour la protection du consommateur.

Chlordane

La concentration de chlordane dans l'eau ne devrait pas dépasser 0,06 microgramme par litre, pour la protection de la vie aquatique.

DDT et ses métabolites

La concentration totale de DDT et de ses métabolites dans l'eau ne devrait pas dépasser 0,003 microgramme par litre. Dans le poisson entier, elle ne devrait pas dépasser 1,0 microgramme par gramme (en poids frais), pour la protection des oiseaux aquatiques piscivores.

Endrine

La concentration d'endrine dans l'eau ne devrait pas dépasser 0,002 microgramme par litre. Dans les parties comestibles du poisson, elle ne devrait pas dépasser 0,3 microgramme par gramme (en poids frais), pour la protection du consommateur.

Heptachlore et heptachlore époxyde

La concentration totale d'heptachlore et d'heptachlore époxyde dans l'eau ne devrait pas dépasser 0,001 microgramme par litre. Dans les parties comestibles du poisson, elle ne devrait pas dépasser 0,3 microgramme par gramme (en poids frais), pour la protection du consommateur.

Lindane

La concentration de lindane dans l'eau ne devrait pas dépasser 0,01 microgramme

par litre pour la portection de la vie aquatique. Dans les parties comestibles du poisson, elle ne devrait pas dépasser 0,3 microgramme par gramme (en poids frais), pour la protection du consommateur.

Méthoxychlore

La concentration de méthoxychlore dans l'eau ne devrait pas dépasser 0,04 microgramme par litre, pour la protection de la vie aquatique.

Mirex

Pour la protection des organismes aquatiques et des oiseaux et animaux piscivores, le mirex et ses produits de dégradation devraient être essentiellement absents des eaux et des organismes aquatiques, c'est-à-dire, être d'une concentration inférieure à la limite de détection des meilleures méthodes scientifiques accessibles.

Toxaphène

La concentration de toxaphène dans l'eau ne devrait pas dépasser 0,008 microgramme par litre, pour la protection de la vie aquatique.

b) Autres composés

Esters de l'acide phtalique

La concentration de phtalate de dibutyle et de phtalate de di-(éthyl-2 hexyle) dans l'eau ne devrait pas dépasser 4,0 et 0,6 microgrammes par litre, respectivement, pour la protection de la vie aquatique. Celle des autres esters de l'acide phtalique ne devrait pas dépasser 0,2 microgramme par litre dans l'eau, pour la protection de la vie aquatique.

Biphényles polychlorés (BPC)

La concentration totale de BPC dans les tissus des poissons (calculée sur le poids frais du poisson entier) ne devrait pas dépasser 0,1 microgramme par gramme, pour la protection des oiseaux et des animaux piscivores.

Composés organiques indéterminés

La concentration dans l'eau et dans les organismes aquatiques des autres contaminants organiques pour lesquels on n'a pas encore établi d'objectifs spécifiques, mais dont la rémanence peut être démontrée et dont la toxicité est probable, devrait être essentiellement nulle, c'est-à-dire, inférieure à la limite de détection des meilleures méthodes scientifiques accessibles.

2. Inorganiques

a) Métaux

Arsenic

La concentration totale d'arsenic dans un échantillon d'eau non filtrée ne devrait pas dépasser 50 microgrammes par litre, pour la protection des eaux brutes destinées à l'alimentation publique.

Cadmium

La concentration totale de cadmium dans un échantillon d'eau non filtrée ne devrait pas dépasser 0,2 microgramme par litre, pour la protection de la vie aquatique.

Chrome

La concentration totale de chrome dans un échantillon d'eau non filtrée ne devrait pas dépasser 50 microgrammes par litre, pour la protection des eaux brutes destinées à l'alimentation publique.

Cuivre

La concentration totale de cuivre dans un échantillon d'eau non filtrée ne devrait pas dépasser 5 microgrammes par litre, pour la protection de la vie aquatique.

Fer

La concentration totale de fer dans un échantillon d'eau non filtrée ne devrait pas dépasser 300 microgrammes par litre, pour la protection de la vie aquatique.

Plomb

La concentration totale de plomb dans un échantillon d'eau non filtrée ne devrait pas dépasser 10 microgrammes par litre dans le lac Supérieur, 20 microgrammes par litre dans le lac Huron et 25 microgrammes par litre dans les autres Grands lacs, pour la protection de la vie aquatique.

Mercure

La concentration totale de mercure dans un échantillon d'eau filtrée ne devrait pas dépasser 0,2 microgramme par litre ni dépasser dans le poisson entier 0,5 microgramme par gramme (en poids frais), pour la protection de la vie aquatique et des oiseaux piscivores.

Nickel

La concentration totale de nickel dans un échantillon d'eau non filtrée ne devrait pas dépasser 25 microgrammes par litre, pour la protection de la vie aquatique.

Sélénium

La concentration totale de sélénium dans un échantillon d'eau non filtrée ne devrait pas dépasser 10 microgrammes par litre, pour la protection des eaux brutes destinées à l'alimentation publique.

Zinc

La concentration totale de zinc dans un échantillon d'eau non filtrée ne devrait pas dépasser 30 microgrammes par litre, pour la protection de la vie aquatique.

b) Autres substances inorganiques

Fluorures

La concentration totale de fluorures dans un échantillon d'eau non filtrée ne devrait pas dépasser 1200 microgrammes par litre, pour la protection des eaux brutes destinées à l'alimentation publique.

Matières dissoutes totales

Dans le lac Érié, le lac Ontario et la section internationale du fleuve Saint-Laurent, la concentration de matières dissoutes totales dans l'eau ne devrait pas dépasser 200 milligrammes par litre. Dans la rivière et le lac Sainte-Claire, et dans les rivières Détroit et Niagara, elle devrait être compatible avec le maintien, à 200 milligrammes par litre au maximum, de la concentration de matières dissoutes totales dans les lacs Érié et Ontario. Dans les autres eaux limitrophes et en attendant qu'une nouvelle étude soit faite, la concentration de matières dissoutes totales ne devrait pas dépasser ce qu'elle est actuellement.

B. Substances toxiques non rémanentes

1. Substances organiques

a) Pesticides

Diazinon

La concentration de diazinon dans un échantillon d'eau non filtrée ne devrait pas dépasser 0,08 microgramme par litre, pour la protection de la vie aquatique.

Guthion

La concentration de guthion dans un échantillon d'eau non filtrée ne devrait pas dépasser 0,005 microgramme par litre, pour la protection de la vie aquatique.

Parathion

La concentration de parathion dans un échantillon d'eau non filtrée ne devrait pas dépasser 0,008 microgramme par litre, pour la protection de la vie aquatique.

Autres pesticides

La concentration des pesticides non rémanents ne devrait pas dépasser 0,05 de la concentration létale médiane après exposition de 96 heures d'une espèce locale sensible.

b) Autres substances

Substances toxiques non rémanentes indéterminées et effluents complexes

Les substances toxiques non rémanentes indéterminées et les effluents complexes urbains, industriels ou autres ne devraient pas être présents en concentrations dépassant 0,05 de la concentration létale médiane après exposition de 96 heures d'une espèce locale sensible, pour la protection de la vie aquatique.

Hydrocarbures et produits pétroléochimiques

Les hydrocarbures et les produits pétroléochimiques ne devraient pas être présents en concentrations telles:

(i) qu'ils forment un film visible, un miroitement ou un coloration à la surface;

(ii) qu'on puisse les déceler à l'odeur;

(iii) qu'ils entraînent l'altération des organismes aquatiques comestibles; et

(iv) qu'ils forment des dépôts visibles ou décelables par leur odeur sur les plages ou les sédiments ou qu'ils soient nocifs pour les organismes aquatiques du milieu.

2. Substances inorganiques

Ammoniac

La concentration de l'ammoniac non ionisé (NH_3) ne devrait pas dépasser 20

microgrammes par litre, pour la protection de la vie aquatique. Celle de l'ammoniac total ne devrait pas dépasser 500 microgrammes par litre, pour la protection des eaux d'alimentation publique.

Sulfure d'hydrogène

La concentration de sulfure d'hydrogène non dissocié ne devrait pas dépasser 2,0 microgrammes par litre, pour la protection de la vie aquatique.

C. Autres substances

1. Oxygène dissous

Dans les chenaux qui relient les Grands lacs ainsi que dans les couches supérieures de ces lacs, la concentration d'oxygène dissous ne devrait jamais être inférieure à 6,0 milligrammes par litre; dans l'hypolimnion, elle devrait être suffisante pour assurer la vie des poissons et particulièrement des espèces d'eau froide.

2. pH

Le pH ne devrait pas s'écarter de l'intervalle de 6,5 à 9,0. Les effluents ne devraient pas non plus entraîner une variation de plus de 0,5 unité par rapport aux eaux ambiantes, à la limite des zones désignées d'utilisation restreinte.

3. Éléments nutritifs

Phosphore

La concentration devrait être limitée de façon à éviter la nuisance occasionnée par la croissance d'algues, de plantes et par les dépôts d'organismes qui empêchent ou qui pourraient empêcher l'utilisation de l'eau. (Des prescriptions contre le phosphore font l'objet de l'annexe 3).

4. Substances altéragènes

a) L'eau brute d'alimentation publique devrait être essentiellement exempte de goût ou d'odeur désagréables pour des raisons d'esthétique.

b) La concentration de composés phénoliques dans l'eau d'alimentation publique ne devrait pas dépasser 1,0 microgramme par litre, afin d'éviter les goûts et les odeurs dans les eaux domestiques.

c) Les substances qui aboutissent dans l'eau à la suite des activités de l'Homme et qui altèrent les organismes aquatiques comestibles ne devraient pas être présentes à des concentrations qui

diminuent l'acceptabilité de ces organismes laquelle est déterminée par des tests organoleptiques.

II CARACTÉRISTIQUES PHYSIQUES

A. Amiante

La concentration d'amiante devrait être maintenue au plus bas niveau praticable et devrait être suffisamment réduite de manière à éviter les effets nuisibles sur la santé.

B. Température

Il ne devrait y avoir aucune variation de température capable de nuire, localement ou dans l'ensemble, à l'utilisation de l'eau.

C. Matières décantables, matières en suspension et transparence

Pour la protection de la vie aquatique, les eaux devraient être exemptes de substances véhiculées par les rejets urbains et industriels ou tout rejet engendré par l'activité humaine, qui peuvent former des dépôts de boues putrescentes ou autrement inacceptables ou qui peuvent diminuer la transparence (mesurée avec un disque de Secchi) de plus de 10 pour cent.

III CARACTÉRISTIQUES MICROBIOLOGIQUES

Les eaux des baignades devraient être essentiellement exemptes de bactéries, de champignons microscopiques ou de virus capables de provoquer des entérites, d'infecter les yeux, les oreilles, le nez, la gorge et la peau ou de causer d'autres maladies et infections chez l'Homme.

IV CARACTÉRISTIQUES RADIOLOGIQUES

La radioactivité des eaux situées en dehors de toute zone définie de tolérance à proximité des sources ne devrait pas produire une DET_{50} (dose équivalente totale, intégrée sur 50 années, selon la méthode de calcul adoptée par la Commission internationale de protection radiologique) supérieure à 1 millirem pour l'ensemble du corps, à la suite d'une ingestion quotidienne de 2,2 litres de l'eau d'un des lacs pendant un an. Pour un objectif de 1 à 5 millirems à la périphérie de la zone de tolérance à proximité des sources, il est recommandé d'examiner les sources et d'appliquer des mesures correctives si la libération de radioactivité n'est pas aussi faible qu'il est raisonnablement possible d'obtenir. Pour un objectif supérieur à 5 millirems, il revient aux autorités compétentes d'appliquer les mesures correctives.

ANNEXE 2

ZONES D'UTILISATION RESTREINTE

1. En consultation avec les Gouvernements des États et de la Province, les Parties prendront des mesures en vue de délimiter et décrire toutes les zones d'utilisation restreinte, existantes et à venir, et feront rapport, chaque année, sur ces mesures, lesquelles consisteront entre autres en:

a) l'identification et la description quantitative et qualitative de toutes les sources ponctuelles de rejet (y compris les tributaires) dans les eaux limitrophes;

b) la délimitation des zones d'utilisation restreinte assignées à des rejets déterminés;

c) l'évaluation des répercussions de la désignation des zones proposées d'utilisation restreinte sur les utilisations actuelles et probables; et

d) l'examen et la révision continues des zones d'utilisation restreinte pour en réduire le plus possible les dimensions et les effets, parallèlement au progrès des techniques de traitement des eaux usées.

2. Des zones d'utilisation restreinte sises dans les eaux limitrophes du bassin des Grands lacs doivent être désignées pour les rejets industriels et, avant le 1er janvier 1980, pour les rejets urbains de plus d'un million de gallons par jour, et conformément aux principes suivants:

a) Les limites d'une zone d'utilisation restreinte ne doivent pas traverser la frontière entre le Canada et les États-Unis.

b) Les dimensions, la forme et l'emplacement exact d'une zone d'utilisation restreinte doivent être précisés individuellement par l'organisme compétent investi d'un pouvoir de réglementation. Les dimensions doivent être les plus réduites possible, ne dépassant pas les moyens raisonnables et praticables de traitement des effluents.

c) Les objectifs spécifiques et les conditions qui s'appliquent aux eaux réceptrices doivent être respectés à la limite des zones d'utilisation restreinte.

d) Les conditions biologiques, chimiques, physiques et hydrologiques doivent être définies avant de créer ou de réduire une zone d'utilisation restreinte.

e) Les régions qui présentent une valeur exceptionnelle du point de vue des richesses naturelles ne doivent pas être désignées comme zones d'utilisation restreinte.

f) Les zones d'utilisation restreinte ne doivent pas constituer des barrières à la migration des espèces aquatiques ni nuire aux communautés biologiques et aux populations d'espèces importantes, à un degré qui pourrait être dommageable pour l'écosystème, ni réduire de façon démesurée d'autres utilisations. Des voies de passage doivent être assurées aux organismes qui doivent être protégés et qui habitent normalement dans les zones d'utilisation restreinte ou qui passent dans ces zones, soit par la localisation des zones, soit par la création de conditions à l'intérieur de ces zones.

g) Aucune conditon ne sera tolérée dans les zones d'utilisation restreinte, qui.

(i) s'avère rapidement létale pour les espèces aquatiques importantes;

(ii) cause des réactions irréversibles, après coup néfastes; ou

(iii) aboutit à la bioconcentration de toxiques nuisibles aux organismes ou à ceux qui s'en nourrissent.

h) La concentration de substances toxiques en tout point de la zone d'utilisation restreinte où des espèces importantes peuvent vivre ne doit pas dépasser la CL_{50} après 24 heures.

i) Tout doit être tenté pour que les zones soient exemptes:

(i) de dépôts désagréables;

(ii) d'épaves, de débris, d'hydrocarbures, d'écume et d'autres matières flottantes désagréables à la vue ou nocifs;

(iii) de substances désagréables quant à la couleur, l'odeur ou le goût ou causant la turbidité; et

(iv) de substances ou de conditions qui, réunies ou non, favorisent la croissance d'organismes aquatiques en quantités qui nuisent à d'autres utilisations.

j) Les zones d'utilisation restreinte peuvent se chevaucher à moins que leurs effets combinés ne s'écartent des dispositions d'autres lignes directrices.

k) Règle générale, il ne devrait pas y avoir de prises municipale ou autres d'eau et des zones de loisirs dans les zones d'utilisation restreinte. Toutefois, les caractéristiques locales des effluents et leurs effets pourraient permettre ce genre d'utilisations multiples.

3. Les régions proposées pour être désignées comme zones d'utilisation restreinte doivent être portées, avec tous les détails accessibles, à la connaissance de la Commission mixte internationale par les organismes compétents investis d'un pouvoir de réglementation. Dans les 60 jours qui suivent, la Commission peut faire connaître ses observations sur l'étendue de la région proposée, ou sur tout autre aspect ou modalité permettant d'atteindre les objectifs généraux et spécifiques du présent Accord. L'organisme compétent de réglementation tiendra compte des observations de la Commission avant de désigner formellement la région comme zone d'utilisation restreinte. Si, après 60 jours, la Commission n'a pas fait connaître ses observations, il peut être supposé qu'elle accepte la désignation proposée.

4. Les Parties doivent se consulter pour élaborer des modalités plus définitives pour la délimitation de chaque zone d'utilisation restreinte et pour rédiger des directives scientifiques permettant de déterminer les plus vastes parties des eaux limitrophes de chacun des Grands lacs et des cours d'eau les reliant pouvant être occupées par des zones d'utilisation restreinte.

ANNEXE 3

DÉPHOSPHATATION

1. L'objet des programmes énumérés ci-dessous est de réduire au minimum l'eutrophisation et d'empêcher la dégradation par le phosphore des eaux limitrophes du bassin des Grands lacs. Les buts de la déphosphatation sont les suivants:

a) restaurer tout au long de l'année les conditions aérobies dans le fond de la cuvette centrale du lac Érié;

b) réduire de façon marquée la biomasse des algues au point où elles ne constitueront plus une nuisance dans le lac Érié;

c) réduire la biomasse des algues au point où elles ne constitueront plus une nuisance dans le lac Ontario, y compris la section internationale du fleuve Saint-Laurent;

d) maintenir l'oligotrophie et la biomasse relative des algues dans les lacs Supérieur et Huron;

e) réduire considérablement la prolifération des algues dans le lac Michigan pour en restaurer l'oligotrophie; et

f) éliminer les nuisances causées par les algues, dans les baies et d'autres régions où elles peuvent survenir

2. Les programmes suivants doivent être mis sur pied et exécutés pour réduire l'apport de phosphore dans les Grands lacs.

a) Construction et exploitation d'installations municipales de traitement des eaux usées partout où les rejets dépassent plus d'un million de gallons par jour pour réduire la concentration de phosphore total dans les effluents à 1 milligramme par litre pour les installations situées dans les bassins des lacs Supérieur, Michigan et Huron, et à 0,5 milligramme par litre pour les installations situées dans les bassins des lacs Ontario et Érié, de façon à respecter les limites posées à l'apport de phosphore qui seront élaborées conformément au paragraphe 3 ci-dessous, ou à se conformer aux conditions locales, selon qu'elles sont plus strictes.

b) Réglementation de la façon la plus praticable possible des apports industriels de phosphore.

c) Réduction de la façon la plus praticable possible de l'apport de phosphore par les sources diffuses dans les lacs Supérieur, Michigan et Huron, et réduction de 30 pour cent de l'apport de phosphore par les sources diffuses dans les lacs Ontario et Érié, de façon à respecter les limites qui seront élaborées conformément au paragraphe 3 ci-dessous, ou à se conformer aux conditions locales, selon qu'elles sont plus strictes.

d) Réduction de 0,5 pour cent en poids de la teneur en phosphore dans les détersifs ménagers, de façon à respecter les limites qui seront élaborées conformément au paragraphe 3 ci-dessous, ou à se conformer aux conditions locales selon qu'elles sont plus strictes.

e) Poursuite d'une programme viable de recherche pour trouver les meilleurs moyens d'empêcher l'apport de phosphore dans les Grands lacs.

3. Le tableau suivant indique les apports de phosphore pour l'année 1976 et pour les années à venir. Les Parties, en collaboration avec les Gouvernements des États et de la Province doivent, dans les dix-huit mois suivant la date d'entrée en vigueur du présent Accord, confirmer quels seront les apports futurs de phosphore, et d'après ces derniers, établir des limites d'apport et des calendriers d'application, en tenant compte des recommandations de la Commission mixte internationale découlant de son étude de la pollution due à l'utilisation des terres; entretemps, les Parties conviennent de garder en place les programmes et autres mesures précisées à l'annexe 2 de l'Accord de 1972 relatif à la qualité de l'eau dans les Grands lacs.

Bassin	Apport de phosphore en 1976 (tonnes métriques par année)	Apport de phosphore des années à venir (tonnes métriques par année)
Lac Supérieur	3600	3400*
Lac Michigan	6700	5600*
Lac Huron, cuvette principale	3000	2800*
Baie Georgienne	630	600*
Chenal nord	550	520*
Baie Saginaw	870	440**
Lac Érié	20000	11000**
Lac Ontario	11000	7000**

* Apports qu'il est possible d'obtenir si toutes les installations municipales produisant plus d'un million de gallon par jour y réduisent la concentration de phosphore à 1 milligramme par litre.

** Apports nécessaires pour atteindre les objectifs énoncés au paragraphe 1 ci-dessus.

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ANNEXE 4

REJETS D'HYDROCARBURES ET DE SUBSTANCES POLLUANTES DANGEREUSES PAR LES BATEAUX

1. Définitions. Dans la présente annexe, l'expression:

a) "rejet" désigne, sans toutefois s'y limiter, le déversement, la fuite, le pompage, l'écoulement, l'émission et l'immersion; le terme ne désigne pas les rejets directs et inévitables d'hydrocarbures qui proviennent d'un moteur de bateau en bon état de fonctionnement;

b) "quantité nuisible d'hydrocarbures" désigne toute quantité d'hydrocarbures qui, si elle est rejetée d'un bateau stationné dans les eaux calmes et transparentes, par jour serein, y produit une pellicule ou un miroitement en surface ou en altère la couleur ou celle de la rive ou forme une boue ou une émulsion qui se dépose dans l'eau ou sur la rive.

c) "hydrocarbures" désigne les hydrocarbures de tout genre ou sous toute forme, y compris, sans que cette énumération soit exhaustive, le pétrole, le fuel-oil, les boues et les rebuts d'hydrocarbures, les hydrocarbures mélangés au lest, à l'eau de cale ou aux déchets, à l'exclusion des déblais de dragage;

d) "bateau-citerne" désigne tout bateau conçu pour le transport en vrac d'une cargaison liquide; et

e) "bateau" désigne tout navire, chaland ou autre embarcation, automoteur ou non.

2. Principes généraux. Des règlements compatibles doivent être adoptés en vue d'empêcher le rejet dans le bassin des Grands lacs de quantités nuisibles d'hydrocarbures et de substances polluantes dangereuses à partir de bateaux, conformément aux principes suivants:

a) les rejets de quantités nuisibles d'hydrocarbures et de substances polluantes dangereuses sont interdits et passibles des sanctions appropriées; et

b) dès qu'une personne de service a connaissance d'un rejet de quantités nuisibles d'hydrocarbures ou de substances polluantes dangereuses, elle doit en aviser immédiatment l'autorité appropriée dans le secteur où a lieu le rejet; l'inobservation de cette règle est passible des sanctions appropriées.

3. Hydrocarbures. Les programmes et mesures à adopter en vue d'empêcher les rejets de quantités nuisibles d'hydrocarbures doivent comprendre:

a) Des règles compatibles pour la conception, la construction et l'exploitation des bateaux fondées sur les principes suivants:

(i) on doit pouvoir contenir à bord de chaque bateau les déversements d'hydrocarbures survenant lors du chargement et du déchargement;

(ii) on doit pouvoir contenir à bord de chaque bateau les déversements du fuel-oil y compris ceux qui proviennent des évents des citernes et des conduites de trop-plein et qui surviennent lors du chargement ou du déchargement;

(iii) on doit pouvoir conserver à bord de chaque bateau les déchets d'hydrocarbures accumulés durant son exploitation;

(iv) on doit pouvoir décharger dans un dépôt à cet effet les déchets d'hydrocarbures de chaque bateau;

(v) chaque bateau doit être muni d'un dispositif permettant, en cas d'urgence, d'arrêter rapidement et sûrement l'écoulement de la cargaison ou du fuel-oil, au cours du chargement, du déchargement et du soutage;

(vi) chaque bateau doit être muni d'un éclairage convenable de tous les lieux de manutention de la cargaison d'hydrocarbures et du fuel-oil si le chargement, le déchargement ou le soutage ont lieu la nuit;

(vii) les tuyaux employés à bord des bateaux pour le chargement et le déchargement des hydrocarbures et pour le soutage doivent être convenablement conçus, identifiés et inspectés de façon que la possibilité de défaillance soit réduite au minimum; et

(viii) les installations de chargement et de déchargement des hydrocarbures et de soutage doivent être conçues, identifiées et inspectées de façon que la possibilité de défaillance soit réduite au minimum.

b) Des programmes pour assurer que les équipages des bateaux marchands sont formés pour exécuter toutes les opérations que comportent l'emploi, la manutention et le stockage à bord des hydrocarbures, et connaissent les méthodes de réduction de la pollution par les hydrocarbures.

4. Substances polluantes dangereuses. Les programmes et les mesures à adopter en vue d'empêcher les rejets de quantités nuisibles de substances polluants dangereuses doivent comprendre:

a) Des règles compatibles pour la conception, la construction et l'exploitation des bateaux, fondées sur le "Recueil de règles relatif à la construction et à l'équipement des navires transportant en vrac des produits chimiques dangereux", établi par l'Organisation intergouvernementale consultative de la navigation maritime (OMCI), y compris les prescriptions suivantes:

(i) on doit pouvoir contenir à bord de chaque bateau les déversements survenant lors du chargement et du déchargement;

(ii) on doit pouvoir conserver à bord de chaque bateau les déchets accumulés durant son exploitation;

(iii) on doit pouvoir décharger dans un dépôt à cet effet les déchets de chaque bateau;

(iv) chaque bateau doit être muni d'un dispositif permettant, en cas d'urgence, d'arrêter rapidement et sûrement tout écoulement au cours du chargement ou du déchargement; et

(v) chaque bateau doit être muni d'un éclairage convenable de tous les lieux de manutention de la cargaison si le chargement et le déchargement ont lieu la nuit.

b) Le marquage des bateaux transportant une cargaison de substances polluantes dangereuses, en vrac, en contenants et en emballages, et le marquage de la cargaison.

c) L'indication des substances polluantes dangereuses sur tous les manifestes d'expédition par bateau.

d) La marche à suivre pour que le propriétaire, le capitaine ou l'agent du bateau porte à la connaissance des autorités responsables toutes les substances polluantes dangereuses.

e) Des programmes pour assurer que les équipages des bateaux marchands sont formés pour exécuter les opérations que comportent l'emploi, la manutention et l'arrimage des substances polluantes dangereuses, pour réduire la pollution qu'elles causent et connaissent les risques liés à leur manutention.

5. Mesures supplémentaires. Les Parties doivent prendre, s'il y a lieu, les moyens nécessaires pour la mise en place d'installations convenant à la réception, au traitement et à l'élimination des hydrocarbures et des substances polluantes dangereuses provenant de tous bateaux.

ANNEXE 5

REJETS PROVENANT DES BATEAUX

1. Définitions. Dans la présente annexe, l'expression:

a) "rejet" désigne, sans toutefois s'y limiter, le déversement, la fuite, le pompage, l'écoulement, l'émission et l'immersion;

b) "ordures" désigne toutes les sortes de déchets de nourriture, de la vie de tous les jours et de l'exploitation à bord, à l'exclusion du poisson frais et de ses parties, produits au cours de l'exploitation normale du bateau et susceptibles d'être éliminés de façon continue ou périodique;

c) "eaux-vannes" désigne les excréments produits à bord et comprend les déchets des cabinets d'aisance, des urinoirs ou des installations hospitalières;

d) "bateau" désigne tout navire, chaland ou autre embarcation, automoteur ou non; et

e) "eaux résiduaires" désigne les eaux dans lesquelles entrent d'autres substances, notamment les eaux de lest et les eaux employées pour laver les soutes, mais ne comprend pas l'eau dans laquelle entrent des hydrocarbures, des substances polluantes dangereuses ou des eaux-vannes.

2. Principes généraux. Des règles compatibles doivent être adoptées à l'égard du rejet d'ordures, d'eaux-vannes et d'eaux résiduaires par les bateaux dans le bassin des Grands lacs. Ces règles doivent être conformes aux principes suivants:

a) le rejet d'ordures est interdit et passible des sanctions appropriées;

b) le rejet d'eaux résiduaires en quantité ou en concentration nocives est interdit et passible des sanctions appropriées; et

c) chaque bateau naviguant dans ces eaux et possédant des installations d'aisance doit être muni de dispositifs permettant de recueillir, incinérer ou traiter de manière convenable les eaux-vannes, à défaut de quoi les sanctions appropriées seront prévues.

3. Zones d'utilisation critique. Certaines zones du bassin des Grands lacs peuvent être désignées comme zones d'utilisation critique, et le rejet des eaux résiduaires et des eaux-vannes doit y être limité ou interdit.

4. Dispositifs d'emmagasinement. Des règles pourront exiger que les bateaux de plaisance et autres navigant dans le bassin des Grands lacs ou dans des zones désignées de ce bassin possèdent un ou plusieurs dispositifs ayant pour objet de retenir les eaux-vannes à bord.

5. Mesures supplémentaires. Les Parties doivent prendre, s'il y a lieu, les moyens nécessaires pour la mise en place d'installations convenant à la réception, au traitement et puis à l'élimination des ordures, des eaux-vannes et des eaux résiduaires de tous les bateaux.

ANNEXE 6

EXAMEN DE LA POLLUTION RÉSULTANT DE LA NAVIGATION

1. Examen. Les Parties conviennent que la Garde côtière des États-Unis et la Garde côtière du Canada continueront d'examiner les services, systèmes, programmes, recommandations, normes et règlements relatifs à la navigation en vue de maintenir ou d'améliorer la qualité des eaux des Grands lacs, à savoir:

a) armement en équipage et en matériel, pratiques ou méthodes de navigation et aides à la navigation et gestion du trafic maritime, de façon à empêcher les accidents qui peuvent être nocifs pour la qualité de l'eau;

b) méthodes et pratiques concernant les eaux résiduaires et leur effet nocif sur la qualité des eaux;

c) méthodes, pratiques et techniques actuelles du traitement des eaux-vannes des bateaux; et

d) méthodes et pratiques actuelles de prévention de la pollution due au chargement, déchargement et transfert à bord de cargaison.

2. Consultation. Les représentants de la Garde côtière du Canada, de la Garde côtière des États-Unis et d'autres organismes intéressés doivent se rencontrer au moins une fois l'an pour discuter de la présente annexe. Ils font ensuite rapport à la Commission mixte internationale avant sa réunion annuelle sur la qualité des eaux des Grands lacs. Le but de cette consultation est de:

a) fournir un échange permanent de renseignements à l'égard des examens, des études en cours et des domaines d'intérêt;

b) désigner les problèmes nécessitant une étude approfondie après avoir déterminé l'importance relative de chacun; et

c) répartir entre les gardes côtières du Canada et des États-Unis les responsabilités à l'égard des études ou parties d'études évoquées à l'alinéa 2 b), qui précède.

3. Études. S'il est déterminé qu'il y a matière à amélioration après un examen, la Garde côtière du Canada, la Garde côtière des États-Unis et les autres organismes intéressés entreprendront une étude en vue d'améliorer les méthodes de lutte contre la pollution résultant de la navigation et:

a) feront une brève description de l'étude, où sera définie la nature du problème, les méthodes d'en évaluer l'importance, les diverses solutions de rechange, les méthodes permettant de sélectionner la meilleure de ces solutions et la date prévue de son achèvement;

b) transmettront ces données à la Commission mixte internationale et aux autres organismes intéressés;

c) communiqueront les résultats de l'étude ou un résumé de ses conclusions à la Commission mixte internationale et aux autres organismes intéressés; et

d) si l'étude n'est pas terminée à la date prévue, enverront un bref rapport provisoire à la Commission mixte internationale et aux autres organismes intéressés.

4. Responsabilité. La Garde côtière des États-Unis et la Garde côtière du Canada sont chargées de la coordination des examens, des consultations et des études.

ANNEXE 7

DRAGAGE

1. Il sera créé, sous les auspices du Conseil de la qualité de l'eau, un sous-comité du dragage qui devra.

a) examiner les pratiques actuellement utilisées dans les deux pays en matière de dragage, ainsi que les réalisations du groupe international de travail du dragage, afin d'élaborer dans l'année suivant la date d'entrée en vigueur du présent Accord, des lignes directrices et des critères compatibles, applicables au dragage dans les eaux limitrophes du bassin des Grands lacs;

b) tenir un registre des travaux importants de dragage entrepris dans le bassin des Grands lacs, dans lequel figureront des renseignements permettant d'évaluer les répercussions de ces travaux sur l'environnement ainsi que les données statistiques utiles à l'évaluation de l'apport de polluants par les déblais de dragage dans le bassin susmentionné; et

c) favoriser l'échange de renseignements sur les progrès des techniques de dragage et sur la recherche en matière d'environnement.

2. Le sous-comité doit énoncer des critères précis pour la classification des sédiments pollués des régions désignées du bassin des Grands lacs où le dragage est intensif et ininterrompu. En attendant l'élaboration des critères et des lignes directrices par le sous-comité et leur acceptation par les Parties, ces dernières doivent continuer à appliquer les critères actuellement utilisés par les autorités, toutefois, aucune Partie ne peut être empêchée d'appliquer des normes plus strictes que celles qui sont actuellement en vigueur.

3. Les Parties doivent continuer à veiller particulièrement à désigner et à protéger les grandes mouillères de l'écosystème du bassin des Grands lacs qui sont menacées par les travaux de dragage et d'élimination des déblais.

4 Les Parties doivent encourager la recherche sur les techniques de dragage et sur le cheminement, le devenir et les effets des éléments nutritifs et des contaminants des déblais de dragage.

5 Le sous-comité doit entreprendre toute autre activité que le Conseil de la qualité de l'eau peut indiquer

ANNEXE 8

REJETS À PARTIR D'ÉQUIPEMENTS DANS L'EAU ET À TERRE

1. Définition. Dans la présente annexe, l'expression:

a) "rejet" désigne l'envoi de substances polluantes dans les eaux et comprend le déversement, la fuite, le pompage, l'écoulement, l'émission, l'immersion de ces substances sans toutefois se limiter à ces formes de rejets, mais ne comprend pas les rejets continus provenant des installations municipales ou industrielles de traitement;

b) "quantité nuisible d'hydrocarbures" désigne toute quantité qui, si elle est rejetée dans des eaux calmes et transparentes, par jour serein, y produit une pellicule ou un miroitement en surface ou en altère la couleur ou celle de la rive ou forme une boue ou une émulsion qui se dépose dans l'eau ou sur la rive;

c) "équipements" désigne les véhicules à moteur, le matériel roulant, les conduites et tout autre équipement que l'on emploie ou qu'il est possible d'employer pour traiter, produire, entreposer, éliminer, transférer ou transporter des hydrocarbures ou des substances polluantes dangereuses, à l'exclusion des bateaux;

d) "équipements dans l'eau" désigne les équipements situés dans l'eau, sur l'eau ou sous l'eau;

e) "équipements à terre" désigne les équipements se trouvant sur le sol ou y étant totalement ou partiellement enfouis, à l'exception de la terre submergée;

f) "hydrocarbures" désigne les hydrocarbures de tout genre ou sous toute forme, y compris, sans que cette énumération soit exhaustive, le pétrole, le fuel-oil, les boues et les rebuts d'hydrocarbures, et les hydrocarbures mélangés aux déchets, sauf les éléments constitutifs des déblais de dragage.

2. Principes. Des règlements doivent être adoptés en vue d'empêcher les rejets dans le bassin des Grands lacs de quantités nuisibles d'hydrocarbures et de substances polluantes dangereuses, à partir d'équipements à terre ou dans l'eau, conformément aux principes suivants:

a) les rejets de quantités nuisibles d'hydrocarbures ou de substances polluantes dangereuses sont interdits et passibles des sanctions appropriées;

b) dès qu'une personne de service a connaissance d'un rejet de quantités nuisibles d'hydrocarbures ou de substances polluantes dangereuses, elle doit en aviser immédiatement l'autorité appropriée dans le secteur où a lieu le rejet; l'inobservation de cette règle est passible des sanctions appropriées.

3. Programmes et mesures. Parmi les programmes et mesures à adopter, citons:

a) l'examen de la conception, de la construction et de l'emplacement des équipements existants et nouveaux pour s'assurer qu'ils peuvent empêcher les rejets d'hydrocarbures ou de substances polluantes dangereuses;

b) l'examen du mode de fonctionnement, d'entretien et d'inspection des équipements pour s'assurer qu'ils peuvent empêcher les rejets d'hydrocarbures ou de substances polluantes dangereuses;

c) l'élaboration et l'application de règlements et de programmes de formation du personnel en vue d'assurer l'utilisation et la manutention sûres d'hydrocarbures et de substances polluantes dangereuses;

d) l'élaboration de programmes permettant de s'assurer que, pour tous les équipements, des plans et des dispositions sont prévus et du matériel fourni pour arrêter rapidement et sûrement les rejets d'hydrocarbures et de substances polluantes dangereuses, contenir ces polluants et dépolluer les lieux; et

e) l'élaboration de règles et d'autres programmes compatibles pour l'identification et le marquage des contenants, des véhicule ou des autres équipements renfermant des hydrocarbures ou des substances polluantes dangereuses ou servant à leur transport ou manutention; et, le cas échéant, la déclaration aux organismes compétents des déplacements des véhicules, la tenue d'un registre et l'identification de ces polluants dans les manifestes.

4. Exécution.

a) Chaque Partie doit soumettre à la Commission mixte internationale un rapport énonçant les grandes lignes des programmes et mesures qu'elle a entrepris ou se propose d'entreprendre pour donner suite à la présente annexe dans les six mois suivant la date d'entrée en vigueur du présent Accord.

b) Le rapport doit établir les grandes lignes des programmes et des mesures entrepris ou projetés à l'égard de chacun des types suivants d'équipements à terre et dans l'eau:

(i) les moyens de transport terrestre y compris ferroviaire et routier;

(ii) les pipelines en surface ou immergés;

(iii) les tours et les puits de forage dans l'eau;

(iv) les installations de stockage à terre et dans l'eau;

(v) les quais et terminaux raccordés par voie suspendue ou sous l'eau, à la terre ferme ou à des îles artificielles, et les bouées utilisées pour la manutention des hydrocarbures et des substances polluantes dangereuses.

c) Le rapport doit établir les grandes lignes des programmes et des mesures entrepris ou projetés à l'égard de tout autre type d'équipement à terre et dans l'eau.

d) Sur réception des rapports, la Commission, en consultation avec les Parties, examine l'à-propos et la compatibilité des programmes et des mesures, et, si nécessaire, recommande des correctifs.

ANNEXE 9

PLAN COMMUN DE MESURE D'URGENCE

1. Le plan. Le "plan commun de mesures d'urgence concernant la pollution des Grands lacs" (plan CANUSLAK), adopté le 20 juin 1974 par le Canada et les États-Unis, est maintenu en vigueur et sera modifié de temps à autre. La Garde côtière des États-Unis et la Garde côtière du Canada, doivent, en collaboration avec d'autres parties intéressées, désigner et fournir des suppléments détaillés au plan CANUSLAK pour les régions de risque élevé et d'intérêt particulier. La Garde côtière des État-Unis et la Garde côtière du Canada sont chargées de coordonner et d'appliquer le plan ainsi que ses suppléments.

2. Objet du plan. Le plan a pour objet d'assurer que les organismes responsables à l'échelon fédéral et à celui des États, de la Province et des localités réagissent de façon coordonnée et intégrée aux cas de pollution dans le bassin des Grands lacs. Il vient compléter les plans nationaux, provinciaux et régionaux des Parties.

3. Cas de pollution.

a) Un cas de pollution s'entend d'un rejet ou du risque imminent d'un rejet d'hydrocarbures, de substances polluantes dangereuses ou de toute autre substance, dont l'ampleur ou l'importance nécessite une action immédiate en vue de contenir, enlever ou éliminer ces substances.

b) Les objectifs du plan en cas de pollution sont:

(i) de mettre au point des mesures appropriées de préparation et des mécanismes efficaces permettant de découvrir et de signaler tout cas de genre dans la zone à laquelle le plan s'applique;

(ii) d'appliquer rapidement les mesures qui s'imposent pour empêcher toute substance polluante de se répandre; et

(iii) de fournir l'équipement qui convient pour dépolluer.

4. Financement. Sauf arrangement contraire, le coût des opérations effectuées par les deux Parties dans le cadre du plan doit être payé par la Partie dans les eaux de laquelle la pollution s'est produite.

5. Amendement. La Garde côtière des États-Unis et la Garde côtière du Canada ont le pouvoir de modifier le plan, à condition que les modifications soient compatibles avec le but et les objectifs de la présent annexe.

ANNEXE 10

SUBSTANCES POLLUANTES DANGEREUSES

1. Les Parties doivent:

a) tenir une liste, que l'on désignera comme étant l'appendice 1 de la présente annexe (ci-après appelé appendice 1), des substances réputées toxiques pour la vie aquatique et animale et qui peuvent être rejetées dans le bassin des Grands lacs;

b) tenir une liste, que l'on désignera comme étant l'appendice 2 de la présente annexe (ci-après appelé appendice 2), des substances pouvant avoir les effets et les risques de rejet des substances de l'appendice 1, et accorder la priorité à l'étude de ces substances pour leur intégration possible à l'appendice 1,

c) s'assurer que ces listes sont continuellement mises à jour à la lumière des connaissances scientifiques; et

d) élaborer et appliquer des programmes et des mesures pour réduire au minimum ou pour éliminer le danger de libération de substances polluantes dangereuses dans le bassin des Grands lacs.

2. Les substances polluantes dangereuses à intégrer à l'appendice 1 doivent être choisies d'après les modalités suivantes:

a) leur sélection se fonde sur les données documentées en matière de toxicologie et de risque de rejet, lesquelles sont évaluées et jugées par les Parties;

b) l'appendice 1 peut être révisé sur consentement mutuel des Parties, et les révisions doivent être considérées comme des modifications à la présente annexe aux fins de l'article XIII du présent Accord;

c) l'une ou l'autre des Parties peut recommander à tout moment que soit ajoutée une substance à la liste de l'appendice 1, selon les critères de sélection convenus; il n'est pas nécessaire que la substance ait d'abord figuré dans l'appendice 2; la Partie à qui est faite la recommandation a 60 jours pour étudier la documentation connexe et refuser que la substance soit ajoutée à la liste ou accepter jusqu'à ce que soient satisfaites les formalités voulues ou les exigences réglementaires nationales; tout refus doit être justifié dans un dossier présenté à l'autre Partie et pouvant servir de base à des négociations.

3. La sélection des substances pouvant figurer à l'appendice 1 doit se faire à l'aide des critères suivants:

a) Toxicité aiguë, la substance tuant:

(i) la moitié d'une population d'essai d'animaux aquatiques, après 96 heures ou moins d'exposition à la concentration de 500 milligrammes par litre ou moins; ou

(ii) la moitié d'une population d'essai d'animaux, 14 jours ou moins après l'administration d'une seule dose orale de 50 milligrammes par kilogramme de poids corporel ou moins; ou

(iii) la moitié d'une population d'essai d'animaux, 14 jours ou moins après l'application sur le derme à raison de 200 milligrammes par kilogramme de poids corporel ou moins pendant 24 heures; ou

(iv) la moitié d'une population d'essai d'animaux, 14 jours ou moins après l'exposition d'une heure à une vapeur dont la concentration est égale à 20 centimètres cubes par mètre cube d'air ou moins; ou

(v) la flore aquatique, effet mesuré par la diminution de moitié de la biomasse totale ou du taux de croissance spécifique maximal après 14 jours d'exposition à une concentration de 100 milligrammes par litre ou moins, comparativement à une culture témoin.

b) Risques de rejet dans le bassin des Grands lacs, évalués au moyen de:

(i) la collecte d'informations sur des cas de rejets ou d'accidents antérieurs;

(ii) l'évaluation des risques courus en fonction du mode de transport, ainsi que des modalités d'utilisation et de distribution;

(iii) la détermination des quantités fabriquées ou importées.

4. Les substances polluantes éventuellement dangereuses à intégrer à l'appendice 2 de la présente annexe doivent être choisies d'après les modalités suivantes:

a) l'une ou l'autre des Parties peut ajouter une substance à l'appendice 2 en avisant l'autre par écrit que cette substance est considérée comme pouvant être dangereuse si l'on se fie à la documentation portant sur sa toxicité en milieu aquatique, sa toxicité pour les mammifères et autres vertébrés, sa phytotoxicité, sa rémanence, son accumulation dans la chaîne trophique, ses pouvoirs mutagènes, tératogènes et cancérogènes, son cheminement dans l'environnement ou sur la documentation portant sur les risques qu'elle puisse être rejetée dans l'environnement; la documentation relative aux dangers probables que la substance représente et les critères retenus sur lesquels la documentation se fonde doivent aussi être communiqués;

b) pour radier une substance de la liste, il faut le consentement des deux Parties.

c) les Parties considéreront comme prioritaire l'étude des substances de l'appendice 2 en fonction de leur éventuelle intégration à l'appendice 1.

5. Les programmes et mesures visant à réduire les risques de pollution due au transport, au stockage, à la manutention et à l'élimination de substances polluantes dangereuses sont traités aux annexes 4 et 8.

APPENDICE 1

SUBSTANCES POLLUANTES DANGEREUSES

acétaldéhyde
acétique, acide
acétique, anhydride
acétone-cyanhydrine
acétyle, bromure d'
acétyle, chlorure d'
acroléine
acrylonitrile
aldrine
allyle, chlorure d'
allylique, alcool
aluminium, sulfate d'
ammoniac
ammonium, acétate d'
ammonium, benzoate d'
ammonium, bicarbonate d'
ammonium, bichromate d'
ammonium, bifluorure d'
ammonium, bisulfite d'
ammonium, carbamate d'
ammonium, carbonate d'
ammonium, chlorure d'
ammonium, chromate d'
ammonium dibasique, citrate d'
ammonium, fluoborate d'
ammonium, fluorure d'
ammonium, hydroxyde d'
ammonium, oxalate d'
ammonium, silicofluorure d'
ammonium, sulfamate d'
ammonium, sulfite d'
ammonium, sulfure d'
ammonium, tartrate d'
ammonium, thiocyanate d'
ammonium, thiosulfate d'
amyle, acétate d'
aniline
antimoine, pentachlorure d'
antimoine, tribromure d'
antimoine, trichlorure d'
antimoine, trifluorure d'
antimoine, trioxyde d'
antimoine et de potassium, tartrate d'
arsenic, disulfure d'
arsenic, pentoxyde d'
arsenic, trichlorure d'
arsenic, trioxyde d'
arsenic, trisulfure d'
azote, dioxyde d'
baryum, cyanure de
benzène
benzoïque, acide
benzonitrile
benzoyle, chlorure de
benzyle, chlorure de
béryllium, chlorure de
béryllium, fluorure de
béryllium, nitrate de
biphényles polychlorés
butylamine
butyle, acétate de
butyrique, acide
cadmium, acétate de
cadmium, bromure de

cadmium, chlorure de
calcium, arséniate de
calcium, arsénite de
calcium, carbure de
calcium, chromate de
calcium, cyanure de
calcium, dodécylbenzènesulfonate de
calcium, hydroxyde de
calcium, hypochlorite de
calcium, oxyde de
captane
carbaryl
carbone, sulfure de
chlordane
chlore
chlorhydrique, acide
chlorobenzène
chloroforme
chlorosulfonique, acide
chlorpyrifos
chromeux, chlorure
chromique, acétate
chromique, acide
chromique, sulfate
cobalteux, bromure
cobalteux, formiate
cobalteux, sulfamate
coumaphos
crésol
cuivrique, acétate
cuivrique, acéto-arsénite
cuivrique, chlorure
cuivrique, nitrate
cuivrique, oxalate
cuivrique, sulfate
cuivrique, tartrate
cuivrique ammonié, sulfate
cyanogène, chlorure de
cyclohexane
2,4-D (acide)
2,4-D (sels et esters)
dalapon
DDT
diazinon
dicamba
dichlobénil
dichlone
dichlorvos
dieldrine
diéthylamine
diméthylamine
dinitrobenzène (mélange d'isomères)
dinitrophénol
diquat
disulfoton
diuron
dodécylbenzènesulfonique, acide
endosulfan
endrine
éthion
éthylbenzène
éthylènediamine
EDTA
ferreux, chlorure
ferreux, sulfate
ferreux ammoniacal, sulfate
ferrique ammonical, citrate
ferrique ammonical, oxalate

ferrique, chlorure
ferrique, fluorure
ferrique, nitrate
ferrique, sulfate
fluorhydrique, acide
formaldéhyde
formique, acide
fumarique, acide
furfural
guthion
heptachlore
hydrogène, cyanure d'
isoprène
isopropanolamine, dodécylbenzènesulfonate d'
kelthane
lindane
lithium, chromate de
malathion
maléique, acide
maléique, anhydride
mercureux, nitrate
mercurique, cyanure
mercurique, nitrate
mercurique, sulfate
mercurique, thiocyanate
méthane-thiol
méthoxychlore
méthyle, méthacrylate de
méthyl-parathion
mévinphos
mexacarbate
monoéthylamine
monométhylamine
naled
naphtalène
naphténique, acide
nickel, chlorure de
nickel, hydroxyde de
nickel, nitrate de
nickel, sulfate de
nickel, ammoniacal, sulfate de
nitrique, acide
nitrobenzène
nitrophénol (mélange d'isomères)
paraformaldéhyde
parathion
pentachlorophénol
phénol
phosgène
phosphore
phosphore, oxychlorure de
phosphore, pentasulfure de
phosphore, trichlorure de
phosphore, trichlorure de
phosphorique, acide
plomb, acétate de
plomb, arséniate de
plomb, chlorure de
plomb, fluoborate de
plomb, fluorure de
plomb, iodure de
plomb, nitrate de
plomb, stéarate de
plomb, sulfate de
plomb, sulfure de
plomb, thiocyanate de
potassium, arséniate de

potassium, arsénite de
potassium, bichromate de
potassium, chromate de
potassium, cyanure de
potassium, hydroxyde de
potassium, permanganate de
propionique, acide
propionique, anhydride
pyrèthres
quinoléine
résorcinol
sélénium, oxyde de
sodium
sodium, arséniate de
sodium, arsénite de
sodium, bichromate de
sodium, bifluorure de
sodium, bisulfite de
sodium, chromate de
sodium, cyanure
sodium, dodécylbenzènesulfonate de
sodium, fluorure de
sodium, hydrosulfure de
sodium, hydroxyde de
sodium, hypochlorite de
sodium, méthylate de
sodium, monothydrogénophosphate de
sodium, nitrite de
sodium, phosphate de
sodium, sélénite de
soufre, monochlorure de
strontium, chromate de
strychnine
styrène
sulfurique, acide
2,4,5-T (acide)
2,4,5-T (esters et sels)
TDE
tétraéthyl-plomb
tétraéthyle, pyrophosphate de
toluène
toxaphène
trichlorfon
trichlorophénol
triétanolamine, dodécylbenzènesulfonate de
triéthylamine
triméthylamine
uranyle, acétate d'
uranyle, nitrate d'
vanadium, pentoxyde de
vanadyle, sulfate de
vinyle, acétate de
xylène (mélange d'isomères)
xylénol
zinc, acétate de
zinc, borate de
zinc, bromure de
zinc, carbonate de
zinc, chlorure de
zinc, cyanure de
zinc, fluorure de
zinc, formiate de
zinc, hydrosulfite de
zinc, nitrate de
zinc, phénolsufonate de
zinc, phosphure de
zinc, silicofluorure de

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zinc, sulfate de
zinc ammoniacal, chlorure de
zirconium, nitrate de
zicronium, sulfate de
zirconium, tétrachlorure de
zirconium et de potassium, fluorure de

APPENDICE 2

SUBSTANCES POLLUANTES POTENTIELLEMENT DANGEREUSES

aridine
allêthrine
aluminium, fluorure d'
aluminium, nitrate d'
ammonium, bromure d'
ammonium, hypophosphite d'
ammonium, iodure d'
ammonium, pentaborate d'
ammonium, persulfate d'
antimoine, pentafluorure d'
antimycine A
argent
argent, nitrate d'
argent, sulfate d'
arsénique, acide
barbane
benfluraline
bensulide
béryllium, sulfate de
butifos
cadmium
cadmium, cyanure de
cadmium, nitrate de
captafol
carbophénothion
chlorflurazole
chlorothion
chlorprophame
chrome
chromique, chlorure
chromyle, chlorure de
cobalteux, fluorure
crotoxyphos
cuivre
cuivre, carbonate de
cuivre, para-aminobenzoate de
cuivre, salicylate de
cuivreux, bromure
cuivrique, amino-acétate
cuivrique, citrate
cuivrique, formiate
cuivrique, lactate
cuivrique, sous-acétate
déméton
dibutyle, phthalate de
dicapthon
dinitro-2,4 chlorobenzène
p-dinitrocrésol
dinocap
dinosèbe
dioxathion
dodine
EPN
hexachlorophène
hexachlorocyclohexane
hydrogène, sulfure d'
m-hydroxybenzoïque, acide
p-hydroxybenzoïque, acide
hydroxylamine
hydroxy-2 phénazine-carboxylique-1, acide
lactonitrile
lithium, bichromate de
manganèse anhydre, chlorure de
MCPA

mercure
mercurique, acétate
mercurique, chlorure
métam-sodium
p-méthylaminophénol
méthyl-2 naphto-quinone
néburon
nickel, formiate de
N-phényl-naphtylamine
or, trichlorure d'
phényl-mercure, acétate de
phorate
phosphamidon
piclorame
plomb, thiosulfate de
plomb, tungstate de
plomb tétravalent, acétate de
potassium, azoture de
potassium, cuprocyanure de
potassium, ferricyanure de
propylique, alcool
pyridyl-mercure, acétate de
roténone
sodium, azoture de
sodium, chloro-4 méthyl-3 phénylsulfonate de
sodium, dihydrogénophosphate de
sodium, pentachlorophénate de
sodium, sulfure de
stanneux, fluorure
strontium, nitrate de
sulfoxydes
téméphos
thallium
thionazine
trichloro-1,2,4 benzène
uranium, peroxyde d'
uranyle, sulfate d'
vert malachite
zinc, bichromate de
zinc et de potassium, chromate de
zirconium, acétate de
zirconium, oxychlorure de

ANNEXE 11

SURVEILLANCE ET CONTRÔLE

1. La surveillance et le contrôle doivent être entrepris aux fins suivantes:

a) Conformité aux prescriptions. Déterminer dans quelle mesure les prescriptions antipollution des diverses autorités sont respectées.

b) Réalisation des objectifs généraux et spécifiques. Fournir des renseignements complets sur le lieu, la gravité, l'ampleur (en superficie et en volume), la fréquence et la durée de la non-conformité aux objectifs afin d'évaluer la nécessité d'une réglementation plus stricte.

c) Évaluation des tendances de la qualité de l'eau. Fournir des renseignements utiles pour mesurer localement et dans l'ensemble des lacs l'effet des mesures antipollution par l'analyse des tendances et l'étude des relations de cause à effet, et fournir des informations qui contribueront à la mise au point et à l'application de techniques servant à prévoir les conséquences de certains travaux et sources nouvelles de pollution. Les résultats de l'évaluation de la qualité de l'eau permettront:

(i) de mesurer l'efficacité des mesures préventives et correctives, et décider s'il a lieu de mieux combattre la pollution;

(ii) d'évaluer des stratégies d'aménagement et de coercition; et

(iii) de déterminer les besoins de la recherche et du développement.

d) Identification des problèmes naissants. Déceler les problèmes nouveaux ou inconnus jusqu'ici dans l'écosystème du bassin des Grands lacs, en vue d'établir et d'appliquer des mesures appropriées de lutte contre la pollution.

2. Un programme conjoint de contrôle et de surveillance nécessaire à la réalisation des objectifs précités doit être élaboré et exécuté par les Parties, les Gouvernements des États et de la Province. Le plan international de surveillance des Grands lacs figurant dans le rapport annuel de 1975 du Conseil de la qualité de l'eau, et révisé dans des rapports subséquents, doit servir de modèle à l'élaboration de ce programme conjoint.

3. Le programme portera sur la collecte de données de base, l'analyse d'échantillons, l'évaluation et l'assurance de la qualité (y compris l'échantillonnage selon les normes, la méthodologie analytique, la comparaison de résultats obtenus par divers laboratoires et la gestion de données compatibles) afin de permettre l'évaluation de ce qui suit:

a) données concernant les tributaires, les rejets à la source, l'atmosphère et les chenaux reliant les Grands lacs;

b) données pour l'ensemble des lacs, y compris les parties riveraines (telles que havres et baies, rivages en général et aires de croissance de cladophora), les zones d'eau libre des lacs et les contaminants de la faune terrestre et aquatique; et

c) données sur les débits sortants, y compris ceux des chenaux reliant les Grands lacs, des prises d'eau et des émissaires.

ANNEXE 12

SUBSTANCES TOXIQUES RÉMANENTES

1. Définition. Dans la présent annexe, l'expression:

a) "substance toxique rémanente" désigne toute substance toxique dont la demi-vie dans l'eau est supérieure à huit semaines;

b) "demi-vie" désigne le temps requis pour que la concentration originelle d'une substance diminue de moitié, dans un lac ou un cours d'eau;

c) "système de pré-alerte" désigne un système conçu pour reconnaître à l'avance des contaminants de l'environnement (c'est-à-dire les substances nuisibles à la santé de l'Homme ou à son milieu) et pour dégager les priorités en ce qui regarde la recherche en matière d'environnement, les mesures de contrôle et la réglementation.

2. Principes généraux.

a) Au chapitre de la réglementation, les stratégies visant à empêcher ou à limiter l'entrée de substances toxiques rémanentes dans le bassin des Grands lacs doivent tenir compte des principes suivants:

(i) l'objet des programmes énoncés dans la présente annexe est d'arrêter presque complètement l'apport des substances toxiques rémanentes afin de protéger la santé de l'Homme et de préserver la santé et la productivité des organismes aquatiques et, par le fait même, la possibilité de les exploiter;

(ii) le but ultime consiste à arrêter complètement l'apport de substances toxiques rémanentes.

b) Les Parties doivent prendre toutes les mesures concrètes et judicieuses possibles pour restaurer les secteurs du bassin des Grands lacs contaminés par les substances toxiques rémanentes.

3. Programmes. Afin d'éliminer les rejets de substances toxiques rémanentes, les Parties, en collaboration avec les Gouvernements des États et de la Province, doivent élaborer et adopter les mesures et les programmes suivants:

a) Inventaire des matières premières, des procédés, des produits, des sous-produits, des sources de déchets et des émissions de substances toxiques rémanentes, ainsi que des données quantitatives sur ces dernières, le tout accompagné de recommandations sur la façon de les manutentionner, de les utiliser et de les éliminer. Cet inventaire doit, dans la mesure du possible, être terminé d'ici janvier 1982.

b) Coordination étroite des programmes relatifs à l'air, à l'eau et aux déchets solides, pour évaluer l'apport total de substances toxiques rémanentes dans le bassin des Grands lacs, et trouver des moyens de lutte intégrée et de grande portée.

c) Des programmes coordonnés pour s'assurer que les matières dangereuses comme les pesticides, les produits pétroliers contaminés, les boues et les déblais de dragage contaminés et les rejets industriels, seront transportées et éliminées de manière convenable. Ces programmes doivent, dans la mesure du possible, être en vigueur d'ici 1980.

4. Contrôle. Les programmes de recherche et de contrôle venant compléter le Programme international de surveillance des Grands lacs devraient avoir une ampleur suffisante pour déterminer:

a) les modifications, dans le temps et dans l'espace, de la concentration de substances toxiques rémanentes comme les BPC, le mirex, le DDT, le mercure et la dieldrine, ainsi que d'autres substances dont on connaît la présence chez les organismes vivants et dans les sédiments du bassin des Grands lacs;

b) les effets des substances toxiques rémanentes sur la santé de l'Homme et sur la qualité et la santé des organismes aquatiques;

c) la provenance des substances toxiques rémanentes; et

d) la présence de substances toxiques rémanentes non identifées jusqu'à présent.

5. Système de pré-alerte. Un système de pré-alerte doit être institué pour permettre de prévoir les problèmes créés par les substances toxiques, et il doit comprendre à tout le moins les éléments suivants:

a) l'interprétation de l'activité des produits chimiques par leur structure pour prévoir leurs comportements dans l'environnement;

b) l'inventaire et l'examen des tendances de la production, des importations et de l'utilisation des produits chimiques;

c) l'examen des résultats des essais de nouveaux produits chimiques sur l'environnement;

d) des recherches toxicologiques sur les produits chimiques, et l'examen des recherches menées à l'étranger;

e) la création d'une banque de tissus organiques et de sédiments en vue de l'analyse rétroactive des tendances;

f) des contrôles quantitatifs et qualitatifs des résidus de produits chimiques dans l'environnement;

g) la modélisation mathématique pour prévoir les conséquences des apports des différents produits chimiques;

h) l'établissement d'une banque de données sur les propriétés physicochimiques, sur la toxicité, sur l'utilisation et sur les quantités en circulation de substances toxiques rémanentes reconnues ou soupçonnées de l'être.

6. Santé de l'Homme. Les Parties doivent adopter un train de mesures pour protéger l'Homme contre l'effet spécifique et combiné des substances toxiques.

7. Recherche. La recherche devrait être intensifiée en ce qui concerne le cheminement, le devenir et les effets des substances toxiques, en vue de protéger la santé de l'Homme, les ressources halieutiques et fauniques de l'écosystème du bassin des Grands lacs contre ces dernières. Plus précisément, elle devrait porter sur:

a) l'ampleur des effets des substances toxiques rémanentes sur l'Homme et les organismes aquatiques;

b) les effets combinés des résidus de toxiques sur la vie aquatique, la faune et l'Homme; et

c) les méthodes visant à calculer les apports acceptables de substances toxiques rémanentes, en particulier de celles qui sont, en partie, naturelles.

MANDAT

DES INSTITUTIONS MIXTES ET DU BUREAU RÉGIONAL DES GRANDS LACS

1. Conseil de la qualité de l'eau des Grands lacs.

a) Cet organisme est le principal conseiller de la Commission mixte internationale en ce qui a trait à l'exercice de toutes les fonctions, de tous les pouvoirs et de toutes les responsabilités (autres que les fonctions et responsabilités du Conseil consultatif scientifique, en vertu du paragraphe 2 du présent mandat) attribués à la Commission aux termes du présent Accord. De plus, le Conseil exécute d'autres fonctions reliées à la qualité des eaux limitrophes du bassin des Grands lacs, à la demande de la Commission.

b) Sur l'ordre de la Commission, le Conseil:

(i) fait des recommandations sur l'élaboration et l'exécution des programmes pour mener à bien le présent Accord;

(ii) rassemble et évalue les informations découlant de ces programmes;

(iii) identifie les insuffisances au niveau de la portée et du financement de ces programmes et évalue l'à-propos et la compatibilité des résultats obtenus;

(iv) examine la concordance des programmes avec les besoins socio-économiques présents et à venir; et

(v) informe la Commission des progrès et de l'efficacité des programmes et formule les recommandations appropriées.

c) Au nom de la Commission, le Conseil de la qualité de l'eau doit se charger de la liaison et de la coordination entre les institutions créées en vertu du présent Accord et d'autres organismes et autorités qui s'intéressent à l'écosystème du bassin des Grands lacs, de manière à s'attaquer de façon globale et coordonée à la planification et aux problèmes actuels et prévus.

d) Le Conseil de la qualité de l'eau fait rapport à la Commission, en temps utile ou à la demande de cette dernière, sur tous les sujets touchant à l'application et à l'efficacité du présent Accord.

2. Conseil consultatif scientifique pour les eaux des Grands lacs.

a) Cet organisme joue le rôle de conseiller scientifique auprès de la Commission et du Conseil de la qualité de l'eau.

b) Le Conseil est chargé de faire des recommandations sur tous les sujets relatifs à la recherche et à l'accroissement des connaissances scientifiques utiles à l'identification, à l'évaluation et au règlement des problèmes actuels et prévus touchant la qualité de l'eau des Grands lacs.

c) À cette fin, le Conseil.

(i) passe en revue l'information scientifique afin:

a. d'examiner les répercussions et l'à-propos de la recherche et la fiabilité de ses résultats, et d'assurer la diffusion de ces derniers;

b. de déterminer les besoins d'une recherche accrue;

c. de définir les programmes précis de recherche pour lesquels la coopération internationale est souhaitable;

(ii) informe les diverses autorités des besoins réels de la recherche, sollicite leur participation et assure la coordination.

d) Le Conseil sollicite auprès d'autres groupes scientifiques, universitaires, professionnels, gouvernementaux et intergouvernementaux, des analyses, des évaluations et des recommandations touchant la recherche sur l'écosystème du bassin des Grands lacs.

e) Le Conseil fait rapport à la Commission et au Conseil de la qualité de l'eau, en temps utile ou à la demande de la Commission, sur tous les sujets qui par leur nature scientifique ou par la recherche qui leur est consacrée touchent l'application et l'efficacité du présent Accord.

3. Bureau régional des Grands lacs.

a) Le Bureau, dont le siège est à Windsor, (Ontario), aide la Commission et les deux Conseils dans l'accomplissement des fonctions précisées à l'alinéa b) ci-dessous.

b) Le bureau accomplit les fonctions suivantes:

(i) prestation de l'appui administratif et technique au Conseil de la qualité de l'eau et au Conseil consultatif scientifique et aux organismes qu'ils coiffent, pour les aider à bien s'acquitter de leurs responsabilités, tâches et fonctions; et

(ii) information du public en ce qui a trait aux programmes, y compris les audiences publiques, entrepris par la Commission et par ses Conseils.

c) Le Bureau est dirigé par un directeur nommé par la Commission en consultation avec les Parties et les co-présidents des Conseils. Le poste de directeur est occupé en alternance par un citoyen du Canada et par un citoyen des États-Unis, pour une durée à préciser dans l'examen dont il est question à l'alinéa d) ci-dessous.

d) Les Parties, sensibles au besoin de personnel du Bureau pour l'accomplissement des fonctions attribuées à la Commission par le présent Accord, doivent, dans les six mois suivant la date d'entrée en vigueur de l'Accord, examiner la dotation en personnel du Bureau. Cette opération doit se fonder sur les recommandations de la Commission, après consultation avec les co-présidents des Conseils. D'autres examens peuvent par la suite être demandés par la Commission afin d'assurer, du point du vue qualitatif et quantitatif, la compatibilité entre les effectifs et les attributions du Bureau.

e) Conformément aux attributions de la Commission, et sous la supervision générale du Conseil de la qualité de l'eau, le directeur est chargé de la gestion du Bureau régional et de son personnel afin de remplir les fonctions ci-décrites.

f) Les co-présidents des Conseils, en consultation avec le directeur, détermineront les travaux qu'ils désirent voir réaliser par le Bureau, au nom des Conseils ou à leur appui, dans les limites des possiblités actuelles du Bureau et de son personnel. Le directeur relève des co-présidents de chaque Conseil pour les travaux réalisés au nom de ces Conseils ou à leur appui par le Bureau ou par ses membres.

g) La Commission, en consultation avec le directeur, déterminera l'information publique à faire au nom de la Commission par le Bureau.

h) Le directeur est chargé de préparer un budget annuel pour l'exécution des fonctions du Conseil et du Bureau régional, qui sera présenté conjointement par les deux Conseils à la Commission en vue de l'approbation et de l'acquisition des ressources.

MEXICO

Narcotic Drugs: Additional Cooperative Arrangements to Curb Illegal Traffic

Agreement effected by exchange of letters
Signed at México May 24, 1978;
Entered into force May 24, 1978.
And amending agreements
Effected by exchange of letters
Signed at México January 9, 1979;
Entered into force January 9, 1979.
And exchange of letters
Signed at México April 20, 1979;
Entered into force April 20, 1979.

The American Ambassador to the Mexican Attorney General

EMBASSY OF THE
UNITED STATES OF AMERICA
Mexico, D. F.

May 24, 1978

His Excellency
Licenciado Oscar Flores
Attorney General of the Republic
Mexico 1, D. F.

Dear Mr. Attorney General:

In confirmation of recent conversations between officials of our two Governments relating to the cooperation between Mexico and the United States to curb the illegal traffic in narcotics, I am pleased to advise you that the Government of the United States, represented by the Embassy of the United States of America, is willing to enter into additional cooperative arrangements with the Government of Mexico, represented by the Office of the Attorney General, to reduce such traffic.

The United States Government agrees to provide equipment, services, and/or funding on an advance or reimbursable basis, all as mutually agreed by representatives of our two Governments, at a cost not to exceed Five Hundred Thousand Dollars (U.S. $500,000) to facilitate the production of an adequate quantity of quality color topographic maps in direct support of programs against the illegal production and traffic in narcotics.

The Government of Mexico agrees to provide an adequate number of technicians, the use of existing laboratory and production facilities, and field support for the technicians to undertake the work required to fulfill the purpose of this Agreement.

It is understood that the provisions of all previous Agreements between the Government of the United States and the Government of Mexico in relation to the narcotics control effort of the Government of Mexico remain in full force and effect, and applicable to this Agreement unless otherwise expressly modified herein.

If the foregoing is acceptable to the Government of Mexico, this letter and your reply shall constitute an Agreement between our two Governments.

I take this opportunity to reiterate to you the assurances of my highest consideration and personal esteem.

Patrick J. Lucey
Ambassador

The Mexican Attorney General to the American Ambassador

PROCURADURIA GENERAL
DE LA
REPUBLICA

México, D.F. a 24 de Mayo de 1978.

Excelentísimo Señor
Patrick J. Lucey.
Embajador Extraordinario y Plenipotenciario
de los Estados Unidos de América.
C i u d a d .

Estimado Señor Embajador.

Me es grato dar respuesta a su atenta comunicación del día de hoy, cuyo texto traducido al español es el siguiente:

"Confirmando recientes conversaciones entre funcionarios de nuestros dos Gobiernos, relativas a la cooperación entre México y los Estados Unidos para frenar el tráfico y la producción ilegal de estupefacientes, me complace comunicarle que el Gobierno de los Estados Unidos de América, representado por la Embajada de los Estados Unidos, está dispuesto a concertar con el Gobierno de México, representado por la Procuraduría General de la República, arreglos cooperativos adicionales para reducir dicho tráfico.

El Gobierno de los Estados Unidos está de acuerdo en proporcionar equipo, servicios, y/o financiamiento en forma por adelantado o reembolsable, todo según mutuamente acordado por representantes de nuestros dos Gobiernos, a un costo que no excederá Quinientos Mil Dólares (U.S. $500,000) para facilitar la producción de una cantidad adecuada de mapas topográficas

de alta calidad en color, en apoyo directo a los programas contra la producción ilegal y el tráfico de estupefacientes.

El Gobierno de México está de acuerdo en proporcionar un número adecuado de técnicos, el uso de laboratorios ya existentes y las facilidades de producción, y apoyo en el campo para que los técnicos puedan llevar a cabo el trabajo requerido para cumplir con los propósitos de este Acuerdo.

Se tiene por entendido que las disposiciones de todos los Acuerdos previos entre el Gobierno de México y el Gobierno de los Estados Unidos, en relación con los esfuerzos del Gobierno de México para el control de estupefacientes, permanecen en pleno vigor y efecto, y serán aplicables a este Acuerdo a menos que se modifiquen expresamente en el presente.

Si lo antedicho es aceptable al Gobierno de México esta carta y su contestación constituirán un Acuerdo entre nuestros dos Gobiernos.

Aprovecho la oportunidad para reiterar a usted, las seguridades de mi más alta consideración y estima personal."

Deseo expresar a usted que el Gobierno de México está de acuerdo en los términos de la nota transcrita.

Aprovecho la ocasión para expresar a su Excelencia la seguridad de mi más elevada consideración.

SUFRAGIO EFECTIVO.NO REELECCION.
EL PROCURADOR GENERAL DE LA REPUBLICA.

LIC. OSCAR FLORES.

TRANSLATION

UNITED MEXICAN STATES
Office of the Attorney General
of the Republic

Mexico, D.F., May 24, 1978

His Excellency
Patrick J. Lucey
Ambassador Extraordinary
and Plenipotentiary of the
United States of America
Mexico, D.F.

Dear Mr. Ambassador:

I am happy to reply to your letter of this date, the text of which, translated into Spanish, reads as follows:

[For the English language text, see pp. 1489-1490.]

I wish to inform you that the Government of Mexico accepts the terms of the transcribed letter.

I avail myself of the opportunity to express to Your Excellency the assurance of my highest consideration.

Oscar Flores

Oscar Flores
Attorney General

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[AMENDING AGREEMENTS]

The American Ambassador to the Mexican Attorney General

EMBASSY OF THE
UNITED STATES OF AMERICA
Mexico, D.F.

January 9, 1979

His Excellency
Lic. Oscar Flores
Attorney General of the Republic
San Juan de Letrán No. 9
Mexico 1, D.F

Dear Mr. Attorney General.

In confirmation of recent conversations between officials of our two governments relating to the cooperation between Mexico and the United States to curb the illegal traffic in narcotics, I am pleased to advise you that the Government of the United States is prepared to increase by U.S. $500,000 the funding provided under the agreement effected by our exchange of letters dated May 24, 1978.

The Government of the United States therefore agrees to delete the phrase "Five Hundred Thousand Dollars (U.S. $500,000)" in the second paragraph of my letter dated May 24, 1978, and substitute therefor the phrase "One Million Dollars (U.S $1,000,000)".

It is understood that the provisions of all previous agreements between the Government of the United States and the Government of Mexico in relation to the cooperative narcotics control effort of our two governments, except as herein expressly modified, remain in full force and effect and applicable to this agreement.

If the foregoing is acceptable to the Government of Mexico, this letter and your reply shall constitute an agreement between our two governments.

I take this opportunity to reiterate to you the assurances of my highest consideration and personal esteem.

Sincerely,

Patrick J. Lucey
Ambassador

TIAS 9258

The Mexican Attorney General to the American Ambassador

PROCURADURIA GENERAL
DE LA
REPUBLICA

México, D.F., a 9 de enero de 1979.

Excelentísimo Señor
Patrick J. Lucey,
Embajador Extraordinario y Plenipotenciario
de los Estados Unidos de América.
C i u d a d .

Estimado Señor Embajador:

Me es grato dar respuesta a su atenta comunicación del día de hoy, cuyo texto traducido al español es el siguiente:

"Confirmando recientes conversaciones entre funcionarios de nuestros dos Gobiernos, relativas a la cooperación entre México y los Estados Unidos para frenar el tráfico ilegal de estupefacientes, me complace comunicarle que el Gobierno de los Estados Unidos está dispuesto a aumentar en U.S. $ 500,000 el fondo proporcionado bajo el Acuerdo efectuado por el intercambio de cartas con fecha 24 de mayo de 1978.

El Gobierno de los Estados Unidos, por lo tanto, está de acuerdo en suprimir la frase "Quinientos Mil Dólares (U.S. $ 500,000)" en el segundo párrafo de mi carta de fecha 24 de mayo de 1978, y substituir la frase "Un Millón de Dólares (U.S. $ 1,000,000)".

Se tiene por entendido que las disposiciones de todos los acuerdos previos entre el Gobierno de los Estados Unidos y el Gobierno de México, en relación con los esfuerzos de los dos Gobiernos para el control de estupefacientes, excepto como expresamente se modifica aquí, permane-

cen en pleno vigor y efecto y serán aplicables en este Acuerdo.

Si lo antedicho es aceptable al Gobierno de México, esta carta y su contestación constituirán un acuerdo entre nuestros dos Gobiernos.

Aprovecho esta oportunidad para reiterar a usted las seguridades de mi más alta consideración y estima personal."

Deseo expresar a usted que el Gobierno de México está de acuerdo en los términos de la nota transcrita.

Aprovecho la ocasión para expresar a su Excelencia la seguridad de mi más elevada consideración.

SUFRAGIO EFECTIVO. NO REELECCION.
EL PROCURADOR GENERAL DE LA REPUBLICA.

LIC. OSCAR FLORES.

TRANSLATION

UNITED MEXICAN STATES
Office of the Attorney General

Mexico, D.F., January 9, 1979

His Excellency
Patrick J. Lucey
Ambassador Extraordinary and Plenipotentiary
of the United States of America
Mexico, D.F.

Mr. Ambassador:

I am pleased to reply to your communication of today's date which, translated into Spanish, reads as follows:

[For the English language text, see p. 1494.]

I wish to inform you that the Government of Mexico concurs in the terms of the transcribed letter.

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

Oscar Flores

Oscar Flores
Attorney General

The American Ambassador to the Mexican Attorney General

EMBASSY OF THE
UNITED STATES OF AMERICA
Mexico, D.F

April 20, 1979

His Excellency
Lic. Oscar Flores
Attorney General of the Republic
San Juan de Letran No. 9
Mexico 1, D.F.

Dear Mr. Attorney General:

In confirmation of recent conversations between officials of our two governments relating to the cooperation between Mexico and the United States to curb the illegal traffic in narcotics, I am pleased to advise you that the Government of the United States is prepared to increase by U.S. $855,000 the funding provided under the agreement effected by our exchange of letters dated May 24, 1978, as amended by our exchange of letters dated January 9, 1979.

The Government of the United States therefore agrees to delete the phrase "One Million Dollars (U.S. $1,000,000)" in the second paragraph of my letter dated May 24, 1978, as previously amended, and substitute therefor the phrase "One Million Eight Hundred Fifty Five Thousand Dollars (U.S. $1,855,000)".

It is understood that the provisions of all previous agreements between the Government of the United States and the Government of Mexico in relation to the cooperative narcotics control effort of our two governments, except as herein expressly modified, remain in full force and effect and applicable to this agreement.

If the foregoing is acceptable to the Government of Mexico, this letter and your reply shall constitute an agreement between our two governments.

I take this opportunity to reiterate to you the assurances of my highest consideration and personal esteem.

Sincerely,

Patrick J. Lucey
Ambassador

TIAS 9258

The Mexican Attorney General to the American Ambassador

PROCURADURIA GENERAL
DE LA
REPUBLICA

México, D.F., abril 20 de 1979.

SR. PATRICK J. LUCEY,
EMBAJADOR DE LOS ESTADOS
UNIDOS DE AMERICA,
P R E S E N T E.

Excelentísimo señor Embajador:

Me es grato dar respuesta a su atenta comunicación del día de hoy, cuyo texto traducido al español es el siguiente:

"Confirmando recientes conversaciones entre funcionarios de nuestros dos Gobiernos, relativas a la cooperación entre México y los Estados Unidos para frenar el tráfico ilegal de estupefacientes, me complace comunicarle que el Gobierno de los Estados Unidos está dispuesto a aumentar en U.S. $855,000 el fondo proporcionado bajo el Acuerdo efectuado por el intercambio de cartas con fecha 24 de mayo de 1978, como enmendada por intercambio de cartas con fecha 9 de enero de 1979.

El Gobierno de los Estados Unidos, por lo tanto, está de acuerdo en suprimir la frase "Un Millón de Dólares (U.S. $1,000,000)" en el segundo párrafo de mi carta de fecha 24 de mayo de 1978, como previamente enmendada, y substituir la frase "Un Millón Ochocientos Cincuenta y cinco Mil Dólares (U.S. $1,855,000)".

Se tiene por entendido que las disposiciones de todos los acuerdos previos entre el Gobierno de los Estados Unidos y el Gobierno de México, en relación con los esfuerzos de los dos Gobiernos para el control de estupefacientes, excepto como expresamente se modifica aquí, permanecen en pleno vigor y efecto y serán aplicables en este Acuerdo.

Si lo antedicho es aceptable al Gobierno de México, esta carta y su contestación constituirán un acuerdo entre nuestros dos Gobiernos.

Aprovecho esta oportunidad para reiterar a usted las seguridades de mi más alta consideración y estima personal."

Deseo expresar a usted que el Gobierno de México está de acuerdo en los términos de la nota transcrita.

Aprovecho la ocasión para expresar a su Excelencia la seguridad de mi más elevada consideración.

SUFRAGIO EFECTIVO. NO REELECCION.
EL PROCURADOR GENERAL DE LA REPUBLICA.

LIC. OSCAR FLORES.

[TRANSLATION

Mexico, D.F., April 20, 1979

United Mexican States

Office of the Attorney General
of the Republic

His Excellency
Patrick J. Lucey
Ambassador of the United States
of America
Mexico, D. F.

Mr. Ambassador:

I take pleasure in replying to your letter of today's date which, translated into Spanish, reads as follows:

[For the English language text, see p. 1498.]

I should like to inform you that the Government of Mexico concurs in the terms of the letter transcribed above.

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

Oscar Flores

Oscar Flores
Attorney General of the
Republic

HUNGARIAN PEOPLE'S REPUBLIC

Cultural Relations

Agreement signed at Budapest April 6, 1977;
Entered into force May 21, 1979.

AGREEMENT

BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE HUNGARIAN PEOPLE'S REPUBLIC ON CO-OPERATION IN CULTURE, EDUCATION, SCIENCE AND TECHNOLOGY

The Government of the United States of America and the Government of the Hungarian People's Republic

Considering the historic ties of friendship between the American and Hungarian peoples;

Believing that exchanges and co-operation in culture, education, science, technology and other fields will contribute to the deepening of understanding between the American and Hungarian peoples and to the development of mutually beneficial relations between the two countries,

Recognizing that exchanges and co-operation between the cultural, educational, scientific and technological institutions of the two countries will contribute to the cultural, educational and material development of their peoples;

Considering the existing exchanges and co-operation in culture, education, science and technology between the two countries and desiring their further development;

Reaffirming their desire, in the interest of their peoples, to contribute in Europe to peace, security, justice and co-operation, as expressed in the Final Act of the Conference on Security and Co-operation in Europe;[1]

Agree as follows:

ARTICLE I

1. The Parties shall encourage the further development of interest in the cultural heritage and a wider knowledge of the cultural achievements of the other country.

[1] *Department of State Bulletin*, Sept. 1, 1975, p. 323.

To this end, the Parties shall encourage, in the way they deem appropriate, on the basis of mutual benefit, exchanges and co-operation between the two countries in the fields of the arts, culture, education, the humanities, literature and social sciences, and provide appropriate opportunities for contacts and joint activities, between organizations, institutions and persons active in these fields.

2. The Parties shall encourage the competent bodies and institutions of their respective countries to consider activities which may include among others

   a/ The exchange of exhibitions and other displays of a cultural, educational and documentary nature,

   b/ The translation and publication of artistic, literary and scientific works produced in the other country;

   c/ The presentation of plays and musical compositions of the other country,

   d/ The distribution and showings of feature, documentary and educational films of the other country; co-operation between film institutes and experimental film theatres of the two countries, as well as other mutually beneficial activities in the fields of cinematography, radio and television,

   e/ The appearances of artistic groups and individual performing artists of the other country;

   f/ The exchange of representatives in the fields of architecture, literature, music, painting, sculpture, the theatre and other areas of the arts

3. The Parties shall encourage and facilitate

   a/ Co-operation in fields of common interest among universities and other institutions of higher learning, learned societies and cultural organizations;

b/ The exchange of books, text-books, periodicals and other documentary materials, written or demonstrative, for use by cultural and scientific organizations, universities and other institutions of learning and learned societies;

c/ Co-operation in the organization of joint research, conferences and symposia;

d/ The exchange of graduate students, instructors, lecturers, scholars, researchers, professors, as well as specialists in education and other fields.

4. The Parties will facilitate visits by participants from the other country in these exchanges to archives, libraries and museums in the receiving country which are open to the public.

5. The Parties will facilitate the exchange of information concerning the comparability and equivalency of degrees.

ARTICLE II

1. The Parties shall encourage and facilitate exchanges and co-operation in the fields of pure and applied science as well as technology, on the basis of mutual benefit, and provide appropriate opportunities for contacts and joint activities in specialized areas and topics of common interest between enterprises, scientific and technological institutions and organizations, research institutes, universities and other institutions of higher learning, as well as scientists, researchers and specialists of the two countries.

2. In order to develop and expand scientific and technological co-operation as described under Item II/1, the Parties shall facilitate, among other activities:

a/ Visits, study-trips and consultations of researchers, scientists and other specialists,

b/ Joint development and implementation of programs and projects, including joint research, development, testing, and the exchange of research results and experience;

c/ Organization of joint courses, conferences and symposia;

d/ Exchange of scientific and technical films,

e/ Organization of scientific and technical exhibitions and displays on a non-commercial basis,

f/ Exchange of scientific and technical documentation and information;

g/ Exchange of books, periodicals and other publicly available publications of a scientific and technical nature.

ARTICLE III

1 The Parties shall encourage scientific co-operation between organizations and institutions of the two countries performing important national tasks and, to this end, shall consider, as deemed necessary, the conclusion of separate agreements to achieve the purposes of this Agreement.

2 The Parties shall take all appropriate measures to encourage and achieve the fulfillment of the Agreement between the National Science Foundation of the United States of America and the Institute for Cultural Relations of the Hungarian People's Republic.

ARTICLE IV

The Parties shall encourage co-operation between the sports organizations of the two countries, in particular, the organization of individual and team exhibitions and competitions, and the exchange of specialists in physical education and sports.

ARTICLE V

For the purpose of implementing this Agreement, periodic two-year working programs shall be concluded in the cultural, educational, scientific and technological fields. The execution of these working programs shall be entrusted to the competent agencies of the two Parties.

In order to review the implementation of this Agreement, to elaborate the aforementioned working programs and to consider future activities, designated representatives of the Parties shall meet, alternately in Washington and Budapest, at mutually agreed upon regular intervals

ARTICLE VI

The provisions of this Agreement shall not affect the domestic laws or regulations of either Party. The responsibilities assumed by each Government under this Agreement shall be subject to its Constitution and applicable laws and regulations. Within this framework, both Parties will use their best efforts to ensure favourable conditions for the fulfillment of the provisions and objectives of this Agreement and the exchanges and co-operation under it.

ARTICLE VII

The Parties agree to encourage and facilitate, as each side deems appropriate, mutually acceptable additional exchanges and co-operation initiated in accordance with the objectives of this Agreement, by interested institutions, organizations or persons of the two countries active in the fields of culture, education, science and technology.

ARTICLE VIII

Following signature, this Agreement shall enter into force upon the date of written notification from the Government of the Hungarian People's Republic to the Government of the United States of America that the Agreement has been approved by the Government of the Hungarian People's Republic.[1]

[1] May 21, 1979.

This Agreement shall remain in force for two years. It may be modified or amended by mutual agreement of the Parties, and may be terminated by either Party upon six months' written notice to the other Party. It shall remain in force for additional periods of two years unless either Party shall have given written notice of termination not later than six months before the Agreement is due to expire.

In witness whereof the respective representatives, duly authorized for the purpose, have signed this Agreement.

Done in duplicate at Budapest , this 6th day of April 1977, in the English and Hungarian languages, both being equally authentic

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA

[1]

FOR THE GOVERNMENT OF THE HUNGARIAN PEOPLE'S REPUBLIC

[2]

[1] Arthur A. Hartman.
[2] Rudolf Ronai.

AZ AMERIKAI EGYESÜLT ÁLLAMOK KORMÁNYÁNAK ÉS A MAGYAR NÉPKÖZTÁRSASÁG KORMÁNYÁNAK KULTURÁLIS, OKTATÁSI, TUDOMÁNYOS ÉS MŰSZAKI-TUDOMÁNYOS EGYÜTTMŰKÖDÉSI

E G Y E Z M É N Y E

Az Amerikai Egyesült Államok Kormánya és a Magyar Népköztársaság Kormánya

tekintetbe véve az amerikai és a magyar népet egymáshoz fűző történelmi barátságot;

abban a meggyőződésben, hogy a kulturális, oktatási, tudományos, műszaki-tudományos és egyéb területeken megvalósuló cserék és együttműködés hozzájárulnak az amerikai és a magyar nép megértésének elmélyítéséhez, továbbá a két ország kölcsönösen előnyös kapcsolatainak fejlesztéséhez;

annak tudatában, hogy a két ország kulturális, oktatási, tudományos és műszaki-tudományos intézményeinek cseréi és együttműködése hozzájárulnak népeik kulturális és anyagi fejlődéséhez;

figyelembe véve a két ország egymással már fennálló kulturális, oktatási, tudományos és műszaki-tudományos cseréit, valamint együttműködését és azok továbbfejlődését kívánva;

megerősítve óhajukat, hogy népeik érdekében hozzájárulj anak a békéhez, biztonsághoz, igazsághoz és együttműködéshez Európában, amint az az Európai Biztonsági és Együttműködési Értekezlet Záróokmányában kifejezésre jut;

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a következőkben állapodnak meg:

I.CIKK

1. A Felek elősegítik a másik ország kulturális örökösége iránti érdeklődés növelését és kulturális eredményeinek szélesebbkörü megismertetését.

Ennek érdekében a Felek, számukra megfelelő módon, a kölcsönös előnyök alapján elősegítik a két ország cseréit és együttmüködését a müvészetek, a kultura, az oktatás, a humán tudományok, az irodalom és a társadalomtudományok területén, és megfelelő lehetőséget biztosítanak az e területeken müködő szervezetek, intézmények és személyek kapcsolatai és közös tevékenysége számára.

2. A Felek országaik illetékes szerveit és intézményeit arra ösztönzik, hogy akciókat irányozzanak elő, amelyek többek között magukban foglalhatják:

a/ kulturális, oktatási és dokumentatív jellegü kiállítások és egyéb bemutatók cseréjét;

b/ a másik országban alkotott müvészeti, irodalmi és tudományos müvek lefordítását és kiadását;

c/ a másik ország szinpadi és zenemüveinek bemutatását,

d/ a másik ország játék-, dokumentum- és oktatási filmjeinek forgalmazását és bemutatását; a két ország filmtudományi intézeteinek és kisérleti filmszinházainak együttmüködését, továbbá egyéb, kölcsönösen előnyös tevékenységet a filmgyártás, a rádió és a televizió területén,

e/ a másik ország művészeti együtteseinek és egyéni előadóművészeinek fellépéseit;

f/ az építőművészet, irodalom, zene, festészet, szobrászat, színház és más művészeti területek képviselőinek cseréjét.

3. A Felek bátorítják és megkönnyítik

a/ az egyetemek és más felsőoktatási intézmények, tudományos társaságok és kulturális szervezetek együttműködését a közös érdeklődésre számot tartó területeken;

b/ könyvek, tankönyvek, folyóiratok és egyéb írásos, vagy szemléltető dokumentációs anyagok cseréjét kulturális és tudományos szervezeteik, egyetemeik és más oktatási intézményeik, valamint tudományos társaságaik használatára;

c/ közös kutatás, konferenciák és szimpoziumok megrendezésében való együttműködést;

d/ postgraduáns hallgatók, egyetemi oktatók, előadók, tudósok, kutatók, professzorok, valamint oktatási és egyéb szakemberek cseréjét.

4. A Felek megkönnyítik az e cserék alapján a másik országból érkező résztvevők számára a fogadó ország nyilvánosan látogatható levéltáraiban, könyvtáraiban és múzeumainak látogatását.

5. A Felek megkönnyítik a diplomák összehasonlíthatóságára és egyenértékűségére vonatkozó információcserét.

II. CIKK

1. A Felek a kölcsönös előnyök alapján elősegítik és megkönnyítik a cserét és az együttműködést az elméleti és alkalmazott természettudományok, valamint a műszaki-tudományok területén és megfelelő lehetőséget nyújtanak a két ország vállalatai, tudományos és műszaki-tudományos intézményei és szervezetei, kutatóintézetei, egyetemei és más felsőoktatási intézményei, valamint tudósai, kutatói és szakemberei kapcsolataihoz és közös tevékenysége számára a kölcsönös érdekek alapján meghatározott szakterületeken és témákban.

2. A Felek a II/1. pontban foglalt tudományos és műszaki-tudományos együttműködés fejlesztése és kibővítése céljából többek között megkönnnyítik:

a/ kutatók, tudósok és más szakemberek látogatásait, tanulmányútjait és konzultációit;

b/ programok és projektumok közös kidolgozását és végrehajtását, beleértve a közös kutatást, a fejlesztést, az ellenőrző vizsgálatokat, valamint a kutatási eredmények és tapasztalatok cseréjét;

c/ közös tanfolyamok, konferenciák és szimpóziumok szervezését;

d/ tudományos és műszaki-tudományos filmek cseréjét;

e/ tudományos és müszaki-tudományos kiállítások, valamint bemutatók nem kereskedelmi alapon történő rendezését;

f/ tudományos és müszaki-tudományos dokumentációk és információk cseréjét;

g/ tudományos és müszaki-tudományos jellegü könyvek, folyóiratok és más nyilvánosan elérhető kiadványok cseréjét.

III. CIKK

1. A Felek elősegítik a két ország jelentős országos feladatokat ellátó szervezeteinek és intézményeinek tudományos együttmüködését és e célból megvizsgálják szükség szerint külön megállapodások kötését az Egyezmény célkitüzéseinek megvalósítása érdekében.

2. A Felek minden megfelelő intézkedést megtesznek az Amerikai Egyesült Államok Országos Tudományos Alapítványa és a Magyar Népköztársaság Kulturális Kapcsolatok Intézete egyezménye végrehajtásának ösztönzése és elérése érdekében.

IV. CIKK

A Felek elősegítik a két ország sportszervezeteinek együttmüködését, különösen az egyéni és csapatbemutatók, valamint versenyek szervezését; továbbá testnevelési és sportszakemberek cseréjét.

V. CIKK

Ennek az Egyezménynek a végrehajtása céljából kétéves időszaki munkatervek készülnek a kulturális, oktatási,

tudományos és műszaki-tudományos területeken. E munkatervek megvalósításával a Felek erre illetékes szerveiket bízzák meg.

Az Egyezmény végrehajtásának áttekintése, az említett munkatervek kidolgozása, valamint jövőbeni akciók megvizsgálása céljából a Felek kijelölt képviselői kölcsönösen megállapított rendszeres időközönként, felváltva Washingtonban és Budapesten találkoznak.

VI. CIKK

Ennek az Egyezménynek a rendelkezései nem érintik egyik Fél hazai törvényeit vagy egyéb jogszabályait sem. A kötelezettségek, amelyeket a kormányok ebben az Egyezményben magukra vállaltak, alá vannak vetve az illető ország Alkotmányának, valamint hatályos törvényeinek és egyéb jogszabályainak. E kereteken belül mindkét Fél minden tőle telhetőt megtesz, hogy kedvező feltételeket biztosítson az Egyezmény rendelkezéseinek és célkitűzéseinek, valamint az annak alapján létrejövő cserék és együttműködés megvalósításához.

VII. CIKK

A Felek megállapodnak, hogy az általuk megfelelőnek ítélt módon elősegítik és megkönnyítik a kölcsönösen elfogadható további cseréket és együttműködést, amelyet ennek az Egyezménynek a célkitűzéseivel összhangban a két országnak a kultura, az oktatás, a tudományok és a műszaki tudományok területén működő érdekelt szervezetei, intézményei, valamint személyei kezdeményeznek.

VIII. CIKK

Az aláírást követően az Egyezmény azon a napon lép hatályba, amelyen a Magyar Népköztársaság Kormánya írásban értesíti az Amerikai Egyesült Államok Kormányát, hogy az Egyezményt a Magyar Népköztársaság Kormánya jóváhagyta.

Ez az Egyezmény két évig marad hatályban. Az Egyezmény a Felek kölcsönös megállapodásával módosítható vagy kiegészíthető és bármelyik Fél által felmondható a másik Félhez hat hónappal korábban intézett írásbeli értesítés alapján.

Amennyiben lejárta előtt legalább hat hónappal egyik fél sem mondja fel írásban, az Egyezmény hatálya mindannyiszor további kétéves időszakokra hosszabbodik meg.

A fentiek hiteléül a Felek e célra szabályosan meghatalmazott képviselői az Egyezményt aláírták.

Készült két példányban Budapesten, az 1977. év április hónap 6. napján angol és magyar nyelven, mindkettő egyaránt hiteles.

Az Amerikai Egyesült Államok Kormánya nevében

A Magyar Népköztársaság Kormánya nevében

ICELAND

Alien Amateur Radio Operators

Agreement effected by exchange of notes
Signed at Reykjavik April 26, 1978;
Entered into force April 26, 1978.

The Icelandic Minister for Foreign Affairs to the American Ambassador

UTANRÍKISRÁÐUNEYTIÐ[1]

Reykjavik, 26 April 1978.

Excellency

I have the honor to refer to conversations between representatives of the Government of Iceland and representatives of the Government of the United States of America relating to the possibility of concluding an agreement between the two Governments with a view to the reciprocal granting of authorizations to permit licensed amateur radio operators of either country to operate their stations in the other country, in accordance with the provisions of Article 41 of the International Radio Regulations, Geneva, 1959.[2] It is proposed that an agreement with respect to this matter be concluded as follows:

1. An individual who is licensed by his Government as an amateur radio operator and who operates an amateur radio station licensed by such Government shall be permitted by the other Government, on a reciprocal basis and subject to the conditions stated below, to operate such station in the territory of such other Government.

2. The individual who is licensed by his Government as an amateur radio operator shall, before being permitted to operate his station as provided for in paragraph 1, obtain from the appropriate administrative agency of the other Government an authorization for that purpose.

His Excellency James J. Blake,
Ambassador of the United States of America,
Reykjavík.

[1] In translation reads: "Ministry for Foreign Affairs".
[2] TIAS 4893; 12 UST 2633.

3. The appropriate administrative agency of each Government may issue an authorization, as prescribed in paragraph 2, under such conditions and terms as it may prescribe, including the right of cancellation at the convenience of the issuing Government at any time.

Upon the receipt of a reply note from you indicating the concurrence of the Government of the United States of America, it will be considered that this note and the reply note constitute an agreement between the two Governments, such agreement to be in force as of the date of the reply note and to be subject to termination by either Government giving six months notice, in writing, of its intention to terminate.

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

Einar Ágústsson

Einar Ágústsson
Minister for Foreign Affairs
of Iceland

The American Ambassador to the Icelandic Minister for Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 15 Reykjavik, April 26, 1978

Excellency:

I have the honor to acknowledge the receipt of Your Excellency's note of this date in which reference is made to conversations between representatives of the Government of the United States of America and representatives of the Government of the Republic of Iceland relating to the possibility of concluding an agreement between the two Governments with a view to the reciprocal granting of authorizations to permit licensed amateur radio operators of either country to operate their stations in the other country, in accordance with the provisions of Article 41 of the International Radio Regulations, Geneva, 1959.

Pursuant to section 303 (1)(2) and 310(a) of the Communications Act of 1934 as amended (47 U.S.C. 303 (1)(2), 310(a)), the Government of the United States of America is prepared to conclude an agreement with respect to this matter as follows:

His Excellency
Einar Agustsson
Minister for Foreign Affairs
Reykjavik

1. An individual who is licensed by his Government as an amateur radio operator and who operates an amateur station licensed by such Government shall be permitted by the other Government, on a reciprocal basis and subject to the conditions stated below, to operate such a station in the territory of such other Government.

2. The individual who is licensed by his Government as an amateur radio operator shall, before being permitted to operate his station as provided for in paragraph 1, obtain from the appropriate administrative agency of the other Government an authorization for that purpose.

3. The appropriate administrative agency of each Government may issue an authorization, as prescribed in paragraph 2, under such conditions and terms as it may prescribe, including the right of cancellation at the convenience of the issuing Government at any time.

In accordance with the suggestion made in Your Excellency's note, that note and this reply note indicating the concurrence of the Government of the United States of America are considered as constituting an agreement between the two Governments, such agreement to be in force as of the date of this reply note and to be subject to termination by either Government giving six months notice, in writing, of its intention to terminate.

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

[1]

[1] James J. Blake.

ZAIRE

Agricultural Commodities

Agreement signed at Kinshasa August 25, 1978;
Entered into force August 25, 1978.
With memoranda of understanding
Signed at Kinshasa August 17, 24 and 25, 1978.
And amending agreement
Effected by exchange of notes
Dated at Kinshasa December 27, 1978 and January 3, 1979;
Entered into force January 3, 1979.

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF ZAIRE FOR THE SALE OF AGRICULTURAL COMMODITIES UNDER THE P.L. 480 TITLE I PROGRAM

The Government of the United States of America and the Government of Zaire have agreed to the sales of agricultural commodities specified below. This agreement shall consist of the Preamble, Parts I and III of P.L. 480 Title I Agreement signed on March 25, 1976, [1] together with the following Part II:

PART II. PARTICULAR PROVISIONS

Item I. Commodity Table:

Commodity	Supply Period (U.S. Fiscal Year)	Approximate Maximum Quantity (Metric Tons)	Maximum Export Market Value (Millions)
Wheat/Wheat flour (Grain equivalent basis)	1978 plus Oct 1978 to Jan 1979	50,000	$ 6.4
Rice	1978 plus Oct 1978 to Jan 1979	13,000	4.6
Tobacco	1978 plus Oct 1978 to Jan 1979	1,000	4.0
Cotton	1978 plus Oct 1979 to Jan 1979	10,000 (bales)	3.0
		TOTAL	$18.0

Item II. Payment Terms: Convertible Local Currency Credit (30 years)

1. Initial Payment - None
2. Currency Use Payment - 10 percent for Section 104 (A) Purposes
3. Number of Installment Payments - 26
4. Amount of each Installment Payment - Approximately equal annual installments.
5. Due Date of First Installment Payment - five years from date of last delivery of commodities in each calendar year.
6. Initial Interest Rate - 2 percent.
7. Continuing Interest Rate - 3 percent.

Item III. Usual Marketing Table:

Commodity	Import Period (U.S. Fiscal Year)	Usual Marketing Requirement (Metric Tons)
Wheat/Wheat flour (Grain equivalent bases)	1978 plus Oct 1978 to Jan 1979	110,000
Rice	1978 plus Oct 1978 to Jan 1979	None
Tobacco	1978 plus Oct 1978 to Jan 1979	None
Cotton	1978 plus Oct 1978 to Jan 1979	None

[1] TIAS 8403, 27 UST 3841.

Item IV. Export Limitations:

1. The export limitation period shall be U.S. Fiscal Year 1978 or any subsequent U.S. Fiscal Year during which commodities financed under this agreement are being imported or utilized.

2. For the purpose of Part I, Item III (4) (A) of the Agreement, the commodities which may not be exported are: for wheat/wheat flour—wheat, wheat flour, rolled wheat, semolina, farina, bulgur (or the same product under a different name); for rice—rice in the form of paddy, brown or milled; for cotton—cotton and cotton textiles (including yarn and waste); and for tobacco—none.

Item V. Self-Help Measures:

1. In implementing these self-help measures, specific emphasis will be placed on contributing directly to development progress in poor rural areas and on enabling the poor to participate actively in increasing agricultural production through small farm agriculture.

2. The Government of Zaire agrees to:

A. Augment the following areas of the North Shaba Rural Development Project, AID Project Number 660-0059:

a) Development of research and extension operations directed towards the delivery of improved maize and other crop technologies;

b) Development of farmer groups/cooperatives which will help ensure the project benefits reach small farmers;

c) Development and production of intermediate technology to alleviate peak labor constraints;

d) Development and provision of improved credit and marketing services to small farmers;

e) Improvement and expansion of the North Shaba rural infrastructure;

f) Development of a data collection and analysis system to monitor and evaluate all project activities.

B. Continue to provide budgetary support of agricultural service and staff, vocational schools and training, the framework for on-the-job training and upgrading, and agricultural credit efforts.

C. Further support the agricultural research programs (distribution to farmers) which emphasize testing and multiplication of improved seeds.

D. Provide assistance required to improve farmer-to-market transportation including roads, their repair and maintenance and to provide trucks and related maintenance, such as spare parts.

E. Place particular emphasis on improvement of data-gathering utilization as it relates to agricultural statistics.

F. Strengthen data-gathering programs for sub-sector studies (small farmer) to evaluate provisioning, product disposition and production.

Item VI. Economic Development Purposes for which Proceeds Accruing to Importing Country are to be Used:

1. The commodities provided hereunder or the proceeds accruing to the importing country from the sale of such commodities, will be used for the following projects/programs which directly benefit the needy people of the importing country.

A. The self-help measures set forth in Item V, A, B, C, D of the Agreement.

B. And/or the following other projects/programs:

a) Health and Nutrition projects to establish rural health services delivery systems; to carry out a national measles vaccination program and to intensify malaria control measures; and to analyze and address nutrition problems of poor people in Zaire.

b) Agriculture Research - Research activities to increase small farmer production of corn and manioc.

c) Agricultural Development - The Counterpart Fund Secretariat has a portfolio of medium-sized projects in rural development, focused on small farmers, female agriculturalists, lake fishermen, and community development. These projects are generally implemented and managed by non-governmental organizations with demonstrated success in rural development benefitting the poor.

d) Agricultural Credit - A program financed partly by the Counterpart Fund, and managed by SOFIDE. The purpose is to stimulate agricultural production,

and to increase rural employment by providing adequate financing, adapted to local conditions. This creation of a special credit program is a priority activity in the GOZ strategy to assist small and medium private enterprises in agriculture.

e) Counterpart Funds are reserved for priority activities in the Agriculture Recovery Program which are being elaborated by the World Bank Consultative Group. These activities will be directed at support and expansion of development activities in agriculture, and transportation and training of Zairians as related to agriculture.

f) Agricultural education programs at the University of Zaire's Faculty of Agronomy.

2. The projects of programs identified under VI, 1, above, are elements of a country-wide financing and development program which will directly benefit the needy in the following ways:

A) Integrated rural development projects will deliver a sequence of inputs in the fields of agricultural production, health, education, transport, marketing and credit for small-scale and subsistence farmers in the North Shaba, Bukavu, Karawa, and North-East Dimbelenge areas and the Bandundu region. Approximately 500,000 small farmers are expected to benefit. The principal objectives are to increase production and achieve self-sufficiency by the mid-1980's in maize, rice, cassava, and fish and to help raise rural incomes.

B) Transportation investments included in Zaire's agricultural program are considered to be top priority. 28,000 km of feeder roads of agricultural importance have been designated for rehabilitation and special maintenance programs. This program will help improve marketing of agricultural produce by providing easier access to market centers, and permitting small rural farmers greater opportunities to receive agricultural assistance and other services.

C) Health projects being initiated on a prototype basis are to expand following positive evaluation of initial results. The program involves

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training of urban and rural health and nutrition workers, nutrition programs for children under age five and for mothers, curative and preventive health services, maternity care programs, vaccination program against measles, polio, diphtheria and BCG, and a malaria control program. At the conclusion of this country-wide program, which will take a number of years to complete, approximately 3.5 million persons will benefit. These are people most of whom do not have access to health care at the present time.

D) Rural education activities will seek to interest young Zairians in agriculture by establishing rural vocational teacher training schools, and to ensure that existing capacity at the technical, agricultural, and veterinary colleges is used fully. Benefits to be derived include increased incomes for rural and urban youth, reduced unemployment, and increased productivity.

E) Agricultural research activities will increase the availability of improved cereals seed and cassava cuttings for small farmers in Zaire. Benefits will be in terms of increased food production, and improved rural incomes.

F) Agricultural credit programs will support efforts of small and medium-sized farmers, marketers, and processors to increase food production and to process and market food to the urban centers of Zaire. Low-interest loans for trucks, buying funds, and related equipment will be made to marketers; this will enable small farmers to sell their production at better prices. Pilot activities in small farmer production credit will be initiated and evaluated for possible national application. This program will benefit all segments of the ag sector in Zaire: producers, marketers, and consumers.

G) The programs described above are either in the planning or early implementation stages, and are subject to change.

3. In addition to the report required by Part I, Article II F of this agreement, the importing country agrees to report on the progress of the implementation of projects/programs identified in Item VI.1 above. Such

report shall be made by the importing country within six months following the last delivery of commodities in the first calendar year of the agreement and every six months thereafter until all the commodities provided hereunder, or the proceeds from their sale, have been used for the project/program specified in Item VI.1 above.

IN WITNESS WHEREOF, the respective representatives, duly authorized for the purpose, have signed the present Agreement.

DONE in Kinshasa, in duplicate, this 25th day of August, 1978,

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA

Allen C. Davis
Chargé d'Affaires ad interim
of the United States of America

FOR THE GOVERNMENT OF THE REPUBLIC OF ZAIRE

Ebony Mondanga
State Commissioner for Finance

[SEAL]

Memorandum of Understanding between the Department of Plan for the Republic of Zaire and the USAID for the United States of America

It is the intention of the Government of the Republic of Zaire to utilize the Counterpart Secretariat under the Department of Plan to implement, in cooperation with the United States Agency for International Development (USAID), the objective agreed to under Item VI of Part II of the "Particular Provisions" of the Title I Agreement and any future amendments to that Agreement for the sale of agricultural commodities, signed by the representatives of the Government of the Republic of Zaire and of the Government of the United States of America in Kinshasa on August 25, 1978. Agreement on the programming of counterpart funds will take place through an exchange of letters between the Department of Plan and USAID This exchange of letters regarding mutual agreement on the programming of counterpart funds will permit the Department of Plan to issue a transfer of funds order to disburse funds if no further conditions have been imposed in the exchange of letters.

The local currency proceeds from the sale of the commodities under this Agreement will be deposited in a special account in the Bank of Zaire within 180 days after the commodities arrive in country, unless an extension is agreed to in writing.

The Government of Zaire will submit a plan for the distribution of the rice under this Agreement to the U.S. Embassy/Agricultural Attache.

Signed.	MULUMBA LUKOJI	Signed.	JACOB L. CRANE
	Commissaire d'Etat Departement du Plan		*Director, USAID*
Date:	17/8/78	Date:	AUGUST 25, 1978
	[SEAL]		

Memorandum of Understanding between the Department of Plan for the Republic of Zaire and the USAID for the United States of America concerning:

Guidelines and Procedures for Counterpart Funds resulting from the sale of imports brought into Zaire pursuant to the provisions contained in Agreements signed by representatives of the Government of Zaire and the Government of the United States.

1. The Department of Plan designates the Secretariat for Counterpart Funds as its representative for discussions and meetings regarding programming of counterpart funds.

2. The USAID designates the Program Office as its representative for discussions and meetings regarding programming and monitoring of counterpart funds.

3. The Government of Zaire is responsible for the deposit of the sales proceeds from the sale of the PL 480 Title I [1] commodities. These deposits may not be less than the FOB or FAS dollar value of the commodities delivered in the United States, less any currency use provision and/or initial payment made by the GOZ to the United States. Such deposits must be made into a special account at the Bank of Zaire within 180 days of the arrival of the commodities in Matadi, unless otherwise agreed in writing.

4. The Government of Zaire is also responsible for the deposit into a separate special account of the equivalent in zaires of the dollar value of other imports brought into Zaire under concessional loans in accordance with the conditions stipulated in the loan agreements. Such local currency deposits are to be made into a special account at the Bank of Zaire within 90 days of the issuance of letters of credit.

5. USAID and Department of Plan representatives will meet not less than quarterly to plan and program allocations from Counterpart Fund accounts. Agreement on the programming of counterpart funds will take place through an exchange of letters between Plan and USAID Any new project or upward adjustments of amounts exceeding 25% of the total on previously approved projects will also be subject to agreement through an exchange of letters. No disbursements of counterpart funds will be made until budgets are agreed by letter.

6. The uses of counterpart funds shall be in accordance with the objectives outlined in PL 480 Title I Sales Agreements and other loan agreements, together with any amendments or written understandings.

[1] 68 Stat. 455; 7 U.S.C. § 1701 *et seq.*

7 Where counterpart funds have been programmed for joint GOZ/USAID projects, a project agreement will be cleared and approved by the Department of Plan. A copy of the signed Project Agreement will be sent to Plan, and counterpart funds will be released by a transfer of funds order for purposes agreed in the project agreement, and in a fashion specified in the project agreement.

8. For activities where USAID project agreements are not used, a project description and budget will be made available to the USAID. An exchange of letters between USAID and Plan regarding agreement on the programming of counterpart funds will permit the Department of Plan to issue a transfer of funds order to disburse funds, if no further conditions have been imposed in the exchange of letters.

9. Either the Department of Plan or the USAID may request that parties proposing counterpart-funded projects provide additional information with regard to a project's goal, purpose, inputs, outputs, and assumptions before counterpart funds are programmed or disbursed.

10. Small self-help projects, generally under 5,000 zaires, will be funded through a trust fund administered by USAID. USAID will provide a report, at least annually, to the Department of Plan on the activities. The trust fund will receive an allocation of counterpart to be negotiated between the Department of Plan and USAID.

11. The Department of Plan will report monthly to the USAID on the status of the Counterpart Accounts.

12. Records pertaining to the Counterpart Accounts of funds generated by USG/GOZ agreements will be available for audit and review by USAID/Kinshasa, or its designee.

Counterpart Reports

A. Monthly Report

The Secretariat will provide a written report to the USAID/Controller on the fifteenth day of each month which will include the following detail for each special account:

(1) the amount of local currency deposited during the previous month and cumulative deposits;
(2) the amounts disbursed and the recipient of the funds (project/activity),
(3) the sector in which the project/activity belongs, and the name of the recipient's bank and account into which the funds have been deposited.

B. A quarterly activity report indicating:

(1) the receipts and expenditures from the project/activity accounts;
(2) the status of project implementation including any appropriate explanation of delays in expenditures or other implementation problems.

C. Self-Help Report

No later than December 1 of any given year, the Secretariat will submit in writing to USAID/Director a written report of the GOZ's self-help activities per Sec. 109(a) Self-Help Requirement of the PL 480 Act as amended.

Signed.	MULUMBA LUKOJI	Signed.	JACOB L. CRANE
	Commissaire d'Etat		*Director, USAID*
	Departement du Plan		
Date:	17/8/78	Date:	AUGUST 24, 1978
	[SEAL]		

[AMENDING AGREEMENT]

The American Embassy to the Zairian Department of Foreign Affairs and International Cooperation

No. 276

The Embassy of the United States of America presents its compliments to the Department of Foreign Affairs and International Cooperation of the Republic of Zaire and has the honor to refer to the Agreement between the Government of Zaire and the Government of the United States concerning the Fiscal Year 1978 P.L. 480 Title I Program.

This Agreement, which was signed by our two governments on August 25, 1978 by Commissioner of Finance Emony Mondanga and subsequently on the same date by the United States Charge d'Affaires, a.i. Allen C. Davis, should be amended to read as follows:

> In Part II – Commodity Table – under the appropriate column and for wheat/wheat flour only, delete "1978 plus October 1, 1978 through January 1979" and insert "1978 plus October 1 through May 1979."

All other terms and conditions of the August 25, 1978 Title I Agreement remain the same. It is proposed this note and your reply concurring therein constitute an agreement between our governments effective date your note in reply.

The Embassy of the United States of America takes this opportunity to renew to the Department of Foreign Affairs and International Cooperation the assurances of its highest consideration.

EMBASSY OF THE UNITED STATES OF AMERICA
KINSHASA, *December 27, 1978*

The Zairan Department of Finance to the American Embassy

Kinshasa, le 3 janvier 1979

Le Gouvernement du Zaïre par la présente, ratifie les amendements présentés dans la Note Diplomatique No. 276, de l'Ambassade des Etats-Unis, au texte de l'Accord P.L. 480 Titre I signé le 25 août 1978.

Emony Mondanga
Commissaire d'Etat aux Finances

Département des Finances

Translation

KINSHASA, *January 3, 1979*

The Government of Zaire hereby approves the amendments to the text of the P.L. 480 Agreement, Title I, signed on August 25, 1978, as set forth in diplomatic note No. 276 from the Embassy of the United States.

EMONY MONDANGA

Emony Mondanga
State Commissioner for Finance
Department of Finance

TIAS 9261

ZAIRE

Agricultural Commodities

Agreement amending the agreement of May 24, 1977, as amended.
Effected by exchange of notes
Dated at Kinshasa July 7, 1978;
Entered into force July 7, 1978.

The American Embassy to the Zairian Department of Foreign Affairs and International Cooperation

EMBASSY
OF THE
UNITED STATES OF AMERICA

No. 150

The Embassy of the United States presents its compliments to the Department of Foreign Affairs and International Cooperation of the Republic of Zaire and has the honor to refer to the recent discussions which took place between the representatives of their respective Governments on the funds generated by the sale of commodities received in the PL-480 Title I [1] program to be used to aid the refugees.

The Government of Zaire, in agreement with the Government of the United States, represented by USAID/Zaire, may use, within the framework of the program to be managed by the High Commissioner of the United Nations for the Refugees, an amount not to exceed 200,000 zaires from the local currency funds generated by the sale of PL-480 Title I commodities,[2] in favor of the refugees and displaced persons in need in Bas-Zaire.

The Embassy of the United States of America thanks the Department of Foreign Affairs and International Cooperation of the Republic

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[1] 68 Stat. 455, 7 U.S.C. § 1701 *et seq.*
[2] See agreement signed May 24, 1977, as amended. TIAS 8813, 29 UST 287.

of Zaire for its attention and takes this opportunity to renew the assurances of its very high consideration.

[SEAL]

EMBASSY OF THE UNITED STATES
KINSHASA, *July 7, 1978*

The Zairian Department of Foreign Affairs and International Cooperation to the American Embassy

MOUVEMENT POPULAIRE DE LA REVOLUTION

REPUBLIQUE DU ZAIRE
DEPARTEMENT DES AFFAIRES ETRANGERES
ET DE LA COOPERATION INTERNATIONALE
DIRECTION AMERIQUE, MOYENT-ORIENT
ASIE & OCEANIE.

CONCERNE: N° 136.0/001700/78.

Le Département des Affaires Etrangères et de la Coopération Internationale du Gouvernement du Zaïre présente ses compliments à l'Ambassade des Etats-Unis d'Amérique et a l'honneur d'accuser réception de sa Note Diplomatique n° 150 par laquelle accord est donné sur l'utilisation par le Gouvernement de la République du Zaïre, dans le cadre du programme devant être administré par le Haut-Commissaire des Nations-Unies pour les Réfugiés, d'une somme jusqu'à concurrence de 200.000 Zaïres, sur les fonds en monnaie nationale zaïroise provenant de la vente de denrées importées au Zaïre dans le cadre du programme de la Loi Publique 480, somme qui sera destinée à aider les personnes déplacées et les réfugiés nécessiteux dans le Bas-Zaïre.

Le Département des Affaires Etrangères et de la Coopération Internationale saisit cette occasion pour renouveler à l'Ambassade des Etats-Unis l'Amérique les assurances de sa très haute considération.

KINSHASA, *le 7 Juillet 1978.–*

A L'AMBASSADE DES ETATS-UNIS
D'AMERIQUE
A
KINSHASA.–

Translation

POPULAR MOVEMENT OF THE REVOLUTION

REPUBLIC OF ZAIRE
DEPARTMENT OF FOREIGN AFFAIRS AND
INTERNATIONAL COOPERATION
OFFICE OF AMERICAN, NEAR EASTERN
ASIAN, AND OCEANIAN AFFAIRS

No. 136.0/001700/78

The Department of Foreign Affairs and International Cooperation of the Government of Zaire presents its compliments to the Embassy of the United States of America and has the honor to acknowledge receipt of its diplomatic note No. 150, agreeing to the use, by the Government of the Republic of Zaire, under a program to be administered by the United Nations High Commissioner for Refugees, of a sum not to exceed 200,000 zaires, from funds in local Zairian currency generated by the sale of commodities imported to Zaire under the Public Law 480 program, for the purpose of assisting displaced persons and needy refugees in Bas-Zaire.

The Department of Foreign Affairs and International Cooperation avails itself of this opportunity to renew to the Embassy of the United States of America the assurances of its very high consideration.

KINSHASA, *July 7, 1978*

EMBASSY OF THE
UNITED STATES OF AMERICA,
KINSHASA.

MULTILATERAL

Atomic Energy: Transfer of Uranium for Research Reactor

Agreement done at Vienna May 9, 1978;
Entered into force May 9, 1978.
With exchanges of notes
Signed at Buenos Aires and Washington March 31,
April 7 and May 10 and 22, 1978.

ACUERDO ENTRE LOS GOBIERNOS DE LA REPUBLICA ARGENTINA, DE LA REPUBLICA DEL PERU Y DE LOS ESTADOS UNIDOS DE AMERICA Y EL ORGANISMO INTERNACIONAL DE ENERGIA ATOMICA RELATIVO A LA TRANSFERENCIA DE URANIO ENRIQUECIDO PARA UN REACTOR DE INVESTIGACION DE POTENCIA NULA

CONSIDERANDO que el Gobierno de la República del Perú ha efectuado las oportunas gestiones para que el Gobierno de la República Argentina le transfiera un reactor de investigación de potencia nula (que en adelante se denominará "reactor de investigación" en el presente Acuerdo) y los elementos combustibles necesarios para el reactor de investigación;

CONSIDERANDO que en virtud del Acuerdo de Cooperación entre los Gobiernos de la República Argentina y de los Estados Unidos de América concertado el 29 de junio de 1969 (que en adelante se denominará "Acuerdo de Cooperación Argentina-Estados Unidos" en el presente Acuerdo), el Gobierno de los Estados Unidos vendió uranio enriquecido al Gobierno de la República Argentina, y que su transferencia fuera de la jurisdicción del Gobierno de la República Argentina está sujeta a las estipulaciones de dicho Acuerdo;

CONSIDERANDO que los elementos combustibles que el Gobierno de la República Argentina se propone suministrar para el reactor de investigación han sido fabricados con uranio enriquecido originario de los Estados Unidos de América, comprado por el Gobierno de la República Argentina en virtud del Acuerdo de Cooperación Argentina-Estados Unidos;

CONSIDERANDO que el Gobierno de la República del Perú ha pedido la asistencia del Organismo Internacional de Energía Atómica (que en adelante se denominará "Organismo" en el presente Acuerdo) para obtener el material fisionable especial contenido en los elementos combustibles para el reactor de investigación,

CONSIDERANDO que el Organismo y el Gobierno de los Estados Unidos de América concertaron el 11 de mayo de 1959 un Acuerdo de Cooperación, enmendado el 12 de febrero de 1974 (que en adelante se denominará "Acuerdo de Cooperación Estados Unidos-OIEA" en el presente Acuerdo);

CONSIDERANDO que el 2 de Marzo de 1978 el Gobierno de la República del Perú ha concertado con el Organismo un Acuerdo para la aplicación de salvaguardias en relación con el Tratado para la Proscripción de las Armas Nucleares en la América Latina y el Tratado sobre la no proliferación de las armas nucleares;

CONSIDERANDO que el Gobierno de la República del Perú y el Organismo conciertan en esta fecha un Acuerdo para la prestación de la asistencia del Organismo pedida por el Gobierno de la República del Perú (que en adelante se denominará "Acuerdo sobre el Proyecto" en el presente Acuerdo);

Los Gobiernos de la República Argentina, de la República del Perú y de los Estados Unidos de América y el Organismo acuerdan lo siguiente:

ARTICULO I

Suministro de uranio enriquecido

Sección 1. El Gobierno de la República Argentina, con sujeción a las estipulaciones del Acuerdo de Cooperación Argentina-Estados Unidos, transferirá al Organismo, y el Organismo con sujeción a las estipulaciones del Acuerdo de Cooperación Estados Unidos-OIEA, transferirá a su vez a la República de Perú, 14 785,90 gramos de uranio

aproximadamente, propiedad de la República Argentina y originario de los Estados Unidos de América, enriquecido al 20,09% en peso, aproximadamente, en el isótopo uranio-235 y contenidos en elementos combustibles (que en adelante se denominará "material suministrado" en el presente Acuerdo) destinados al reactor de investigación. Queda entendido que estas transferencias no afectarán a la propiedad del material suministrado y que esta propiedad corresponderá en todo momento al Gobierno de la República Argentina.

Sección 2. El Gobierno de los Estados Unidos de América aprobará la transferencia descrita en la Sección 1 anterior, de conformidad con el Acuerdo de Cooperación Argentina-Estados Unidos. Una vez transferido al Gobierno de la República del Perú, el material suministrado quedará sujeto a los términos y condiciones del Acuerdo de Cooperación Estados Unidos-OIEA.

Sección 3. El Gobierno de la República del Perú se compromete a que el material suministrado no será subsiguientemente transferido fuera de su jurisdicción a menos que las Partes en el presente Acuerdo (que en adelante se denominarán "Partes" en el presente Acuerdo) convengan otra cosa, en la inteligencia de que dieciocho meses después de la transferencia del material suministrado al Gobierno de la República del Perú el Gobierno de los Estados Unidos de América, a petición de los Gobiernos de la República Argentina y de la República del Perú y previa consulta con el Organismo, aprobará su devolución a la Argentina; queda entendido que una vez devuelto a la Argentina, el material quedará sometido al Acuerdo de Cooperación Argentina-Estados Unidos aplicable.

Sección 4. El material suministrado y cualquier material fisionable especial que se haya producido mediante su uso solo se almacenarán o reelaborarán o se modificarán de cualquier otra manera en forma y contenido en condiciones e instalaciones aceptables para los Gobiernos de los Estados Unidos de América, de la República Argentina y de la República del Perú. Dicho material no se enriquecerá más a menos que así se especifique en enmienda al presente Acuerdo o por acuerdo aparte subsiguiente entre los Gobiernos de los Estados Unidos de América, de la República Argentina y de la República del Perú.

ARTICULO II

Exportación del material suministrado

Sección 5. Todas las medidas que haya que adoptar para la exportación desde la República Argentina del material suministrado serán de la incumbencia de los Gobiernos de la República Argentina y de la República del Perú. Con anterioridad a la exportación de cualquier parte de dicho material, el Gobierno de la República Argentina notificará al Gobierno de los Estados Unidos de América y al Organismo la cantidad de dicho material suministrado y la fecha, lugar y modalidad de su expedición.

ARTICULO III

Competencia de las Partes

Sección 6. Excepto cuando se especifique otra cosa en el presente Acuerdo y en el Acuerdo sobre el Proyecto, los términos y condiciones relacionados con la transferencia del material suministrado los determinarán exclusivamente los Gobiernos de la República Argentina y de la República del Perú.

ARTICULO IV

Transporte, manipulación y utilización

Sección 7. Los Gobiernos de la República Argentina y de la República del Perú adoptarán cuantas medidas sean apropiadas para tener la seguridad de que el transporte, la manipulación y la utilización del material suministrado tendrán lugar en condiciones de seguridad. Una vez exportado el material suministrado desde la República Argentina, esas medidas serán de la incumbencia del Gobierno de la República del Perú.

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Sección 8. Ni el Gobierno de los Estados Unidos de América ni el Organismo garantizan la idoneidad o adecuación del material suministrado para cualquier uso o aplicación determinados.

Sección 9. Ni el Gobierno de la República Argentina, ni el Gobierno de los Estados Unidos de América, ni el Organismo, asumirán en ningún momento responsabilidad alguna ante el Gobierno de la República del Perú ni ante ninguna persona por la manipulación y utilización en condiciones de seguridad del material suministrado ni respecto de las reclamaciones que puedan derivar del transporte, manipulación o utilización por el Gobierno de la República del Perú del material suministrado.

ARTICULO V

Salvaguardias del Organismo

Sección 10. El Gobierno de la República del Perú se compromete a que ninguno de los materiales que a continuación se enumeran se utilicen para la fabricación de cualquier arma nuclear, ni de cualquier otro dispositivo nuclear explosivo, ni para la investigación o el desarrollo de cualquier arma nuclear o de cualquier dispositivo nuclear explosivo, ni de modo que contribuyan a cualquier otro fin militar:

a) El material suministrado;

b) Cualquier material fisionable especial producido en el material suministrado o mediante su utilización, inclusive las generaciones subsiguientes de material fisionable especial producido.

Sección 11. El Organismo aplicará salvaguardias al material nuclear a que se hace referencia en la Sección 10 de este Artículo de conformidad con las disposiciones del Acuerdo sobre el Proyecto.

Sección 12. El Gobierno de la República del Perú permitirá al Organismo informar a los Gobiernos de la República Argentina y de los Estados Unidos de América acerca de la situación de todos los inventarios de cualesquiera materiales que hayan de quedar sometidos a salvaguardias en virtud del presente Acuerdo, y el Organismo se compromete a hacerlo así si lo pidieran el Gobierno de la República Argentina o el Gobierno de los Estados Unidos de América.

ARTICULO VI

Normas y medidas de seguridad

Sección 13. Las normas y medidas de seguridad especificadas en el Acuerdo sobre el proyecto se aplicarán en la medida pertinente al material nuclear sujeto a las estipulaciones del presente Acuerdo.

ARTICULO VII

Protección física

Sección 14. El Gobierno de la República del Perú se compromete a mantener una protección física adecuada respecto del material suministrado y de cualquier material fisionable especial producido mediante la utilización del material suministrado.

Sección 15. Las Partes en el presente Acuerdo convienen en los niveles de protección física aplicables indicados en el Anexo del presente Acuerdo, niveles que se pueden modificar con el consentimiento mutuo de las Partes sin enmendar el presente Acuerdo. El Gobierno de la República del Perú mantendrá la aplicación de medidas de protección

física de conformidad con dichos niveles. Estas medidas proporcionarán una protección comparable como mínimo a la establecida en al documento INFCIRC/225/Rev.1 del Organismo, titulado "Protección física de los materiales nucleares", conforme pueda ser revisado de vez en cuando.

ARTICULO VIII

Solución de controversias

Sección 16. Toda controversia que derive de la interpretación o ejecución del presente Acuerdo que no sea resuelta mediante negociación o por cualquier otro procedimiento convenido entre las Partes interesadas se someterá a petición de cualquiera de ellas a un tribunal arbitral compuesto como sigue: Cada una de las Partes en la controversia designará un árbitro y los árbitros así designados elegirán por unanimidad un nuevo árbitro que actuará como Presidente. Si el número de árbitros de esta forma elegidos fuese un número par, las Partes en la controversia elegirán por unanimidad un árbitro más. Si dentro de los treinta (30) días siguientes a la petición de arbitraje cualquiera de las Partes en la controversia no hubiese designado árbitro, cualquiera de las demás Partes en la controversia podrá pedir al Presidente de la Corte Internacional de Justicia que nombre el número necesario de árbitros. Si dentro de los treinta (30) días siguientes a la designación o nombramiento de los árbitros no hubiera sido elegido el Presidente o cualquiera de los demás árbitros se seguirá el mismo procedimiento. La mayoría de los miembros del tribunal de arbitraje formará quórum y todas las decisiones se adoptarán por mayoría simple. El procedimiento de arbitraje será establecido por el tribunal, cuyas decisiones, inclusive los fallos relativos a su composición, procedimiento, jurisdicción y repartición de los gastos de arbitraje entre las Partes en la controversia serán firmes y obligatorias para todas las Partes interesadas. Los árbitros serán remunerados en las mismas condiciones que los magistrados ad hoc de la Corte Internacional de Justicia.

Sección 17. El Gobierno de la República del Perú y el Organismo darán inmediatamente efecto a las decisiones de la Junta relativas a la ejecución de los Artículos V o VI del presente Acuerdo, si así se dispusiera en aquéllas, en espera de que se resuelva definitivamente la controversia planteada.

ARTICULO IX

Entrada en vigor y duración

Sección 18. El presente Acuerdo entrará en vigor cuando lo firmen los representantes autorizados de los Gobiernos de la República Argentina, de la República del Perú y de los Estados Unidos de América y el Director General del Organismo o un representante suyo.

Sección 19. El presente Acuerdo permanecerá en vigor mientras cualquier material nuclear que haya sujeto en cualquier momento a sus estipulaciones permanezca en territorio de la República del Perú o bajo la jurisdicción del Gobierno de la República del Perú o bajo su control en cualquier lugar, o hasta el momento en que las Partes convengan en que dicho material ya no se puede utilizar para cualquier actividad nuclear pertinente desde el punto de vista de las salvaguardias.

ANEXO

Niveles de protección física

De conformidad con lo estipulado en el Artículo VII, los niveles de protección física convenidos que las autoridades nacionales competentes deben asegurar en la utilización, almacenamiento y transporte del material nuclear enumerado en el cuadro adjunto deberán incluir como mínimo las siguientes características de protección:

CATEGORIA III

Utilización y almacenamiento dentro de una zona cuyo acceso esté controlado.

Transporte bajo precauciones especiales, inclusive el previo arreglo entre el remitente, el destinatario y el transportista y, en caso de transporte internacional, el acuerdo previo entre las entidades pertinentes sometidas a la jurisdicción y reglamentación del Estado suministrador y del Estado destinatario, con especificación del momento, lugar y procedimientos para el traspaso de la responsabilidad del transporte.

CATEGORIA II

Utilización y almacenamiento dentro de una zona protegida cuyo acceso esté controlado, es decir, una zona sometida a la constante vigilancia de personal de guarda o por medios electrónicos, circundada por una barrera física y con un número limitado de puntos de acceso debidamente controlados, o cualquier zona con un nivel de protección física equivalente.

Transporte bajo precauciones especiales, inclusive el previo arreglo entre el remitente, el destinatario y el transportista y, en caso de transporte internacional, el acuerdo previo entre las entidades pertinentes sometidas a la jurisdicción y reglamentación del Estado suministrador y del Estado destinatario, con especificación del momento, lugar y procedimientos para el traspaso de la responsabilidad del transporte.

CATEGORIA I

Los materiales comprendidos dentro de esta Categoría quedarán protegidos del riesgo de uso no autorizado mediante sistemas de alta fiabilidad conforme a continuación se indica:

Utilización y almacenamiento en una zona altamente protegida, es decir, una zona conforme queda definida anteriormente para la Categoría II a la que, además, el acceso queda limitado a aquellas personas cuya probidad haya sido comprobada, y que se encuentre bajo vigilancia de personal de guarda que se mantenga en estrecha comunicación con equipos adecuados de intervención en caso de emergencia. Las medidas específicas adoptadas a este respecto deberán tener como objetivo la detección y prevención de cualquier ataque, acceso no autorizado o retirada no autorizada de material.

Transporte bajo precauciones especiales conforme anteriormente se especifican para el transporte de materiales de las Categorías II y III y, además, bajo vigilancia constante por personal de escolta y en condiciones que aseguren una estrecha comunicación con equipos adecuados de intervención en caso de emergencia.

CLASIFICACION DE LOS MATERIALES NUCLEARES EN CATEGORIAS[c]

Material	Forma	Categoría I	Categoría II	Categoría III
1 Plutonio[a,f]	No irradiado[b]	2 kg o más	Menos de 2 kg pero más de 500 g	500 g o menos[c]
2 Uranio-235[d]	No irradiado[b]			
	– uranio con un enriquecimiento de 20% o superior en ^{235}U	5 kg o más	Menos de 5 kg pero más de 1 kg	1 kg o menos[c]
	– uranio con un enriquecimiento de 10% como mínimo pero inferior al 20% en ^{235}U	–	10 kg o más	Menos de 10 kg[c]
	– uranio con un enriquecimiento superior al del uranio natural pero inferior al 10% en ^{235}U	–	–	10 kg o más
3 Uranio-233	No irradiado[b]	2 kg o mas	Menos de 2 kg pero más de 500 g	500 g o menos[c]

[a] Todo el plutonio excepto aquel cuya concentración isotópica exceda del 80% en plutonio 238

[b] Material no irradiado en un reactor o material irradiado en un reactor pero con una intensidad de radiación igual o inferior a 100 rads/hora a 1 metro de distancia sin mediar blindaje

[c] Deben excluirse de esta clasificación los materiales nucleares que no representen una cantidad radiológicamente significativa

[d] El uranio natural, el uranio empobrecido y el torio, así como aquellas cantidades de uranio con un enriquecimiento inferior al 10% en ^{235}U que no hayan de quedar incluidas en la Categoría III, deben protegerse de conformidad con las prácticas de gestión prudente

[e] El combustible irradiado debe quedar protegido como material nuclear de la Categoría I, II o III, según la categoría que le correspondiera antes de su irradiación Sin embargo, cuando la intensidad de radiación de ese combustible exceda de 100 rads/hora a 1 metro de distancia sin mediar blindaje, la protección del combustible que en razón de su contenido original en material fisionable hubiera quedado incluido en las Categorías I o II podrá reducirse en un grado como máximo

[f] La autoridad competente del Estado deberá determinar si existe una amenaza verosímil de que se disperse plutonio con intenciones malignas. En caso afirmativo el Estado debe aplicar los requisitos de protección física correspondientes a la Categoría I, II o III de materiales nucleares, según considere apropiado y sin tener en cuenta la cantidad de plutonio especificada en el Cuadro para cada categoría, a los isótopos del plutonio en aquellas cantidades y formas que el Estado determine que puedan estar verosímilmente amenazadas de dispersión

AGREEMENT BETWEEN THE GOVERNMENTS OF THE ARGENTINE REPUBLIC, THE REPUBLIC OF PERU AND THE UNITED STATES OF AMERICA AND THE INTERNATIONAL ATOMIC ENERGY AGENCY CONCERNING THE TRANSFER OF ENRICHED URANIUM FOR A ZERO POWER RESEARCH REACTOR

WHEREAS the Government of the Republic of Peru has made arrangements with the Government of the Argentine Republic for the transfer of a zero power research reactor (hereinafter called the "research reactor") and the fuel elements for the research reactor;

WHEREAS, under the Agreement for Co-operation between the Government of the Argentine Republic and the Government of the United States of America concluded on 29 June 1969 [1] (hereinafter called the "Argentina-United States Co-operation Agreement"), the Government of the United States of America sold enriched uranium to the Government of the Argentine Republic, and its transfer beyond the jurisdiction of the Government of the Argentine Republic is subject to the terms of that Agreement;

WHEREAS the fuel elements the Government of the Argentine Republic intends to provide for the research reactor have been manufactured with enriched uranium of United States of America origin, bought by the Government of the Argentine Republic pursuant to the Argentina-United States Co-operation Agreement;

WHEREAS the Government of the Republic of Peru has requested the assistance of the International Atomic Energy Agency (hereinafter called the "Agency") in securing the special fissionable material contained in fuel elements for the research reactor;

WHEREAS the Agency and the Government of the United States of America on 11 May 1959 concluded an Agreement for Co-operation, as amended on 12 February 1974 [2] (hereinafter called the "United States-IAEA Co-operation Agreement");

WHEREAS the Government of the Republic of Peru on 2 March 1978 concluded with the Agency an Agreement for the Application of Safeguards in connection with the Treaty for the Prohibition of Nuclear Weapons in Latin America; [3] and the Treaty on the Non-Proliferation of Nuclear Weapons; [4]

WHEREAS the Government of the Republic of Peru and the Agency are this day concluding an agreement for the provision by the Agency of the assistance requested by the Government of the Republic of Peru (hereinafter called "the Project Agreement");

NOW, THEREFORE, the Governments of the Argentine Republic, the Republic of Peru and the United States of America and the Agency hereby agree as follows:

ARTICLE I

Supply of Enriched Uranium

Section 1 The Government of the Argentine Republic shall, subject to the provisions of the Argentina-United States Co-operation Agreement, transfer to the Agency and the Agency shall, subject to the provisions of the United States-IAEA Co-operation Agreement, retransfer to Peru approximately 14 785.90 grams of uranium property of the Argentine Republic and of United States of America origin, enriched to approximately 20.09 per cent by weight in the isotope uranium-235, contained in fuel elements (hereinafter called the "supplied material") for the research reactor. It is understood that these transfers shall not affect ownership of the supplied material, which ownership shall at all times rest with the Government of the Argentine Republic.

[1] Should read "25 June 1969" TIAS 6721, 20 UST 2587.
[2] TIAS 4291, 7852, 10 UST 1424, 25 UST 1199.
[3] TIAS 7137, 22 UST 762.
[4] TIAS 6839; 21 UST 483.
[Footnotes added by the Department of State.]

Section 2. The Government of the United States of America shall approve the transfer specified in Section 1 above, pursuant to the Argentina-United States Co-operation Agreement. Upon transfer to the Government of the Republic of Peru, the supplied material shall be subject to the terms and conditions of the United States-IAEA Co-operation Agreement.

Section 3. The Government of the Republic of Peru undertakes that the supplied material shall not be retransferred beyond its jurisdiction unless otherwise agreed to by the Parties to this Agreement (hereinafter called the "Parties"); provided that eighteen months after the transfer of the supplied material to the Government of the Republic of Peru, the Government of the United States of America shall, upon the request of the Governments of the Argentine Republic and the Republic of Peru and following consultations with the Agency, approve its return to Argentina; provided that upon return to Argentina the material shall be subject to the applicable Argentina-United States Agreement for Co-operation.

Section 4. The supplied material and any special fissionable material produced through its use shall only be stored or reprocessed or otherwise altered in form or content under conditions and in facilities acceptable to the Governments of the United States of America, the Argentine Republic and the Republic of Peru. Such material shall not be further enriched unless specifically provided for by an amendment to this Agreement or by a subsequent separate agreement between the Governments of the United States of America, the Argentine Republic and the Republic of Peru.

ARTICLE II

Shipment of the supplied material

Section 5. All arrangements for the export from the Argentine Republic of the supplied material shall be the responsibility of the Governments of the Argentine Republic and the Republic of Peru. Prior to the export of any part of such material, the Government of the Argentine Republic shall notify the Government of the United States of America and the Agency of the amount thereof and of the date, place and method of shipment.

ARTICLE III

Competence of the Parties

Section 6. Except as otherwise specified in this Agreement and the Project Agreement, the terms and conditions connected with the transfer of the supplied material are to be determined solely by the Governments of the Argentine Republic and the Republic of Peru.

ARTICLE IV

Transport, Handling and Use

Section 7 The Governments of the Argentine Republic and the Republic of Peru shall take all appropriate measures to ensure the safe transport, handling and use of the supplied material. After export from the Argentine Republic, such measures shall be the responsibility of the Government of the Republic of Peru.

Section 8. Neither the Government of the United States of America nor the Agency warrants the suitability or fitness of the supplied material for any particular use or application.

Section 9. Neither the Government of the Argentine Republic, the Government of the United States of America nor the Agency shall at any time bear any responsibility towards the Government of the Republic of Peru or any person for the safe handling and use of the supplied material or for any claims arising out of the transport, handling or use of the supplied material by the Government of the Republic of Peru.

ARTICLE V

Agency Safeguards

Section 10. The Government of the Republic of Peru undertakes that none of the following material shall be used for the manufacture of any nuclear weapon or any nuclear explosive device or for research on or the development of any nuclear weapon or any nuclear explosive device, or for any other military purpose:

(a) The supplied material;

(b) Any special fissionable material produced in or by the use of the supplied material, including subsequent generations of produced special fissionable material.

Section 11. The Agency shall apply safeguards to the nuclear material referred to in Section 10 above in accordance with the provisions of the Project Agreement.

Section 12. The Government of the Republic of Peru shall permit the Agency and the Agency undertakes to inform the Governments of the Argentine Republic and the United States of America of the status of all inventories of any materials required to be safeguarded under this Agreement, should the Government of the Argentine Republic or the Government of the United States of America so request.

ARTICLE VI

Safety Standards and Measures

Section 13. The safety standards and measures specified in the Project Agreement shall, to the extent relevant, apply to the nuclear material subject to this Agreement.

ARTICLE VII

Physical Protection

Section 14. The Government of the Republic of Peru undertakes that adequate physical protection shall be maintained with respect to the supplied material and any special fissionable material produced through the use of the supplied material.

Section 15. The Parties agree to the levels for the application of physical protection set forth in the Annex to this Agreement, which levels may be modified by mutual consent of the Parties without amendment to this Agreement. The Government of the Republic of Peru shall maintain adequate physical protection measures in accordance with such levels. These measures shall as a minimum provide protection comparable to that set forth in Agency document INFCIRC/225/Rev.1, entitled "The Physical Protection of Nuclear Material", as it may be revised from time to time.

ARTICLE VIII

Settlement of Disputes

Section 16. Any dispute arising out of the interpretation or implementation of this Agreement, which is not settled by negotiation or as may otherwise be agreed by the Parties concerned, shall on the request of any such Party be submitted to an arbitral tribunal composed as follows: each Party to the dispute shall designate one arbitrator and the arbitrators so designated shall by unanimous decision elect an additional arbitrator, who shall be the Chairman. If the number of arbitrators so selected is even, the Parties to the dispute shall by unanimous decision elect an additional arbitrator. If within thirty (30) days of the request for arbitration any Party to the dispute has not designated an arbitrator, any other Party to the dispute may request the President of the International Court of Justice to appoint the necessary number of arbitrators. The same procedure shall apply if within thirty (30) days of the designation or appointment of the arbitrators, the Chairman or any required additional arbitrator has not been elected. A majority of the members of the arbitral tribunal shall constitute a quorum, and all decisions shall be made by majority vote. The arbitral procedures shall be established by the tribunal, whose decisions, including all rulings concerning its constitution, procedure, jurisdiction and the division of the expenses of arbitration between the Parties to the dispute, shall be final and binding on all the Parties concerned. The remuneration of the arbitrators shall be determined on the same basis as that of ad hoc judges of the International Court of Justice.

Section 17 Any decision of the Board concerning the implementation of Article V or VI shall, if the decision so provides, be given effect immediately by the Government of the Republic of Peru and the Agency pending the final settlement of any dispute.

ARTICLE IX

Entry into Force and Duration

Section 18. This Agreement shall enter into force upon signature by the authorized representatives of the Governments of the Argentine Republic, the Republic of Peru and the United States of America and by or for the Director General of the Agency.

Section 19. This Agreement shall continue in effect so long as any nuclear material which was ever subject to this Agreement remains in the territory of the Republic of Peru or under the jurisdiction of the Government of the Republic of Peru or under its control anywhere, or until such time as the Parties agree that such material is no longer usable for any nuclear activity relevant from the point of view of safeguards.

HECHO en Viena, a los nueve días del mes de mayo de 1978, por cuadruplicado en los idiomas español e inglés, siendo igualmente auténtico el texto en estos dos idiomas.

DONE in Vienna, this ninth day of May 1978, in quadruplicate in the English and Spanish languages, the texts in both languages being equally authentic.

Por el GOBIERNO DE LA REPUBLICA ARGENTINA:
For the GOVERNMENT OF THE ARGENTINE REPUBLIC:

[1]

Por el GOBIERNO DE LA REPUBLICA DEL PERU:
For the GOVERNMENT OF THE REPUBLIC OF PERU:

[2]

Por el GOBIERNO DE LOS ESTADOS UNIDOS DE AMERICA:
For the GOVERNMENT OF THE UNITED STATES OF AMERICA:

Roger Kirk [3]

Por el ORGANISMO INTERNACIONAL DE ENERGIA ATOMICA:
For the INTERNATIONAL ATOMIC ENERGY AGENCY:

[4]

[1] Raul Estrada Oyuela.
[2] Gustavo Silva Aranda.
[3] Roger Kirk.
[4] Sigvard Eklund.
[Footnotes added by the Department of State.]

ANNEX

Levels of Physical Protection

Pursuant to Article VII, the agreed levels of physical protection to be ensured by the competent national authorities in the use, storage and transportation of nuclear material listed in the attached table shall as a minimum include protection characteristics as follows:

CATEGORY III

Use and storage within an area to which access is controlled.

Transportation under special precautions including prior arrangements between sender, recipient and carrier, and prior agreement between entities subject to the jurisdiction and regulation of the supplier State and the recipient State, respectively, in case of international transport, specifying time, place and procedures for transferring transport responsibility.

CATEGORY II

Use and storage within a protected area to which access is controlled, i.e. an area under constant surveillance by guards or electronic devices, surrounded by a physical barrier with a limited number of points of entry under appropriate control, or any area with an equivalent level of physical protection.

Transportation under special precautions including prior arrangements between sender, recipient and carrier, and prior agreement between entities subject to the jurisdiction and regulation of the supplier State and the recipient State, respectively, in case of international transport, specifying time, place and procedures for transferring transport responsibility.

CATEGORY I

Materials in this category shall be protected with highly reliable systems against unauthorized use as follows:

Use and storage within a highly protected area, i.e. a protected area as defined for Category II above, to which, in addition, access is restricted to persons whose trustworthiness has been determined, and which is under surveillance by guards who are in close communication with appropriate response forces. Specific measures taken in this context should have as their objective the detection and prevention of any assault, unauthorized access or unauthorized removal of material.

Transportation under special precautions as identified above for transportation of Category II and III materials and, in addition, under constant surveillance by escorts and under conditions which assure close communication with appropriate response forces.

TABLE: CATEGORIZATION OF NUCLEAR MATERIAL[e]

Material	Form	Category I	Category II	Category III
1 Plutonium[a,f]	Unirradiated[b]	2 kg or more	Less than 2 kg but more than 500 g	500 g or less[c]
2 Uranium-235[d]	Unirradiated[b]			
	– uranium enriched to 20% ^{235}U or more	5 kg or more	Less than 5 kg but more than 1 kg	1 kg or less[c]
	– uranium enriched to 10% ^{235}U but less than 20%	–	10 kg or more	Less than 10 kg[c]
	– uranium enriched above natural, but less than 10% ^{235}U	–	–	10 kg or more
3 Uranium-233	Unirradiated[b]	2 kg or more	Less than 2 kg but more than 500 g	500 g or less[c]

[a] All plutonium except that with isotopic concentration exceeding 80% in plutonium-238

[b] Material not irradiated in a reactor or material irradiated in a reactor but with a radiation level equal to or less than 100 rads/hour at one meter unshielded

[c] Less than a radiologically significant quantity should be exempted

[d] Natural uranium, depleted uranium and thorium and quantities of uranium enriched to less than 10% not falling in Category III should be protected in accordance with prudent management practice

[e] Irradiated fuel should be protected as Category I, II or III nuclear material depending on the category of the fresh fuel However, fuel which by virtue of its original fissile material content is included as Category I or II before irradiation should only be reduced one Category level, while the radiation level from the fuel exceeds 100 rads/h at one meter unshielded

[f] The State's competent authority should determine if there is a credible threat to disperse plutonium malevolently The State should then apply physical protection requirements for category I, II or III of nuclear material, as it deems appropriate and without regard to the plutonium quantity specified under each category herein, to the plutonium isotopes in those quantities and forms determined by the State to fall within the scope of the credible dispersal threat.

[EXCHANGE OF NOTES]

EMBASSY OF THE UNITED STATES OF AMERICA
BUENOS AIRES, ARGENTINA

MARCH 31, 1978

No. 80

EXCELLENCY:

I have the honor to refer to the agreement between the Governments of the Argentine Republic, the Republic of Peru, the United States of America, and the International Atomic Energy Agency, concerning the transfer of enriched uranium for a zero power research reactor, signed on [May 9], 1978. With respect to Article I, Section 3, of that agreement, it is understood that the request of the Governments of the Argentine Republic and the Republic of Peru for the return of the supplied material to Argentina shall be made no later than September 10, 1979, and that, if the retransfer of the supplied material from Peru to Argentina is not completed prior to March 10, 1980, the Government of the United States of America would have the right to purchase the fuel for its fair market value and have it removed to the United States of America or to another location.

I would appreciate receiving confirmation that the Government of the Argentine Republic shares the foregoing understanding.

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

RAUL H CASTRO

His Excellency
The Minister of Foreign Affairs and Worship
VICE ADMIRAL OSCAR ANTONIO MONTES
Buenos Aires

MINISTRO DE RELACIONES EXTERIORES Y CULTO

BUENOS AIRES, *7 ABR 1978*

EXCELENCIA.

Tengo el honor de referirme al acuerdo entre los Gobiernos de la República del Perú, los Estados Unidos de América, la República Argentina y la Agencia Internacional de Energía Atómica, sobre

la transferencia de uranio enriquecido para un reactor de investigación de potencia cero, firmado en [9 de Mayo, 1978].

Con respecto al Artículo I, Sección 3, de ese acuerdo, se entiende que el pedido de los Gobiernos de la República Argentina y la República del Perú para la devolución a la Argentina del material suministrado, será hecho antes del 10 de setiembre de 1979, y que, si la transferencia del material simministrado del Perú a la Argentina no se completa antes del 10 de marzo de 1980, el Gobierno de los Estados Unidos de América tendría el derecho de comprar el combustible a su justo valor de mercado y remitirlo a los Estados Unidos de América o a otro lugar.

El Gobierno de la República Argentina acepta el texto del entendimiento antedicho como mandatorio para ambas partes.

Saludo a Vuestra Excelencia con mi más distinguida consideración

O A MONTES

A S.E. el Señor Embajador de los Estados Unidos de America
DR. D RAUL H. CASTRO
Buenos Aires

Translation

MINISTRY OF FOREIGN AFFAIRS AND WORKSHIP

BUENOS AIRES, *April 7, 1978*

EXCELLENCY:

I have the honor to refer to the agreement between the Governments of the Republic of Peru, the United States of America, the Argentine Republic, and the International Atomic Energy Agency concerning the transfer of enriched uranium for a zero power reactor, signed on [May 9, 1978] 1978.

With respect to Article I, Section 3, of that agreement, it is understood that the request of the Governments of the Argentine Republic and the Republic of Peru for the return of the supplied material to Argentina shall be made before September 10, 1979, and that, if the transfer of the supplied material from Peru to Argentina is not completed prior to March 10, 1980, the Government of the United States of America would have the right to purchase the fuel for its fair market value and send it to the United States of America or to another location.

The Government of the Argentine Republic accepts the text of the aforementioned agreement as binding on both parties.

Accept, Excellency, my most distinguished consideration.

O A MONTES

His Excellency
RAUL H. CASTRO,
Ambassador of the
United States of America,
Buenos Aires.

EMBASSY OF THE UNITED STATES
OF AMERICA
BUENOS AIRES, ARGENTINA

MAY 10, 1978

No. 91

EXCELLENCY:

I have the honor to refer to your note of April 7, 1978, referring to the agreement between the Governments of the Argentine Republic, the Republic of Perú, the United States of America, and the International Atomic Energy Agency, concerning the transfer of enriched uranium for a zero power research reactor, signed on May 9, 1978.

I am pleased that the Government of Argentina accepts the text of Article I, Section 3, of this agreement as specified in our Diplomatic Note No. 80, dated March 31, 1978.

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

R H CASTRO

His Excellency
The Minister of Foreign Affairs and Worship
VICE ADMIRAL OSCAR ANTONIO MONTES
Buenos Aires

DEPARTMENT OF STATE
WASHINGTON

May 22, 1978

Excellency:

I have the honor to refer to the project agreement between the Government of the Republic of Peru and the International Atomic Energy Agency whereby the Agency has granted its assistance to Peru in establishing a research reactor project at the Peruvian Nuclear Energy Institute at Lima (the "Project Agreement") I also have the honor to refer to the supply agreement between the Government of the Republic of Peru, the Government of the Argentine Republic, the Government of the United States of America, and the International Atomic Energy Agency, whereby enriched uranium of United States origin is being transferred from Argentina to Peru for use in a zero power research reactor supply by Argentina (the "Supply Agreement")

The Government of the United States recognizes that the Governments of Peru and the United States share a common interest in encouraging universal adherence to the Treaty on the Non-Proliferation of Nuclear Weapons and that the two governments are deeply committed to the peaceful uses of nuclear energy for the benefit of their people and of all mankind.

His Excellency
Carlos Garcia-Bedoya,
Ambassador of Peru.

The Government of the United States expresses its continuing desire to enter into an agreement for cooperation on the peaceful uses of nuclear energy with Peru. Both governments recognize that such an agreement for cooperation would greatly facilitate the ability of the United States and Peru to cooperate in the peaceful uses of nuclear energy and to assist the Government of Peru in meeting its energy needs.

The United States Government confirms to the Government of Peru that the relevant terms of the joint United States-Argentina communique issued on November 21, 1977,[1] whereby the United States agreed to aid Argentina in fulfilling its contractual obligations to Peru to construct a nuclear research center, continue to represent the earnest intentions of the Government of the United States. This Government is pleased to be able to be of assistance to the Governments of Argentina and Peru in completing this project. During the discussions leading up to the project and supply agreements, which were signed on May 9, 1978, the following additional understandings were reached.

In the event that Peru or the United States becomes aware of circumstances which demonstrate that the Agency is for any reason unable to apply safeguards as provided for by the Agreement for the Application of Safeguards in connection with the Treaty for the Prohibition of Nuclear Weapons in Latin America and the Treaty on the Non-Proliferation of Nuclear Weapons (the "Safeguard Agreement") or under other arrangements for the implementation of the Agency safeguards rights and responsibilities as specified in Section 4 of Article III of the Project Agreement and as referenced in Section 11 of Article V of the Supply Agreement or to ensure that the undertaking made by the Government of Peru in Article V, Section 10 of the Supply Agreement is being fulfilled, the provisions of numbered

[1] *Department of State Bulletin*, Dec. 26, 1977, p. 914.
[Footnote added by the Department of State.]

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Paragraphs 1, 2, and 3, shall apply These provisions reflect the terms of United States bilateral safeguards arrangements which are provided for in all United States bilateral agreements for cooperation and which would be implemented only in the circumstances referred to above.

1. The United States shall have the right to review with Peru the design of

(i) The zero power research, and

(ii) Any other equipment, the design of which the United States determines to be relevant to the effective application of safeguards, which are to use, fabricate or process any material transferred pursuant to the Supply Agreement or any special nuclear material used in or produced through the use of such material.

2. The United States shall have the right to require maintenance and production of records and to request and receive reports for the purpose of assisting in ensuring the accountability for any material transferred to Peru pursuant to this agreement and any source material or special nuclear material used in or produced through the use of such material so transferred.

3. For purposes of ensuring that there is compliance with this agreement, the United States shall, as necessary to account for the material subject to Paragraph 2, have the right to:

(A) Designate, after consultation with Peru, personnel, accompanied, if either party so requests, by personnel designated by Peru, who shall have access in Peru to all places and data,

(B) Inspect any equipment,

(C) Install any devices, and

(D) Make such independent measurements as may be deemed necessary

In accordance with its obligations under the safeguard

agreement, Peru shall establish and maintain a system of accounting for and control of all material subject to the agreement, to be based on a structure of material balance areas and to include such measures as:

(A) A measurement system, which conforms to the latest international standards or is equivalent in quality to such standards, for the determination of the quantities of nuclear material received, produced, shipped, lost or otherwise removed from inventory, and the quantities on inventory;

(B) The evaluation of precision and accuracy of measurements and the estimation of measurement uncertainty;

(C) Procedures for identifying, reviewing and evaluating differences between shipper and receiver measurements;

(D) Procedures for taking a physical inventory;

(E) Procedures for the evaluation of accumulations of measured inventory and unmeasured losses;

(F) A system of records and reports showing, for each material balance area, the inventory or material and the changes in that inventory including receipts into and transfers out of the material balance area;

(G) Provisions to ensure that the accounting procedures and arrangements are being operated correctly; and

(H) Other systems of measurement, containment and surveillance as are necessary to facilitate the application of safeguards.

The United States Government expresses its conviction that Peru intends to comply with all of its obligations under the Supply Agreement. The United States Government wishes to point out that it is a general requirement of the United States with respect to termination of cooperation that if

any recipient of United States origin material at any time following entry into force of an applicable new or amended agreement for cooperation:

(A) Does not comply with the provisions of Articles V of VII of the Supply Agreement or with this exchange of notes;

(B) Does not accept safeguards as provided for by the safeguards agreement;

(C) Detonates a nuclear explosive device;

(D) Terminates or abrogates IAEA safeguards; or,

(E) Materially violates an IAEA safeguards agreement,

The United States Government shall have the right to require the return of any United States origin material or any material produced through its use which is subject to the agreement.

In the event that the United States exercises its rights under this exchange of notes to require the return of any United States origin material or material produced through its use, this material may be returned to the party having title over the material, with the prior approval of the United States and subject to an applicable agreement for cooperation. The United States shall pay the cost of shipment. In the event of return to the United States, the United States shall reimburse the party having title over the material the fair market value. Any disputes as to the amount of such reimbursement shall be settled pursuant to Section 16 of Article VIII of the Supply Agreement.

The Government of Peru and the Government of the United States shall periodically exchange information concerning the physical protection measures maintained by Peru pursuant to Article VII of the Supply Agreement. The adequacy and implementation of these physical protection

measures may be reviewed by the Government of Peru and the Government of the United States from time to time, whenever either government is of the view that a revision may be required to maintain adequate physical protection.

If the Government of Peru concurs, I suggest that this note and Your Excellency's reply be regarded as constituting an agreement between our two governments with the duration as provided in Section 19 of Article IX of the Supply Agreement.

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

For the Secretary of State

Louis V. Nosenzo

PERUVIAN EMBASSY
WASHINGTON, D. C. 20036

22 de mayo de 1978

No. 5-3-M/88

Excelencia:

Tengo a honra referirme a Vuestra Nota de 22 del corriente, que consigna ciertos entendimientos a que han llegado el Gobierno de la República del Peru y el Gobierno de Estados Unidos de América durante las negociaciones que condujeron al Acuerdo del Proyecto entre el Gobierno de la República del Perú y la Agencia Internacional de Energía Atomica mediante el cual la Agencia ha otorgado asistencia al Peru en el establecimiento de un Proyecto de Reactor de Investigación en el Instituto Peruano de Energía Nuclear en Lima (el "Acuerdo del Proyecto"), y el Acuerdo de Suministro entre el Gobierno de la República del Perú, el Gobierno de la República Argentina, el Gobierno de Estados Unidos de America y la Agencia Internacional de Energía Atómica, mediante el cual el uranio enriquecido de procedencia norteamericana se transfiere de Argentina al Perú para ser utilizado en un Reactor de Investigación de Potencia Cero suministrado por Argentina (el "Convenio de Suministro").

EMBAJADA DEL PERU - ESTADOS UNIDOS

Al Excelentísimo Señor

Cyrus R. Vance

Secretario de Estado

Washington, D. C.

TIAS 9263

El Gobierno de la República del Perú reconoce que el Gobierno del Perú y el de Estados Unidos comparten un interés común en alentar la adhesión universal al Tratado de No Proliferación de Armas Nucleares y que ambos gobiernos se hallan seriamente comprometidos para la utilización pacífica de la energía nuclear para el beneficio de sus pueblos y de la humanidad.

El Gobierno de la República del Perú expresa su continuado deseo de llegar a un acuerdo con los Estados Unidos sobre cooperación para los usos pacíficos de la energía nuclear. Ambos gobiernos reconocen que dicho Convenio de cooperación facilitaría al Perú y a los Estados Unidos los medios para cooperar en el empleo pacífico de la energía nuclear y ayudar al Perú en satisfacer sus necesidades energéticas.

El Gobierno de la República del Perú toma nota también, en la Nota de Vuestra Excelencia, de la confirmación por el Gobierno de Estados Unidos, de que las condiciones pertinentes del comunicado conjunto EE.UU.-Argentina emitido el 21 de noviembre de 1977, mediante el cual los Estados Unidos convenían en ayudar a Argentina en cumplir con sus obligaciones contractuales con el Perú para construir un centro de investigación nuclear, siguen representando las sinceras intenciones del Gobierno de Estados Unidos. Durante las tratativas que condujeron a los convenios de proyecto y suministro, que se suscribieron en la fecha, se llegó a los siguientes entendimientos adicionales.

En el caso que el Gobierno de la República del Perú o el de los Estados Unidos perciban circunstancias que demuestran que la Agencia se encuentre por cualquier motivo impedida de aplicar las salvaguardias contempladas en el Convenio Para la

Aplicación de Salvaguardias en Relación Con el Tratado para la Prohibición de Armas Nucleares en América Latina y en el Tratado de No Proliferación de Armas Nucleares (el "Convenio de Salvaguardias") o de conformidad con otros arreglos para la implementación de las Salvaguardias de la Agencia en lo que respecta a derechos y responsabilidades, conforme se especifica en la Sección 4 del Artículo III del Acuerdo del Proyecto y al que se refiere la Sección 11 del Artículo V del Acuerdo de Suministro o para asegurar que el compromiso contraído por el Gobierno del Perú en el Artículo V, Sección 10 del Acuerdo de Suministro se esta cumpliendo, regilarán las disposiciones de los párrafos 1, 2 y 3. Estas disposiciones reflejan los términos de los arreglos de las Salvaguardias Bilaterales de Estados Unidos que figuran en todos los Convenios Bilaterales de Estados Unidos para la cooperación y que se implementarán sólo en las circunstancias arriba consignadas.

1. Los Estados Unidos tendrán derecho a pasar revista con el Perú al diseño de

(I) Reactor de Investigación de Potencia Cero, y

(II) Cualquier otro equipo que Estados Unidos juzgue susceptible de serle aplicados salvaguardias, y que vaya a usar, fabricar o procesar cualquier material transferido de conformidad con el Convenio de Suministro o cualquier material nuclear especial empleado en o producido durante el empleo de dicho material.

2. Estados Unidos tendra derecho a requerir la conservación y producción de registros y a solicitar y recibir informes con el

objeto de poder asegurarse del registro contable de cualquier material transferido al Perú de conformidad con este Convenio y cualquier material fundamental o material nuclear especial empleado en o producido durante el empleo de dicho material así transferido.

3. Con el objeto de asegurarse el cumplimiento de este Convenio, los Estados Unidos, en vista de la necesidad de dar cuenta del material a que se contrae el párrafo 2, tendrá derecho a:

(A) Nombrar, previa consulta con el Perú, personal que acompañado, si cualquiera de las partes lo solicita, por personal nombrado por el Perú, tenga acceso en el Perú a todos los lugares y datos.

(B) Inspeccionar cualquier equipo

(C) Instalar cualquier implemento, y

(D) Efectuar cualquier mediciones que se juzguen necesarias.

De conformidad con sus obligaciones consignadas en el Convenio de Salvaguardias, el Perú creará y mantendrá un sistema para justificar y controlar todo el material sujeto a este Acuerdo, que se basará en una estructura de áreas de inventario de material y comprenderá medidas tales como:

(A) Un sistema de medición que esté de acuerdo con las últimas normas internacionales o que sea equivalente en calidad a dichas normas, para determinar las cantidades de material nuclear recibido, producido, embarcado, perdido o retirado en cualquier forma del inventario, así como las cantidades en inventario;

(B) La evaluación de la precisión y exactitud de las mediciones y la estimación de la incertidumbre en la medición;

(C) Procedimientos para identificar, revisar y evaluar las diferencias entre las mediciones del embarcador y del destinatario;

(D) Procedimiento para tomar inventario físico;

(E) Procedimientos para la evaluación de las acumulaciones de inventario medido y pérdidas no medidas;

(F) Un sistema de registros e informes en que aparezcan, para cada área de inventario de material, el inventario o material y los cambios en ese inventario incluyendo lo recibido y las transferencias en el área de equilibrio de material;

(G) Disposiciones que aseguren que los procedimientos de contabilidad y los arreglos se efectúan correctamente; y

(H) Otros sistemas de medicion, restricción y vigilancia necesarios para facilitar la aplicación de las salvaguardias.

El Gobierno de la República del Perú se compromete a cumplir con todas sus obligaciones comprendidas en el Acuerdo de Suministro y conviene en la exigencia general de los Estados Unidos relativa a la terminación de la cooperación a que se refiere la Nota de Vuestra Excelencia de 22 del mes en curso.

En el caso de que Estados Unidos ejerza sus derechos de acuerdo con este intercambio de notas para exigir la devolución de cualquier material de origen de Estados Unidos o del material producido mediante su empleo, el Peru conviene de que este material sea devuelto a la parte que sea titular del material,

con aprobación previa de Estados Unidos y sujeto al pertinente Convenio de Cooperación. El Perú entiende que los Estados Unidos pagarán el costo de embarque. En el caso de devolución a Estados Unidos, el Perú tiene entendido que Estados Unidos reembolsará a la parte titular del material el justo valor en el mercado.

El Perú tiene entendido además que cualquier controversia en lo que se refiere al monto de dicho reembolso se arreglará de conformidad con la Sección 16 del Artículo VIII del Acuerdo de Suministro.

El Perú también conviene que el Gobierno del Perú y el Gobierno de Estados Unidos intercambiarán periódicamente información referente a las medidas de protección física que tenga el Perú de conformidad con el Artículo VII del Acuerdo de Suministro. La aplicación y lo adecuado de estas medidas de protección física podrán revisarse por el Gobierno del Perú y el Gobierno de Estados Unidos de tiempo en tiempo, cuando cualquier gobierno sea de opinión que se requiere una revisión para mantener una adecuada protección física.

El Gobierno de la República del Perú conviene en que la presente Nota y la de Vuestra Excelencia, de la misma fecha e igual tenor, constituyen un Acuerdo entre nuestros dos Gobiernos con la duración que aparece en la Sección 19 del Artículo IX del Acuerdo de Suministro.

CARLOS GARCIA-BEDOYA
Embajador

TRANSLATION

PERUVIAN EMBASSY
Washington, D.C.

May 22, 1978
No. 5-3-M/88

Excellency:

I have the honor to refer to your note of May 22, 1978 which sets forth certain understandings reached by the Government of the Republic of Peru and the Government of the United States of America during the negotiations which led to the Project Agreement between the Government of the Republic of Peru and the International Atomic Energy Agency whereby the Agency has granted its assistance to Peru in establishing a research reactor project at the Peruvian Nuclear Energy Institute at Lima (the "Project Agreement"), and the supply agreement between the Government of the Republic of Peru, the Government of the Argentine Republic, the Government of the United States of America, and the International Atomic Energy Agency, whereby enriched uranium of United States origin is being transferred from Argentina to Peru for use in a zero power research reactor supplied by Argentina (the "Supply Agreeement").

His Excellency
Cyrus R. Vance,
Secretary of State,
Washington, D.C.

The Government of the Republic of Peru recognizes that the Governments of Peru and the United States share a common interest in encouraging universal adherence to the Treaty on the Non-Proliferation of Nuclear Weapons and that the two governments are deeply committed to the peaceful uses of nuclear energy for the benefit of their people and of all mankind.

The Government of the Republic of Peru expresses its continuing desire to enter into an agreement for cooperation on the peaceful uses of nuclear energy with the United States. Both governments recognize that such an agreement for cooperation would provide the United States and Peru the means to cooperate in the peaceful uses of nuclear energy and to assist Peru in meeting its energy needs.

The Government of the Republic of Peru also takes note, in Your Excellency's note, of the confirmation by the Government of the United States that the relevant terms of the joint United States-Argentina communique issued on November 21, 1977, whereby the United States agreed to aid Argentina in fulfilling its contractual obligations to Peru to construct a nuclear research center, continue to represent the earnest intentions of the Government of the United States. During the discussions leading up to the project and supply agreements, which were signed on that date, the following additional understandings were reached.

In the event that the Government of Peru or the Government of the United States becomes aware of circumstances which demonstrate that the Agency is for any reason unable to apply safeguards as provided for by the Agreement for the Application of Safeguards in connection with the Treaty for the Prohibition of Nuclear Weapons in Latin America and the Treaty on the Non-Proliferation of Nuclear Weapons (the "Safeguard Agreement") or under other arrangements for the implementation of the Agency

safeguards concerning rights and responsibilities as specified in Section 4 of Article III of the Project Agreement and as referenced in Section 11 of Article V of the Supply Agreement or to ensure that the undertaking made by the Government of Peru in Article V, Section 10 of the Supply Agreement is being fulfilled, the provisions of numbered Paragraphs 1, 2, and 3 shall apply. These provisions reflect the terms of United States bilateral safeguards arrangements which are provided for in all United States bilateral agreements for cooperation and which would be implemented only in the circumstances referred to above.

1. The United States shall have the right to review with Peru the design of

(I) The zero power reactor, and

(II) Any other equipment which the United States determines to be capable of having safeguards applied to it, and which is to use, fabricate or process any material transferred pursuant to the Supply Agreement or any special nuclear material used in or produced through the use of such material.

2. The United States shall have the right to require preservation and production of records and to request and receive reports for the purpose of ensuring the accountability for any material transferred to Peru pursuant to this agreement and any source material or special nuclear material used in or produced through the use of such material so transferred.

3. For purposes of ensuring that there is compliance with this agreement, the United States shall, as necessary to account for the material subject to Paragraph 2, have the right to:

(A) Designate, after consultation with Peru, personnel, accompanied, if either party so requests, by personnel designated by Peru, who shall have access in Peru to all places and data.

(B) Inspect any equipment,

(C) Install any devices, and

(D) Make any measurements as may be deemed necessary.

In accordance with its obligations under the Safeguard Agreement, Peru shall establish and maintain a system of accounting for and control of all material subject to the agreement, to be based on a structure of material balance areas and to include such measures as:

(A) A measurement system which conforms to the latest international standards or is equivalent in quality to such standards, for the determination of the quantities of nuclear material received, produced, shipped, lost or otherwise removed from inventory, and the quantities on inventory;

(B) The evaluation of precision and accuracy of measurements and the estimation of measurement uncertainty;

(C) Procedures for identifying, reviewing and evaluating differences between shipper and receiver measurements;

(D) Procedures for taking a physical inventory;

(E) Procedures for the evaluation of accumulations of measured inventory and unmeasured losses;

(F) A system of records and reports showing, for each material balance area, the inventory or material and the changes in that inventory including receipts into and transfers out of the material equilibirum area;

(G) Provisions to ensure that the accounting procedures and the arrangements are being operated correctly; and

(H) Other systems of measurement, containment and surveillance as are necessary to facilitate the application of safeguards.

The Government of Peru undertakes to comply with all of its obligations under the Supply Agreement and concurs in the general requirement of the United States with respect to termination of cooperation referred to in Your Excellency's note of May 22, 1978.

In the event that the United States exercises its rights under this exchange of notes to require the return of any United States origin material or material produced through its use, Peru agrees that this material may be returned to the party having title over the material, with the prior approval of the United States and subject to the applicable agreement for cooperation. Peru understands that the United States will pay the cost of shipment. In the event of return to the United States, Peru understands that the United States will reimburse the party having title over the material the fair market value.

Peru also agress that any disputes as to the amount of such reimbursement shall be settled pursuant to Section 16 of Article VIII of the Supply Agreement.

Peru also agrees that the Government of Peru and the Government of the United States will periodically exchange information concerning the physical protection measures maintained by Peru pursuant to Article VII of the Supply Agreement. The implementation and adequacy of these physical protection measures may be reviewed by the Government of Peru and the Government of the United States from time to time, whenever either government is of the view that a revision may be required to maintain adequate physical protection.

The Government of the Republic of Peru agrees that this note and Your Excellency's note of the same date and substance shall constitute an agreement between our two Governments with the duration as provided in Section 19 of Article IX of the Supply Agreement.

Garcia Bedoya

Carlos Garcia-Bedoya
Ambassador

[SEAL]

TIAS 9263

60-963 O - 80 - 17 QL 3

MEXICO

Environmental Cooperation

Agreement effected by exchange of notes
Signed at Mexico and Tlatelolco June 14 and 19, 1978;
Entered into force June 19, 1978.

The American Ambassador to the Mexican Secretary of Foreign Relations

MEXICO, D. F., MEXICO

JUNE 14, 1978

No. 952

EXCELLENCY:

I have the honor to refer to discussions between representatives of the United States Environmental Protection Agency and the Subsecretariat for Environmental Improvement of Mexico concerning a program for cooperation on environmental programs and transboundary environmental problems.

I have the honor to inform you that the Government of the United States approves of the proposed cooperative program outlined in the attached Memorandum of Understanding Between the United States Environmental Protection Agency and the Subsecretariat for Environmental Improvement of Mexico for Cooperation on Environmental Programs and Transboundary Problems signed at Mexico City on June 6, 1978. It is understood that implementation of the United States participation in the program shall be the responsibility of the United States Environmental Protection Agency and that implementation of the Mexican participation shall be the responsibility of the Subsecretariat for Environmental Improvement of Mexico.

If the program outlined in the attached Memorandum of Understanding meets with the approval of your government, I have the honor to propose that this Note and your reply to that effect, together with the attached Memorandum of Understanding, shall constitute an agreement between our two governments for cooperation on environmental programs and problems.

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

PATRICK J LUCEY

Attachment:
As stated

His Excellency
LIC. SANTIAGO ROEL,
Secretary of Foreign Relations,
Mexico, D. F.

MEMORANDUM OF UNDERSTANDING

between

The Subsecretariat for Environmental Improvement of Mexico

and

The Environmental Protection Agency of the United States

for

Cooperation on Environmental Programs and Transboundary Problems

Whereas, the Governments of Mexico and the United States share many environmental problems related to large and expanding urban populations, substantial industrial activity, and a common border between the two countries, and both countries possess many areas of natural and man-made scenic and recreational value; and

Whereas, the Subsecretariat for Environmental Improvement of Mexico (SMA) and the Environmental Protection Agency (EPA) of the United States share a concern for protecting and improving the human and natural environments of their respective nations, and a common interest in the cause of global as well as common border environmental protection and improvement; and

Whereas, the Governments of Mexico and the U.S. have pledged increased cooperation through the Consultative Mechanism set up by the two Presidents to include environmental cooperation;

It is Hereby AGREED that:

1. The SMA and EPA will initiate a cooperative effort to resolve environmental problems of mutual concern in border areas as well as any environmental protection matter through exchanges of information and personnel, and the establishment of parallel projects which the two parties consider appropriate to adopt.

2. The SMA and EPA will accomplish parallel activities, while allowing for the possibility that, at any given time, through special agreement, joint actions tending to resolve specific problems, may be conducted.

3. SMA and EPA senior officials will meet annually, unless they mutually agree otherwise, to discuss overall policies, programs and problems which are of common concern. The annual meeting will be held, alternately in each country, at a mutually agreeable time and site.

4. Experts designated by SMA and EPA will meet periodically or as necessary to review technical issues and plan parallel projects, including pollution abatement and control, regulations, quality assurance, research, and monitoring, that are of common interest or concern to both Mexico and the United States. An annual meeting of designated experts will be held at a site mutually agreed to by both parties and may coincide with the U.S./Mexico Border Health Association annual meetings or with other meetings. The SMA and EPA experts may make policy recommendations for consideration by the respective heads of SMA and EPA.

5. The meetings of the SMA and EPA representatives will not be limited to consideration of border problems alone but may include discussions of all areas of environmental protection and enhancement. It is understood that the Water Treaty of 1944[1] between the two Governments entrusted the solution of border sanitation problems to the International Boundary and Water Commission.

6. Each Party will name one person to act as coordinator to facilitate exchanges of information and other cooperation under this Memorandum of Understanding. The coordinators will establish procedures and details for the meetings of the senior officials as well as experts, including the time, place and agenda.

7 The coordinators may invite representatives of federal, state and local government agencies, international organizations, members of private organizations or other private citizens to participate in meetings, conferences, and other parallel activities as deemed appropriate.

8. Parallel activities may be conducted when approved by appropriate authorities of the respective governments and may include but will not be limited to the following:

-- Development of pollution abatement and control programs directed toward specific pollution problems affecting either or both countries along the border.

-- Development of an early warning system to alert the two Governments to potential environmental problems.

[1] Signed Feb. 3, 1944. TS 994, 59 Stat. 1219.

-- Review and consultation regarding national environmental policies and strategies of Mexico and the United States.

-- Development of data gathering, processing and mechanisms for the exchanges of information of common interest.

9. The coordinators will be responsible for the general management of programs, workshops, projects and activities undertaken pursuant to this Memorandum of Understanding. This includes definition of each program, workshop or project as to scope, priority, and completion schedules The coordinators may delegate work on a special problem area to a special subcommittee which shall examine the problem in detail and make recommendations to the Governments through the SMA and EPA, respectively

10. Unless otherwise agreed, each Party will bear the cost of its participation, including personnel costs, in activities undertaken pursuant to this Memorandum of Understanding.

11 Work under this Memorandum of Understanding is subject to the availability of funds and other resources to each Party, and to the laws and regulations of Mexico and the United States.

12. Results of work accomplished under this Memorandum of Understanding will be fully available to both parties and either Party may release information in its possession to the public on 10 days notice to the other Party.

13. This Memorandum of Understanding will enter into force when signed by both Parties and approved by the two Governments through an exchange of notes. The Memorandum of Understanding will remain in force indefinitely until either Party notifies the other of its intent to terminate the agreement, with 90 days notification.

Done in duplicate at Mexico City on the 6 of June 1978 in the Spanish and English languages, both texts being equally authoritative.

For the United States
Environmental Protection Agency

[1]

Administrator for Environmental Protection Agency

For the Mexican
Subsecretariat for
Environmental Improvement

[2]

Subsecretary for Environmental Improvement

[1] Douglas M. Costle.
[2] Romero Alvarez.

The Mexican Secretary of Foreign Relations to the American Ambassador [1]

ESTADOS UNIDOS MEXICANOS
SECRETARIA DE RELACIONES EXTERIORES
MEXICO

Tlatelolco, D.F., a 19 de junio de 1978.

Señor Embajador:

508218 Tengo el honor de acusar a Vuestra Excelencia recibo de su atenta nota número 952, fechada el 14 del corriente, en la que tuvo a bien comunicar que el gobierno de los Estados Unidos de América aprueba el memorandum de entendimiento suscrito el día 6 anterior, en ésta ciudad de México, por la Subsecretaría del Mejoramiento del Ambiente de la Secretaría de Salubridad y Asistencia y por el Organismo para la Protección del Ambiente de los Estados Unidos.

En respuesta, me complazco en informar a Vuestra Excelencia que el gobierno de México aprueba asímismo el citado memorandum de entendimiento y, por lo tanto, está de acuerdo en que la nota de Vuestra Excelencia, ésta nota y el memorandum de entendimiento anexo constituyan un acuerdo entre nuestros dos gobiernos para la cooperación en problemas y programas ambientales.

Aprovecho esta ocasión para renovar a Vuestra Excelencia el testimonio de mi más alta consideración.

Excelentísimo Señor
Patrick Joseph Lucey
Embajador Extraordinario y Plenipotenciario
de los Estados Unidos de América
C i u d a d .

[1] For the English language translation, see p. 1583.

MEMORANDUM DE ENTENDIMIENTO[1]

ENTRE
LA SUBSECRETARIA DE MEJORAMIENTO DEL AMBIENTE DE LA SECRETARIA DE SALUBRIDAD Y ASISTENCIA DE MEXICO
Y
LA AGENCIA DE PROTECCION AMBIENTAL DE LOS ESTADOS UNIDOS DE AMERICA
PARA
LA COOPERACION EN PROBLEMAS Y PROGRAMAS AMBIENTALES A TRAVES DE LA FRONTERA

Tomando en cuenta que los Gobiernos de México y los Estados Unidos comparten muchos problemas ambientales que afectan a grandes y crecientes núcleos de población urbana, importantes actividades industriales y una frontera común con muchas áreas naturales y artificiales con valor escénico y recreativo en ambos lados;

En virtud de que la Subsecretaría de Mejoramiento del Ambiente de México (SMA), y la Agencia de Protección Ambiental de los Estados Unidos (APA), tienen interés común en relación a la protección y mejoramiento del medio ambiente natural y humano en sus respectivos países y compartiendo un interés común en cuanto a la protección ambiental en un sentido global y a lo largo de la frontera y

En vista de que los Gobiernos de México y los Estados Unidos se han comprometido a una cooperación mayor a través del mecanismo consultivo establecido por los dos Presidentes, que incluye la cooperación ambiental.

Se acuerda, por medio del presente, que:

1. La SMA y la APA iniciarán un esfuerzo cooperativo para resolver los problemas ambientales de interés mutuo en las áreas de la frontera, así como en relación a cualquier asunto tendiente a la protección ambiental mediante un intercambio de información y de personal, y el establecimiento de planes de operación paralelos que se considere apropiado adoptar entre ambas partes.

2. La SMA y la APA realizarán actividades paralelas, sin perjuicio de que, llegado el momento, puedan concertarse, a través de acuerdos especiales, acciones conjuntas tendientes a la resolución de casos específicos.

[1] For the English language text, see pp. 1576–1578.

3. La SMA y la APA, a través de sus representantes se reunirán anualmente, a menos que de común acuerdo se conviniera llevar a cabo otras reuniones, para discutir políticas, problemas y programas de interés mutuo. Respecto a la Reunión Anual, se celebrará alternativamente en cada país, en lugar y fecha previamente convenidos.

4. Expertos designados por la SMA y la APA se reunirán periódicamente para proceder a la revisión de asuntos de orden técnico y planear proyectos paralelos, incluyéndose asuntos sóbre control de contaminación, reglamentos, control de calidad, investigación y monitoreo, y en fin, problemas de interés común que afecten a ambos países. La reunión o reuniones de expertos se celebrarán en lugar y fecha previamente convenidos y pueden coincidir con la Reunión Anual de la Asociación Fronteriza Mexicano-Estadounidense de Salud o con otras reuniones. Los expertos de la SMA y de la APA podrán hacer recomendaciones sobre políticas a seguir para la consideración de los titulares respectivos de ambas entidades.

5. Las reuniones de la SMA y la APA, a través de sus respectivos representantes, no limitarán sus actividades a problemas exclusivamente fronterizos, sino que podrán incluír discusiones sobre todos los campos de protección ambiental y mejoramiento del mismo. Se entiende que el Tratado de Aguas suscrito por México y los Estados Unidos en 1944, confirio la solución de problemas sanitarios en la frontera a la Comisión Internacional de Límites y Aguas entre México y los Estados Unidos.

6. Cada parte designará a un representante para fungir como coordinador a fin de facilitar el intercambio de información y cooperación respecto al presente Acuerdo. Los coordinadores establecerán procedimientos y detellarán pormenores respecto a las reuniones de los funcionarios y expertos de la SMA y la APA, estableciendo lugares, fechas y agendas.

7 Los coordinadores podrán invitar a participar en las reuniones, conferencias y actividades paralelas a representantes federales, estatales y municipales, a organismos internacionales, a miembros de organizaciones privedas o a simples ciudadanos, según se considere apropiado.

8. Se pueden incluír en los proyectos paralelamente elaborados, cuando sean aprobados por las autoridades de los Gobiernos respectivos, las siguientes rubros, sin ser éstos limitativos:

—Desarrollo de control ambiental y programas de control de contaminacion específica que afecten a uno o ambos países en la frontera.

—Desarrollo de un sistema de advertencia temprana para informar a ambos Gobiernos en cuanto a problemas ambientales en potencia.

—Revisión y consulta sobre politicas y estrategias nacionales ambienta los de México y los Estados Unidos.

—Desarrollo de programas para efectuar recolección, procesamiento y establecimiento de mecanismos de intercambio de información de interés común.

9. Los coordinadores serán los responsables de la administracion de los programas, talleres proyectos y cualquier actividad inherente a este Acuerdo. Esta responsabilidad incluye: el alcance, la prioridad y la feche de terminación de actividades. Los coordinadores podrán deleyar tareas sobre áreas problema especiales a sub-comites especificos para que proceden a examinar los problemas en detalle y hagan recomendaciones a los Gobiernos a través de la SMA y la APA.

10. A menos que se convenga lo contrario, cada parte sufragará el costo de su participación, incluyendo los gastos del personal adscrito a las actividades relacionadas con el Acuerdo.

11. La ejecución del Acuerdo está sujeta a la disponibilidad de fondos y otros recursos correspondientes a cada una de las partes, así como a las leyes y reglamentos de cada país.

12. Los resultados que se obtengan del Acuerdo estarán a disposición de ambas partes y pueden divulgarse a través de informaciones públicas, previo aviso de 10 días a la contraparte.

13. Este Memorándum de Entendimiento entrará en vigor a partir de la fecha de la firma de ambas partes y una vez que sea aprobado por los dos Gobiernos mediante el intercambio de notas diplomáticas, siendo su vigencia indefinida, hasta que una de las partes informe a la otra de su intención de terminarlo con aviso anticipado de 90 días.

Se expide por duplicado en la Ciudad de México, Distrito Federal, el 6 de junio de 1978, en español e inglés, siendo igualmente legales ambos textos.

POR MEXICO
LA SUBSECRETARIA DE
MEJORAMIENTO
DEL AMBIENTE.S.S.A.

ROMERO ALVAREZ

POR LOS ESTADOS UNIDOS
DE AMERICA.
LA AGENCIA DE
PROTECCION
AMBIENTAL

DOGLAS M. COSTLE

TRANSLATION

UNITED MEXICAN STATES
MINISTRY OF FOREIGN RELATIONS
MEXICO

Tlatelolco, D.F., June 19, 1978

No. 508218

Mr. Ambassador:

I have the honor to acknowledge receipt of Your Excellency's note No. 952 of June 14, 1978, informing me that the Government of the United States of America approves the Memorandum of Understanding signed at Mexico City on June 6, 1978, by the Office of the Deputy Secretary for Environmental Improvement, Department of Health and Assistance, and by the United States Environmental Protection Agency.

In reply, I take pleasure in informing Your Excellency that the Government of Mexico also approves the aforesaid Memorandum of Understanding and therefore agrees to consider that Your Excellency's note, this note, and the attached Memorandum of Understanding constitute an agreement between our two Governments for cooperation on environmental problems and programs.

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

S. Roel

His Excellency
Patrick Joseph Lucey,
Ambassador Extraordinary and Plenipotentiary
of the United States of America,
Mexico, D. F.

UNION OF SOVIET SOCIALIST REPUBLICS

Cooperation in Transportation

Agreement amending and extending the agreement of June 19, 1973.
Effected by exchange of notes
Dated at Washington June 19, 1978;
Entered into force June 19, 1978.

The Department of State to the Soviet Embassy

The Department of State presents its compliments to the Embassy of the Union of Soviet Socialist Republics and has the honor to propose the following:

With reference to the Agreement between the United States of America and the Union of Soviet Socialist Republics on Cooperation in Transportation,[1] which expires on June 18, 1978, the Department, acting pursuant to Article 7, proposes that the Agreement be extended until June 19, 1980 with the following modifications:

The Preamble to read as follows:

The Government of the United States of America and the Government of the Union of Soviet Socialist Republics;

Noting that the Agreement between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics on Cooperation in the Field of Transportation, signed in Washington on June 19, 1973, has a term of five years;

Recognizing the important role played by safe and efficient transportation systems in the development of all countries and that the improvement of existing transportation systems and techniques can benefit both of their peoples;

Believing that the combined efforts of the two countries

[1] TIAS 7652; 24 UST 1463.

in this field can contribute to more rapid and efficient solutions of transportation problems than would be possible through separate, parallel national efforts;

Desiring to continue to promote the establishment of long-term and productive relationships between transportation specialists and institutions of both countries;

In pursuance and further development of the Agreement between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics on Cooperation in the fields of Science and Technology of May 24, 1972, as extended;[1] and in accordance with the Agreement on Exchanges and Cooperation in Scientific, Technical, Educational, Cultural and other fields of June 19, 1973;[2] and in accordance with the Agreement on Cooperation in the Field of Environmental Protection of May 23, 1972,[3] as extended;

Have agreed as follows:

Article 2 to read as follows:

This cooperation will be directed to the investigation and solution of specific problems of mutual interest in the Field of Transportation. The specific problems will be established by mutual agreement.

Article 4 to read as follows:

In furtherance of the aims of this agreement, the Parties will, as appropriate, encourage, facilitate and monitor the development of cooperation and direct contacts between agencies, organizations and firms of the two countries, including the facilitation of national participation across organizational lines and the conclusion, as appropriate, of implementing agreements for carrying out specific

[1] TIAS 7346, 8619; 23 UST 856, 28 UST 5191.
[2] TIAS 7649; 24 UST 1395.
[3] TIAS 7345, 23 UST 845.

projects and programs under this Agreement. The Parties will also ensure that, in accordance with agreed cooperative activity, access to technology, institutes, organizations, and individuals participating in joint cooperative activity, and to scientific and technical data will be made available on an equal, reciprocal and mutually beneficial basis.

Article 5, paragraph 3 to read as follows:

Each Party shall designate its Executive Agent which will be responsible for carrying out this Agreement. During the period between meetings of the Joint Committee, the Executive Agents shall maintain contact with each other, including appropriate mid-year reviews; keep each other informed of activities and progress in implementing this Agreement; and coordinate and supervise the development and implementation of cooperative activities conducted under this Agreement.

Article 7, paragraph 1 to read as follows:

This Agreement as modified and extended shall remain in force until June 19, 1980. The Agreement will be extended for an additional three year period unless one party notifies the other of the termination thereof not less than thirty days prior to June 19, 1980.

If the foregoing proposal is acceptable to the Soviet side, it is proposed that this note and the Embassy's reply to that effect shall constitute an agreement between the Parties.

Department of State,

Washington, June 19, 1978.

The Soviet Embassy to the Department of State

ПОСОЛЬСТВО
СОЮЗА СОВЕТСКИХ
СОЦИАЛИСТИЧЕСКИХ РЕСПУБЛИК

№ 41

Посольство Союза Советских Социалистических Республик подтверждает получение ноты Государственного департамента Соединенных Штатов Америки следующего содержания:

"Государственный департамент Соединенных Штатов Америки свидетельствует свое уважение Посольству Союза Советских Социалистических Республик и имеет честь предложить следующее:

Ссылаясь на Соглашение между США и СССР по сотрудничеству в области транспорта, срок действия которого истекает 19 июня 1978 г., Государственный департамент, в соответствии со статьей 7, предлагает продлить Соглашение до 19 июня 1980 года со следующими изменениями:

Преамбулу изложить следующим образом:

Правительство Соединенных Штатов Америки и Правительство Союза Советских Социалистических Республик,

Отмечая, что Соглашение между Правительством Соединенных Штатов Америки и Правительством Союза Советских Социалистических Республик по сотрудничеству в области транспорта было подписано в Вашингтоне 19 июня 1973 года, сроком на пять лет,

Сознавая важную роль, которую играют надежные и эффективные транспортные системы в развитии всех стран, и что улучшение существующих транспортных систем и техники транспорта может принести пользу народам обеих стран,

ГОСУДАРСТВЕННЫЙ ДЕПАРТАМЕНТ
СОЕДИНЕННЫХ ШТАТОВ АМЕРИКИ

TIAS 9265

Полагая, что объединенные усилия двух стран в этой области могут способствовать более быстрому и эффективному решению транспортных проблем, нежели самостоятельная параллельная разработка этих проблем каждой страной в отдельности,

Желая продолжать содействие установлению долгосрочных и продуктивных связей между специалистами и организациями обеих стран, работающих в области транспорта,

во исполнение и дальнейшее развитие Соглашения между Правительством Соединенных Штатов Америки и Правительством Союза Советских Социалистических Республик о сотрудничестве в области науки и техники от 24 мая 1972 года, срок действия которого продлен,и в соответствии с Соглашением об обменах и сотрудничестве в области науки и техники, образования, культуры и в других областях от 19 июня 1973 года и Соглашением о сотрудничестве в области охраны окружающей среды от 23 мая 1972 года, срок действия которого продлен,

согласились о нижеследующем:

Статью 2 изложить следующим образом:

Это сотрудничество будет направлено на изучение и решение конкретных проблем в области транспорта, представляющих взаимный интерес. Конкретные проблемы будут определяться по взаимной договоренности.

Статью 4 изложить следующим образом:

Исходя из целей настоящего Соглашения, Стороны будут соответствующим образом поощрять, способствовать и направлять развитие сотрудничества и прямых контактов между учреждениями, организациями и фирмами обеих стран,

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включая содействие участию различных организаций сторон в совместных мероприятиях, как и заключение между ними, когда это требуется, рабочих соглашений для осуществления конкретных проектов и программ в соответствии с настоящим Соглашением. Стороны также обеспечат, в соответствии с согласованными совместными мероприятиями доступ к технологии, институтам, организациям и специалистам, участвующим в указанных мероприятиях, а также к научно-технической информации на основе равенства, взаимности и взаимовыгоды.

Параграф 3 Статьи 5 изложить следующим образом:

Каждая Сторона определит свою Исполнительную организацию, ответственную за осуществление настоящего Соглашения. В период между заседаниями совместной комиссии Исполнительные организации будут поддерживать между собой связь, включая соответствующее подведение полугодовых итогов сотрудничества, информировать друг друга о деятельности и достигнутых результатах по выполнению настоящего Соглашения, а также осуществлять общую координацию сотрудничества и наблюдение за выполнением совместных мероприятий по сотрудничеству, проводимых в соответствии с настоящим Соглашением.

Параграф I Статьи 7 изложить следующим образом:

Настоящее Соглашение с учетом соответствующих поправок и продления, будет действовать до I9 июня I980 года. Оно будет продлено на следующий трехлетний период, если одна из Сторон не уведомит другую о его прекращении не позднее, чем за 30 дней до I9 июня I980 года.

Если вышеизложенное предложение приемлемо для Советской стороны, Государственный департамент предлагает настоящую Ноту и ответ Посольства на указанную Ноту считать Соглашением между Сторонами".

Посольство Союза Советских Социалистических Республик имеет честь сообщить о согласии советской стороны с предложениями, содержащимися в упомянутой ноте Государственного департамента Соединенных Штатов Америки, а также с тем, чтобы нота Государственного департамента и настоящий ответ на нее считались Соглашением между сторонами.

" 19 " июня 1978 года, г.Вашингтон

TRANSLATION

Embassy of the Union of
Soviet Socialist Republics

No. 41

The Embassy of the Union of Soviet Socialist Republics acknowledges the receipt of the note of the Department of State of the United States of America which reads as follows:

[For the English language translation, see pp. 1585-1587]

The Embassy of the Union of Soviet Socialist Republics has the honor to advise that the Soviet side agrees with the proposals contained in the aforementioned note of the Department of State of the United States of America, and also agrees that the State Department's note and this reply note shall constitute agreement between the sides.

June 19, 1978, Washington, D.C.

Department of State
of the United States of America.
[Initialed]

CZECHOSLOVAK SOCIALIST REPUBLIC

Diplomatic and Official Visa Facilitation

Agreement effected by exchange of notes
Dated at Prague June 20, 1978;
Entered into force June 20, 1978;
Effective July 1, 1978.

The American Embassy to the Czechoslovak Federal Ministry of Foreign Affairs

No. 126

The Embassy of the United States of America presents its compliments to the Federal Ministry of Foreign Affairs of the Czechoslovak Socialist Republic and has the honor to inform the Ministry that the United States Government is prepared, on a basis of reciprocity and with an effective date of July 1, 1978, to issue non-immigrant visas on a facilitated basis to certain holders of Czechoslovak diplomatic or official passports as defined in and subject to the conditions stipulated in paragraphs (A), (B) and (C) following.

(A) Holders of Czechoslovak diplomatic or official passports being assigned permanently or temporarily to Czechoslovak diplomatic or consular Missions in the United States of America and immediate family members of the above can expect that the United States Government will normally complete processing of visa applications in seven working days from the date of submission.

(B) In urgent cases in the above categories, as well as in cases of Czechoslovak officials and their immediate family members who wish only to transit the United States, the United States Government will decide visa applications in less than seven days. If needs require, issuance can even be made immediately, provided the United States Government receives, at the time of visa issuance, information as to the traveler's planned date and port of arrival in the United States, identification of the means of transport to be utilized, including airline name and flight number if applicable, the destination or purpose of entry, and, in the case of transit travelers, the itinerary through and means of transport from the United States.

(C) The United States Government will likewise endeavor to decide visa applications of holders of Czechoslovak diplomatic or official pass-

ports, who are not in the above categories, in seven calendar days or as soon as possible as permitted by United States visa regulations and procedures.

The United States Government proposes that this note, together with the Czechoslovak reply, specifying reciprocal Czechoslovak visa facilitation for holders of United States diplomatic and official passports, constitute the official agreement on this matter between our two Governments.

The Embassy of the United States of America avails itself of this opportunity to renew to the Federal Ministry of Foreign Affairs of the Czechoslovak Socialist Republic the assurance of its highest consideration.

EMBASSY OF THE UNITED STATES OF AMERICA
JUNE 20, 1978

The Czechoslovak Federal Ministry of Foreign Affairs to the American Embassy

FEDERALNI
MINISTERSTVO ZAHRANIČNICH VĚCI

Č.j. 378.061/78-KO/2

Federální ministerstvo zahraničních věcí projevuje úctu velvyslanectví Spojených států amerických a má čest sdělit, že souhlasí s návrhem vlády USA na usnadnění vízové praxe na základě vzájemnosti s platností od 1. července 1978, který je obsažen v nótě velvyslanectví ze dne 20. června 1978.

Československá strana bude postupovat při recipročním vydávání víz držitelům amerických diplomatických a služebních pasů takto:

A. Držitelům amerických diplomatických a služebních pasů, kteří jsou trvale nebo dočasně přiděleni na konzulární nebo diplomatickou misi USA v Československé socialistické republice a jejich nejbližší rodinní příslušníci, t.j. děti a rodiče, mohou očekávat, že jejich žádost o československé vízum bude běžně vyřízena do sedmi pracovních dnů ode dne podání.

Velvyslanectví
Spojených států amerických
P r a h a

B. V naléhavých případech, týkajících se shora uvedených kategorií, a v případech, kdy američtí úředníci a jejich nejbližší rodinní příslušníci chtějí Československou socialistickou republikou pouze projet, bude o jejich vízové žádosti rozhodnuto dříve než za sedm dní. Pokud to bude nutné, tranzitní vízum jim může být uděleno i okamžitě, bude-li při žádosti o vízum sděleno datum a místo vstupu do ČSSR a výstupu z ČSSR a druh dopravního prostředku.

C. Federální ministerstvo zahraničních věcí se bude snažit dosáhnout rozhodnutí o vízových žádostech držitelů amerických diplomatických a služebních pasů, kteří nespadají do shora uvedených kategorií, během sedmi kalendářních dnů nebo ještě dříve.

Federální ministerstvo zahraničních věcí používá této příležitosti, aby znovu ujistilo velvyslanectví Spojených států amerických o své nejhlubší úctě.

Praha, dne 20. června 1978

TRANSLATION

FEDERAL MINISTRY OF FOREIGN AFFAIRS

No. 378.061/78-KO/2

The Federal Ministry of Foreign Affairs presents its compliments to the Embassy of the United States of America and has the honor to inform the Embassy that it agrees with the proposal of the United States Government for facilitating the issuance of visas on the basis of reciprocity, effective July 1, 1978, as stated in the Embassy's note of June 20, 1978.

When issuing visas on a reciprocal basis to holders of United States diplomatic or official passports the Czechoslovak side will proceed as follows:

A. Holders of United States diplomatic or official passports who are assigned permanently or temporarily to consular or diplomatic missions of the United States of America in the Czechoslovak Socialist Republic and immediate members of their families, i.e. children and parents, can expect that their applications for a Czechoslovak visa will normally be processed in seven working days from the date of submission.

B. In urgent cases in the above categories as well as in cases of United States officials and their immediate family members who wish only to transit the Czechoslovak Socialist Republic action will be taken on their visa applications in less than seven days. If necessary, a transit visa may even be issued immediately, provided that information is given with the visa application regarding the place of entry into and exit from the Czechoslovak Socialist Republic and the means of transportation.

C. The Federal Ministry of Foreign Affairs will endeavor to reach a decision on visa applications of holders of United States diplomatic or official passports who are not in the above categories in seven calendar days or sooner.

The Federal Ministry of Foreign Affairs avails itself of this opportunity to renew to the Embassy of the United States of America the assurances of its highest consideration.

Prague, June 20, 1978

[SEAL] [Initialed]

The Embassy of the
United States of America,
Prague

JAPAN

Defense: Acquisition and Production of F–15 Aircraft

Agreement effected by exchange of notes
Signed at Tokyo June 20, 1978;
Entered into force June 20, 1978.

The American Ambassador to the Japanese Minister for Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 375 Tokyo, June 20, 1978

Excellency,

I have the honor to refer to the Mutual Defense Assistance Agreement between the United States of America and Japan signed at Tokyo on March 8, 1954,[1] which provides, inter alia, that each Government will make available to the other such equipment, materials, services, or other assistance as the Government furnishing such assistance may authorize, in accordance with such detailed arrangements as may be made between them.

The representatives of the Government of the United States of America and the Government of Japan have held discussions on a program for the acquisition and production in Japan of the F-15 aircraft and related equipment and materials necessary to enhance the defense capability of Japan. The following is the understanding by the Government of the United States of America of the results of the above-mentioned discussions:

1. In accordance with the detailed arrangements to be concluded under paragraph 3, the Government of Japan will acquire or produce, and the Government of the United States of America will authorize the sale or production of up to one hundred (100) F-15 aircraft and related equipment and materials.

His Excellency
Sunao Sonoda
Minister for Foreign Affairs
Tokyo

[1] TIAS 2957, 5 UST 661.

2. The production of the F-15 aircraft and related equipment and materials will be undertaken through the participation of the industries of the United States and Japan in accordance with the principle that the economic and technological requirements of the Government of Japan are to be satisfied. The above-mentioned program will be supplemented by direct sale by the Government of the United States of America to the Government of Japan.
3. The present understanding will be implemented in accordance with the above-mentioned Mutual Defense Assistance Agreement and arrangements concluded thereunder, including the Agreement between the Government of the United States of America and the Government of Japan to Facilitate Interchange of Patent Rights and Technical Information for Purposes of Defense signed at Tokyo on March 22, 1956.[1] The detailed arrangements to implement the present understanding will be concluded between representatives of the competent authorities of the two Governments.
4. Financial obligations or expenditures incurred by the Government of Japan under the present understanding and all arrangements to be concluded hereunder will be subject to budget authorization pursuant to the constitutional provisions of Japan.

I have the honor to propose that, if the above understanding is acceptable to the Government of Japan, the present Note and Your Excellency's reply of acceptance shall be regarded as constituting an agreement between the two Governments which shall enter into force on the date of Your Excellency's reply.

[1] TIAS 3585, 7 UST 1021.

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

Michael J. Mansfield[1]

[1] Michael J. Mansfield.

力を生ずることに同意する光栄を有します。

本大臣は、以上を申し進めるに際し、ここに重ねて閣下に向かつて敬意を表します。

千九百七十八年六月二十日に東京で

日本国外務大臣

園田直

アメリカ合衆国特命全権大使

マイケル・J・マンスフィールド閣下

従つて実施され、その実施のための細目取極は、両政府の権限のある当局の代表者により締結される。

4 この了解及びこれに基づき締結されるすべての取極に基づき日本国政府が行う財政上の債務の負担又は支出は、日本国の憲法上の規定に従つた予算の承認を得たところにより行う。

本使は、この了解が日本国政府により受諾される場合には、この書簡及び受諾する旨の閣下の返簡が両政府間の合意を構成するものとみなし、その合意が閣下の返簡の日付の日に効力を生ずることを提案する光栄を有します。

本大臣は、日本国政府が前記の了解を受諾することを同政府に代わつて確認し、閣下の書簡及びこの返簡が両政府間の合意を構成するものとみなし、その合意がこの返簡の日付の日に効

1 3の規定に基づき締結される細目取極に従い、日本国政府は、百機を限度とするF－十五航空機並びに関連する装備及び資材を取得し又は生産し、合衆国政府は、この販売又は生産を承認する。

2 F－十五航空機並びに関連する装備及び資材の生産は、日本国政府の経済上及び技術上の要件が満たされるべきであるとの原則に従い、合衆国及び日本国の企業が参加して実施される。合衆国政府は、日本国政府に直接販売を行うことにより、前記の計画を補足する。

3 この了解は、前記の協定及びこれに基づく取極（千九百五十六年三月二十二日に東京で署名された防衛目的のためにする特許権及び技術上の知識の交流を容易にするためのアメリカ合衆国政府と日本国政府との間の協定を含む。）に

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The Japanese Minister for Foreign Affairs to the American Ambassador

書簡をもつて啓上いたします。本大臣は、本日付けの閣下の次の書簡を受領したことを確認する光栄を有します。

本使は、千九百五十四年三月八日に東京で署名されたアメリカ合衆国と日本国との間の相互防衛援助協定に言及する光栄を有します。同協定は、各政府が、他方の政府に対し、援助を供与する政府が承認することがある装備、資材、役務その他の援助を、両政府の間で行うべき細目取極に従つて、使用に供するものとすることを特に規定しています。

アメリカ合衆国政府及び日本国政府の代表者は、日本国の防衛能力を強化するために必要なF－十五航空機並びに関連する装備及び資材の取得並びに日本国における生産に関する計画について討議を行いました。この討議の結果による合衆国政府の了解は、次のとおりであります。

TRANSLATION

Tokyo, June 20, 1978

Excellency:

I have the honor to acknowledge receipt of Your Excellency's note of today's date, which reads as follows:

[For the English language text, see pp. 1600-1602.]

I have the honor to confirm on behalf of the Government of Japan that the foregoing understanding is acceptable to the Government of Japan and to agree that Your Excellency's note and this reply shall be regarded as constituting an agreement between the two Governments which shall enter into force on the date of this reply.

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

Sunao Sonoda

His Excellency
Michael J. Mansfield,
Ambassador Extraordinary
and Plenipotentiary of
the United States of America.

JAPAN

Defense: Acquisition and Production of P-3C Aircraft

Agreement effected by exchange of notes
Signed at Tokyo June 20, 1978;
Entered into force June 20, 1978.

The American Ambassador to the Japanese Minister for Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 376 Tokyo, June 20, 1978

Excellency,

I have the honor to refer to the Mutual Defense Assistance Agreement between the United States of America and Japan signed at Tokyo on March 8, 1954,[1] which provides, inter alia, that each Government will make available to the other such equipment, materials, services, or other assistance as the Government furnishing such assistance may authorize, in accordance with such detailed arrangements as may be made between them.

The representatives of the Government of the United States of America and the Government of Japan have held discussions on a program for the acquisition and production in Japan of the P-3C aircraft and related equipment and materials necessary to enhance the defense capability of Japan. The following is the understanding by the Government of the United States of America of the results of the above-mentioned discussions:

1. In accordance with the detailed arrangements to be concluded under paragraph 3, the Government of Japan will acquire or produce, and the Government of the United States of America will authorize the sale or production of up to forty five (45) P-3C aircraft and related equipment and materials.

His Excellency
Sunao Sonoda
Minister for Foreign Affairs
Tokyo

[1] TIAS 2957, 5 UST 661.

2. The production of the P-3C aircraft and related equipment and materials will be undertaken through the participation of the industries of the United States and Japan in accordance with the principle that the economic and technological requirements of the Government of Japan are to be satisfied. The above-mentioned program will be supplemented by direct sale by the Government of the United States of America to the Government of Japan.
3. The present understanding will be implemented in accordance with the above-mentioned Mutual Defense Assistance Agreement and arrangements concluded thereunder, including the Agreement between the Government of the United States of America and the Government of Japan to Facilitate Interchange of Patent Rights and Technical Information for Purposes of Defense signed at Tokyo on March 22, 1956.[1] The detailed arrangements to implement the present understanding will be concluded between representatives of the competent authorities of the two Governments.
4. Financial obligations or expenditures incurred by the Government of Japan under the present understanding and all arrangements to be concluded hereunder will be subject to budget authorization pursuant to the constitutional provisions of Japan.

I have the honor to propose that, if the above understanding is acceptable to the Government of Japan, the present Note and Your Excellency's reply of acceptance shall be regarded as constituting an agreement between the two Governments which shall enter into force on the date of Your Excellency's reply

[1] TIAS 3585, 7 UST 1021.

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

Michael J. Mansfield[1]

[1] Michael J. Mansfield.

力を生ずることに同意する光栄を有します。

本大臣は、以上を申し進めるに際し、ここに重ねて閣下に向かつて敬意を表します。

千九百七十八年六月二十日に東京で

日本国外務大臣

園田

アメリカ合衆国特命全権大使

マイケル・J・マンスフィールド閣下

従つて実施され、その実施のための細目取極は、両政府の権限のある当局の代表者により締結される。

4 この了解及びこれに基づき締結されるすべての取極に基づき日本国政府が行う財政上の債務の負担又は支出は、日本国の憲法上の規定に従つた予算の承認を得たところにより行う。

本使は、この了解が日本国政府により受諾される場合には、この書簡及び受諾する旨の閣下の返簡が両政府間の合意を構成するものとみなし、その合意が閣下の返簡の日付の日に効力を生ずることを提案する光栄を有します。

本大臣は、日本国政府が前記の了解を受諾することを同政府に代わつて確認し、閣下の書簡及びこの返簡が両政府間の合意を構成するものとみなし、その合意がこの返簡の日付の日に効

1 3の規定に基づき締結される細目取極に従い、日本国政府は、四十五機を限度とするP－三C航空機並びに関連する装備及び資材を取得し又は生産し、合衆国政府は、この販売又は生産を承認する。

2 P－三C航空機並びに関連する装備及び資材の生産は、日本国政府の経済上及び技術上の要件が満たされるべきであるとの原則に従い、合衆国及び日本国の企業が参加して実施される。合衆国政府は、日本国政府に直接販売を行うことにより、前記の計画を補足する。

3 この了解は、前記の協定及びこれに基づく取極（千九百五十六年三月二十二日に東京で署名された防衛目的のためにする特許権及び技術上の知識の交流を容易にするためのアメリカ合衆国政府と日本国政府との間の協定を含む。）に

The Japanese Minister for Foreign Affairs to the American Ambassador

書簡をもつて啓上いたします。本大臣は、本日付けの閣下の次の書簡を受領したことを確認する光栄を有します。

本使は、千九百五十四年三月八日に東京で署名されたアメリカ合衆国と日本国との間の相互防衛援助協定に言及する光栄を有します。同協定は、各政府が、他方の政府に対し、援助を供与する政府が承認することがある装備、資材、役務その他の援助を、両政府の間で行うべき細目取極に従つて、使用に供するものとすることを特に規定しています。

アメリカ合衆国政府及び日本国政府の代表者は、日本国の防衛能力を強化するために必要なP－三C航空機並びに関連する装備及び資材の取得並びに日本国における生産に関する計画について討議を行いました。この討議の結果による合衆国政府の了解は、次のとおりであります。

TRANSLATION

Tokyo, June 20, 1978

Excellency:

I have the honor to acknowledge receipt of Your Excellency's note of today's date, which reads as follows:

[For the English language text, see pp. 1609-1611.]

I have the honor to confirm on behalf of the Government of Japan that the foregoing understanding is acceptable to the Government of Japan and to agree that Your Excellency's note and this reply shall be regarded as constituting an agreement between the two Governments which shall enter into force on the date of this reply.

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

Sunao Sonoda

His Excellency
Michael J. Mansfield,
Ambassador Extraordinary
and Plenipotentiary of
the United States of America.

TIAS 9268

AUSTRALIA

Coal Conversion, Extraction and Processing

Memorandum of understanding signed at Canberra June 23, 1978;
Entered into force June 23, 1978.

MEMORANDUM OF UNDERSTANDING FOR EXCHANGE OF INFORMATION CONCERNING COAL CONVERSION, EXTRACTION AND PROCESSING BETWEEN THE U.S. DEPARTMENT OF ENERGY AND THE AUSTRALIAN DEPARTMENT OF NATIONAL DEVELOPMENT

The U.S. Department of Energy (DOE) and the Australian Department of National Development (Department),

Recognizing their mutual interest in the utilization of coal resources, and desiring to exchange information to further the development of processes and equipment concerned with coal, have agreed on the following arrangements:

ARTICLE 1

The objective of cooperation under this Memorandum of Understanding is to establish, for the mutual benefit of the Parties, a reasonably balanced exchange of information in the areas of coal conversion, extraction, processing technology mining and MHD. The areas and forms of cooperation are listed under Articles 2 and 3 respectively.

ARTICLE 2

The areas of cooperation covered by this Memorandum of Understanding may include:

1. Gasification systems and processing technology, including desulphurization techniques, for:

   a. synthetic gas,
   b. high BTU gas, and
   c. in situ gasification;

2. Hydrogenation systems for synthetic crude oil;

3. Solvent extraction for:

   a. synthetic crude oil, and
   b. chemical manufacture:

4. Automatic continuous measurement of coal characteristics (e.g., sulphur and ash contents);

5. Advanced power systems, and MHD;
6. Fluidized-bed combustion; and
7. Development, design, construction, and operation of the foregoing systems.
8. Coal mining and coal preparation research including:

   a. Improved techniques for surface and underground coal mining
   b. Automation of machine functions and systems
   c. Mine entry drivage methods
   d. Coal seam exploration techniques
   e. Improved mine design techniques for surface and underground mining including safety, resource recovery, and environmental considerations
   f. Coal preparation techniques including product monitoring and control of plant solid and liquid disposal.

Other areas may be added by the Parties by mutual agreement in writing.

ARTICLE 3

Cooperation in accordance with this Memorandum of Understanding may include but is not limited to the following forms:

1. Exchange of scientists, engineers and other specialists. Such exchanges of staff shall be in accordance with Article 9 of this Memorandum of Understanding.

2. Exchange of samples, materials, instruments and components for testing. Such an exchange would be implemented subject to a separate memorandum executed by both parties.

3. Exchange, on a current basis, of scientific and technical information, and results and methods of research and development.

4. The organization of seminars and other meetings on specific agreed topics concerning coal technologies in the areas listed in Article 2, in a manner agreed by the coordinators (Article 4).

5. Short visits by specialist teams or individuals to the coal research facilities of the other Party.

Other specific forms of cooperation may be added by the Parties by mutual agreement in writing.

ARTICLE 4

1. To supervise the execution of this Memorandum of Understanding, the Parties will name Coordinators. As deemed necessary the Coordinators shall meet to evaluate the status of cooperation under this Memorandum of Understanding. This evaluation shall include a comprehensive review of each Party's coal conversion, extraction, and processing program status plans, an assessment of the balance of exchanges in the various areas of cooperation listed in Article 2, and a consideration of measures required to correct any imbalances. In addition, the Coordinators shall consider and act on

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any major new proposals for cooperation. These meetings shall be held alternatively in Australia and the United States.

2. Day to day management of the cooperation under this Memorandum of Understanding shall be carried out by correspondents designated by the Coordinators. The correspondents shall agree on specific programs of cooperation in their respective areas, within policy guidelines set by the Coordinators. The correspondents shall be responsible for the working contacts between the Parties in their respective areas of cooperation.

ARTICLE 5

If it is decided a cooperative program or project under this Memorandum of Understanding should be subject to a formalized specific memorandum executed by both Parties, the specific memorandum should cover all detailed provisions for implementing that memorandum, including such matters as patents, exchange of equipment and information disclosure specific to the particular program or project.

ARTICLE 6

1. General

The Parties support the widest possible dissemination of information provided or exchanged under this Memorandum of Understanding, subject to the need to protect proprietary information exchanged hereunder, and to the provisions of Article 8.

2. Use of Proprietary Information

A. Definitions as used in this Memorandum of Understanding:

(i) The term "information" means scientific or technical data, results or methods of research and development, and any other information intended to be provided or exchanged under this Memorandum of Understanding.

(ii) The term "proprietary information" means information which contains trade secrets or commercial or financial information which is privileged or confidential, and may only include such information which:

a) has been held in confidence by its owner;

b) is of a type which is customarily held in confidence by its owner;

c) has not been transmitted by the transmitting Party to other entities (including the receiving Party) except on the basis that it be held in confidence; and

d) is not otherwise available to the receiving Party from another source without restriction on its further dissemination.

B. Procedures

(i) A Party receiving proprietary information pursuant to this Memorandum of Understanding shall respect the privileged nature thereof. Any document which contains proprietary information shall be clearly marked with the following (or substantially similar) restrictive legend:

"This document contains proprietary information furnished in confidence under a Memorandum of Understanding dated _____ between the United States Department of Energy and the Australian Department of National Development and shall not be disseminated outside these organizations, their contractors, licensees and the concerned departments and agencies of the governments of the U.S. and Australia without the prior approval of _____ _____.

This notice shall be marked on any reproduction hereof, in whole or in part. These limitations shall automatically terminate when this information is disclosed by the owner without restriction."

(ii) Proprietary information received in confidence under this Memorandum of Understanding may be disseminated by the receiving Party to:

a) persons within or employed by the receiving Party, and other concerned Government departments and Government agencies in the country of the receiving Party;

b) prime or subcontractors of the receiving Party located within the geographical

limits of the receiving Party's nation, for use only within the framework of their contracts with the receiving Party in work relating to the subject matter of the proprietary information;

provided that any proprietary information so disseminated shall be pursuant to an agreement of confidentiality and shall be marked with a restrictive legend substantially identical to that appearing in sub-paragraph 2.B(i) above.

(iii) With the prior written consent of the Party providing proprietary information under this Memorandum of Understanding, the receiving Party may disseminate such proprietary information more widely than otherwise permitted in the foregoing subsection (ii). The Parties shall cooperate with each other in developing procedures for requesting and obtaining prior written consent for such wider dissemination, and each Party will grant such approval to the extent permitted by its national policies, regulations and laws.

C. Each Party shall exercise its best efforts to ensure that proprietary information received by it under this Memorandum of Understanding is

controlled as provided herein. If one of the Parties becomes aware that it will be, or may reasonably be expected to become, unable to meet the non-dissemination provisions of this Article, it shall immediately inform the other Party. The Parties shall thereafter consult to define an appropriate course of action.

D. Information arising from seminars and other meetings arranged under this Memorandum of Understanding and information arising from the attachments of staff, use of facilities and joint projects shall be treated by the Parties according to the Principles specified in this Article; provided, however, no proprietary information orally communicated shall be subject to the limited disclosure requirements of this Memorandum of Understanding unless the individual communicating such information places the recipient on notice as to the proprietary character of the information communicated.

E. Nothing contained in this Memorandum of Understanding shall preclude the use of dissemination of information received by a Party through arrangements other than those provided for under this Memorandum of Understanding.

ARTICLE 7

Information transmitted by one Party to the other Party under this Memorandum of Understanding shall be accurate to the best knowledge and belief of the transmitting party, but

the transmitting party does not warrant the suitability of the information transmitted for any particular use or application by the Receiving Party or by any third Party. Information developed jointly by the Parties shall be accurate to the best knowledge and belief of both Parties. Neither Party warrants the accuracy of the jointly developed information or its suitability for any particular use or application by either Party or by any third Party.

ARTICLE 8

1. With respect to any invention or discovery made or conceived in the course of or under this Memorandum of Understanding:

   a. If made or conceived by personnel of one Party (the Assigning Party) or its contractors while assigned to the other party (Recipient Party) or its contractors in connection with exchanges of scientists, engineers and other specialists:

      (1) The Recipient Party shall acquire all right, title and interest in and to any such invention or discovery in its own country and in third countries, subject to a non-exclusive, irrevocable, royalty-free license in all such countries to the Assigning Party, with the right to grant sublicenses, under any such invention or discovery and any patent application, patent or other protection relating thereto.

(2) The Assigning Party shall acquire all right, title and interest in and to any such invention or discovery in its own country, subject to a non-exclusive, irrevocable, royalty-free license to the Recipient Party, with the right to grant sublicenses, under any such invention or discovery and any patent application, patent or other protection relating thereto.

b. If made or conceived by a Party or its contractors as a direct result of employing information which has been communicated to it under this Memorandum of Understanding by the other Party or its contractors or communicated during seminars or other joint meetings, the Party making the invention shall acquire all right, title and interest in and to such invention or discovery in all countries, subject to a grant to the other Party of a royalty-free, non-exclusive, irrevocable license with the right to grant sublicense in and to any such invention or discovery and any patent application, patent or other protection relating thereto, in all countries.

c. With regard to other specific forms of cooperation, including loans or exchanges of materials, instruments and equipment for special joint research projects, the Parties shall provide for appropriate distribution of rights to inventions or discoveries resulting from such cooperation.

In general, however, each Party should normally own the rights to such inventions or discoveries in its own country with a non-exclusive, irrevocable, royalty-free license to the other Party, and the rights to such inventions or discoveries in other countries should be agreed by the Parties on an equitable basis.

2. Neither Party shall discriminate against citizens of the country of the other Party with respect to granting any license or sublicense under any invention or discovery pursuant to paragraph 1 above. It is understood that the licensing policies and practices of each Party may be affected because of the rights of both Parties to grant licenses within a single jurisdiction. Accordingly, either Party may request, in regard to a single invention or discovery or class of inventions or discoveries, that the Parties consult in an effort to lessen or eliminate any detrimental effect that the parallel licensing authorities may have on the policies and practices of the Parties.

3. Each Party shall assume the responsibility to pay awards or compensation required to be paid to its own nationals according to its own laws.

ARTICLE 9

1. Whenever an exchange of staff is contemplated under this Memorandum of Understanding, each Party shall ensure that qualified staff are selected for attachment to the other Party.

2. Each such attachment of staff shall be the subject of a separate attachment agreement between the Parties.

3. Each Party shall be responsible for the salaries, insurance and allowances to be paid to its staff.

4. Each Party shall pay for the travel and living expenses of its staff while on attachment to the host Party unless otherwise agreed.

5. The host establishment shall arrange for comparable accommodations for the other Party's staff and their families on a mutually agreeable reciprocal basis.

6. Each Party shall provide all necessary assistance to the attached staff (and their families) of the other Party as regards administrative formalities (travel arrangements, etc.)

7. The staff of each Party shall conform to the general and special rules of work and safety regulations in force at the host establishment, or as agreed in separate attachment of staff agreements.

ARTICLE 10

The provisions of this Memorandum of Understanding shall not affect the rights or duties of the Parties hereto under other agreements or arrangements. This Memorandum of Understanding also in no way precludes commercial firms or other legally constituted enterprises in each of the two countries from engaging in commercial dealings in accordance with the applicable laws of each country; nor

does it preclude the Parties from engaging in activities with other governments or persons. Morever, it is expected that the present Memorandum of Understanding shall facilitate industrial and commercial exchanges in the field of coal technology between the firms of the countries of the Parties with a view to mutual benefits from such exchanges for both countries. DOE and the Department shall act as the points of coordination for contracts and arrangements involving commercial firms in their respective countries when such firms or enterprises act on behalf of their respective governments under the terms of this Memorandum of Understanding. It is understood that all such contracts and arrangements shall conform with applicable laws and regulations under which each Party operates.

ARTICLE 11

Cooperation under this Memorandum of Understanding shall be in accordance with laws of the respective countries and the regulations of the respective Parties. All questions related to the Memorandum of Understanding arising during its term shall be settled by the Parties by mutual agreement.

ARTICLE 12

Except when otherwise specifically agreed at the time, all costs resulting from cooperation under this Memorandum of Understanding shall be borne by the Party that incurs them. The implementation of this Memorandum of Understanding will be subject to the availability of appropriated funds.

ARTICLE 13

1. This Memorandum of Understanding shall enter into force upon signature and, subject to paragraph 2 of this Article, shall continue for a five (5)-year period. This Memorandum of Understanding may be extended subject to agreement by the Parties following a review of accomplishments under the Memorandum of Understanding.

2. This Memorandum of Understanding may be terminated at any time at the discretion of either Party, upon six (6) months advance notification in writing by the Party seeking to terminate the Memorandum of Understanding. Such termination shall be without prejudice to the rights which may have accrued under this Memorandum of Understanding to either Party up to the date of such termination.

3. In the event that, during the period of this Memorandum of Understanding the nature of either Party's coal conversion, extraction and processing programs should change substantially whether this be by substantial expansion, reduction, transformation or amalgamation of major elements with the coal conversion, extraction and processing programs of a third party, either Party shall have the right to request revisions in the scope and/or terms of this Memorandum of Understanding.

4. All joint efforts and experiments not completed at the expiration or termination of this Memorandum of Understanding may be continued until their completion under the terms of this Memorandum of Understanding.

Done at Canberra this 23rd day of June, 1978.

FOR THE UNITED STATES DEPARTMENT OF ENERGY

NAME: Christopher A. Squire
TITLE: Charge d' Affaires, a.i.

FOR THE AUSTRALIAN DEPARTMENT OF NATIONAL DEVELOPMENT

NAME: [1]
TITLE: Secretary

[1] A. J. Woods
Secretary

AUSTRALIA

Tracking Stations

Agreement amending the agreement of March 25, 1970.
Effected by exchange of notes
Dated at Canberra March 3 and June 27, 1978;
Entered into force June 27, 1978.

The American Embassy to the Australian Department of Foreign Affairs

No. 24

The Embassy of the United States of America presents its compliments to the Department of Foreign Affairs and has the honor to refer to the Agreement concluded between the Governments of the United States of America and Australia on March 25, 1970 [1] concerning a continued program of cooperation to facilitate space flight operations contributing to the advancement of mutual scientific knowledge of man's spatial environment and its effects. In accordance with the spirit of cooperation inherent in that Agreement, and with particular reference to Article 2(3), further discussions have been held between representatives of both countries with a view to establishing a NASA Temporary Mobile Satellite Laser Tracking Facility.

In accordance with those discussions, it is proposed that the two Governments cooperate in a program involving the establishment of a NASA Temporary Mobile Satellite Laser Tracking Facility near Geraldton in Western Australia.

Accordingly, as provided for in paragraph 2(2) of the Agreement between the United States of America and Australia of March 25, 1970, the Government of the United States proposes that the list of facilities set forth in paragraph 2(1) be amended by the inclusion of the Temporary Mobile Satellite Laser Tracking Facility described above.

The Government of the United States also proposes that the Agreement be corrected to reflect the change in name of the cooperating agency of the Australian Government to the Australian Department of Science and to delete from paragraph 2 the listing of those facilities which are no longer operational, namely 2(a), (c), (f) and (g).

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[1] TIAS 6866, 21 UST 1097.

The Embassy proposes that if the foregoing proposals are acceptable to the Government of Australia, this Note and the reply of the Department of Foreign Affairs to that effect, shall together constitute and evidence an Agreement between the two Governments which shall amend the Agreement of March 25, 1970 on and from the date of the Department's reply

The Embassy avails itself of this opportunity to renew to the Department of Foreign Affairs the assurances of its highest consideration.

EMBASSY OF THE UNITED STATES OF AMERICA
CANBERRA, *March 3, 1978.*

The Australian Department of Foreign Affairs to the American Embassy

The Department of Foreign Affairs presents its compliments to the Embassy of the United States of America and has the honour to refer to the Embassy's Note No. 24 of 3 March 1978, concerning proposed amendments to the Agreement of 25 March 1970 between the Government of Australia and the Government of the United States of America concerning Space Vehicle Tracking and Communications facilities. The Embassy's Note reads as follows:

> The Embassy of the United States of America presents its compliments to the Department of Foreign Affairs and has the honor to refer to the Agreement concluded between the Governments of the United States of America and Australia on March 25, 1970 concerning a continued program of cooperation to facilitate space flight operations contributing to the advancement of mutual scientific knowledge of man's spatial environment and its effects. In accordance with the spirit of cooperation inherent in that Agreement, and with particular reference to Article 2(3), further discussions have been held

between representatives of both countries with a view to establishing a NASA Temporary Mobile Satellite Laser Tracking Facility.

In accordance with those discussions, it is proposed that the two Governments cooperate in a program involving the establishment of a NASA Temporary Mobile Satellite Laser Tracking Facility near Geraldton in Western Australia.

Accordingly, as provided for in paragraph 2(2) of the Agreement between the United States of America and Australia of March 25, 1970, the Government of the United States proposes that the list of facilities set forth in paragraph 2(1) be amended by the inclusion of the Temporary Mobile Satellite Laser Tracking Facility described above.

The Government of the United States also proposes that the Agreement be corrected to reflect the change in name of the cooperating agency of the Australian Government to the Australian Department of Science and to delete from paragraph 2 the listing of those facilities which are no longer operational, namely 2(a), (c), (f) and (g).

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The Embassy proposes that if the foregoing proposals are acceptable to the Government of Australia, this Note and the reply of the Department of Foreign Affairs to that effect, shall together constitute and evidence an Agreement between the two Governments which shall amend the Agreement of March 25, 1970 on and from the date of the Department's reply.

The Department of Foreign Affairs has the honour to confirm that the proposals outlined in the Embassy's Note are acceptable to the Government of Australia and that the Embassy's Note and this reply shall together constitute an Agreement between the Government of Australia and the Government of the United States of America which shall amend the Agreement of 25 March 1970 concerning Space Vehicle Tracking and Communications facilities on and from the date of this reply.

The Department of Foreign Affairs avails itself of this opportunity to renew to the Embassy of the United States of America the assurances of its highest consideration.

CANBERRA, A.C.T. 27 June 1978

MULTILATERAL

Whaling: Amendments to the Schedule to the International Whaling Convention of 1946

Adopted at the Thirtieth Meeting of the International Whaling Commission, London, June 26–30, 1978;
Entered into force October 20, 1978.

International Whaling Commission

Chairman
Tordur Asgeirsson (Iceland)
Vice-Chairman
W.C. Percer (Canada)
Secretary
Dr. Ray Gambell

The Red House,
Station Road, Histon,
Cambridge CB4 4NP
Telephone: 022023 3971
Telegrams: Interwhale Cambridge

RG/PRP/1938 21 July 1978

CIRCULAR COMMUNICATION TO CONTRACTING GOVERNMENTS

International Convention for the Regulation of Whaling, 1946[1]

Amendments to the Schedule

1. At its 30th Annual Meeting held in London, 26-30 June 1978, the Commission agreed to the following amendments to the Schedule:

A. Substantive amendments (changes and new wording underlined)

Paragraph 1.

Amend to read as shown in the Appendix

Paragraph 7(d)

Amend to read:

"Geographical boundaries in the North Pacific
The geographical boundaries for the sperm and Bryde's whale stocks in the North Pacific are:

Sperm whale stocks

1. Western Division

West of a line from the ice edge south along the 180° meridian of longitude to 180°,50°N, then east along the 50°N parallel of latitude to 160°W, 50°N, then south along the 160°W meridian of longitude to 160°W, 40°N, then east along the 40°N parallel of latitude to 150°W, 40°N, then south along the 150°W meridian of longitude to the equator.

2. Eastern Division

East of the line described in 1.

Bryde's whale stocks

1. Western Stock

West of the 160°W meridian of longitude

2. Eastern Stock

East of the 160°W meridian of longitude"

[1] TIAS 1849, 4228, 62 Stat. 1716, 10 UST 952.
[Footnote added by the Department of State.]

Paragraph 9

Amend to read:

"The number of baleen whales taken during the open season in the Southern Hemisphere by factory ships, land stations or whale catchers attached thereto under the jurisdiction of the Contracting Governments shall not exceed 6,221 minke whales and 0 Bryde's whales (pending a satisfactory estimate of stock size), in the 1978/79 pelagic season and the 1979 coastal season. The total catches taken in any of the Areas I to VI shall not exceed the limits shown in Table 1. However, in no circumstances shall the sum of the Area catches exceed the total quotas for each species."

Paragraph 10.

Amend to read:

"The number of baleen whales taken in the North Pacific Ocean and dependent waters in 1979 and in the North Atlantic Ocean in 1979 shall not exceed the limits shown in Table 1."

Table 1.

Amend to read as shown. *[appended]*

Paragraph 11.

Amend to read:

"..... with respect to the Bering Sea stock of bowhead whales that:

(a) in 1978, hunting shall cease when either 20 have been struck or 14 landed,*

(b) in 1979, hunting shall cease when either 27 have been struck or 18 landed,

(c) it is forbidden to strike, take or kill calves or any bowhead whale accompanied by a calf."

* subject to legal advice

Paragraph 14.

Amend to read:

"The number of sperm whales taken in the Southern Hemisphere in the 1978/79 pelagic season and the 1979 coastal season shall not exceed 1,222 males and 1,214 females. The total catch in any of the Divisions 1 to 9 shall not exceed the limits shown in Table 2."

Paragraph 15.

Amend to read:

"The number of sperm whales taken in the North Pacific Ocean and dependent waters in 1979 and in the North Atlantic Ocean in 1979 shall not exceed the limits shown in Table 2."

Table 2.

Amend to read as shown. *[appended]*

New paragraph to follow the present paragraph 23, all subsequent paragraphs to be renumbered.

"24(a) All whale catchers operating in conjunction with factory ships and land stations shall report the following information on each whale taken:

(1) Methods used to kill a whale, other than a harpoon, and in particular compressed air.

(2) Number of whales struck but lost.

(b) A record similar to that described in sub-paragraph (a) of this paragraph shall be maintained by vessels engaged in "small-type whaling" operations and by native peoples taking species listed in paragraph 1, and all the information mentioned in the said sub-paragraph shall be entered therein as soon as available."

Paragraph 26(a)(1) *(old numbering, new paragraph 27(a)(1))*

Amend to read:

"both ovaries or the combined weight of both testes"

B. Consequential changes

Paragraph 8(a)

Amend the fourth paragraph to read:

"For the 1978/79 pelagic season and the 1979 coastal season in the Southern Hemisphere and for the 1979 season in all other areas .. "

Paragraph 24(a) *(old numbering, new paragraph 25(a))*

Amend third line to read:

".. of data on the number of Bryde's and minke whales taken ... "

(Note that the Schedule dated April 1978 contains a misprint in this line - the word 'fin' should have been deleted following the 29th Annual Meeting.)

2. These amendments become effective with respect to each Contracting Government ninety days following the date of this letter, in accordance with Article V of the Convention, unless any Contracting Government lodges an objection, in which case the procedure under Article V, paragraph 3 of the Convention will be followed.

3. The ninety days period will expire on 19 October 1978. In the absence of objections by that date the amendments will become effective. Contracting Governments will be notified accordingly.

4. Please acknowledge receipt of this letter, a copy of which is being sent to each Commissioner.

Ray Gambell

Dr. R. Gambell
Secretary to the Commission

Revised Paragraph 1 of the Schedule (new wording underlined)

1. The following expressions have the meanings respectively assigned to them, that is to say-

"baleen whale" means any whale which has baleen or whale bone in the mouth, ie. any whale other than a toothed whale.

"beaked whale" means any whale belonging to the genus *Mesoplodon*, or any whale known as Cuvier's beaked whale (*Ziphius cavirostris*), or Shepherd's beaked whale (*Tasmacetus shepherdi*).

"blue whale" (*Balaenoptera musculus*) means any whale known as blue whale, Sibbald's rorqual, or sulphur bottom, and including pygmy blue whale.

"bottlenose whale" means any whale known as Baird's beaked whale (*Berardius bairdii*), Arnoux's whale (*Berardius arnuxii*), southern bottlenose whale (*Hyperoodon planifrons*), or northern bottlenose whale (*Hyperoodon ampullatus*).

"bowhead" (*Balaena mysticetus*) means any whale known as bowhead, Arctic right whale, great polar whale, Greenland right whale, Greenland whale.

"Bryde's whale" (*Balaenoptera edeni , B. brydei*) means any whale known as Bryde's whale.

"dauhval" means any unclaimed dead whale found floating.

"fin whale" (*Balaenoptera physalus*) means any whale known as common finback, common rorqual, fin whale, herring whale, or true fin whale.

"gray whale" (*Eschrichtius robustus*) means any whale known as gray whale, California gray, devil fish, hard head, mussel digger, gray back, or rip sack.

"humpback whale" (*Megaptera novaeangliae*) means any whale known as bunch, humpback, humpback whale, humpbacked whale, hump whale or hunchbacked whale.

"killer whale" (*Orcinus orca*) means any whale known as killer whale or orca.

"minke whale" (*Balaenoptera acutorostrata, B. bonaerensis*) means any whale known as lesser rorqual, little piked whale, minke whale, pike-headed whale or sharp headed finner.

"pilot whale" means any whale known as long-finned pilot whale (*Globicephala melaena*) or short-finned pilot whale (*G. macrorhynchus*).

"right whale" (*Eubalaena glacialis, E. australis*) means any whale known as Atlantic right whale, Biscayan right whale, Nordkaper, North Atlantic right whale, North Cape whale, Pacific right whale, Southern right whale.

"pygmy right whale" *(Caperea marginata)* means any whale known as southern pygmy right whale, pygmy right whale.

"sei whale" *(Balaenoptera borealis)* means any whale known as sei whale, Rudolphi's rorqual, pollack whale, or coalfish whale.

"sperm whale" *(Physeter macrocephalus)* means any whale known as sperm whale, spermacet whale, cachalot or pot whale.

"toothed whale" means any whale which has teeth in the jaws.

"lost whale" means any whale that has been taken but not delivered to the factory ship or land station.

"whales taken" means whales that have been killed and either flagged or made fast to catchers.

"lactating whale" means (a) with respect to baleen whales - a female which has any milk present in a mammary gland, (b) with respect to sperm whales - a female which has milk present in a mammary gland the maximum thickness (depth) of which is 10cm or more. This measurement shall be at the mid ventral point of the mammary gland perpendicular to the body axis, and shall be logged to the nearest centimetre: that is to say, any gland between 9.5cm and 10.5cm shall be logged as 10cm. The measurement of any gland which falls on an exact 0.5 centimetre shall be logged at the next 0.5 centimetre, e.g. 10.5cm shall be logged as 11.0cm.

However, notwithstanding these criteria, a whale shall not be considered a lactating whale if scientific (histological or other biological) evidence is presented to the appropriate national authority establishing that the whale could not at that point in its physical cycle have had a calf dependent on it for milk.

"small-type whaling" means catching operations using powered vessels with mounted harpoon guns hunting exclusively for minke, bottlenose, beaked, pilot or killer whales

TABLE 1. BALEEN WHALE STOCK CLASSIFICATIONS AND CATCH LIMITS

AREA	LONGITUDES	SEI Classification	SEI Catch limit	MINKE Classification	MINKE Catch limit	BRYDE'S Classification	BRYDE'S Catch limit	FIN Classification	FIN Catch limit	BLUE Classification	HUMPBACK Classification	RIGHT, BOWHEAD, PYGMY RIGHT Classification	GRAY Classification	GRAY Catch limit	BOTTLENOSE Classification
SOUTHERN HEMISPHERE - 1978/79 pelagic season and 1979 coastal season.															
I	120°W - 60°W	PS	0	-	738	IMS	0	PS	0	PS	PS	PS	-	-	-
II	60°W - 0°	PS	0	-	1,272	IMS	0	PS	0	PS	PS	PS	-	-	-
III	0° - 70°E	PS	0	-	2,510	IMS	0	PS	0	PS	PS	PS	-	-	-
IV	70°E - 130°E	PS	0	-	1,389	IMS	0	PS	0	PS	PS	PS	-	-	-
V	130°E - 170°W	PS	0	-	563	IMS	0	PS	0	PS	PS	PS	-	-	-
VI	170°W - 120°W	PS	0	-	371	IMS	0	PS	0	PS	PS	PS	-	-	-
Total catch not to exceed -			0		6,221		0*		0	0	0	0	-	-	-
NORTHERN HEMISPHERE - 1979 season															
ARCTIC		-	-	-	-	-	-	-	-	-	-	PS	-	-	-
NORTH PACIFIC															
Whole region		PS	0	-	-	-	-	PS	0	PS	PS	PS	-	-	-
Okhotsk Sea-West Pacific Stock		-	-	SMS	400	-	-	-	-	-	-	-	-	-	-
Sea of Japan Stock		-	-	SMS	-	-	-	-	-	-	-	-	-	-	-
Remainder		-	-	IMS	0*	-	-	-	-	-	-	-	-	-	-
Eastern Stock		-	-	-	-	IMS	0*	-	-	-	-	-	SMS	178+++	-
Western Stock		-	-	-	-	IMS	454	-	-	-	-	-	PS	0	-
NORTH ATLANTIC															
Whole region		-	-	-	-	IMS	0*	-	-	PS	PS	PS	-	-	PS+
West Greenland Stock		-	-	SMS***	394	-	-	SMS***	15[1]	-	-	-	-	-	-
Newfoundland-Labrador Stock		-	-	-	-	-	-	IMS	90	-	-	-	-	-	-
Canadian East Coast Stock		-	-	SMS	48	-	-	-	-	-	-	-	-	-	-
Nova Scotia Stock		PS	0	-	-	-	-	PS	0	-	-	-	-	-	-
East Greenland-Iceland-Jan Mayen Stock		-	-	SMS	320	-	-	-	-	-	-	-	-	-	-
East Greenland-Iceland Stock		-	-	-	-	-	-	SMS	304**	-	-	-	-	-	-
Iceland-Denmark Strait Stock		SMS	04	-	-	-	-	-	-	-	-	-	-	-	-
Spain-Portugal-British Isles Stock		-	-	-	-	-	-	SMS+	-	-	-	-	-	-	-
Svalbard-Norway-British Isles Stock		-	-	SMS	1,790	-	-	-	-	-	-	-	-	-	-
West Norway-Faroe Islands Stock		-	-	-	-	-	-	PS	0	-	-	-	-	-	-
North Norway Stock		-	-	-	-	-	-	SMS***	61	-	-	-	-	-	-

* Pending a satisfactory estimate of stock size
** The total catch of fin whales shall not exceed 1,524 in the six years 1977 to 1982 inclusive
*** Provisionally listed as SMS for 1979, pending the accumulation of sufficient information for classification
\+ Provisionally listed as SMS for 1979, catches not to exceed present catch levels
++ Provisionally listed as PS for 1979, pending the accumulation of sufficient information for classification
+++ Available to be taken by aborigines or a Contracting Government on behalf of aborigines pursuant to paragraph 11, but not for commercial purposes
[1] The combined catch limit of fin and humpback whales in West Greenland waters shall not exceed 15 whales

TABLE 2 SPERM WHALE STOCK CLASSIFICATIONS AND CATCH LIMITS

SOUTHERN HEMISPHERE - 1978/79 pelagic season and 1979 coastal season

DIVISIONS	LONGTITUDES	MALES		FEMALES	
		Classification	Catch limit	Classification	Catch limit
1	60°W - 30°W	SMS	273	SMS	91
2	30°W - 20°E	IMS	808	IMS	241
3	20°E - 60°E	SMS	847	SMS	281
4	60°E - 90°E	IMS	566	PS	0
5	90°E - 130°E	SMS	402	IMS	159
6	130°E - 160°E	IMS	276	IMS	83
7	160°E - 170°W	SMS	176	SMS	98
8	170°W - 100°W	IMS	874	IMS	261
9	100°W - 60°W	PS	0	PS	0

NORTHERN HEMISPHERE - 1979 season

NORTH PACIFIC

Western Division	SMS	-[2]	SMS	-[2]
Eastern Division	IMS	-[2]	IMS	-[2]

	TOTAL	
	Classification	Catch Limit
NORTH ATLANTIC	SMS	685

[2] Catch limits for 1979 are to be set later by decision of the Commission before operations start.

International Whaling Commission

Chairman
Thordur Asgeirsson (Iceland)
Vice-Chairman
M.C. Mercer (Canada)
Secretary
Dr Ray Gambell

The Red House:
Station Road, Histon,
Cambridge CB4 4NP
Telephone: 022023 3971
Telegrams: Interwhale Cambridge

RG/PRP/2074 20 October 1978

CIRCULAR COMMUNICATION TO CONTRACTING GOVERNMENTS

International Convention for the Regulation of Whaling, 1946

Amendments to the Schedule

The Secretary refers to his letter of 21 July 1978 (ref:RG/PRP/1938) notifying Contracting Governments of the amendments to the Schedule of the Convention agreed at the Commission's 30th Annual Meeting held in London, 26-30 June 1978.

No objections have been received to the amendments which therefore become binding on all Contracting Governments from 20 October 1978.

Further copies of the amendments adopted may be obtained from this office on request. A revised edition of the Schedule incorporating these changes is being printed and will be circulated shortly.

The Secretary requests an acknowledgement of this Communication, a copy of which is also being sent to all Commissioners.

Ray Gambell

Dr. R. Gambell
Secretary to the Commission

GREECE

Alien Amateur Radio Operators

Agreement effected by exchanges of notes
Signed at Athens June 20 and July 5, 1978;
Entered into force July 5, 1978.

The American Ambassador to the Greek Minister of Foreign Affairs

No. 176

EXCELLENCY

I have the honor to refer to conversations between representatives of the Government of Greece and representatives of the Government of the United States of America relating to the possibility of concluding an agreement between the two Governments with a view to the reciprocal granting of authorizations to permit licensed amateur radio operators of either country to operate their stations in the other country, in accordance with the provisions of Article 41 of the International Radio Regulations, Geneva, 1959. [1]

Pursuant to section 303(l)(2) and 310(a) of the Communications Act of 1934 as amended (47 U.S.C. 303(l)(2), 310(a)), the Government of the United States of America is prepared to conclude an agreement with respect to this matter as follows:

1. An individual who is licensed by his Government as an amateur radio operator and who operates an amateur radio station licensed by such Government shall be permitted by the other Government, on a reciprocal basis and subject to the conditions stated below, to operate such station in the territory of such other Government.

2. The individual who is licensed by his Government as an amateur radio operator shall, before being permitted to operate his station as provided for in paragraph 1, obtain from the appropriate administrative agency of the other Government an authorization for that purpose.

3. The appropriate administrative agency of each Government may issue an authorization, as prescribed in paragraph 2, under such conditions and terms as it may prescribe, including the right of cancellation at the convenience of the issuing Government at any time.

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[1] TIAS 4893, 12 UST 2633.

Upon the receipt of a reply note from Your Excellency indicating the concurrence of the Government of Greece, it will be considered that this note and the reply note constitute an agreement between the two Governments, such agreement to be in force as of the date of the reply note and to be subject to termination by either Government giving six months' notice, in writing, of its intention to terminate.

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

ROBERT J. MCCLOSKEY

His Excellency,
GEORGE RALLIS,
Minister of Foreign Affairs,
Athens, Greece.

EMBASSY OF THE UNITED STATES OF AMERICA,
ATHENS, *June 20, 1978*

The Greek Minister of Foreign Affairs to the American Ambassador

THE FOREIGN MINISTER OF GREECE

No. 3D.F.2203.114/7/AS.1564

Excellency,

I have the honor to acknowledge receipt of your letter sub No. 176, dated June 20, 1978, reading as follows:

" Excellency,

I have the honor to refer to conversations between representatives of the Government of Greece and representatives of the Government of the United States of America relating to the possibility of concluding an agreement between the two Governments with a view to the reciprocal granting of authorizations to permit licensed amateur radio operators of either country to operate their stations in the other country, in accordance with the provisions of Article 41 of the International Radio Regulations, Geneva, 1959.

Pursuant to section 303 (1) (2) and 310 (a) of the Communications Act of 1934 as amended (47 U.S.C. 303 (1) (2), 310 (a)), the Government of the United States of America is prepared to conclude an agreement with respect to this matter as follows:

1. An individual who is licensed by his Government as an amateur radio operator and who operates an amateur radio station licensed by such Government shall be permitted by the other Government, on a reciprocal basis and subject to the conditions stated below, to operate such station in the territory of such other Government.

2. The individual who is licensed by his Government as an amateur radio operator shall, before being permitted to operate his station as provided for in paragraph 1, obtain from the appropriate administrative agency of the other Government an authorization for that purpose.

His Excellency
Robert J. McCloskey
Ambassador of the United States
of America
In Town

TIAS 9272

THE FOREIGN MINISTER OF GREECE

3. The appropriate administrative agency of each Government may issue an authorization, as prescribed in paragraph 2, under such conditions and terms as it may prescribe, including the right of cancellation at the convenience of the issuing Government at any time.

Upon the receipt of a reply note from Your Excellency indicating the concurrence of the Government of Greece, it will be considered that this note and the reply note constitute an agreement between the two Governments, such agreement to be in force as of the date of the reply note and to be subject to termination by either Government giving six months' notice, in writing, of its intention to terminate.

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

Pursuant to Legislative Decree 1244/72 (Government's Gazette 181/A/1972) and in particular Article 3 thereof and Presidential Decree 271/76 and in particular Article 5 thereof, the Government of the Hellenic Republic is willing to conclude an agreement with the Government of the United States of America according to the terms of your above letter.

Therefore the Government of the Hellenic Republic considers that your above letter together with this present letter constitute an agreement between our two Governments which shall enter into force as from this day and shall remain in force until such time as either Government shall decide to terminate it by giving, in writing, six months' notice to the other.

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

Athens, July 5, 1978

George Rallis[1]

[1] George Rallis.

The American Ambassador to the Greek Minister of Foreign Affairs

No. 177

EXCELLENCY:

I have the honor to refer to our exchange of notes which constitutes an agreement between our two Governments for the reciprocal granting of authorizations to permit licensed amateur radio operators of either country to operate their stations in the other country, in accordance with provisions of Article 41 of the International Radio Regulations, Geneva, 1959.

It is understood that this Agreement cancels the authorization granted to JUSMAGG in 1948 to issue permits to U.S. military personnel to operate amateur radios in Greece. Present holders of such permits will be allowed to continue to operate their sets until such time as they are issued new permits by the appropriate Greek authorities in accordance with the provisions of this Agreement.

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

ROBERT J. MCCLOSKEY

His Excellency,
GEORGE RALLIS,
Minister of Foreign Affairs,
Athens, Greece

EMBASSY OF THE UNITED STATES OF AMERICA,
ATHENS, *June 20, 1978.*

The Greek Minister of Foreign Affairs to the American Ambassador

THE FOREIGN MINISTER OF GREECE

No. 3D.F.2203.114/8/AS.1565

Excellency,

I have the honor to acknowledge receipt of your letter sub No. 177, dated June 20, 1978, reading as follows:

" Excellency,

I have the honor to refer to our exchange of notes which constitutes an agreement between our two Governments for the reciprocal granting of authorizations to permit licensed amateur radio operators of either country to operate their stations in the other country, in accordance with provisions of Article 41 of the International Radio Regulations, Geneva, 1959.

It is understood that this Agreement cancels the authorization granted to JUSMAGG in 1948 to issue permits to U.S. military personnel to operate amateur radios in Greece. Present holders of such permits will be allowed to continue to operate their sets until such time as they are issued new permits by the appropriate Greek authorities in accordance with the provisions of this Agreement.

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

His Excellency
Robert J. McCloskey
Ambassador of the United States
of America
In Town

TIAS 9272

60-963 O - 80 - 22 QL 3

In reply, I have the honor to confirm that the Government of the Hellenic Republic accepts the terms of the second paragraph of your above letter as constituting a complementary agreement to the agreement mentioned in the first paragraph thereof.

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

Athens, July 5, 1978

George Rallis

SOCIALIST FEDERAL REPUBLIC OF YUGOSLAVIA

Scientific and Technological Cooperation

Agreement extending the agreement of May 18, 1973.
Effected by exchange of notes
Dated at Belgrade June 30, 1978;
Entered into force June 30, 1978.

The Yugoslav Federal Secretariat for Foreign Affairs to the American Embassy

No. 434834

The Federal Secretariat for Foreign Affairs of the Socialist Federal Republic of Yugoslavia presents its compliments to the Embassy of the United States of America and, with reference to the Agreement on Scientific and Technological Co-operation between the Government of the Socialist Federal Republic of Yugoslavia and the Government of the United States of America,[1] has the honour to communicate the following:

The Agreement between the Government of the Socialist Federal Republic of Yugoslavia and the Government of the United States of America on Scientific and Technological Co-operation was concluded on 18 May 1973 for a period of five years from the date of the first payment into the Joint Fund duly effected on 2 July 1973. Since the Agreement does not contain any transitional provisions nor does it provide for automatic extension, it expires on 2 July 1978.

By the date of the expiry of the Agreement all the proceeds of the Joint Fund established for the purpose of the realization of the objectives of the Agreement will not be utilized or fully obligated nor will the work on all projects financed out of that Fund be completed.

Looking for the most appropriate solution in the existing situation, the Yugoslav-American Joint Board for Scientific and Technological Co-operation decided at

TO THE EMBASSY OF THE
UNITED STATES OF AMERICA
B E O G R A D

[1] Signed May 18, 1973. TIAS 7914, 25 UST 2368.

its meeting held in Washinton from 3 to 7 April 1978 to recommed to the two Governments the extension of the Agreement on Scientific and Technological Co-operation signed on 18 May 1973 for a period of two years.

The Government of the SFRY has decided to accept the recommendation of the Joint Board and wishes hereby to inform the American side that it is agreeable to it to have the validity of the Agreement on Scientific and Technological Co-operation, concluded on 18 May 1973, extended for another two years, counting from 2 July 1978. The extension would become effective upon the receipt of an affirmative reply from the American side through the diplomatic channels.

The Federal Secretariat for Foreign Affairs avails itself of this opportunity to renew to the Embassy of the United States of America the assurances of its high consideration.

Beograd, 30th June 1978

The American Embassy to the Yugoslav Federal Secretariat for Foreign Affairs

No. 30

The Embassy of the United States of America presents its compliments to the Federal Secretariat for Foreign Affairs of the Socialist Federal Republic of Yugoslavia and has the honor to acknowledge receipt of the Federal Secretariat's note No. 434834 dated June 30, 1978, concerning the extension of the Agreement on Scientific and Technological Cooperation between the Governments of the United States of America and the Socialist Federal Republic of Yugoslavia, signed at Washington on May 18, 1973.

The Embassy has the honor to communicate the acceptance by the Government of the United States of America of the proposal that the above mentioned Agreement be extended for a period of two years, until July 2, 1980, and agreement that the Federal Secretariat's note mentioned above and this reply will constitute an agreement between the Governments of the United States of America and the Socialist Federal Republic of Yugoslavia which shall enter into force on this date.

The Embassy of the United States of America takes this opportunity to renew to the Federal Secretariat for Foreign Affairs the assurances of its highest consideration.

Embassy of the United States of America
Belgrade, June 30, 1978

FRANCE

Arbitration: Air Transport Services

Compromis relating to the agreement of March 27, 1946, as amended.
Signed at Washington July 11, 1978;
Entered into force July 11, 1978.

COMPROMIS OF ARBITRATION
BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND THE GOVERNMENT OF THE FRENCH REPUBLIC

The Government of the United States of America and the Government of the French Republic (the "Parties"):

Considering that there is a dispute concerning change of gauge under the Air Services Agreement between the United States of America and France, signed at Paris on March 27, 1946, as amended, and its Annex, as amended[1] (collectively referred to as the "Agreement");

Recognizing that the Parties have been unable to settle this dispute through consultations;

Considering also that the Government of France has raised a question with respect to the validity of the action undertaken by the Government of the United States under Part 213 of the Civil Aeronautics Board's Economic Regulations in response to the action of the Government of France;

Noting that the Parties have decided to submit the dispute concerning change of gauge to an arbitral tribunal for binding arbitration;

Noting that the Government of France wishes to submit its question regarding the validity of the action undertaken by the United States to the arbitral tribunal for an advisory report pursuant to Article X of the Agreement;

Noting that in agreeing to resort to arbitration with respect to change of gauge, the French Government reserves its right to argue before the tribunal that all means of internal recourse must be exhausted before a State may invoke arbitration under the Agreement;

Noting also that in agreeing to resort to arbitration with respect to Part 213, the United States Government reserves its right to argue before the tribunal that under the circumstances the issue is not appropriate for consideration by an arbitral tribunal;

Agree as follows:

[1] TIAS 1679, 2106, 2257, 2258, 4336, 5135, 6727, 61 Stat. 3445, 1 UST 593; 2 UST 1033, 1037, 10 UST 1791, 13 UST 1860; 20 UST 2684.

(1) The arbitral tribunal ("tribunal") shall be composed of three arbitrators. One arbitrator shall be Mr. Thomas Ehrlich. If for any reason Mr. Ehrlich becomes unable to act as arbitrator, the Government of the United States shall promptly designate a replacement. Another arbitrator shall be Prof. Paul Reuter. If for any reason Prof. Reuter becomes unable to act as arbitrator, the Government of France shall promptly designate a replacement. The third arbitrator shall be Prof. W. Riphagen, who shall serve as President of the tribunal.

(2) The tribunal is requested to decide the following two questions in accordance with applicable international law and in particular with the provisions of the Agreement:

(A) Does a United States-designated carrier have the right to operate West Coast-Paris service under the Air Services Agreement between the United States and France with a change of gauge in London (transshipment to a smaller aircraft on the outward journey and to a larger aircraft on the return journey)?

The tribunal's decision of this question shall be binding.

(B) Under the circumstances in question, did the United States have the right to undertake such action as it undertook under Part 213 of the Civil Aeronautics Board's Economic Regulations?

The tribunal shall issue an advisory report with respect to this question in accordance with Article X of the Agreement, which shall not be binding.

(3) The parties have agreed on interim arrangements that will maintain strict equality of balance between the position of the Government of the United States that Pan American World Airways should be permitted to change gauge during arbitration, and the position of the Government of France that it should not change gauge during this period. To this end, and without prejudice to the position of either Party in this arbitration, from the date of this compromis to December 10, 1978, Pan American World Airways shall be permitted to operate West Coast-Paris service with a change of gauge in London to the extent of 95 London-Paris flights in each direction. Such flights may be scheduled at the airline's discretion; provided, however, that no such service may operate prior to July 17, and that no more than six flights per week may be operated in each direction.

The tribunal shall be competent, in any event, at the request of either Party, to prescribe all other provisional measures necessary to safeguard the rights of the Parties. A Party may make such request in its written pleadings, at oral hearings, or subsequent to the oral hearings, as appropriate.

Upon signature of this compromis, the United States Civil Aeronautics Board shall immediately vacate all pertinent orders issued pursuant to Part 213 of its Economic Regulations (Orders 78-5-45, 78-5-106, 78-6-82, and 78-6-202).

(4) Each Party shall be represented before the tribunal by an agent. Each agent may nominate a deputy or deputies to act for him and may be assisted by such advisors, counsel, and staff as he deems necessary. Each Party shall communicate the names and addresses of its respective agent and deputy or deputies to the other Party and to the members of the tribunal.

(5) The tribunal shall, after consultation with the two agents, appoint a registrar.

(6) (A) The proceedings shall consist of written pleadings and oral hearings.

(B) The written pleadings shall be limited to the following documents:

(i) A memorial, which shall be submitted by each Party to the other Party by September 18, 1978;

(ii) A reply, which shall be submitted by each Party to the other Party by November 6, 1978.

Four certified copies of each document shall be submitted promptly to the registrar.

(C) The tribunal may extend the above time limits at the request of either Party for good cause shown, provided that the time limits shall not be extended under any circumstances by a total of more than two weeks. The tribunal may if it wishes request supplemental pleadings.

(D) Oral hearings shall be held at Geneva, Switzerland, or at such other place as the Parties may agree, on November 20 and 21, 1978, at a specific time and place to be fixed by the President of the tribunal.

(7) (A) The Parties shall present their written pleadings and oral arguments to the tribunal in English or in French.

(B) The tribunal shall arrange for simultaneous interpretation of the oral hearings and shall keep a verbatim record of all oral hearings in English and in French.

(8) (A) Subject to the provisions of this compromis, the tribunal shall determine its own procedure and all questions affecting the conduct of the arbitration.

(B) All decisions of the tribunal shall be determined by a majority vote.

(C) The tribunal may engage such technical, secretarial, and clerical staff and obtain such services and equipment as may be necessary.

(9) The tribunal shall use its best efforts to render a decision on the change of gauge question and an advisory report on the Part 213 issue as soon as possible, but not later than December 10, 1978. To this end the tribunal shall sit from the date of the opening of the oral hearings until the date its decision and advisory report are rendered. If necessary, the tribunal may render a decision and advisory report limited to the conclusion, on or before December 10, with sufficiently clear guidance to enable the Parties to implement the decision; and issue a full decision and advisory report as soon as possible thereafter. A copy of the decision and of the advisory report, signed by all three arbitrators, shall be immediately communicated to each of the agents.

(10) Any dispute between the Parties as to the interpretation of the decision or of the advisory report shall be referred to the tribunal for clarification at the request of either Party within 60 days of receipt of the written decision and report.

(11) (A) One copy each of all written pleadings of the Parties, the decision and the advisory report of the tribunal, and any written clarification thereof shall be submitted by the tribunal to the International Civil Aviation Organization.

(B) One copy of the verbatim record of all oral hearings, in English and in French, shall be submitted by the tribunal to the International Civil Aviation Organization.

(C) Notwithstanding subparagraphs 11(A) and (B), documents regarded and designated as confidential by a Party and relevant portions of any pleading or record based thereon shall be treated confidentially by both Parties and the tribunal, and shall not be submitted by the tribunal to the International Civil Aviation Organization.

(12) (A) The remuneration of the three arbitrators, their travel and lodging expenses, and all general expenses of the arbitration shall be borne equally by the Parties. Each arbitrator shall keep a record and render a final account of his time and expenses, and the tribunal shall keep a record and render a final account of all general expenses. The Parties shall agree upon the amount of remuneration and shall confer with each other and the President of the tribunal in all matters concerning remuneration and expenses.

(B) Each Party shall bear its own expenses incurred in the preparation and presentation of its case.

(13) The provisions of Articles 59, 65 to 78 inclusive, 81 and 84 paragraph 1 of the Convention of October 18, 1907, for the Pacific Settlement of International Disputes[1] shall be applicable with respect to any points which are not covered by the present compromis.

(14) The compromis shall come into force on the date of signature.

[1] TS 536, 36 Stat. 2228.

In witness whereof the undersigned, being duly authorized by their respective governments, have signed this compromis.

Done in duplicate in Washington this 11th day of July, 1978, in English and French, each of which shall be of equal authenticity.

FOR THE GOVERNMENT OF
THE UNITED STATES OF AMERICA:

Lee R. Marks
Deputy Legal Adviser
Office of the Legal Adviser
Department of State

FOR THE GOVERNMENT OF
THE FRENCH REPUBLIC:

Guy de Lacharriere
Ministre Plenipotentiaire
Directeur des Affaires
Juridiques au Ministere
des Affaires Etrangeres

COMPROMIS D'ARBITRAGE
ENTRE
LE GOUVERNEMENT DES ETATS-UNIS D'AMERIQUE
ET LE GOUVERNEMENT DE LA REPUBLIQUE FRANCAISE

Le Gouvernement des Etats-Unis d'Amérique et le Gouvernement de la République française (ci-après dénommés les Parties)·

Considérant qu'il existe un différend concernant la rupture de charge au regard de l'Accord entre les Etats-Unis d'Amérique et la France relatif aux services aériens, signé à Paris le 27 mars 1946, tel qu'amendé, et de son Annexe, telle qu'amendée (ci-après dénommés l'Accord);

Reconnaissant que les Parties n'ont pu régler ce différend au moyen de négociations,

Considérant également que le Gouvernement de la République française a soulevé une question concernant la licéité de l'action entreprise par le Gouvernement des Etats-Unis en vertu de la Section 213 des règlements économiques du Civil Aeronautics Board en réponse à l'action du Gouvernement de la République française;

Notant que les Parties ont décidé de soumettre le différend concernant la rupture de charge à un tribunal arbitral aux fins de décision obligatoire;

Notant que le Gouvernement de la République française désire soumettre au tribunal, pour avis consultatif, et conformément à l'Article X de l'Accord, la question de la licéité de l'action entreprise par le Gouvernement des Etats-Unis;

Notant qu'en acceptant de recourir à l'arbitrage en ce qui concerne la rupture de charge, le Gouvernement français se réserve le droit de faire valoir devant le tribunal que tous les moyens de recours interne doivent être épuisés avant qu'un Etat ne puisse en appeler à l'arbitrage conformément aux dispositions de l'Accord;

Notant également qu'en acceptant de recourir à l'arbitrage en ce qui concerne la Section 213, le Gouvernement des Etats-Unis se réserve le droit de faire valoir devant le tribunal que, dans les circonstances de l'espèce, la question n'est pas de celles qui auraient dû être soumises à l'examen d'un tribunal arbitral,

Sont convenus de ce qui suit:

1) Le tribunal arbitral (ci-après dénommé le Tribunal) se composera de trois arbitres. L'un sera M. Thomas Ehrlich. Si, pour une raison quelconque, M. Ehrlich se trouve dans l'impossibilité d'assurer ses fonctions, le Gouvernement des Etats-Unis

désignera promptement un remplaçant. Un autre arbitre sera le Professeur Paul Reuter. Si, pour une raison quelconque, le Professeur Reuter se trouve dans l'impossibilité d'assurer ses fonctions, le Gouvernement français désignera promptement un remplaçant. Le troisième arbitre sera le Professeur W. Riphagen, qui assumera les fonctions de Président du Tribunal.

2) Il est demandé au Tribunal de statuer, conformément aux règles du droit international applicables et, en particulier, aux dispositions de l'Accord, sur les questions suivantes:

A) Un transporteur désigné des Etats-Unis a-t-il le droit, en vertu de l'Accord entre les Etats-Unis d'Amérique et la France, relatif aux services aériens, d'exploiter un service de la Côte Ouest des Etats-Unis à Paris avec rupture de charge à Londres (transbordement sur un plus petit avion à l'aller et sur un plus gros avion au retour)?

La décision du Tribunal portant sur cette question sera obligatoire.

B) Dans les circonstances de l'espèce, le Gouvernement des Etats-Unis avait-il le droit d'entreprendre l'action qu'il a entreprise en application de la Section 213 des règlements économiques du Civil Aeronautics Board?

En ce qui concerne cette question, le Tribunal rendra, conformément à l'Article X de l'Accord, un avis consultatif qui ne sera pas obligatoire.

3) Les Parties sont convenues de dispositions intérimaires qui maintiendront un strict équilibre entre la position du Gouvernement des Etats-Unis, suivant laquelle Pan American World Airways devrait être autorisée à pratiquer la rupture de charge durant le déroulement de l'arbitrage, et la position du Gouvernement de la République française, suivant laquelle elle ne devrait pas pratiquer de rupture de charge pendant cette période. A cet effet, et sans préjudice de la position de l'une ou l'autre des Parties à cet arbitrage, à dater du présent compromis jusqu'au 10 décembre 1978, Pan American World Airways sera autorisée à exploiter un service de la Côte Ouest des Etats-Unis à Paris avec rupture de charge à Londres jusqu'à concurrence de 95 vols Londres-Paris dans chaque direction. Ces vols peuvent être programmés au gré de la compagnie aérienne, à condition cependant qu'aucun service de ce genre ne soit exploité avant le 17 juillet et qu'un maximum de six vols par semaine dans chaque direction soit respecté.

Le Tribunal aura compétence, en tout état de cause, pour prescrire, à la demande de l'une ou l'autre des Parties, toutes autres mesures provisoires nécessaires pour protéger les droits des Parties. Une Partie peut formuler une telle demande dans ses exposés écrits, au cours de la procédure orale ou postérieurement à celle-ci, en tant que de besoin.

A la signature du présent compromis, le Civil Aeronautics Board des Etats-Unis annulera immédiatement tous les ordres émis en application de la Section 213 de ses règlements économiques (Ordres 78-5-45, 78-5-106, 78-6-82 et 78-6-202).

4) Chaque Partie sera représentée devant le Tribunal par un agent. Chaque agent pourra nommer un ou plusieurs adjoints pour agir à sa place et être assisté de conseils, d'experts, et du personnel qu'il jugera nécessaires. Chaque Partie communiquera à l'autre Partie et aux membres du Tribunal les nom et adresse de son agent et du ou des adjoints de celui-ci.

5) Le Tribunal désignera un greffier, après consultation avec les deux agents.

6)A) La procédure se composera d'exposés écrits et d'audiences.

B) Les exposés écrits se limiteront aux documents suivants:

i) un mémoire, qui sera soumis par chaque Partie à l'autre Partie le 18 septembre 1978 au plus tard

ii) un contre-mémoire, qui sera soumis par chaque Partie à l'autre Partie le 6 novembre 1978 au plus tard.

Quatre copies certifiées conformes de chaque document seront soumises promptement au greffier.

C) Le Tribunal pourra reporter les dates limites susmentionnées à la requête de l'une ou l'autre des Parties pour des raisons valables, à condition que le report des dates limites ne dépasse en aucun cas un total de deux semaines. Le Tribunal pourra, à son gré, demander des exposés écrits complémentaires.

D) Les audiences se tiendront à Genève (Suisse) les 20 et 21 novembre 1978 ou en tout autre lieu dont les Parties seraient convenues, à l'endroit et au moment à fixer par le Président du Tribunal.

7)A) Les Parties présenteront au Tribunal leurs exposés écrits et plaidoiries en langue anglaise ou française.

B) Le Tribunal assurera les services d'interprétation simultanée des plaidoiries et conservera un compte rendu intégral de toutes les audiences en anglais et en français.

8)A) Sous réserve des dispositions du présent compromis, le Tribunal décidera de sa propre procédure et de toutes les questions relatives à la conduite de l'arbitrage.

B) Toutes les décisions du Tribunal seront prises à la majorité.

C) Le Tribunal pourra engager les services techniques et de secrétariat et s'assurer tous autres services et matériel qu'il jugera nécessaires.

9) Le Tribunal s'efforcera de rendre sa décision sur la rupture de charge et de rendre un avis consultatif sur la Section 213 dès que possible et au plus tard le 10 décembre 1978. A cet effet, le Tribunal siégera de la date d'ouverture des audiences jusqu'à ce qu'il ait rendu sa décision et son avis consultatif. Si besoin est, le Tribunal pourra, le 10 décembre ou avant cette date, rendre une décision et un avis consultatif se limitant au dispositif, en formulant des directives suffisamment claires pour permettre aux Parties d'appliquer ladite décision; le Tribunal communiquerait ensuite dès que possible le texte complet de sa décision et de son avis consultatif. Un exemplaire du texte de la décision et de l'avis consultatif, signé par les trois arbitres, sera transmis immédiatement à chacun des agents.

10) Tout différend entre les Parties quant à l'interprétation de la décision ou de l'avis consultatif sera soumis aux fins d'éclaircissement au Tribunal à la requête de l'une ou l'autre Partie dans les 60 jours qui suivront la réception de la décision écrite et de l'avis.

11)A) Une copie de tous les exposés écrits des Parties, de la décision et de l'avis consultatif du Tribunal et de tous éclaircissements écrits portant sur lesdits avis et décision sera soumise par le Tribunal à l'Organisation internationale de l'Aviation civile.

B) Une copie des comptes rendus intégraux de toutes les plaidoiries en anglais et en français sera soumise par le Tribunal à l'Organisation internationale de l'Aviation civile.

C) Nonobstant les dispositions des alinéas 11)A) et 11)B), les documents considérés et désignés comme étant de nature confidentielle par une Partie et les passages pertinents de tout exposé écrit ou de toute pièce y afférents seront traités confidentiellement par les deux Parties et par le Tribunal et ne devront pas être soumis par le Tribunal à l'Organisation internationale de l'Aviation civile.

12)A) La rémunération des trois arbitres, leurs frais de déplacement et toutes dépenses générales entraînés par l'arbitrage seront supportés à égalité par les Parties. Chacun des trois arbitres consignera le détail de son temps et de ses dépenses et en rendra compte et le Tribunal consignera le détail de toutes les dépenses générales et en rendra compte. Les Parties conviendront du montant des rémunérations et procéderont à des consultations entre elles et le Président du Tribunal concernant toutes les questions relatives aux rémunérations et dépenses.

B) Chaque Partie supportera les dépenses encourues par elle pour l'élaboration et la présentation de ses positions.

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13) Les dispositions des Articles 59, 65 à 78 inclus, 81 et de l'alinéa 1 de l'Article 84 de la Convention pour le règlement pacifique des Conflits internationaux du 18 octobre 1907 s'appliqueront à toute question non réglée par le présent compromis.

14) Le présent compromis entrera en vigueur à la date de sa signature.

En foi de quoi, les soussignés, dûment habilités par leur gouvernement respectif, ont signé le présent compromis.

Fait en double exemplaire à Washington, ce 11 juillet 1978, en langues anglaise et française, chacun d'eux faisant également foi.

POUR LE GOUVERNEMENT DES ETATS-UNIS D'AMERIQUE

Lee R. Marks
Conseiller juridique adjoint
Cabinet du Conseiller juridique
Département d'Etat

POUR LE GOUVERNEMENT DE LA REPUBLIQUE FRANCAISE

Guy de Lacharrière
Ministre Plénipotentiaire
Directeur des Affaires
Juridiques au Ministère
des Affaires Etrangères

NORWAY

Shipping: Jurisdiction Over Vessels in United States Deepwater Ports

Agreement effected by exchange of notes
Signed at Washington July 11, 1978;
Entered into force July 11, 1978.

The Secretary of State to the Norwegian Ambassador

JULY 11, 1978

EXCELLENCY:

I have the honor to refer to the discussions which have taken place between representatives of our two Governments in connection with the establishment of deepwater ports off the coast of the United States and the jurisdictional requirements of the United States Deepwater Port Act of 1974,[1] and to confirm that the two governments are in agreement that vessels registered in or flying the flag of Norway and the personnel on board such vessels utilizing the Louisiana Offshore Oil Port (LOOP, Inc.), a deepwater port facility established under the Deepwater Port Act of 1974 for the purposes stated therein shall, whenever they may be present within the safety zone of such deepwater port, be subject to the jurisdiction of the United States and Norway, on the same basis as when in coastal ports of the United States.

It is the understanding of the Government of the United States and of the Government of Norway that this agreement shall not apply to vessels registered in or flying the flag of Norway merely passing through the safety zone of the Louisiana Offshore Oil Port without calling at or otherwise utilizing the port.

If the foregoing is acceptable to your Government, I have the honor to propose that this Note, together with your reply thereto, shall constitute an Agreement between our two Governments, to enter into force upon the receipt of your reply to that effect, and to remain in force until terminated by six months' written notice by either party to the other.

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[1] 88 Stat. 2126; 33 U.S.C. § 1501 *et seq.*

Accept, Excellency the renewed assurances of my highest consideration.

For the Secretary of State:
JAMES R. ATWOOD

His Excellency
SOREN CHRISTIAN SOMMERFELT,
Ambassador of Norway.

The Norwegian Ambassador to the Secretary of State

ROYAL NORWEGIAN EMBASSY
WASHINGTON, D. C.

Excellency,

I have the honour to acknowledge receipt of your Note of today's date, the terms of which are as follows:

"I have the honour to refer to the discussions which have taken place between representatives of our two Governments in connection with the establishment of deepwater ports off the coast of the United States and the jurisdictional requirements of the United States Deepwater Port Act of 1974, and to confirm that the two Governments are in agreement that vessels registered in or flying the flag of Norway and the personnel on board such vessels utilizing the Louisiana Offshore Oil Port (LOOP, Inc.), a deepwater port facility established under the Deepwater Port Act of 1974 for the purposes stated therein shall, whenever they may be present within the safety zone of such deepwater port, be subject to the jurisdiction of the United States and Norway, on the same basis as when in coastal ports of the United States.

It is the understanding of the Government of the United States and of the Government of Norway that this agreement shall not apply to vessels registered in or flying

His Excellency
Cyrus Vance
Secretary of State

the flag of Norway merely passing through the safety zone of the Louisiana Offshore Oil Port without calling at or otherwise utilizing the port.

If the foregoing is acceptable to your Government, I have the honour to propose that this Note, together with your reply thereto, shall constitute an agreement between our two Governments, to enter into force upon receipt of your reply to that effect, and to remain in force until terminated by six months' written notice by either party to the other.

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

I have the honour to state that the Norwegian Government agrees to this arrangement and will regard your Note and this reply as constituting an agreement between our respective Governments on these matters.

Accept, Excellency, the assurances of my highest consideration.

Washington, D.C., July 11, 1978.

S. Chr. Sommerfelt

BOLIVIA

Agribusiness and Artisanry Project

Agreement signed at La Paz January 9, 1978;
Entered into force January 9, 1978.

Prestamo A.I.D. 511-T-060
A.I.D. Loan 511-T-060

Donación A.I.D. 511-0472
A.I.D. Grant 511-0472

ALIANZA PARA EL PROGRESO
ALLIANCE FOR PROGRESS

CONVENIO DE PROYECTO
PROJECT AGREEMENT

ENTRE
BETWEEN

LA REPUBLICA DE BOLIVIA
REPUBLIC OF BOLIVIA

Y
AND

LOS ESTADOS UNIDOS DE AMERICA
UNITED STATES OF AMERICA

PROYECTO AGROEMPRESAS Y ARTESANIAS
AGRIBUSINESS AND ARTISANRY PROJECT

Fecha: 9 de enero de 1978
Date January 9, 1978

CONVENIO DE PROYECTO de fecha 9 de enero de 1978, (el "Convenio"), entre la Republica de Bolivia ("Bolivia") y los Estados Unidos de América, actuando a través de la Agencia para el Desarrollo Internacional ("A.I.D.").

ARTICULO 1: EL CONVENIO

El objeto de este Convenio es establecer el entendimiento de las partes arriba nombradas con respecto al compromiso asumido por Bolivia en relación al Proyecto descrito en la Sección 2.1 (el "Proyecto") y a la financiación del Proyecto por las partes.

ARTICULO 2: EL PROYECTO

SECCION 2.1. Definición del Proyecto. El Proyecto, que se describe más ampliamente en el Anexo 1, consistira en un programa integrado de financiamiento y asistencia tecnica para agroempresas cuyas operaciones beneficien a los pequeños agricultores y artesanías urbanas y rurales a traves de un fondo de redescuento y una entidad para asistencia técnica en el Banco Central de Bolivia (el "Banco Central").

El Anexo 1 adjunto, amplía la definición del Proyecto contenida en esta Sección 2.1. Dentro de los límites de la definición del Proyecto en esta Sección 2.1, los elementos de la descripción ampliada enunciados en el Anexo 1, podrán ser cambiados mediante acuerdos por escrito de los representantes autorizados de las partes, nombrados en la Sección 9.2, sin necesidad de una enmienda formal de este Convenio. En el Anexo 1 se identifican aquellos elementos del Proyecto que son financiados con fondos de la Donación y los que son financiados con fondos del Prestamo.

PROJECT AGREEMENT, dated January 9, 1978, (the "Agreement"), between the Republic of Bolivia ("Bolivia") and the United States of America, acting through the Agency for International Development ("A.I.D.").

ARTICLE 1: THE AGREEMENT

The purpose of this Agreement is to set out the understandings of the parties named above with respect to the undertaking by Bolivia of the project described in Section 2.1 (the "Project") and the financing of the Project by the parties.

ARTICLE 2: THE PROJECT

SECTION 2.1. Definition of Project. The Project, which is further described in Annex 1, will consist of an integrated program of financing and technical assistance for agribusinesses which benefit small farmers and urban and rural artisanry subloans through a rediscount fund and a technical assistance entity in the Central Bank of Bolivia (the "Central Bank").

Annex 1, attached, amplifies the definition of the Project contained in Section 2.1. Within the limits of the definition of the Project in Section 2.1, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the parties named in Section 9.2, without formal amendment of the Agreement. Annex 1 identifies those elements of the Project which are Grant-financed, and those which are Loan-financed.

ARTICULO 3: FINANCIAMIENTO

SECCION 3.1. La Donacion; el Prestamo. Para asistir a Bolivia a cubrir los costos de desarrollo del Proyecto, A.I.D. dentro del Programa de la Alianza para el Progreso y de acuerdo con la Ley de Ayuda Extranjera de 1961 y sus enmiendas, conviene en donar a Bolivia, bajo los terminos de este Convenio, una cantidad que no excederá los ciento ochenta y cinco mil Dólares Americanos ($185,000) (la "Donación"), y prestar a Bolivia, bajo los términos de este Convenio, una cantidad que no excederá los seis millones doscientos mil dólares americanos ($6,200,000) (el "Préstamo"). El monto total de desembolsos bajo el Prestamo constituye el capital del Préstamo.

El Préstamo y la Donacion pueden ser utilizados para financiar costos en dólares (tal como se define para ambos en la Sección 7.1) y costos en pesos bolivianos (tal como se define en la Seccion 7.2) de bienes y servicios necesarios para el Proyecto.

SECCION 3.2. Naturaleza Creciente de la Donación. La contribución de A.I.D. a la porción del Proyecto financiada con fondos de la Donacion sera provista en cuotas, la primera de las cuales estara disponible de acuerdo con la Sección 3.1. Las cuotas subsiguientes de hasta $215,000 y hasta un total de $400,000, estarán sujetas a la disponibilidad de fondos de A.I.D. para este proposito y al mutuo acuerdo de las partes en el momento de la subsiguiente cuota.

SECCION 3.3. Recursos Aportados por Bolivia para el Proyecto.

(a) Bolivia conviene en suministrar o hacer que se suministre al Proyecto todos los fondos además de los del

ARTICLE 3: FINANCING

SECTION 3.1. The Grant; the Loan. To assist Bolivia to meet the costs of carrying out the Project, A.I.D., in furtherance of the Alliance for Progress and pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to grant to Bolivia under the terms of this Agreement not to exceed one hundred eighty-five thousand United States Dollars ($185,000) (the "Grant") and to lend to Bolivia under the terms of this Agreement not to exceed six million two hundred thousand United States Dollars ($6,200,000) (the "Loan"). The aggregate amount of disbursements under the Loan constitutes the principal of the Loan.

The Loan and the Grant may be used to finance U S. dollar costs (as defined for each in Section 7.1) and Bolivian peso costs (as defined in Section 7.2) of goods and services required for the Project.

SECTION 3.2. Incremental Nature of the Grant. A.I.D.'s contribution to the Grant-financed portion of the Project will be provided in increments, the initial one being made available in accordance with Section 3.1. Subsequent increments of up to $215,000, for a total of up to $400,000, will be subject to availability of funds to A.I.D. for this purpose and to the mutual agreement of the parties to proceed at the time of a subsequent increment.

SECTION 3.3. Bolivian Resources for the Project.

(a) Bolivia agrees to provide or cause to be provided for the Project all funds, in addition to the Loan

[1] 75 Stat. 424, 22 U.S.C. § 2151 note.

Préstamo y la Donación, y todos los recursos razonablemente necesarios para llevar a cabo el Proyecto en forma eficaz y oportuna, de acuerdo con los objetivos de este Convenio.

(b) Los recursos suministrados por Bolivia para el Proyecto no podran ser menores que el equivalente de US$ 3,870,000 (Tres Millones Ochocientos Setenta Mil Dólares Americanos), como se establece en el Anexo 1, incluyendo los costos originados en base a prestaciones "en-especie."

SECCION 3.4. Fecha de Terminación de Asistencia del Proyecto.

(a) La Fecha de Terminación de Asistencia del Proyecto ("FTAP"), que es el 31 de diciembre de 1982, o cualquier otra fecha que las partes convengan por escrito, es la fecha para la cual las partes estiman que todos los servicios financiados bajo el Préstamo y la Donación habran sido realizados, y todos los bienes financiados bajo el Prestamo y la Donación habrán sido suministrados para el Proyecto tal como se contempla en este Convenio.

(b) A menos que A.I.D. conviniese de otro modo por escrito, A.I.D. no emitirá o aprobará documentación que autorice desembolsos del Préstamo o la Donación por servicios realizados despues de la FTAP o por bienes suministrados al Proyecto, tal como se contempla en este Convenio despues de la FTAP.

(c) Las solicitudes de desembolso, acompañadas de la documentación de respaldo necesaria prescrita en las Cartas de Implementación del Proyecto, deberan ser recibidas por A.I.D, o cualquier banco descrito en la Sección 8.1 a más tardar nueve (9) meses después de la FTAP o en otro periodo

and Grant, and all other resources reasonably required to carry out the Project effectively and in a timely manner, in accordance with the objectives of this Agreement.

(b) The resources provided by Bolivia for the Project will be not less than the equivalent of US$ 3,870,000 (Three Million Eight Hundred Seventy Thousand United States Dollars), as set forth in Annex 1, including costs borne on an "in-kind" basis.

SECTION 3.4. Project Assistance Completion Date

(a) The Project Assistance Completion Date ("PACD"), which is December 31, 1982, or such other date as the parties may agree to in writing, is the date by which the parties estimate that all services financed under the Loan and Grant will have been performed and all goods financed under the Loan and Grant will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement under the Loan or Grant for services performed after the PACD or for goods furnished for the Project, as contemplated in this Agreement, after the PACD.

(c) Requests for disbursement accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1 no later than nine (9) months following the PACD. or such other period as

convenido por A.I.D. por escrito. Después de ese período, A.I.D., notificando por escrito a Bolivia puede, en cualquier momento, reducir el monto del Préstamo ó de la Donación en su totalidad, ó aquella parte del mismo por la que las solicitudes de desembolso acompañadas de la documentación de respaldo necesaria, prescrita en las Cartas de Implementación del Proyecto, no se hubieran recibido antes de la fecha de expiración de dicho período.

A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to Bolivia, may at any time or times reduce the amount of the Loan or Grant by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

ARTICULO 4: TERMINOS DEL PRESTAMO

SECCION 4.1. Interés. Bolivia pagará a A.I.D. intereses sobre el Préstamo a la tasa del dos por ciento (2%) anual durante los diez años siguientes a partir de la fecha del primer desembolso del prestamo, y a la tasa del tres por ciento (3%) anual de ahi en adelante sobre el saldo adeudado del capital y sobre todo interes vencido y pendiente de pago. Los intereses sobre el saldo adeudado de capital se devengarán desde la fecha (según se define en la Sección 8.5) de cada desembolso respectivo y se pagaran semestralmente. El primer pago del interes vencerá y será pagadero a más tardar seis (6) meses después del primer desembolso del Préstamo, en una fecha que será especificada por A.I.D.

SECCION 4.2. Amortizacion del Prestamo. Bolivia amortizara el capital a A.I.D. dentro de los cuarenta (40) años, computables a partir de la fecha del primer desembolso del Préstamo en sesenta y un (61) cuotas semestrales aproximadamente iguales de capital é intereses. La primera cuota del capital sera pagadera nueve y medio (9 1/2) años después de la fecha en la cuál vence el primer pago de intereses de

ARTICLE 4: LOAN TERMS

SECTION 4.1. Interest. Bolivia will pay to A.I.D. interest on the Loan which will accrue at the rate of two percent (2%) per annum for ten years following the date of the first disbursement of the loan hereunder and at the rate of three percent (3%) per annum thereafter on the outstanding balance of principal and on any due and unpaid interest. Interest on the outstanding principal balance will accrue from the date (as defined in Section 8.5) of each respective disbursement, and will be payable semiannually. The first payment of interest will be due and payable no later than six (6) months after the first disbursement of the Loan hereunder, on a date to be specified by A.I.D.

SECTION 4.2. Repayment. Bolivia will repay the principal to A.I.D. within forty (40) years from the date of the first disbursement of the loan in sixty-one (61) approximately equal semi-annual installments of principal and interest. The first installment of principal will be payable nine and one-half (9 1/2) years after the date on which the first interest payment is

acuerdo a la Sección 4.1. A.I.D. proveerá a Bolivia con un plan de amortización de acuerdo con la presente Sección, después del desembolso final del Prestamo

SECCION 4.3. Aplicacion, Moneda y Lugar de Pago Todos los pagos de intereses y capital del Prestamo deberán ser efectuados en dólares americanos y serán aplicados primero al pago de los intereses adeudados y después a la amortización del capital. A menos que A.I.D. especificara de otra manera por escrito, todos estos pagos deberán ser efectuados al Contralor, Oficina de Administración Financiera, Agencia para el Desarrollo Internacional, Washington, D.C., 20523, U.S.A., y se consideraran efectuados a su recepción en la Oficina de Administracion Financiera.

SECCION 4.4. Pago Adelantado. Al pago de todos los intereses y reintegros entonces vencidos, Bolivia puede pagar por adelantado, sin ningún otro cargo, todo o parte del capital. A menos que A.I.D. conviniese en otra forma por escrito, dichos pagos adelantados seran aplicados a las cuotas de capital en orden inverso a su vencimiento.

SECCION 4.5. Renegociación de los Términos del Préstamo.

(a) Bolivia y A I D acuerdan en negociar, en cualquier momento en que alguna de las partes pudiera requerir, una aceleración de la amortización del Préstamo, en el caso de que hubiese una mejora significativa y continuada de las perspectivas y posición financiera y económica externa e interna de Bolivia que le permitan pagar el capital y los intereses en un plazo diferente.

due in accordance with Section 4.1, A.I.D. will provide Bolivia with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

SECTION 4.3. Application, Currency, and Place of Payment. All payments of interest and principal hereunder will be made in U.S. dollars and will be applied first to the payment of interest due and then to the repayment of principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D.C., 20523, U.S.A., and will be deemed made when received by such office.

SECTION 4.4. Prepayment. Upon payment of all interest and any refunds then due, Bolivia may prepay, without penalty, all or any part of the principal Unless A.I.D. otherwise agrees in writing, any such prepayment will be applied to the installments of principal in the inverse order of their maturity.

SECTION 4.5. Renegotiation of Terms.

(a) Bolivia and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of Bolivia, which enable Bolivia to repay principal and interest on a different schedule.

(b) Cualquier pedido de cualquiera de las partes a la otra para así negociar, se hará de acuerdo a la Seccion 9.2 y dara el nombre y direccion de la persona ó personas que representaran a la parte solicitante en dicha negociación.

(c) Dentro de los treinta (30) días después de la entrega de la solicitud de negociación, la parte que hubiera recibido la solicitud comunicará a la otra, de acuerdo a la Sección 9.2, el nombre y dirección de la persona ó personas que la representarán en tales negociaciones.

(d) Los representantes de las partes se reunirán para llevar a cabo las negociaciones a más tardar treinta (30) días después de la entrega de la comunicación de la parte requerida, conforme al inciso (c). Las negociaciones se llevarán a cabo en el lugar que se convenga mutuamente por los representantes de las partes, salvo que en ausencia de un convenio mutuo, las negociaciones tengan lugar en la oficina del Instituto Nacional de Financiamiento ("INDEF"), ó sus sucesores, en La Paz, Bolivia.

SECCION 4.6. Terminación Luego del Pago Total. Al pagarse completamente el capital y todos los intereses devengados, este Convenio y todas las obligaciones de Bolivia y A.I.D. relacionadas con las disposiciones de este Convenio, feneceran, con excepcion de cualquier obligación incluída en las Secciones B.3 ó D.6 del Anexo 2, relacionadas con los fondos de la Donacion.

(b) Any request by either party to the other to so negotiate will be made pursuant to Section 9.2 and will give the name and address of the person or persons who will represent the requesting party in such negotiations.

(c) Within thirty (30) days after delivery of a request to negotiate, the requested party will communicate to the other, pursuant to Section 9.2, the name and address of the person or persons who will represent the requested party in such negotiations.

(d) The representatives of the parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested party's communication under subsection (c). The negotiations will take place at a location mutually agreed upon by the representatives of the parties; provided that, in the absence of mutual agreement, the negotiations will take place at the office of the National Institute of Finance ("INDEF"), or successors, in La Paz, Bolivia.

SECTION 4.6. Termination on Full Payment. Upon payment in full of the principal and any accrued interest, this Agreement and all obligations of Bolivia and A.I.D. relating to the provisions of this Agreement will terminate, except for any obligations under Sections B.3 or D.6 of Annex 2,[1] with respect to Grant funds.

[1] Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

ARTICULO 5: CONDICIONES PREVIAS AL DESEMBOLSO

SECCION 5.1. Condiciones Previas al Primer Desembolso. Con anterioridad al primer desembolso del Préstamo ó de la Donación, ó a la emisión por parte de A.I.D. de la documentación conforme a la cuál se efectuará el desembolso, Bolivia, con excepción de aquello que A.I.D. acordara de diferente modo por escrito, deberá proporcionar a A.I.D. en la forma y substancia que sean satisfactorias a A.I.D.:

(a) Un dictámen del Fiscal del Gobierno de Bolivia, ú otro asesor legal aceptable a A.I.D., en sentido de que este Convenio ha sido debidamente autorizado y/ó ratificado por Bolivia y celebrado en su nombre, y que constituye una obligación válida y legalmente exigible de Bolivia en conformidad con todos sus términos; y

(b) Una declaración del nombre de la persona que representa a Bolivia y desempeña el cargo que se especifica en la Sección 9.2, y de cualquier representante adicional, junto con el facsímil de la firma de cada persona especificada en dicha declaracion.

SECCION 5.2. Condiciones Previas para Desembolsos que no están Destinados a la Asistencia Técnica. Antes del desembolso del Prestamo ó de la Donación, o antes de la emisión, por parte de A.I.D. de documentos según los cuales se realizará el desembolso con otros fines que no sean los de financiar los servicios de asistencia técnica, Bolivia deberá proporcionar a A.I.D., en forma y substancia satisfactorias a A.I.D., excepto si A.I.D. decidiera lo contrario por escrito, lo siguiente:

ARTICLE 5: CONDITIONS PRECEDENT TO DISBURSEMENT

SECTION 5.1. Conditions Precedent to Initial Disbursement. Prior to the first disbursement of the Loan or Grant, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, Bolivia will, except as A.I.D. may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) A legal opinion of the Attorney General of Bolivia or other counsel acceptable to A.I.D. to the effect that the Project Agreement has been duly authorized and/or ratified by, and executed on behalf of Bolivia, and that it constitutes a valid and legally binding obligation of Bolivia in accordance with all of its terms; and

(b) A statement of the name of the person for Bolivia holding or acting in the office specified in Section 9.2, and of any additional representatives, together with a specimen signature of each person specified in such statement:

SECTION 5.2. Conditions Precedent to Disbursement other than for Technical Assistance. Prior to disbursement of the Loan or Grant, or the issuance by A.I.D. of documentation pursuant to which disbursement will be made, for any purpose other than to finance technical assistance services, Bolivia will, except as A.I.D. may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) un plan cronogramado de implementación y evaluación para todos los componentes del Proyecto;

(b) evidencia de que el Banco Central ha establecido el fondo de asistencia técnica para el Proyecto y ha asignado el personal adecuado para administrarlo; y

(c) una copia de los manuales de operación a ser usados por el Banco Central y las instituciones de crédito intermediarias elegibles, que describa las funciones de cada uno en la implementación del Proyecto y contenga los procedimientos, regulaciones y criterios de elegibilidad aplicables a éste.

SECCION 5.3. Condiciones Previas al Desembolso para una Terminal de Computadora. Con anterioridad al desembolso del Préstamo, ó a la emisión por parte de A.I.D. de la documentación de acuerdo a la cuál se realizará el desembolso para una terminal de computadora para el Banco Central, Bolivia, con excepción de aquello que A.I.D. acordara de diferente modo por escrito, deberá proporcionar a A.I.D. en la forma y substancia que sean satisfactorias a A.I.D.:

un plan detallado para el uso de la terminal de computadora, incluyendo una descripción de la relación del sistema con la organizacion del Banco Central, un programa de mantenimiento para la terminal y un programa de entrenamiento para el personal del Banco Central en el uso de la terminal.

SECCION 5.4. Notificacion del Cumplimiento de las Condiciones Previas. Cuando las condiciones previas especificadas en las Secciones 5.1, 5.2 y 5.3 hayan sido satisfactoriamente cumplidas, A.I.D. notificará a Bolivia dentro de los siete días.

(a) a time-phased implementation and evaluation plan for all components of the Project;

(b) evidence that the Central Bank has established the Project technical assistance fund and has assigned adequate staff to administer it; and

(c) a copy of the operating manuals to be used by the Central Bank and eligible intermediate credit institutions describing the functions of each in the implementation of the Project and containing the procedures, regulations and eligibility criteria applicable thereto.

SECTION 5.3. Conditions Precedent to Disbursement for a Computer Terminal. Prior to disbursement of the Loan, or the issuance by A.I.D. of documentation pursuant to which disbursement will be made, for a computer terminal for the Central Bank, Bolivia will, except as A.I.D. may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

a detailed plan for the use of the computer terminal, including a description of the relationship of the system to the organization of the Central Bank, a maintenance program for the terminal and a program for training Central Bank staff in the use of the terminal.

SECTION 5.4. Notification of Meeting Conditions Precedent. When the conditions precedent specified in Sections 5.1, 5.2 and 5.3 have been satisfactorily met, A.I.D. will notify Bolivia within seven days.

SECCION 5.5. Plazos para las Condiciones Previas.

(a) Si todas las condiciones especificadas en la Sección 5.1 no se cumplieran dentro de los 60 días a partir de la fecha de este Convenio, o una fecha posterior que A.I.D. conviniera por escrito, A.I.D. puede, según su criterio, terminar este Convenio mediante previo aviso de siete días por escrito a Bolivia.

(b) Si todas las condiciones especificadas en la Sección 5.2 no se cumplieran dentro de los 120 días a partir de la fecha de este Convenio, ó una fecha posterior que A.I.D. conviniera por escrito, A.I.D. puede, según su criterio, cancelar los saldos del Préstamo y la Donación entonces pendientes de desembolso, en el monto no irrevocablemente comprometido a terceros y puede terminar este Convenio mediante previo aviso de siete días por escrito a Bolivia. En caso de dicha terminación, Bolivia reembolsará inmediatamente el capital pendiente a esa fecha y cualquier interés devengado.

ARTICULO 6: COMPROMISOS ESPECIALES

SECCION 6.1. Fuente del Dinero para el Pago del Préstamo. Bolivia se compromete a que la fuente del dinero utilizado para pagar el capital del Préstamo y del Préstamo A.I.D. 511-L-043 será de sus recursos del presupuesto general en lugar del dinero del fondo rotativo de redescuento establecido por el Proyecto ó cualquier otro fondo establecido bajo un proyecto de A.I.D. Este compromiso de ninguna manera afecta la obligación de Bolivia de amortizar el Préstamo, según las condiciones del Artículo 4 de este Convenio.

SECTION 5.5. Terminal Dates for Conditions Precedent.

(a) If all the conditions specified in Section 5.1 have not been met within 60 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by seven days' prior written notice to Bolivia.

(b) If all of the conditions specified in Section 5.2 have not been met within 120 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may cancel the then undisbursed balances of the Loan and Grant, to the extent not irrevocably committed to third parties, and may terminate this Agreement by seven days' prior written notice to Bolivia. In the event of such termination, Bolivia will repay immediately the principal then outstanding and any accrued interest.

ARTICLE 6: SPECIAL COVENANTS

SECTION 6.1. Source of Monies for Loan Repayment. Bolivia covenants that the source of monies used to repay the principal of the Loan and of A.I.D. Loan 511-L-043 shall be its general budgetary resources rather than monies from the revolving rediscount fund established by the Project or any other fund established under an A.I.D. project. This covenant in no way affects the obligation of Bolivia to repay the Loan, pursuant to Article 4 of this Agreement.

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SECCION 6.2. Capitalización del Fondo Rotativo de Redescuento. La capitalización del fondo rotativo de redescuento establecido por el Proyecto será mantenida en todo momento en pesos bolivianos a un nivel por lo menos equivalente al valor en dólares americanos de la contribución hecha por Bolivia a dicho fondo más el monto en dólares americanos desembolsado dentro del fondo bajo el Préstamo.

SECCION 6.3. Uso del Dinero Proveniente de los Pagos de Sub-préstamos. Bolivia se compromete a utilizar los pagos del capital de los sub-préstamos hechos con el dinero del Proyecto para préstamos adicionales bajo el Proyecto.

SECCION 6.4. Evaluación Anual del Proyecto. Bolivia se compromete a evaluar anualmente, conjuntamente con A.I.D., el cumplimiento de los objetivos y propositos del Proyecto, en base de un sistema de evaluación a ser establecido como parte del Proyecto.

ARTICULO 7: FUENTES DE ADQUISICION

SECCION 7.1. Costo en Dólares (Prestamo y Donación). Los desembolsos del Prestamo y la Donación de acuerdo a la Seccion 8.1 para los costos en dólares americanos ("costos en dólares"), seran utilizados exclusivamente para financiar los costos de bienes y servicios necesarios para el Proyecto, que tengan su fuente y orígen, para bienes y servicios financiados por el Préstamo en países incluídos en el Código 941 y para bienes y servicios financiados por la Donacion en el Código 000 de A.I.D. en vigencia al tiempo de hacerse los pedidos o de suscribirse los contratos para tales bienes y servicios, excepto que A.I.D. conviniera por escrito en otra forma y excepto lo previsto en el Anexo 2

SECTION 6.2. Capitalization of the Revolving Rediscount Fund. The capitalization of the revolving rediscount fund established by the Project will be maintained at all times at a level in pesos bolivianos at least equivalent to the U.S. dollar value of the contribution by Bolivia to such fund plus the amount of U.S. dollars disbursed into the fund under the Loan.

SECTION 6.3 Use of Monies from Subloan Repayments. Bolivia covenants to use repayments of principal of subloans made with Project monies for further relending under the Project.

SECTION 6.4. Annual Project Evaluation. Bolivia covenants to evaluate on an on-going basis jointly with A.I.D. progress towards meeting Project goals and targets, based on the evaluation system to be established as part of the Project.

ARTICLE 7: PROCUREMENT SOURCE

SECTION 7.1. U.S. Dollar Costs (Loan and Grant). Disbursements under the Loan and the Grant pursuant to Section 8.1 for U.S. dollar costs ("dollar costs") will be used exclusively to finance the costs of goods and services required for the Project having their source and origin for Loan-financed goods and services in countries included in Code 941 and for Grant-financed goods and services in Code 000 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services, except as A.I.D. may otherwise agree in writing, and except as provided in Annex 2 (Standard Provisions

(Anexo de Estipulaciones Standard), Sección C.1(b), con respecto al seguro marítimo.

SECCION 7.2. Costos en Pesos Bolivianos (Préstamo y Donación). Los desembolsos del Préstamo y la Donación, de acuerdo a la Sección 8.2, serán utilizados exclusivamente para financiar los costos de bienes y servicios necesarios para el Proyecto que tengan su fuente y, excepto que A.I.D. conviniera en otra forma por escrito, su orígen en Bolivia ("costos en pesos bolivianos").

ARTICULO 8: DESEMBOLSOS

SECCION 8.1. Desembolsos para los Costos en Dólares.

(a) Después del cumplimiento de las condiciones previas, Bolivia puede obtener desembolsos de fondos del Préstamo ó de la Donación para costos en dólares de bienes ó servicios requeridos para el Proyecto de acuerdo con los términos de este Convenio, por medio de uno de los siguientes métodos que se convinieran de mútuo acuerdo:

(1) Presentando a A.I.D., junto con la documentación de respaldo necesaria estipulada en las Cartas de Implementación del Proyecto, solicitudes de reembolso por dichos bienes ó servicios, ó solicitudes para que A.I.D. obtenga artículos y servicios por cuenta de Bolivia para el Proyecto; ó

(2) Solicitando a A.I.D. que emita Cartas de Compromiso por montos específicos a uno ó más bancos de los Estados Unidos, aceptables a A.I.D., comprometiéndose A.I.D. a reembolsar a dicho banco ó bancos por pagos hechos por ellos a los contratistas ó

Annex), Section C.1(b) with respect to marine insurance.

SECTION 7.2. Bolivian Peso Costs (Loan and Grant). Disbursements under the Loan and Grant pursuant to Section 8.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in Bolivia ("Bolivian peso costs").

ARTICLE 8: DISBURSEMENTS

SECTION 8.1. Disbursements for Dollar Costs.

(a) After satisfaction of conditions precedent, Bolivia may obtain disbursements of funds under the Loan or the Grant for the dollar costs of goods or services required for the Project in accordance with the terms of the Agreement, by such of the following methods as may be mutually agreed upon:

(1) By submitting to A.I.D. with necessary supporting documentation as prescribed in Project Implementation Letters, requests for reimbursement for such goods or services, or requests for A.I.D. to procure commodities or services on behalf of Bolivia for the Project; or

(2) By requesting A.I.D. to issue Letters of Commitment for specified amounts to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or

proveedores bajo Cartas de Crédito ó en otra forma, por tales bienes ó servicios.

(b) Los gastos bancarios incurridos por Bolivia en conexión con las Cartas de Compromiso y las Cartas de Crédito, serán financiados por el Préstamo a menos que Bolivia instruya a A.I.D. anticipadamente lo contrario.

SECCION 8.2. Desembolsos para los Costos en Pesos Bolivianos.

(a) Después del cumplimiento de las condiciones previas, Bolivia puede obtener desembolso de fondos del Préstamo y de la Donacion para los costos en pesos bolivianos requeridos por el Proyecto, de acuerdo con los términos de este Convenio, presentando a A.I.D. con la documentación de respaldo necesaria prescrita en las Cartas de Implementación del Proyecto, solicitudes para financiar dichos costos.

(b) Los pesos bolivianos necesarios para tales desembolsos pueden ser obtenidos por A.I.D. mediante adquisición en compra con dólares americanos.

(c) El equivalente en dólares americanos de los pesos bolivianos puestos a disposicion en virtud de este Convenio sera, en el caso de la subseccion (b) anterior, el monto en dólares americanos requeridos por A.I.D. para obtener los pesos bolivianos, de acuerdo con las disposiciones de la Sección 8.4.

SECCION 8.3. Otras Formas de Desembolso. Los desembolsos del Préstamo ó de la Donación pueden también hacerse a través de otros medios legales que las partes convengan por escrito.

suppliers, under Letters of Credit or otherwise, for such goods or services.

(b) Banking charges incurred by Bolivia in connection with Letters of Commitment and Letters of Credit will be financed under the Loan unless Bolivia instructs A.I.D. in advance to the contrary.

SECTION 8.2. Disbursement for Bolivian Peso Costs.

(a) After satisfaction of conditions precedent, Bolivia may obtain disbursement of funds under the Loan and the Grant for Bolivian peso costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.

(b) The Bolivian pesos needed for such disbursement hereunder may be obtained by acquisition by A.I.D. with U.S. dollars by purchase.

(c) The U.S. dollar equivalent of the Bolivian pesos made available hereunder will be, in the case of subsection (b) above, the amount of U.S. dollars required by A.I.D. to obtain the Bolivian pesos in accordance with the provisions of Section 8.4.

SECTION 8.3. Other Forms of Disbursement. Disbursements of the Loan or the Grant may also be made through such other legal means as the parties may agree to in writing.

SECCION 8.4. Tipo de Cambio. Excepto en el caso de que se estipule más específicamente en la Sección 8.2, si los fondos provistos por el Préstamo ó la Donación son introducidos a Bolivia por A.I.D. ó cualquier entidad pública ó privada con el objeto de llevar a cabo obligaciones de A.I.D. bajo este Convenio, Bolivia hará los arreglos que sean necesarios a fin de que tales fondos puedan ser convertidos en pesos bolivianos a la tasa útil mas alta de cambio que, al tiempo de su conversión, no sea ilegal en Bolivia.

SECCION 8.5. Fecha de los Desembolsos. Se considerara que A.I.D. ha efectuado los desembolsos del Préstamo ó la Donación (a) en la fecha en que A.I.D. haga los desembolsos a Bolivia ó a su delegado, ó a un banco, contratista ó proveedor en conformidad a una Carta de Compromiso ó de Crédito; (b) en la fecha en que A.I.D. desembolse a Bolivia ó a su delegado, pesos bolivianos adquiridos de acuerdo con la Seccion 8.2(b); ó (c)en el caso de desembolsos de acuerdo a la Sección 8.3, en la fecha especificada en las otras formas de documentos de desembolso.

ARTICULO 9: MISCELANEOS

SECCION 9.1. Comunicaciones. Cualquier aviso, solicitud, documento, ú otra comunicacion dada, hecha ó enviada por cualquier parte a la otra en relación con el presente Convenio, deberá ser por escrito ó por telegrama ó cable, y se considerará como debidamente dada ó enviada cuando ha sido entregada a la otra parte a la siguiente dirección:

SECTION 8.4. Rate of Exchange. Except as may be more specifically provided under Section 8.2, if funds provided under the Loan or the Grant are introduced into Bolivia by A.I.D. or any public or private entity for purposes of carrying out obligations of A.I.D. hereunder, Bolivia will make such arrangements as may be necessary so that such funds may be converted into Bolivian pesos at the highest beneficial rate of exchange which, at the time the conversion is made, is not unlawful in Bolivia.

SECTION 8.5. Date of Disbursement. Disbursements of the Loan or Grant by A.I.D. will be deemed to occur (a) on the date on which A.I.D. makes a disbursement to Bolivia or its designee, or to a bank, contractor or supplier pursuant to a Letter of Commitment or Letter of Credit; (b) on the date on which A.I.D. disburses to Bolivia or its designee Bolivian pesos acquired in accordance with Section 8.2(b); or (c) in the case of disbursements pursuant to Section 8.3, on the date specified in the other form of disbursement documents.

ARTICLE 9: MISCELLANEOUS

SECTION 9.1. Communications. Any notice, request, document or other communication submitted by either party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following address:

A Bolivia:

Dirección Postal:
Ministerio de Finanzas
a/c INDEF
La Paz, Bolivia

Dirección Cablegráfica:
MINFINANZAS
a/c INDEF
La Paz, Bolivia.

A A.I.D.:

Dirección Postal:
Misión Económica de los Estados Unidos en Bolivia
a/c Embajada de los Estados Unidos
La Paz, Bolivia.

Dirección Cablegráfica:
USAID, AmEmbassy
La Paz, Bolivia.

Todas estas comunicaciones seran en inglés, a menos que las partes convengan lo contrario por escrito. Sin embargo, las comunicaciones a nivel de Bolivia y la Misión de USAID/Bolivia pueden ser en inglés ó español. Otras direcciones pueden substituir a las arriba especificadas previo aviso por escrito.

SECCION 9.2. Representantes. Para todos los propósitos relativos a este Convenio, Bolivia estará representada por la persona que desempeñe, titular o interinamente en el cargo de Ministro de Finanzas (ó el cargo de Director Ejecutivo del INDEF), y A.I.D. estará representada por la persona que desempeñe, titular ó interinamente, el cargo de Director de la Misión, quienes podrán designar representantes adicionales mediante aviso por escrito, para cualquier propósito, excepto el de ejercer la facultad de la Sección 2.1, de revisar elementos

To Bolivia:

Mail Address:
Ministry of Finance
c/o INDEF
La Paz, Bolivia.

Cable Address:
MINFINANZAS
c/o INDEF
La Paz, Bolivia.

To A.I D..

Mail Address:
United States AID Mission to Bolivia
c/o United States Embassy
La Paz, Bolivia.

Cable Address:
USAID, AmEmbassy
La Paz, Bolivia.

All such communications will be in English, unless the parties otherwise agree in writing. However, communications at the level of Bolivia and USAID/Bolivia Mission may be in either English or Spanish. Other addresses may be substituted for the above upon the giving of prior notice.

SECTION 9.2. Representatives. For all purposes relevant to this Agreement, Bolivia will be represented by the individual holding or acting in the office of the Minister of Finance (or Executive Director of INDEF), and A.I.D. will be represented by the individual holding or acting in the office of Mission Director; each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the

de la descripción amplificada en el Anexo 1. Los nombres de los representantes de Bolivia con facsíniles de sus firmas seran proporcionados a A.I.D., que puede aceptar como debidamente autorizado cualquier instrumento firmado por tales representantes en la implementación de este Convenio hasta recibir notificación escrita de revocación de sus poderes.

SECCION 9.3. Anexo de Estipulaciones Standard. Se adjunta a este Convenio y forma parte del mismo un "Anexo Combinado de Estipulaciones Standard para el Prestamo y la Donación" (Anexo 2).

SECCION 9.4. Idioma que Prevalece. El presente Convenio ha sido suscrito en dos versiones, inglés y español. En caso que existiera ambiguedad o conflicto entre las mismas, la versión en inglés prevalecerá.

EN TESTIMONIO DE LO CUAL, la República de Bolivia y los Estados Unidos de América, actuando cada cual por medio de sus respectivos representantes debidamente autorizados, han suscrito el presente Convenio en sus nombres y lo han otorgado en el día y el año mencionados en el encabezamiento.

REPUBLICA DE BOLIVIA
REPUBLIC OF BOLIVIA

Lic. David Blanco
Ministro de Finanzas
Minister of Finance

Lic. Jose Justiniano
Presidente, Banco Central de Bolivia
President, Central Bank of Bolivia

ESTADOS UNIDOS DE AMERICA
UNITED STATES OF AMERICA

Charles J. Stockman
Director Interino, USAID/Bolivia
Acting Director, USAID/Bolivia

Paul H. Boeker
Embajador de los Estados Unidos
United States Ambassador

amplified description in Annex 1. The names of the representatives of Bolivia, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

SECTION 9.3. Standard Provisions Annex.[1] A "Combined Loan and Grant Standard Provisions Annex" (Annex 2) is attached to and forms part of this Agreement.

SECTION 9.4. Controlling Language. This Agreement is executed in both the English and Spanish languages. In case of inconsistency or conflict between the two versions, the English version shall control.

IN WITNESS WHEREOF, the Republic of Bolivia and the United States of America, each acting through its duly authorized representatives, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

[1] See footnote 1, p. 1682.

ANEXO 1
ANNEX 1

DESCRIPCION DETALLADA DEL PROYECTO
DETAILED PROJECT DESCRIPTION

El Proyecto de Agroempresas y Artesanía dará un paquete integrado de financiamiento y asistencia técnica para subpréstamos agroindustriales y artesanales en Bolivia, muchos de los cuales estarán ubicados en áreas rurales. El fin del Proyecto es aumentar el ingreso neto y el nivel de vida de los pequeños agricultores y de los pobres de las áreas rurales en Bolivia. El objeto del Proyecto es establecer un sistema de promoción y financiamiento de actividades agroindustriales y artesanales viables que beneficien a los pequeños agricultores y los pobres de las areas rurales a través de la expansión de mercados para los productos de los pequeños agricultores, provisión de productos y servicios relacionados con la agricultura, y/o generación de empleo productivo en las áreas rurales.

Para propositos de este Proyecto se utilizarán las siguientes definiciones: Agroempresas son aquellas que suministran insumos para propósitos de producción de los pequeños agricultores, procesan o comercializan productos de pequeños agricultores, o producen insumos o suministran servicios que necesitan otras agroempresas que realizan estas funciones. La definición de actividades de artesanía en áreas urbanas (las ciudades de Cochabamba, La Paz, Oruro, Potosí, Santa Cruz, Sucre y Tarija) está limitada a actividades que involucran el procesamiento de productos agrícolas producidos por pequeños agricultores, por ejemplo lana, cuero o, en

The Agribusiness and Artisanry Project will provide an integrated package of financing and technical assistance for agribusiness and artisanry subloans in Bolivia, many of which will be located in rural areas. The goal of the Project is to increase the net income and standard of living of small farmers and rural poor in Bolivia. The Project purpose is to establish a system of promoting and financing feasible agribusinesses and artisanry activities which benefit small farmers and the rural poor through expansion of markets for small farmer products, provision of agriculture-related goods and services, and/or generation of productive employment opportunities in rural areas.

For purposes of this Project, the following definitions are used: Agribusinesses are those which provide inputs for small farmer production purposes, process or market small farmer products, or produce inputs or provide services needed by other agribusinesses which perform these functions. The definition of artisanry activities in urban areas (the cities of Cochabamba, La Paz, Oruro, Potosí, Santa Cruz, Sucre, and Tarija) is limited to activities which involve the processing of agricultural goods produced by small farmers, for example wool, leather or in some instances wood products. The

algunos casos, productos de madera. El financiamiento de actividades artesanales más ampliamente definidas, tales como trabajadores en metal, mecánicos en escala pequeña, herreros, carpinteros u otras industrias caseras se limita a subproyectos artesanales ubicados en áreas rurales. Areas rurales se definen como cualquier área fuera de las ciudades de Cochabamba, La Paz, Oruro, Potosí, Santa Cruz, Sucre y Tarija.

A continuación se describen en detalle los componentes del Proyecto:

1. Fondo de Refinanciamiento de Agroempresas y Artesanía.

El Proyecto establecerá un fondo de refinanciamiento en el Banco Central el cuál consistirá de una capitalización inicial de $9,000,000 de los cuales $6,000,000 serán suministrados con fondos del préstamo de AID y $3,000,000 serán suministrados por el Banco Central. Estos recursos serán usados para refinanciar subpréstamos elegibles hechos por el sistema bancario privado y público de Bolivia, así como también otras instituciones financieras que sean aceptadas por el Banco Central como instituciones intermediarias de crédito (ICIs).

Los subpréstamos de hasta el equivalente en pesos de $25,000 serán automáticamente redescontados por el Banco Central sin previa revisión ó aprobación. Para subpréstamos por encima de este monto, el Banco Central realizara una revisión previa de las solicitudes de redescuento de las ICIs para determinar que se encuentren de acuerdo con las pautas y criterios de elegibilidad del Proyecto La tasa de interés aplicable al subprestatario por todos los subpréstamos realizados será de 13% por año; no se aplicarán impuestos adicionales ó comisiones.

financing of more broadly-defined artisanry activities such as metal workers, small-scale mechanics, blacksmiths, furniture makers, and other cottage industries is limited to artisanry subprojects located in rural areas. Rural areas are defined as any area outside the cities of Cochabamba, La Paz, Oruro, Potosi, Santa Cruz, Sucre and Tarija.

The components of the Project are described in detail below:

1. Agribusiness and Artisanry Refinancing Fund.

The Project will establish a refinancing fund in the Central Bank which will consist of an initial capitalization of $9,000,000, of which $6,000,000 will be provided by AID loan funds and $3,000,000 will be provided by the Central Bank. These resources will be used to refinance eligible subloans made by the private and public banking system in Bolivia, as well as other financial institutions which are accepted by the Central Bank as intermediate credit institutions (ICIs).

Subloans of up to the peso equivalent of $25,000 will be automatically rediscounted by the Central Bank without prior review and approval. For subloans above this amount, the Central Bank will exercise prior review of rediscount applications of the ICIs for consistency with Project guidelines and eligibility criteria. The interest rate to the subborrower for all subloans made will be 13% per annum; no additional taxes or commissions will be applied.

Se desarrollará un manual detallado de operaciones conteniendo criterios precisos de elegibilidad en todas las categorías de subpréstamos, procedimientos a seguirse por las ICIs participantes, y otras regulaciones del Proyecto. Este manual será aprobado por AID como una condición previa al desembolso y todos los cambios importantes realizados subsecuentemente en este manual serán tambien aprobados por AID.

Como se muestra en el Cuadro 1, que sigue, se darán incentivos a las ICIs a través del diferencial de la tasa de interés que reciban para fomentar los subpréstamos en áreas rurales y para subproyectos que beneficien más directamente al pobre en las áreas rurales. El Banco Central recibirá un máximo del 3% de diferencia de la tasa de interés para cubrir los gastos administrativos del fondo de refinanciamiento y el interés del préstamo de AID. El saldo de los gastos administrativos del Banco Central seran pagados por esta entidad con sus propios recursos. La porción restante del diferencial de la tasa de interés recibida por el Banco Central será contribuida al Fondo de Asistencia Técnica.

A detailed operating manual will be developed containing precise eligibility criteria in all subloan categories, procedures to be followed by participating ICIs, and other Project regulations This manual will be approved by AID as a condition precedent to disbursement and all major changes subsequently made to this manual will also be approved by AID.

As shown in Table 1 below, incentives will be provided to the ICIs through the interest rate spread they receive in order to encourage sublending in rural areas and for subprojects which more directly benefit the rural poor. The Central Bank will receive a maximum of 3% of the interest rate spread to cover the administrative costs of the refinancing fund and the interest on the AID loan. The balance of Central Bank administrative costs will be paid by the Central Bank from its own resources. The remaining portion of the interest rate spread received by the Central Bank will be contributed to the Technical Assistance Fund.

Table 1
Cuadro 1

	Rural Artisanry Artesanía Rural	Urban Artisanry Artesanía Urbana	Rural Agribusiness Agroempresas Rurales	Urban Agribusiness Agroempresas Urbanas
Interest Rate to Subborrower Tasa de Interes al Subprestatario	13 0%	13 0%	13 0%	13.0%
% to ICI % a la ICI	7 5%	6 5%	6.5%	5.5%
% to Technical Assistance Fund % al Fondo de Asistencia Técnica	2.5%	3 5%	3 5%	4.5%
% to Central Bank % al Banco Central	3.0%	3 0%	3.0%	3.0%
% of subloan refinanced % del subprestamo a refinanciar	80%	80%	80%	80%

2 Fondo de Asistencia Técnica.

Un aspecto principal del Proyecto será el establecimiento de un Fondo de Asistencia Técnica en el Banco Central el cuál proporcionará una amplia gama de servicios técnicos y de promoción a las ICIs participantes y subprestatarios. En general, este fondo dará recursos para preinversión y asistencia de implementación a subprestatarios, financiarán actividades de promoción específicas del proyecto emprendidas por las ICIs participantes y suministrará recursos para mejorar la capacidad de asistencia técnica de las ICIs participantes.

El fondo recibirá una contribución inicial de $400,000 en un período de cuatro años y también recibirá una porción de la tasa de interés en cada subpréstamo realizado bajo el Proyecto, como se indica arriba en el Cuadro 1. La mitad de la contribución inicial al fondo consistirá de $200,000 del Banco Central; los $200,000 adicionales serán provistos con fondos de la donación de AID previstos en este Proyecto. Esta contribución de fondos de donación de AID se realizarán reembolsando al Banco Central cincuenta por ciento (50%) de los costos de actividades específicas llevadas a cabo por el fondo de asistencia técnica mutuamente convenidas por el Banco Central y AID.

3. Mecanización de los Fondos de Refinanciamiento y Asistencia Técnica.

AID suministrará hasta $150,000 en fondos de préstamo bajo el Proyecto para mecanizar las operaciones de la división del Banco Central responsable de la implementación del Fondo de Refinanciamiento de Agroempresas y Artesanía y del Fondo de Asistencia Técnica. Esto se hará mediante la compra e instalación de una terminal computadora

2. Technical Assistance Fund.

A principal feature of the Project will be the establishment of a Technical Assistance Fund in the Central Bank which will provide for a wide range of technical and promotional services to participating ICIs and subborrowers. In general, this fund will provide resources for pre-investment and implementation assistance to subborrowers, will finance specific project promotion activities undertaken by participating ICIs, and will provide resources for upgrading the technical assistance capability of participating ICIs.

The fund will receive an initial contribution of $400,000 over four years and will also receive a portion of the interest rate on each subloan made under the Project, as indicated above in Table 1. Half of the initial contribution to the fund will be made up of $200,000 from the Central Bank; the additional $200,000 will come from AID grant funds provided under this Project. This contribution of AID grant funds will be made by reimbursing to the Central Bank fifty percent (50%) of the costs of specific activities carried out by the technical assistance fund mutually agreed upon by the Central Bank and AID.

3. Mechanization of the Refinancing and Technical Assistance Funds.

AID will provide up to $150,000 in loan funds under the Project to mechanize the operations of the Central Bank division responsible for implementing the Agribusiness and Artisanry Refinancing Fund and the Technical Assistance Fund. This will be achieved by the purchase and installation of an

inteligente. Se espera que esto aumente la capacidad de administracion y evaluacion del Banco Central para sus programas de desarrollo. Los fondos del prestamo de AID señalados para este componente del Proyecto tambien financiaran entrenamiento limitado del personal del Banco Central en el uso del sistema mecanizado.

4. Asistencia Técnica.

Se proveerá de los servicios de asistencia tecnica de corto plazo para ayudar en la evaluación del impacto del Proyecto o para asesorar en aspectos especificos de la implementacion del Proyecto por el monto de hasta $50,000 en fondos de préstamo de AID. Estos servicios se obtendrán mediante contratos con firmas consultoras locales ó serán servicios especializados de expertos extranjeros.

Se proveera de los servicios de un asesor a largo plazo para el Banco Central con fondos de la donacion de AID de hasta $200,000. Este asesor ayudará al Banco Central en la promocion, implementacion y evaluacion del Proyecto. Se espera que este asesor sera necesario por un mínimo de dos años.

Además de los aportes del Banco Central al Proyecto, Bolivia proveerá de recursos presupuestarios adicionales al Instituto Boliviano de Pequeña Industria y Artesanía (INBOPIA) para la implementacion del Proyecto. Estos recursos ascenderan a un mínimo de $50,000 por año, a partir de 1978, o a un total de $250,000 por toda la duración del Proyecto. Esto permitira a INBOPIA establecer oficinas regionales adicionales y aumentar su personal. Con estas oficinas y personal adicionales, INBOPIA podra jugar un papel importante en la promocion del Proyecto, la identificacion de ideas para subproyectos y la provision de asistencia técnica a los subprestatarios.

intelligent computer terminal. It is expected that this will increase the management and evaluation capabilities of the Central Bank for its development programs. AID loan funds designated for this Project component will also finance limited training for Central Bank personnel in the use of the mechanized system.

4. Technical Assistance.

Short-term consultant services to assist in Project impact evaluations or to advise on specific aspects of Project implementation will be provided with up to $50,000 in AID loan funds. These services will be in the form of contracts with local consulting firms or of specialized services of foreign experts.

A long-term advisor to the Central Bank will be provided with up to $200,000 of AID grant funds. This advisor will assist the Central Bank in Project promotion, implementation and evaluation. It is expected that this advisor will be required for a minimum of two years.

In addition to the inputs to the Project provided by the Central Bank, Bolivia will provide additional budgetary resources to the Instituto Boliviano de Pequeña Industria y Artesanía (INBOPIA) for the implementation of the Project. These resources will amount to a minimum of $50,000 per year beginning in 1978, or a total of $250,000 over the life of the project. This will allow INBOPIA to establish additional regional offices and to increase its personnel. With these additional offices and personnel INBOPIA will be able to play an important role in the promotion of the Project, identification of subproject ideas, and provision of technical assistance to subborrowers.

El Cuadro 2 a continuación demuestra la contribución de AID y Bolivia al Proyecto y el programa de desembolsos que se espera seguir para el Proyecto.

Table 2 below demonstrates the contributions of AID and Bolivia to the Project and the expected disbursement schedule for the Project.

Table 2
Cuadro 2

Disbursement Schedule
Programa de Desembolsos
(US$000)

	1978	1979	1980	1981	1982	Total
1. AID						
a) Loan/Préstamo						
i) Refinancing Refinanciamiento	400	600	1,100	1,700	2,200	6,000
ii) Central Bank mechanization Mecanizacion del Banco Central	150	-	-	-	.-	150
iii) Short-term technical assistance Asistencia técnica a corto plazo	6	6	12	13	13	50
b) Grant/Donación						
i) Technical Assistance Fund Fondo de Asistencia Técnica	85	55	50	10	-	200
ii) Long term technical assistance Asistencia tecnica a largo plazo	100	100	-	-	-	200
Subtotal, AID contribution Sub total, contribucion de AID	741	761	1,162	1,723	2,213	6,600
2. Central Bank/Banco Central						
a) Resources for refinancing fund Recursos para fondo de refinanciamiento	200	300	550	850	1,100	3,000
b) Resources for Technical Assistance Fund Recursos para Fondo de Asistencia Técnica	85	55	50	10	-	200
d) Administrative costs Costos administrativos	121	107	94	68	30	420
3. Increased budget for INBOPIA Presupuesto incrementado para INBOPIA	50	50	50	50	50	250
Subtotal, Bolivia contribution Sub total, contribucion de Bolivia	456	512	744	978	1,180	3,870

SWEDEN

Shipping: Jurisdiction Over Vessels in United States Deepwater Ports

Agreement effected by exchange of notes
Signed at Washington August 17 and 22, 1978;
Entered into force August 22, 1978.

The Secretary of State to the Swedish Ambassador

AUGUST 17, 1978

EXCELLENCY:

I have the honor to refer to the discussions which have taken place between representatives of our two Governments in connection with the establishment of deepwater ports off the coast of the United States and the jurisdictional requirements of the United States Deepwater Port Act of 1974, [1] and to confirm that the two governments are in agreement that vessels registered in or flying the flag of Sweden and the personnel on board such vessels utilizing the Louisiana Offshore Oil Port (LOOP, Inc.), a deepwater port facility established under the Deepwater Port Act of 1974 for the purposes stated therein shall, whenever they may be present within the safety zone of such deepwater port, be subject to the jurisdiction of the United States and Sweden, on the same basis as when in coastal ports of the United States.

It is the understanding of the Government of the United States and of the Government of Sweden that this agreement shall not apply to vessels registered in or flying the flag of Sweden merely passing through the safety zone of the Louisiana Offshore Oil Port without calling at or otherwise utilizing the port.

If the foregoing is acceptable to your Government, I have the honor to propose that this Note, together with your reply thereto, shall constitute an Agreement between our two Governments, to enter into force upon the date of your reply to that effect, and to remain in force until terminated by six months' written notice by either party to the other.

---

[1] 88 Stat. 2126; 33 U.S.C. § 1501 *et seq.*

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

For the Secretary of State:

JAMES R. ATWOOD

His Excellency
COUNT WILHELM WACHTMEISTER,
Ambassador of Sweden.

The Swedish Chargé d'Affaires ad interim to the Secretary of State

Excellency,

I have the honor to acknowledge receipt of your Note of August 17, 1978, the terms of which are as follows:

"I have the honor to refer to the discussions which have taken place between representatives of our two Governments in connection with the establishment of deepwater ports off the coast of the United States and the jurisdictional requirements of the United States Deepwater Port Act of 1974, and to confirm that the two governments are in agreement that vessels registered in or flying the flag of Sweden and the personnel on board such vessels utilizing the Louisiana Offshore Oil Port (LOOP, Inc.), a deepwater port facility established under the Deepwater Port Act of 1974 for the purposes stated therein shall, whenever they may be present within the safety zone of such deepwater port, be subject to the jurisdiction of the United States and Sweden, on the same basis as when in coastal ports of the United States.

It is the understanding of the Government of the United States and of the Government of Sweden that this agreement shall not apply to vessels registered in or flying the flag of Sweden merely passing through the safety zone of the Louisiana Offshore Oil Port without calling at or otherwise utilizing the port.

If the foregoing is acceptable to your Government, I have the honor to propose that this Note, together with your reply thereto, shall constitute an agreement between our two Governments, to enter into force upon receipt of your reply to that effect, and to remain in force until terminated by six months' written notice by either party to the other.

His Excellency
Cyrus Vance
Secretary of State

Address
Suite 1200
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USA

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(202) 895-4100

Telegram
SVENSK

Telex
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WU 89-2734 Svenk WSH

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

I have the honor to state that the Swedish Government agrees to this arrangement and will regard your Note and this reply as constituting an agreement between our respective Governments on these matters.

Accept, Excellency, the assurances of my highest consideration.

Washington, D.C., August 22, 1978.

Bengt Berglund
Minister
Chargé d'Affaires a.i.

TIAS 9277

60-963 O - 80 - 25 : QL 3

DENMARK

Shipping: Jurisdiction Over Vessels in United States Deepwater Ports

Agreement effected by exchange of notes
Signed at Washington August 17 and 22, 1978;
Entered into force August 22, 1978.

The Secretary of State to the Danish Ambassador

AUGUST 17, 1978

EXCELLENCY:

I have the honor to refer to the discussions which have taken place between representatives of our two Governments in connection with the establishment of deepwater ports off the coast of the United States and the jurisdictional requirements of the United States Deepwater Port Act of 1974, [1] and to confirm that the two governments are in agreement that vessels registered in or flying the flag of Denmark and the personnel on board such vessels utilizing the Louisiana Offshore Oil Port (LOOP, Inc.), a deepwater port facility established under the Deepwater Port Act of 1974 for the purposes stated therein shall, whenever they may be present within the safety zone of such deepwater port, be subject to the jurisdiction of the United States and Denmark, on the same basis as when in coastal ports of the United States.

It is the understanding of the Government of the United States and of the Government of Denmark that this agreement shall not apply to vessels registered in or flying the flag of Denmark merely passing through the safety zone of the Louisiana Offshore Oil Port without calling at or otherwise utilizing the port.

If the foregoing is acceptable to your Government, I have the honor to propose that this Note, together with your reply thereto, shall constitute an Agreement between our two Governments, to enter into force upon the date of your reply to that effect, and to remain in force until terminated by six months' written notice by either party to the other.

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[1] 88 Stat. 2126; 33 U.S.C. § 1501 *et seq.*

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

For the Secretary of State:

JAMES R. ATWOOD

His Excellency
OTTO R. BORCH,
Ambassador of Denmark.

The Danish Chargé d'Affaires ad interim to the Secretary of State

DANISH EMBASSY
WASHINGTON, D. C. August 22, 1978

Excellency,

I have the honour to acknowledge receipt of your Note of August 17, 1978, the terms of which are as follows:

"I have the honour to refer to the discussions which have taken place between representatives of our two Governments in connection with the establishment of deepwater ports off the coast of the United States and the jurisdictional requirements of the United States Deepwater Port Act of 1974, and to confirm that the two Governments are in agreement that vessels registered in or flying the flag of Denmark and the personnel on board such vessels utilizing the Louisiana Offshore Oil Port (LOOP, Inc.), a deepwater port facility established under the Deepwater Port Act of 1974 for the purposes stated therein shall, whenever they may be present within the safety zone of such deepwater port, be subject to the jurisdiction of the United States and Denmark, on the same basis as when in coastal ports of the United States.

It is the understanding of the Government of the

His Excellency
Cyrus Vance
Secretary of State

TIAS 9278

United States and of the Government of Denmark that this agreement shall not apply to vessels registered in or flying the flag of Denmark merely passing through the safety zone of the Louisiana Offshore Oil Port without calling at or otherwise utilizing the port.

If the foregoing is acceptable to your Government, I have the honour to propose that this Note, together with your reply thereto, shall constitute an agreement between our two Governments, to enter into force upon the date of your reply to that effect, and to remain in force until terminated by six months' written notice by either party to the other.

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

I have the honour to state that the Danish Government agrees to this arrangement and will regard your Note and this reply as constituting an agreement between our respective Governments on these matters.

Accept, Excellency, the assurances of my highest consideration.

Benny Kimberg
Chargé d'Affaires a.i.

LIBERIA

Shipping: Jurisdiction Over Vessels in United States Deepwater Ports

Agreement effected by exchange of notes
Signed at Washington October 27, 1978 and January 15, 1979;
Entered into force January 15, 1979.

The Secretary of State to the Liberian Ambassador

OCTOBER 27, 1978

EXCELLENCY:

I have the honor to refer to the discussions which have taken place between representatives of our two Governments in connection with the establishment of deepwater ports off the coast of the United States and the jurisdictional requirements of the United States Deepwater Port Act of 1974, [1] and to confirm that the two governments are in agreement that vessels registered in or flying the flag of Liberia and the personnel on board such vessels utilizing the Louisiana Offshore Oil Port (LOOP, Inc.), a deepwater port facility established under the Deepwater Port Act of 1974 for the purposes stated therein shall, whenever they may be present within the safety zone of such deepwater port, be subject to the jurisdiction of the United States and Liberia, on the same basis as then in coastal ports of the United States.

It is the understanding of the Government of the United States and of the Government of Liberia that this agreement shall not apply to vessels registered in or flying the flag of Liberia merely passing through the safety zone of the Louisiana Offshore Oil Port without calling at or otherwise utilizing the port.

If the foregoing is acceptable to your Government, I have the honor to propose that this note, together with your reply thereto, shall constitute an agreement between out two Governments, to enter into force upon the date of your reply to that effect, and to remain in force until terminated by six months' written notice by either party to the other.

---

[1] 88 Stat. 2126, 33 U.S.C. § 1501 *et seq.*

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

For the Secretary of State:
JAMES R. ATWOOD

His Excellency
FRANCIS A. DENNIS,
Ambassador of Liberia.

The Liberian Ambassador to the Secretary of State

EMBASSY OF THE REPUBLIC OF LIBERIA

61-3a-'79

WASHINGTON, January 15, 1979

Excellency·

I have the honour to acknowledge receipt of your Note of October 27, 1978, the terms of which are as follows

"I have the honour to refer to the discussions which have taken place between representatives of our two Governments in connection with the establishment of deepwater ports off the coast of the United States and the jurisdictional requirements of the United States Deepwater Port Act of 1974, and to confirm that the two governments are in agreement that vessels registered in or flying the flag of Liberia and the personnel on board such vessels utilizing the Louisiana Offshore Oil Port (LOOP, Inc.), a deepwater port facility established under the Deepwater Port Act of 1974 for the purpose stated therein shall, whenever they may be present within the safety zone of such deepwater port, be subject to the jurisdiction of the United States and Liberia, on the same basis as when in coastal ports of the United States.

It is the understanding of the Government of the United States and of the Government of Liberia that this agreement shall not apply to vessels registered in or

His Excellency Cyrus R. Vance
Secretary of State
U.S. Department of State
Washington, D.C.

calling at or otherwise utilizing the port.

If the foregoing is acceptable to your Government, I have the honour to propose that this note, together with your reply thereto, shall constitute an agreement between our two Governments, to enter into force upon the date of your reply to that effect, and to remain in force until terminated by six months' written notice by either party to the other.

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

I have the honour to state that the Liberian Government agrees to this arrangement and will regard your Note and this Reply as constituting an Agreement between our respective Governments on these matters.

Accept, Excellency, the assurances of my highest consideration.

Francis A. Dennis
AMBASSADOR

LEBANON

Re-equipment of the Institute Pedagologique Nationale d'Education Technique

Agreement signed at Beirut March 21, 1978;
Entered into force March 21, 1978.

PROJECT GRANT AGREEMENT

March 21, 1978

Between

The Republic of Lebanon ("Grantee"), acting through the Council for Development and Reconstruction ("C.D.R.")

And

The United States of America, acting through the Agency for International Development ("A.I.D.")

Article 1: The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Grantee of the Project described below, and with respect to the financing of the Project by the Parties.

Article 2: The Project

Section 2.1 Definition of Project. The Project, which is further described in Annex 1, will finance commodities and related technical advisory services to the Cooperating Country required to re-equip the Institute Pedagologique Nationale d'Education Technique (IPNET), to resume teacher training of technical courses in electricity, mechanics and electronics. The project may finance commodities and related technical services to re-equip the Institute Hotelier to resume teacher training, and to the extent agreed to by A.I.D., to assist the International Bank for Reconstruction and Development's vocational education rehabilitation project in Lebanon. The entire amount of the A.I.D. financing herein authorized for the project will be obligated when the Project Agreement is executed.

Article 3: Financing

Section 3.1. The Grant. To assist the Grantee to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act

of 1961, as amended,[1] agrees to grant the Grantee under the terms of this Agreement not to exceed one million five hundred thousand United States ("U.S.") Dollars ($1,500,000) ("Grant").

The Grant may be used only to finance foreign exchange costs, as defined in Section 6.1, of goods and services required for the Project.

Section 3.2. Grantee Resources for the Project.

(a) The Grantee agrees to provide or cause to be provided for the Project all funds, in addition to the Grant, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by Grantee for the Project will be not less than the equivalent of U.S. $375,000*, including costs borne on an "in-kind" basis.

Section 3.3. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is September 30, 1979, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Grant will have been performed and all goods financed under the Grant will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Grant for services performed subsequent to the PACD or for goods furnished for the project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters are to be received by A.I.D. or any bank described in Section 7.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Grantee, may at any time or times reduce the amount of the Grant by all or any part thereof for which requests

*25% [Footnote in the original.]
[1] 75 Stat. 424; 22 U.S.C. § 2151 note.

for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4: Conditions Precedent to Disbursement.

Section 4.1. First Disbursement. Prior to the first disbursement under the Grant, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) A Statement of the name of the person holding or acting in the office of the Grantee specified in Section 8.2, and of any additional representatives, together with a specimen signature of each person specified in such statement.

Section 4.2. Additional Disbursement. Prior to disbursement under the Grant, or to issuance by A.I.D. of documentation pursuant to which disbursement will be made, to finance commodities, the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D., a detailed listing of commodities to be purchased, together with adequate cost estimates for such purchases.

Section 4.3. Notification. When A.I.D. has determined that the conditions precedent specified in Section 4.1 and 4.2 have been met, it will promptly notify the Grantee.

Section 4.4. Terminal Dates for Conditions Precedent. If all of the conditions specified in Section 4.1 have not been met within 120 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to Grantee.

Article 5: Special Covenants

Section 5.1. Project Evaluation. The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter:

(a) evaluation of progress toward attainment of the objectives of the Project;

(b) identification and evaluation of problem areas of constraints which may inhibit such attainment;

(c) assessment of how such information may be used to help overcome such problems; and

(d) evaluation, to the degree feasible, of the overall development impact of the Project.

Section 5.2 Project Support. The Grantee agrees that it will provide sufficient funds: for maintenance, including spare parts and materials, for all commodities furnished under the Grant for a period of five years; to finance teachers salaries at IPNET and the Institute Hotelier to adequately conduct training with the commodities furnished; and, to cover salaries of graduates from the teaching courses to allow them to remain in the vocational educational system.

Article 6: Procurement Source

Section 6.1. Foreign Exchange Costs. Disbursements pursuant to Section 7.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in the United States (Code 000 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods or services) ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Grant Standard Provisions Annex,[1] Section C.1(b) with respect to marine insurance.

Article 7: Disbursement

Section 7.1. Disbursement for Foreign Exchange Costs.

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

[1] Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or (B) requests for A.I.D. to procure commodities or services in Grantee's behalf for the Project; or,

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Grantee in connection with Letters of Commitment and Letters of Credit will be financed under the Grant unless Grantee instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Grant.

Section 7.7. Other Forms of Disbursement. Disbursements of the Grant may also be made through such other means as the Parties may agree to in writing.

Article 8: Miscellaneous

Section 8.1. Communications. Any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following addresses:

To the Grantee: Government of Lebanon
Council for Development and Reconstruction
Beirut, Lebanon

To A.I.D.: Agency for International Development, SER/H
U. S. Department of State
Washington, D.C. 20523

or

Embassy of the United States of America
Beirut, Lebanon

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice. The Grantee, in addition, will provide the USAID Mission with a copy of each communication sent to A.I.D.

Section 8.2. Representatives. For all purposes relevant to this Agreement, the Grantee will be represented by the individual holding or acting in the office of President, Council for Development and Reconstruction and A.I.D. will be represented by the individual holding or acting in the office of A.I.D. Representative to Lebanon, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Grantee, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

Section 8.3. Standard Provisions Annex. A "Project Grant Standard Provisions Annex" (Annex 2)[1] is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Grantee and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

REPUBLIC OF LEBANON

By: [2]

Title: President, Council for Development and Reconstruction

UNITED STATES OF AMERICA

By: [3]

Title: Ambassador of the United States

[1] See footnote 1, p. 1714.
[2] Mohammed Atallah.
[3] Richard B. Parker.

ANNEX 1

Detailed Description

The purpose of this project is the rehabilitation of Grantee's capacity under the Ministry of Education to train technical and vocational workers in fields critical to the rebuilding of the physical and economic infrastructure of the country. The end-of-project status will be the resumption of teacher training at the teacher training institute (IPNET) at Dekwaneh, with technical courses in electronics, electricity, mechanics, and possibly resumption of teacher training in hotel skills with a combined graduation of 100 teachers by the end of the second year. (Concurrently IBRD will be contributing to the rehabilitation of the principal vocational schools at Dekwaneh, Zahle, and Tripoli, and others as feasible). An A.I.D. grant of $1.5 million will provide three short-term advisors with the balance of the $1.5 million going directly for equipment as described below.

Because of A.I.D.'s interest in, and the great need for physical reconstruction in Lebanon, the priority use of the money in this grant should be to re-equip those courses which are most directly tied to reconstruction.

It is expected that, immediately after the grant is signed, A.I.D. will procure the services of three technical advisors in the fields of mechanical, electrical, and electronic higher level technical education. These advisors will spend two weeks in Lebanon working with counterparts in Grantee's Directorate General of Technical Education and Vocational Training. Using curriculae and equipment lists provided by the Directorate General, the advisors will review the equipment requests for rationality in relation to course goals and will help revise or draw up equipment specifications suitable for American procurement and based on their knowledge of durability and usefulness of the equipment in an instructional situation. Finally, the advisors will provide estimated costs for the equipment, and, to the extent that the total estimate exceeds availabilities under this grant, they will assist in setting priorities to reduce the total to the level of funding available. If the estimates are less than $1.5 million, the

60-963 O - 80 - 26 : QL 3

Directorate General and IBRD/UNDP team will provide priority-ranked cost lists and specifications for equipment for the IBRD vocational education project to be met from the balance, subject to the approval of the AID Representative. Upon their return to Washington, the three advisors will submit their recommendations to A.I.D. in the form of PIO/C's (procurement orders) which can be executed by A.I.D.'s Office of Commodity Management (SER/COM), will spend up to four days with SER/COM, and will each turn in a brief report on their recommended lists and any potential issues.

Following procurement, the equipment will be consigned to the U.S. Embassy in Beirut which will, in turn, transfer title to the Grantee. This procedure is recommended by the AID Representative as the simplest means of keeping track of port arrivals and of having an exact list for end-use checking. End-use checks will occur periodically until all equipment is in place and at a final time six months after the last arrival and during classes, to insure that the equipment is functioning and being properly utilized.

In addition to the end-use checks by AID/Beirut, the Grantee should report to A.I.D. six months and twelve months after final equipment arrival the following:

1. Number of students and teachers affected by the project against a project start baseline, reporting by specialty and degree level.
2. Equipment status: on order, installed functioning, installed non-functioning.

SAUDI ARABIA

Technical Cooperation in Supply Management Development

Agreement signed at Riyadh July 13, 1978;
Entered into force August 10, 1978.

Project Agreement
Between
The Government of the United States of America
and
Government of the Kingdom of Saudi Arabia
for
Technical Cooperation
in
Supply Management Development

Article I. SCOPE

This Project Agreement to be implemented by the Ministry of Finance and National Economy of the Kingdom of Saudi Arabia (hereinafter referred to as MFNE) and the General Services Administration and the Department of the Treasury of the United States (hereinafter referred to as GSA and Treasury, respectively) sets forth arrangements for cooperation in providing technical specialists and advisors to MFNE in order to implement the recommendations outlined in GSA's report of 1977 entitled "Study of Procurement Operations in the Ministry of Finance and National Economy" and set forth in Attachments I, II and III of this Project Agreement.

Article II. AUTHORIZATION

The project will be carried out under the auspices of the United States-Saudi Arabian Joint Commission on Economic Cooperation (hereinafter referred to as Joint Commission) and in accordance with the provisions of the Technical Cooperation Agreement between the Governments of the United States and Saudi Arabia signed on February 13, 1975,[1] which is hereby incorporated by reference and becomes a part of this Agreement.

Article III. PURPOSE AND OBJECTIVES

The purpose of the project is to provide certain technical and advisory staff to assist MFNE in establishing within its central supply operation capabilities in cataloging items of supply, preparation of specifications and development of standards for use in a procurement system within its central supply.

[1] TIAS 8072; 26 UST 880.

The broad program objectives are: (1) to assist in the development of a central supply system; (2) to provide technical advice in developing guidelines and procedures for operating the system; (3) to evaluate existing MFNE purchasing and warehouse manuals; and (4) to train Saudi personnel in the principal methods, techniques and functional responsibilities necessary for the management and administration of a centralized supply system.

Article IV. SERVICES TO BE PERFORMED

A. GSA will provide such training and advisory services as will assure the establishment of a centralized supply management and procurement system in accordance with Attachments numbered I, II and III of this Agreement. These attachments set forth schedules, the lengths of time designated, the scope and objectives of designated activities, the number of personnel and the procedures for implementation. These may be amended as mutually agreed.

B. GSA will act in an advisory capacity in assisting MFNE in selecting Saudi personnel to attend training courses given by GSA and to take part in the technical and professional monitoring of the project.

C. GSA will provide advice to MFNE concerning any need for private sector participation in the services described in Attachment I of this Agreement.

Article V. REPORTS

A. GSA in collaboration with Treasury, will prepare and transmit to MFNE periodic reports covering the status and progress of the project as well as any area of concern. These reports will include recommendations for adjustment or changes in the project.

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

Article VI. COORDINATION

Overall coordination of the technical cooperation project with other Joint Commission activities of the United

States Government and provision of certain administrative facilities and support for the project will be the responsibility of Treasury. The Office of the Joint Economic Commission in Riyadh (JECOR) will provide a communications link between the MFNE on one hand and GSA and Treasury on the other concerning the project. JECOR will facilitate activities under this Agreement and will monitor the implementation of this Agreement in Saudi Arabia.

Article VII. LOCAL SUPPORT

MFNE shall, either directly or through other Saudi Arabian agencies, support this technical cooperation project by:

A. Designating an appropriate MFNE official as a counterpart for the GSA Project Director, described in Attachment 1.

B. Identifying and providing other appropriate counterpart personnel as specified in Attachment II.

C. Assuming responsibility for the selection of trainees and working with GSA to evaluate and revise training programs.

D. Providing available data and other information which may be needed by GSA to fulfill its obligations under this Agreement.

E. Providing adequate office space, office furnishings, utilities, telephone facilities, and maintenance and upkeep of such office space for each GSA employee assigned to Saudi Arabia pursuant to this Agreement; and providing such supplies and materials as may be required for official project duties.

F. Providing funds for the purchase of all the equipment needed for project implementation as mutually agreed with the GSA. Attachment III outlines anticipated nonexpendable items for implementation of the project, exclusive of those required for other ministries.

G. Providing services, when necessary, to obtain clearance in matters including, but not limited to, customs, driver permits, and other services that may involve other agencies of the Government of Saudi Arabia.

H. Providing interpreter and translater services as needed.

I. Providing other job-related support as may be appropriate to the conduct by the GSA employees of their official advisory or other duties including adequate secretarial and clerical assistance; and

J. Agreeing to such further support for this project as shall be appropriate to insure its accomplishment.

Article VIII. FORCE MAJEURE

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

Article IX. ESTIMATED COSTS

A. Formal budgets will be submitted to MFNE by year. The total cost of the advisory services and related procurement expenses to be provided by GSA described in Attachments I through III for the first two years of the project is estimated to be U.S. $1,334,000. This estimate covers the following expenses:

Personnel Compensation and Benefits	U.S. $ 450,000
Travel and Transportation	120,000
Housing and Related Expenses	370,000
Other Expenses	305,000
Equipment	19,000
Local Staff	30,000
TDY Assistance	40,000
Total Project Cost	$1,334,000

B. GSA may, within the total of the approved budget, transfer funds between line items as necessary. Final Costs for equipment and services will cover only actual goods purchased and services provided.

C. GSA shall provide periodic reports through Treasury concerning the use of funds spent under this Agreement.

Article X. DOLLAR TRUST FUND

The Government of Saudi Arabia agrees to deposit in the dollar trust account in the United States Treasury established by the Technical Cooperation Agreement, the sum of U.S. $1,334,000 to cover the estimated costs for the time period described in Article IX above.

Article XI. EFFECTIVE DATE

A. This Agreement shall enter into force upon the deposit by the Government of Saudi Arabia of the sum described in Article IX above,[1] and shall remain in effect until terminated by the parties hereto in accordance with paragraph 3 below or the termination of the Technical Cooperation Agreement of February 13, 1975, whichever shall occur first.

B. This Agreement may be amended, supplemented or extended by the mutual written consent of all parties.

C. This Agreement may be terminated at any time at the discretion of either Government, upon sixty (60) days written notice.

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

This Agreement is signed this 13th day of July 1978.

UNITED STATES OF AMERICA

General Services Administration

ROBERT T. GRIFFIN, Acting Administrator
Date: July 13, 1978

Department of the Treasury [2]

Date:

KINGDOM OF SAUDI ARABIA

Ministry of Finance and National Economy

M. Turki [3]

Date: A. Al-Tassan [4]

[1] Aug. 10, 1978.
[2] John Hummon.
[3] M. Al-Turki.
[4] A. Al-Tassan.

Attachment I

Activity Implementation Plan
Supply Management Project

I. PURPOSE

The purpose of this activity is to provide technical and professional staff to assist MFNE in developing and carrying out a centralized supply management program.

II. OBJECTIVES

Consistent with its purpose, the specific objectives for this activity are:

A. To assist in the development and maintenance of a centrally controlled standard technical research system for material cataloging, codification, classification and specifications.

B. To assist in the production and maintenance of catalogs of material used by ministries and departments, adapting applicable elements of Federal Supply Classification system to local needs.

C. To assist in the establishment of a centrally controlled standard system for procurement; supply and property management.

D. To cooperate with the Saudi Arabian Government computer facility and ensure that maximum use is made of its data processing capabilities in the execution of this activity.

E. To train Saudi colleagues in the skills and techniques necessary to carry out the responsibilities of supply management.

III. PROCEDURES

The implementation of this activity will occur in two phases:

A. Phase I - Cataloging, Classification and Standardization

1. The Project Director and one (1) Technical Specialist will be assigned as soon as possible for a period of two (2) years.

2. Additional short-term assistance will be provided as requested and mutually agreed.

B. Phase II - Procurement and Supply

1. A Supply Specialist will be assigned for a period of two (2) months to review and evaluate existing procurement and property management training courses with a view to infusing additional methods.

2. A Procurement Specialist will be assigned for a period of two (2) months to review, evaluate and recommend changes to the present procurement manual.

3. A Supply Specialist will be assigned for a period of two (2) months to review, evaluate and recommend changes to the present warehouse manual.

4. One (1) Procurement Specialist and one (1) Supply Specialist will be assigned as recruited for a period of two (2) years to assist in the establishment of a central procurement and supply management operation. This assignment will be made approximately four (4) months after the assignment of the Project Director.

5. Additional short-term assistance will be provided as requested and mutually agreed.

IV. PERSONNEL RECRUITMENT

A. It is estimated that the staffing requirements for two (2) year assignments will be as follows:

1. A Project Director
2. One (1) Technical Specialist
3. One (1) Supply Specialist
4. One (1) Procurement Specialist

B. It is estimated that the staffing requirements for special assignments for period of two (2) months will be as follows:

1. One (1) Supply Specialist
2. One (1) Procurement Specialist
3. One (1) Supply Specialist

C. Staff requirements as listed in "A" and "B" above, and any additional personnel requirements will be assigned as mutually agreed.

Attachment II

Activity Implementation Plan

Supply Management Project

Attachment III

Anticipated Equipment Needs

1. Microfiche Reader Printer, 1 to 48,220 volts, 50 cycle

2. Microfiche Viewer, Desk size, 12" x 15" screen

3. Microfiche Viewer, Portable 8" x 10" screen

4. Office Furniture and Supplies

MEXICO

Narcotic Drugs: Provision of Additional Technical Assistance to Curb Illegal Traffic

Agreement effected by exchange of letters
Signed at México September 28, 1978;
Entered into force September 28, 1978.

The American Ambassador to the Mexican Attorney General

EMBASSY OF THE
UNITED STATES OF AMERICA
Mexico, D.F.

September 28, 1978

His Excellency
Lic. Oscar Flores
Attorney General of the Republic
San Juan de Letran No. 9
Mexico 1, D.F.

Dear Mr. Attorney General:

In confirmation of recent conversations between officials of our two governments relating to the cooperation between Mexico and the United States to curb the illegal traffic in narcotics, I am pleased to advise you that the Government of the United States of America, represented by the Embassy of the United States of America, is willing to enter into additional cooperative arrangements with the Government of Mexico, represented by the Office of the Attorney General, to reduce such traffic.

The Government of the United States agrees to provide additional technical assistance through the services of a contracted technician with expertise in the new program implementation procedures to advise, assist, and train Mexican and American personnel in planning, developing, auditing, documenting, and evaluating narcotics control projects and program. The cost to the United States Government will not exceed one Hundred and Forty Thousand Dollars (U.S.$140,000) and the contract period is for twenty-four (24) months.

It is understood that the provisions of all previous agreements between the Government of the United States and the Government of Mexico in relation to the narcotics control effort of the Government of Mexico remain in full force and effect, and applicable to this agreement unless otherwise expressly modified herein.

If the foregoing is acceptable to the Government of Mexico, this letter and your reply shall constitute an agreement between our two governments.

I take this opportunity to reiterate to you the assurances of my highest consideration and personal esteem.

Patrick J. Lucey
Ambassador

TIAS 9282

The Mexican Attorney General to the American Ambassador

FORMA CG-1-A

PROCURADURIA GENERAL DE LA REPUBLICA

México, D.F., a 28 de Septiembre de 1978.

Excelentísimo Señor
Patrick J. Lucey,
Embajador Extraordinario y Plenipotenciario
de los Estados Unidos de América.
C i u d a d .

Estimado Señor Embajador:

Me es grato dar respuesta a su atenta comunicación del día de hoy, cuyo texto traducido al español es el siguiente:

"Confirmando recientes conversaciones entre funcionarios de nuestros dos Gobiernos, relativas a la cooperación entre México y los Estados Unidos para frenar el tráfico y la producción ilegal de estupefacientes, me complace comunicarle que el Gobierno de los Estados Unidos de América, representado por la Embajada de los Estados Unidos, está dispuesto a concertar con el Gobierno de México, representado por la Procuraduría General de la República, arreglos cooperativos adicionales para reducir dicho tráfico.

El Gobierno de los Estados Unidos está de acuerdo en proporcionar servicios técnicos adicionales por conducto de un técnico contratado que tenga destreza en los procedimientos nuevos para la implementación de programas para asesorar, colaborar, y capacitar personal Mexicano y Americano en la planeación, implementación, auditoría, documentación, y evaluación de los proyectos de narcóticos y el programa del mismo. El costo al Gobierno de los Estados Unidos no excederá Ciento Cuarenta Mil Dólares (U.S.$140,000) y el pe-

ríodo del contrato será por Veinticuatro (24) meses.

Se tiene por entendido que las disposiciones de todos los acuerdos previos entre el Gobierno de México y el Gobierno de los Estados Unidos, en relación con los esfuerzos del Gobierno de México para el control de estupefacientes, permanecen en pleno vigor y efecto, y serán aplicables a este acuerdo, a menos que se modifiquen expresamente en el presente.

Si lo antedicho es aceptable al Gobierno de México, esta carta y su contestación constituirán un acuerdo entre nuestros dos Gobiernos.

Aprovecho la oportunidad para reiterar a usted las seguridades de mi más alta consideración y estima personal."

Deseo expresar a usted que el Gobierno de México está de acuerdo en los términos de la nota transcrita.

Aprovecho la ocasión para expresar a su Excelencia la seguridad de mi más elevada consideración.

SUFRAGIO EFECTIVO. NO REELECCION.
EL PROCURADOR GENERAL DE LA REPUBLICA.

LIC. OSCAR FLORES.

T.O.N.

TRANSLATION

United Mexican States
Office of the Attorney General
of the Republic

Mexico, D.F., September 28, 1978

His Excellency
Patrick J. Lucey
Ambassador Extraordinary and
Plenipotentiary of the United States
of America
Mexico, D.F.

Dear Mr. Ambassador:

I take pleasure in replying to your letter of this date, the text of which, translated into Spanish, reads as follows:

[For the English language text, see p. 1730.]

I wish to inform you that the Government of Mexico accepts the terms of the letter transcribed above.

I avail myself of the opportunity to express to Your Excellency the assurance of my highest consideration.

Oscar Flores

Oscar Flores
Attorney General of the
Republic

60-963 O - 80 - 27 QL 3

BANGLADESH

Peace Corps

Agreement signed at Washington July 13, 1978;
Entered into force July 13, 1978.

AGREEMENT BETWEEN THE
GOVERNMENT OF THE UNITED STATES OF AMERICA
AND THE GOVERNMENT OF BANGLADESH
CONCERNING THE ESTABLISHMENT OF A
PEACE CORPS PROGRAM IN BANGLADESH

The Government of the United States of America and the Government of Bangladesh,

Recognizing that it is the mandate of the Congress of the United States of America that the Peace Corps promote world peace and friendship by making available to interested countries and areas, men and women of the United States of America who are willing to serve to help the people of such countries and areas to meet their needs for trained manpower, and to promote mutual understanding between the American people and the people with whom they serve,

Referring to negotiations initiated by the Government of the United States of America through a note delivered by the Government of the United States of America to the Government of Bangladesh on December 3, 1977, and directed toward the establishment of an understanding with respect to the men and women of the United States of America who volunteer to serve in the Peace Corps, and who, at the request of the Government of Bangladesh, would live and work for periods of time in Bangladesh,

Have agreed as follows:

1. The Government of the United States will furnish such Peace Corps volunteers as may be requested by the Government of Bangladesh and approved by the Government of the United States to perform mutually agreed tasks in Bangladesh. The volunteers will work under the immediate supervision of governmental or private organizations designated by our two Governments. The Government of the United States will provide training to enable the volunteers to perform these agreed tasks more effectively.

2. The Government of Bangladesh will accord equitable treatment to Peace Corps volunteers and volunteer leaders, both as to their persons and their property; afford them, particularly in case of need, full aid and protection, including treatment no less favorable than accorded generally to nationals of the United States residing in Bangladesh; and fully inform and consult and cooperate with representatives of the Government of the United States of America with respect to all matters concerning them.

3. To enable the Government of the United States to discharge its responsibilities under this agreement, the Government of Bangladesh will receive a Peace Corps representative and staff and such personnel of United States private organizations performing functions hereunder under contract with the Government of the United States as are acceptable to the Government of Bangladesh, who will discharge functions with respect to Peace Corps programs.

4. The Government of Bangladesh will exempt from taxes, customs duties, and other charges, equipment and supplies introduced into Bangladesh by the Government of the United States, or any contractor financed by it, and used for the purpose of establishment of the Office of the Peace Corps representative and its maintenance.

5(a) The Government of Bangladesh will exempt Peace Corps volunteers, volunteer leaders, the Peace Corps representative and staff, and personnel of United States private organizations performing functions under this agreement from immigration fees, from all taxes on income derived from their Peace Corps work or from sources outside of Bangladesh and from all other taxes, charges and fees, except licence fees and taxes or other charges or fees included in the prices of equipment, supplies and services.

(b) The Government of Bangladesh will accord the Peace Corps Representative and his staff the same treatment with respect to the payment of customs duties, or other charges, on their personal and household effects introduced into Bangladesh for their own use at anytime during their stay in Bangladesh as is accorded personnel of comparable rank or grade of the Embassy of the United States.

(c) The Government of Bangladesh will allow Peace Corps volunteers, volunteer leaders and personnel of the United States private organizations under contract with the Government of the United States performing functions under this agreement the privileges under S.R.O. No. 133/D/CUS/74 dated this 14th of March 1974 as amended from time to time subject to the conditions and limitations laid down therein. The Government of Bangladesh will also allow Peace Corps volunteers, volunteer leaders and personnel of the United States private organizations on first arrival in Bangladesh the privilege of the entitlement to import free of customs duties, articles forming part of their personnel and household effects.

6. The Government of Bangladesh will exempt from investment and deposit requirements and currency controls all funds introduced into Bangladesh for use hereunder by the Government of the United States or contractors financed by it. Such funds shall be convertible into currency of Bangladesh at the rates of exchange authorized by the Bangladesh Bank from time to time.

7 Appropriate representatives of the Government of the United States of America and the Government of Bangladesh may make from time to time such arrangements with respect to Peace Corps volunteers and volunteer leaders and Peace Corps programs in Bangladesh as appear necessary or desirable for purposes of implementing this agreement. The undertakings of each Government herein are subject to the availability of funds and to the applicable laws of that Government.

WASHINGTON, D.C., JULY 13, 1978

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

Sam Brown [1]

Mary E. King [2]

Gretchen M. Handwerger [3]

FOR THE GOVERNMENT OF BANGLADESH:

M. R. Siddiqi [4]

---

[1] Sam Brown.
[2] Mary E. King.
[3] Gretchen M. Handwerger.
[4] M. R. Siddiqi.

SRI LANKA

Agricultural Base Mapping

Agreement signed at Colombo February 28, 1978;
Entered into force February 28, 1978.

A.I.D. Project No. 383-T-0045

LOAN AGREEMENT

Between

THE GOVERNMENT OF THE REPUBLIC OF SRI LANKA

and

THE GOVERNMENT OF THE UNITED STATES OF AMERICA

for

Agricultural Base Mapping

Dated: February 28, 1978

TIAS 9284

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Annex 1	Project Description		

A.I.D. Project No. 383-T-0045

Loan Agreement
for Agricultural Base Mapping

Dated: February 28, 1978

Between

The Republic of Sri Lanka ("Cooperating Country")

and

The United States of America, acting through the Agency for International Development ("A.I.D.")

Article 1: The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Cooperating Country of the Project described herein, and with respect to the financing of the Project by the Parties.

Article 2: The Project

SECTION 2.1 Definition of Project. The Project, which is further described in Annex 1 will consist of equipment and supplies for photo acquisition (including an aircraft), field control, triangulation and compilation, photo and map production and related activities, data utilization including the requirements for a User Assistance Center, and facilities renovation, as well as technical training and technical assistance to enable the production and utilization of a 1/50,000 scale and 1/10,000 scale base map of Sri Lanka, and larger scale area and project specific maps, and related by-products of aerial photography and mapping. Annex 1, attached, amplifies the definition of the Project contained in this Section 2.1. Within the limits of the definition of the Project in this Section 2.1, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the Parties named in Section 9.2 without formal amendment of this Agreement.

Article 3: Financing

SECTION 3.1 The Loan. To assist the Cooperating Country to meet the costs of carrying out the Project, A.I.D. pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to lend the Cooperating Country under the terms of this Agreement not to exceed four million five hundred thousand U.S. Dollars ($4,500,000) ("Loan"). The amount of the loan ($4,500,000) is referred to as "Assistance". The aggregate amount of disbursements under the Loan is referred to as "Principal".

[1] 75 Stat. 424, 22 U.S.C. § 2151 note.

The Assistance may be used to finance foreign exchange costs, as defined in Section 7.1, and local currency costs, as defined in Section 7.2, of goods and services required for the Project except that, unless the Parties otherwise agree in writing, local currency costs financed under the loan will not exceed two hundred thousand U.S. Dollars ($200,000).

SECTION 3.2 Cooperating Country Resources for the Project

(a) The Cooperating Country agrees to provide or cause to be provided for the Project all funds, in addition to the Assistance, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources to be provided by the Cooperating Country for the project are estimated to be not less than Rs.13.9million including costs borne on an "in-kind" basis.

SECTION 3.3 Project Assistance Completion Date

(a) The "Project Assistance Completion Date" (PACD), which is November 30, 1983, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Assistance will have been performed and all goods financed under the Assistance will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Assistance for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Cooperating Country, may at any time or times reduce the amount of the Assistance by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4: Loan Terms

SECTION 4.1 Interest. The Cooperating Country will pay to A.I.D. interest which will accrue at the rate of two percent (2%) per annum for ten years following date of the first disbursement of the Loan hereunder and at the rate of three percent (3%) per annum thereafter on the outstanding balance of Principal and on any due and unpaid interest. Interest on the outstanding balance will accrue from the date (as defined in Section 8.5) of each respective disbursement, and will be computed on the basis of a 365-day year. Interest will be payable no later than six (6) months after the first disbursement of the Loan hereunder, on a date to be specified by A.I.D.

SECTION 4.2 Repayment. The Cooperating Country will repay to A.I.D. the Principal within forty(40) years from the date of the first disbursement of the Loan in sixty-one (61) approximately equal semi-annual installments of Principal and interest.. The first installment of Principal will be payable nine and one-half (9-1/2) years after the date on which the first interest payment is due in accordance with Section 4.1. A.I.D. will provide the Cooperating Country with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

SECTION 4.3 Application, Currency, and Place of Payment. All payments of interest and Principal hereunder will be made in U.S. Dollars and will be applied first to the payment of interest due and then to the repayment of Principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D.C., 20523, U.S.A., and will be deemed made when received by the Office of Financial Management.

SECTION 4.4 Prepayment. Upon payment of all interest and any refunds then due, the Cooperating Country may prepay, without penalty, all or any part of the Principal. Unless A.I.D. otherwise agrees in writing, any such prepayment will be applied to the installments of Principal in the inverse order of their maturity.

SECTION 4.5 Renegotiation of Terms. (a) The Cooperating Country and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of Sri Lanka, which enable the Cooperating Country to repay the Loan on a shorter schedule.

(b) Any request by either Party to the other to so negotiate will be made pursuant to Section 9.1, and will give the name and address of the person or persons who will represent the requesting Party in such negotiations.

(c) Within thirty (30) days after the delivery of a request to negotiate, the requested Party will communicate to the other, pursuant to Section 9.1, the name and address of the person or persons who will represent the requested Party in such negotiations.

(d) The representatives of the Parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested Party's communication under sub-section (c). The negotiations will take place at a location mutually agreed upon by the representatives of the Parties, provided that, in the absence of mutual agreement, the negotiations will take place at the office of the Cooperating Country Director of External Resources Division, Ministry of Finance in Sri Lanka.

SECTION 4.6 Termination on Full Payment. Upon payment in full of the Principal and any accrued interest, this Agreement and all obligations of the Cooeprating Country and A.I.D. relating to the Loan provisions of this Agreement will cease.

Article 5: Conditions Precedent to Disbursement

SECTION 5.1 First Disbursement for Loan

Prior to the first disbursement under the loan, or to the issuance by A.I.D. of commitment documents for technical assistance pursuant to which disbursement will be made, the Cooeprating Country will, except as A.I.D. may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) An opinion of counsel acceptable to A.I.D. that this Agreement has been duly authorized and/or ratified by, and executed on behalf of, the Cooperating Country and that it constitutes a valid and legally binding obligation of the Cooperating Country in accordance with all of its terms;

(b) A statement of the names of the persons holding or acting in the office of the Cooperating Country specified in Section 9.2, and a specimen signature of each person specified in such statement;

(c) An executed contract for technical assistance for the Project acceptable to A.I.D. with a firm acceptable to A.I.D.; and

(d) Evidence of availability of funds for and intention to renovate facilities.

SECTION 5.2 Additional Procurement. Prior to disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made for the purpose of procurement, the Cooperating Country will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D..

(a) Sri Lanka Air Force (SLAF) and the Survey Department executed agreement for aircraft maintenance and oepration;

(b) Evidence of the availability of aviation fuel required for photographic flights during the training period by U.S. pilots and photogrammatrist trainers; and

(c) Evidence of consultations between the Government of Sri Lanka and the Government of Switzerland (office of Swiss Technical Cooperation) regarding Swiss financing for the approximately $380,000 of specialized aerial photographic and cartographic equipment required under the project available only from Switzerland and either:

(1) evidence of the availability of Swiss financing for this equipment; or

(2) evidence that the Swiss Government is unable to finance this equipment in time for it to be available when needed on the project.

SECTION 5.3 Notification. When A.I.D. has determined that the conditions precedent specified in Sections 5.1 and 5.2 have been met, it will promptly notify the Cooperating Country.

SECTION 5.4 Terminal Dates for Conditions Precedent.

(a) If all of the conditions specified in Section 5.1 have not been met within 60 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option may terminate this Agreement by written notice to the Cooperating Country.

(b) If all of the conditions specified in Section 5.2 have not been met within 60 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may cancel the then undisbursed balance of the Loan, to the extent not irrevocably committed to third parties, and may terminate this Agreement by written notice to the Cooperating Country. In the event of such termination, the Cooperating Country will repay immediately the Principal then outstanding and any accrued interest; on receipt of such payments in full, this Agreement and all obligations of the Parties hereunder will terminate.

Article 6: Special Covenants.

SECTION 6.1 Project Evaluation. The Parties agree to establish an evaluation program as an integral part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter; (a) evaluation of progress toward attainment of the objectives of the Project; (b) identification and evaluation of problem areas or constraints which may inhibit such attainment; (c) assessment of how such information may be used to help overcome such problems, in this or other project; and (d) evaluation, to the degree feasible, of the overall development impact of the Project.

SECTION 6.2 Aircraft Covenants. The Cooperating Country covenants that:

(a) The aircraft provided under the project shall be reserved for project needs until all the photography required for the base maps under the project is completed. Thereafter, additional eligible uses for the aircraft will be subject to a plan acceptable to A.I.D. At no time will the aircraft be used for military purposes;

(b) It will provide life of project insurance for aircraft to permit repair or replacement if damaged;

(c) All maintenance and operational requirements including fuel will be available so as to meet project objectives; and

(d) It will provide A.I.D. with semi-annual reports on the status of the overall Project beginning with the date of the signing of this Agreement, or with equivalent reports at such other time as A.I.D. may agree in writing.

Article 7: Procurement Source.

SECTION 7.1 Foreign Exchange Costs. Loan disbursements made pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Standard Provisions Annex,[1] Section C.1(b) with respect to marine insurance.

SECTION 7.2 Local Currency Costs. Disbursements pursuant to Section 8.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in Sri Lanka ("Local Currency Costs"). To the extent provided for under this Agreement, "Local Currency Costs" may also include the provision of local currency resources required for the Project.

Article 8: Disbursements

SECTION 8.1 Disbursement for Foreign Exchange Costs. After satisfaction of conditions precedent, the Cooperating Country may obtain disbursements of funds under the Loan for the Foreign Exchange Costs of goods or services, required for the Project in accordance with the terms of the Agreement, by such of the following methods as may be mutually agreed upon:

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or (B) requests for A.I.D. to procure commodities or services in the Cooperating Country's behalf for the Project; or

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers, through Letters of Credit or otherwise, for such goods or services.

Banking charges incurred in connection with Letters of Credit or Commitment shall be for the account of the Cooperating Country and may be financed under the loan.

SECTION 8.2 Disbursement for Local Currency Costs. (a) After satisfaction of conditions precedent, the Cooperating Country may obtain disbursement of funds under the Loan for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.

[1] Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

SECTION 8.3 Other Forms of Disbursement. Disbursements of the Loan may also be made through such other means as the Parties may agree to in writing.

SECTION 8.4 Rate of Exchange. Except as may be more specifically provided under Section 8.2, if funds provided under the Loan are introduced into Sri Lanka by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D. hereunder, the Cooperating Country will make such arrangements as may be necessary so that such funds may be converted into currency of Sri Lanka at the highest rate of exchange which, at the time the conversion is made, is not unlawful in Sri Lanka.

SECTION 8.5 Date of Disbursement. Disbursements of the Loan by A.I.D. will be deemed to occur (A) on the date on which A.I.D. makes a disbursement to the Cooperating Country or its designee, or to a bank, contractor or supplier pursuant to a Letter of Commitment or Credit; (B) on the date on which A.I.D. disburses to the Cooperating Country or its designee local currency acquired in accordance with Section 8.2(b).

Article 9: Miscellaneous

SECTION 9.1 Communications. Any notice, request, document or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such Party at the following address:

To the Cooperating Country:

Mail Address: Director
External Resources Division
Ministry of Finance
Colombo 1, Sri Lanka

Alternate address
for Cables: FORAID
Colombo, Sri Lanka

To A.I.D..

Mail Address: Office of A.I.D. Representative
c/o American Embassy
Colombo, Sri Lanka

Alternate address
for Cables: USAID, AmEmbassy
Colombo, Sri Lanka

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

SECTION 9.2 Representatives. For all purposes relevant to this Agreement, the Cooperating Country will be represented by the individual holding or acting in the office of Director of External Resources Department, Ministry of Finance and Planning, and A.I.D. will be represented by the individual holding or acting in the office of the A.I.D. Representative, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Cooperating Country, with specimen signatures, will be provided to A.I.D. which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

SECTION 9.3 Standard Provisions Annex. A "Loan Standard Provisions Annex" (Annex 2)[1] is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Cooperating Country and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

GOVERNMENT OF THE REPUBLIC OF SRI LANKA

By: Lal Jayawardena

Name: Lal Jayawardena

Title: Secretary, Ministry of Finance & Planning

GOVERNMENT OF THE UNITED STATES OF AMERICA

By: Howard Wriggins

Name: W. Howard Wriggins

Title: American Ambassador

[1] See footnote 1, p. 1745.

Annex 1

Project Description

A. Project Description

The project described in this section aims at meeting the current and continuing national photogrammetric and cartographic requirements of the various governmental agencies responsible for development planning and project implementation in Sri Lanka. Analysis of alternative means of providing the maps and information required on a continuing basis has confirmed that the appropriate approach is to enhance the existing capacity of the Survey Department.

The U.S. contribution will finance the foreign exchange cost of the inputs which are: (1) capital equipment consisting of photographic, triangulation, compilation, laboratory equipment and vehicles as well as an aircraft; (2) expendable supplies including film, paper, and chemicals; (3) technical assistance both long term (approximately 36 pm) and short term; and short term training in-country and abroad; as well as miscellaneous local costs, should the need arise, in an amount not to exceed the equivalent of $200,000.

It is planned that the bulk of the AID financing for foreign exchange costs will be provided by letter of commitment/letter of credit procedures. Disbursements of funds for aircraft and equipment maintenance as well as spare parts and calibration is expected to be made to the foreign exchange account of the Survey Department under a procedure to be agreed upon based on periodic requirements. Disbursements for local costs, should the need arise would be based on vouchers submitted by the Survey Department following agreement with AID on which local costs would require AID financing.

The Government of Sri Lanka will finance the sizeable local cost of inputs such as facility renovation, manpower, and local maintenance, fuels,and supplies. In addition much of the map preparation, production, and printing will be done with existing Survey Department equipment.

During the first year of the project, implementation activities will relate primarily to renovation of existing facilities, equipment and supply procurement, reorganization of production procedures, familiarization training, flight planning and contractual arrangements for technical assistance and aircraft equipment maintenance. This is expected to lead to initiation of aerial photographic coverage with the plane to be provided under the project within one year of satisfaction of conditions precedent. During this first stage of the project an expatriate pilot (approximately 6-9 pm) and photogrammetrist (approximately 4-6 pm) will fly and photograph the country while training Sri Lanka Air Force (SLAF) pilots in the special techniques of flying for aerial photography and familiarizing Survey Department photogrammetrists with the techniques to be used. Subsequently, the plane will be flown by SLAF pilots and crewed by Survey Department personnel.

Trained pilots and photogrammetrists are expected to be available in the second year of the project. Familiarization training related to map production is expected to be completed in the first 18 months of the project.

As photos become available the Survey Department will begin production of a base map of the country at 1/50,000 scale and 1/10,000 scale. Flight lines and coverage will be planned to coincide with priority mapping needs.

Nationwide map coverage at 1/50,000 scale (a major project output) is expected to be completed within 18 months of initiation of flying. Complete coverage at 1/10,000 (another major output) will be available within six years of initiation of flying. The initial 1/10,000 maps produced will utilize the same photography used for the 1/50,000 map series. Later 1/10,000 maps will utilize new photography to insure that in general the 1/10,000 maps are based on photography no older than two years. Following project completion the Survey Department will continually update the 1/10,000 base map series.

The output of large scale (1/1000 - 1/10,000) maps will occur throughout the project beginning late in the second year on a project specific or area specific basis.

During the second and third years of the project the User Assistance Center will be equipped and Survey Department staff for the Center are expected to be provided with familiarization training to maximize its potential. During this period training will also be initiated for staff of the Agencies that will need to use the Center for interpretation and analysis of maps and photography they require. This Center will provide a facility for analysis by the user Agencies. The Survey Department will not be charged with carrying out the analysis the user agencies may require. While the Center is expected to be operable in the third year, it will reach its major potential toward the end of the project.

The achievement of these outputs, a 1/50,000 base map, a continually updated 1/10,000 base map, larger scale maps as requested by user agencies, a functioning User Assistance Center, and trained Survey Department staff will meet the mapping requirements of rural development in Sri Lanka - the project purpose.

The availability and utilization of the up-to-date information derived from the maps produced by the Survey Department will be a key ingredient in the planning necessary to achievement of the sector goal of improvement of the living standard of the rural people in Sri Lanka.

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B. Financial Plan

1. AID Financed	$
A. Equipment	1,861,300
B. Materials	848,700
C. Training	254,000
D. Technical Assistance	503,000
E. Unallocated (Contingencies/Infation/etc)	1,033,000
Total	$ 4,500,000

2. GSL Financed	Rupees
A. Equipment	
1. Map Production Branches	3,576,500
2. Air Survey Branches	2,330,809
Subtotal 5,907,309	
B. Personnel (5 years)	
1. Map Production Branches	3,356,650
2. Air Survey and Field	1,858,205
Subtotal 5,214,855	
C. Fuel and Maintenance	2,100,000
D. Facilities	262,440
E. Building Modification and Air Conditioning	437,400
Total	Rs.13,921,964

INDIA

Launching and Associated Services for Indian Satellites

Agreement effected by exchange of notes
Signed at Washington July 18, 1978;
Entered into force July 18, 1978.

The Acting Secretary of State to the Indian Ambassador

DEPARTMENT OF STATE
WASHINGTON

JUL 18 1978

Excellency:

I have the honor to refer to the Memorandum of Understanding between the Department of Space of the Government of India and the National Aeronautics and Space Administration (NASA) of the United States dated July 18, 1978 concerning the terms and conditions under which NASA will furnish launching and associated services to the Department of Space of the Government of India and the related obligations and responsibilities of the parties.

This Memorandum of Understanding, which is set forth as Annex to this Note, provides in part that it and any mutually agreed amendments thereto shall be subject to confirmation by the Government of the United States and the Government of India through an exchange of diplomatic notes.

In consideration of the continuing, mutually beneficial relationships between agencies of the United States Government and agencies of the Government of India in the peaceful uses of outer space, I have

His Excellency
N. A. Palkhivala,
Ambassador of India.

TIAS 9285

the honor to inform you that the Government of the United States confirms that the provisions of the Memorandum of Understanding referred to above are acceptable.

If you would also confirm that the provisions of the Memorandum of Understanding and this Note are acceptable to your Government, I have the honor to propose that this Note, and Your Excellency's reply in confirmation together with the annexed Memorandum of Understanding to that effect, shall constitute an agreement between our two Governments regarding this matter which shall enter into force on the date of your reply.

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

For the Acting Secretary of State:

[1]

Enclosure:

Annex.

[1] Clyde L. McClelland.

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
DEPARTMENT OF SPACE OF THE GOVERNMENT OF INDIA
AND THE
UNITED STATES NATIONAL AERONAUTICS AND SPACE ADMINISTRATION
CONCERNING THE FURNISHING OF
LAUNCHING AND ASSOCIATED SERVICES
FOR
INDIAN NATIONAL SATELLITE SYSTEM - I SPACECRAFT

The Department of Space of the Government of India (hereinafter referred to as DOS) and the National Aeronautics and Space Administration of the United States of America (hereinafter referred to as NASA) set forth in this Memorandum of Understanding their general understandings as to the terms and conditions under which NASA will furnish space vehicle launchings and associated services for the Indian National Satellite System-I (hereinafter referred to as INSAT-I) spacecraft on a reimbursable basis and the general responsibilities of the parties.

DOS and NASA intend that, at an appropriate time in the future, they will enter into a launch services agreement, expressing the specific terms and conditions under which NASA will furnish launchings and associated services for each individual INSAT-I spacecraft launching consistent with the general understandings set forth in this Memorandum of Understanding.

It is understood that NASA will provide launchings and associated services for INSAT-I spacecraft in accordance with the United States policy governing launch assistance as announced by the President of the United States of America on October 9, 1972. INSAT-I spacecraft are multi-purpose spacecraft destined for geo-stationary orbit for the purposes of providing domestic public telecommunications, direct TV broadcasting and meteorology services.

ARTICLE I
RESPONSIBILITIES

A. DOS will undertake the following responsibilities:

1. The design, fabrication and testing of its INSAT-I spacecraft.

2. Furnishing information to NASA of its requirements for INSAT-I launching, at as early a date as possible and in any event sufficiently in advance of the target date of initial launching in a series, to accommodate financial, procurement and operational requirements of both parties. Such information will include INSAT-I spacecraft description, orbital characteristics, environmental constraints, approximate launching dates and back-up launching requirements, tracking and data acquisition requirements, and such other information required by NASA for planning purposes.

3. Incorporating provisions in the INSAT-I spacecraft design, specifications and test programmes to assure and demonstrate INSAT-I spacecraft compatibility with the appropriate launching vehicle physical constraints, safety requirements and in-flight environment and with tracking and data acquisition facilities.

4. Providing flight-ready INSAT-I spacecraft at the Eastern Test Range (ETR), in accordance with the time schedules agreed upon under the launch services agreement.

5. Furnishing all ground support equipment (GSE) peculiar to INSAT-I mission and personnel required for its operation, except for those items of GSE which NASA may specifically agree to provide and/or operate.

6. Performing all necessary analyses and implementing mission operation plans required for the placement of INSAT-I spacecraft into geo-stationary orbit after separation of the spacecraft from the launch vehicle in low-earth orbit.

7. Requesting reimbursable tracking and data acquisition support by specific NASA tracking stations in connection with placement by DOS or its contractors of INSAT-I spacecraft into geo-stationary orbit. If NASA agrees to provide such support, DOS will furnish any additional or unique equipment as may be required at such stations and provide for their operation. This responsibility applies to such equipment as may be required by NASA after separation of a spacecraft from the launch vehicle in low earth orbit.

B. NASA will undertake the following responsibilities:

1. Furnishing specifications regarding appropriate launch vehicle(s) as stated in Article I, B. 3 below and current NASA tracking and data acquisition station equipment as may be necessary for DOS to carry out its responsibilities under Article I, A. 3 above.

2. Make best efforts to schedule the INSAT-I launchings within the general time period requested by DOS.

3. Provide either Space Transportation System (hereinafter referred to as STS) launches or expendable Delta 3910 launch vehicles as per Article II,C below to meet the INSAT-I mission requirements.

4. Providing necessary facilities and support, including launch crew services, for pre-launch integration of the spacecraft at the Eastern Test Range (ETR), and for DOS checkout of the spacecraft.

5. Launch INSAT-I spacecraft from the Eastern Test Range (ETR) of the United States.

6. Calculating the orbit achieved for INSAT-I spacecraft separation from the launch vehicle, based on vehicle telemetry and tracking data.

7. Providing such additional Spacecraft Tracking and Data Network (STDN) support as may be requested by DOS and agreed to by NASA.

8. Furnishing mutually agreed technical consultation and/or GSE support of specific or general DOS requirements.

ARTICLE II

REIMBURSEMENT PROVISIONS

A. Reimbursement for STS launch services will be specified in the Launch Services Agreement and will be in accordance with the terms of NASA Management Instruction (NMI) 8610.8 dated January 21, 1977.

B. Reimbursement for Delta 3910 launch services will be specified in the Launch Services Agreement and will be in accordance with the terms of NASA Policy Directive (NPD) 8610.5 dated January 12, 1973 and NASA Management Instruction (NMI) 9240.1 dated February 2, 1976.

C. It is understood that the primary launch option for the first INSAT-I spacecraft desired by DOS is for a STS launch in January 1981. The Delta 3910 launch option will remain available to DOS through the first manned orbital flight of the STS or September 30, 1979, whichever is later. If DOS chooses the Delta 3910 option at that time, all progress payments received

by NASA for the launch on STS will be credited towards the Delta 3910 launch, and DOS at the time of option will commence payments as specified in the launch services agreement. Payments in excess of costs incurred for optional services will also be refunded.

ARTICLE III
LIMITATION OF LIABILITIES

The launch services agreement to be entered into shall state the allocation of liabilities that may arise out of the launch and associated services to be provided by the United States and by its contractors and subcontractors under this Memorandum of Understanding.

ARTICLE IV
DOCUMENTATION AND REPORTS

A. NASA and DOS will exchange, through their respective Project Managers, all documents and information required for successful accomplishment of INSAT-I missions, and such documents and information will be used by NASA as provided for in the launch services agreement.

B. After each launching, DOS will provide NASA, if requested all data from the INSAT-I spacecraft relevant to ascertain the performance of the launch vehicle, and such data will be used only for the aforesaid purpose.

C. In using data passed to NASA under paragraph A. 2 of Article I and paragraphs A and B of this Article, NASA will respect and protect, consistent with applicable U.S. laws, the confidentiality of the proprietary information designated as such by DOS, as provided for in the launch services agreement.

ARTICLE V
REGISTRATION OF SPACE OBJECTS

A. The Government of India as the State of Registry shall register each INSAT-I space object separated on behalf of DOS into earth orbit from the STS or expendable launch vehicles, as the case may be and shall furnish appropriate information regarding the space object to the Secretary General of the United Nations. The Government of India shall have jurisdiction and control over INSAT-I space objects upon separation from their respective launch vehicles into earth orbit.

B. The United States will register the STS and those components of the INSAT-I spacecraft not separated from it as a single space object. The United States will also register any components of an expendable launch vehicle which go into earth orbit.

ARTICLE VI
DURATION AND AMENDMENT

A. This Memorandum of Understanding shall terminate on December 31, 1983 except with respect to launching and associated services to be provided after that date under a launch services agreement executed on or before that date.

B. This Memorandum of Understanding may be amended by mutual consent of the parties.

C. This Memorandum of Understanding may be terminated by either party upon six months written notice, except with respect to launching and associated services to be provided after that date under a launch services agreement executed on or before that date.

ARTICLE VII
ENTRY INTO FORCE

This Memorandum of Understanding, and any mutually agreed amendments thereto, will not enter into force until signed by both parties and confirmed by the Government of the United States and the Government of India through an exchange of diplomatic notes.

[1]

Secretary
to the Government of India
Department of Space

July 18th, 1978.
Date

[2]

Administrator
U.S. National Aeronautics
and Space Administration

18 July 1978
Date

[1] Satish Dhawan.
[2] Robert A. Frosch.

The Indian Minister to the Secretary of State

भारतीय राजदूतावास
वाशिंगटन, डी० सी०
EMBASSY OF INDIA
WASHINGTON, D. C.

July 18, 1978

Excellency:

I have the honour to acknowledge receipt of your Excellency's Note of July 18, 1978, with attached Memorandum of Understanding, which reads as follows:

"Excellency:

I have the honor to refer to the Memorandum of Understanding between the Department of Space of the Government of India and the National Aeronautics and Space Administration (NASA) of the United States dated July 18, 1978 concerning the terms and conditions under which NASA will furnish launching and associated services to the Department of Space of the Government of India and the related obligations and responsibilities of the parties.

This Memorandum of Understanding, which is set forth as Annex to this Note, provides in part that it and any mutually agreed amendments thereto shall be subject to confirmation by the Government of the United States and the Government of India through an exchange of diplomatic notes.

In consideration of the continuing, mutually beneficial relationships between agencies of the United States Government and agencies of the Government of India in the peaceful uses of outer space, I have the honor to inform you that the Government of the United States confirms that the provisions of the Memorandum of Understanding referred to above are acceptable.

If you would also confirm that the provisions of the Memorandum of Understanding and this Note are acceptable to your Government, I have the honor to propose that this Note, and Your Excellency's reply in confirmation together with the annexed Memorandum of Understanding to that effect, shall constitute an agreement between our two Governments regarding this matter which shall enter into force on the date of your reply.

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

For the Acting Secretary of State:

Sd/- Clyde L. McClelland

His Excellency
N.A. Palkhivala,
Ambassador of India.

Enclosure: Memorandum of Understanding."

I have the honour to state that the Government of India confirm the provisions of the Memorandum of Understanding

and concur in the proposals in your Excellency's Note. The Government of India therefore agrees that your Note, together with the Memorandum of Understanding and this reply, shall constitute an agreement between our two Governments, which shall enter into force on the date of this reply.

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

[1]

His Excellency
Cyrus R. Vance,
Secretary of State,
Department of State,
WASHINGTON, D.C.

[1] A. B. Gokhale.

PORTUGAL

Balance of Payments Support

Agreement signed at Lisbon March 1, 1978;
Entered into force March 1, 1978.

Loan Number· 150-K-013

LOAN AGREEMENT

BETWEEN

PORTUGAL

AND THE

UNITED STATES OF AMERICA

FOR

BALANCE OF PAYMENTS SUPPORT

Dated. March 1, 1978

BALANCE OF PAYMENTS AGREEMENT, dated the 1st day of March 1978 between the Bank of Portugal ("Borrower") and the UNITED STATES OF AMERICA, acting through the AGENCY FOR INTERNATIONAL DEVELOPMENT ("A.I.D."), hereinafter referred to together as the "Parties" or separately as the "Party".

ARTICLE I

The Loan

A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended[1] agrees to lend to the Borrower under the terms of this Agreement an amount not to exceed Three Hundred Million United States Dollars (Dols. 300,000,000) for Balance of Payments financing to support and promote the financial stability and economic recovery of Portugal. The aggregate amount of disbursements under the loan is referred to as "Principal".

ARTICLE II

Loan Terms

Section 2.1. Interest. The Borrower will pay to A.I.D. interest which will accrue at the rate of 8.15 percent per annum following the date of the first disbursement hereunder on the outstanding balance of principal and on any due and unpaid interest. Interest on the outstanding balance will accrue from the date (as defined in Section 4.3) of each

[1] 75 Stat. 424, 22 U.S.C. § 2151 note.

respective disbursement, and will be payable semi-annually. The first payment of interest will be due and payable no later than six (6) months after the first disbursement hereunder, on a date to be specified by A.I.D.

Section 2.2. Repayment. The Borrower will repay to A.I.D. the principal within ten (10) years from the date of the first disbursement of the loan in fifteen (15) approximately equal semi-annual installments of principal and interest. The first installment of principal will be payable two and one-half (2-1/2) years after the date on which the first interest payment is due in accordance with Section 2.1. A.I.D. will provide the Borrower with an amortization schedule in accordance with this section after the final disbursement under the loan.

Section 2.3. Application, Currency and Place of Payment. All payments of interest and principal hereunder will be made in U.S. dollars and will be applied first to the payment of interest due and then to the repayment of principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D.C. 20523, U.S.A., and will be deemed made when received by the Office of Financial Management.

Section 2.4. Prepayment. Upon payment of all interest and any refunds then due, the Borrower may prepay, without penalty, all or any part of the principal. Unless A.I.D. otherwise agrees in writing, any such prepayment will be applied to the installments of principal in the inverse order of their maturity.

Section 2.5. Termination on Full Payment. Upon payment in full of the principal and any accrued interest, this agreement and all obligations of the Borrower and A.I.D. under it will cease.

ARTICLE III

Conditions Precedent to Disbursement

Section 3.1. First Disbursement. Prior to the first disbursement under the loan, the Borrower will, except as the parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(A) An opinion of counsel acceptable to A.I.D. that this Agreement has been duly authorized and executed on behalf of the Borrower, and that it constitutes a valid legally binding obligation of the Borrower in accordance with all of its terms;

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(B) A statement of the names of the persons holding or acting in the office of the Borrower specified in Section 6.2,

(C) A letter from the Managing Director of the International Monetary Fund (IMF) indicating that negotiations with the IMF regarding drawdown under the second IMF credit tranche for Portugal are proceeding in good faith.

Section 3 2. Second Disbursement. Prior to the second disbursement under the loan, the Borrower will, except as the parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D. a copy of the decision of the Executive Board of the IMF approving a second IMF credit tranche standby arrangement for Portugal.

Section 3.3. Notification. When A.I.D. has determined that the conditions precedent specified in Sections 3.1 and 3.2 have been met, it will promptly notify the Borrower.

Section 3.4. Terminal Dates for Conditions Precedent.

(A) If all the conditions specified in Section 3.1 have not been met within ninety (90) days from the date of this agreement, or such later date as A.I.D. may agree in writing, A.I.D., at its option, may terminate this agreement by written notice to Borrower.

(B) If all the conditions specified in Section 3.2 have not been met within two hundred and seventy (270) days from the date of this agreement, or such later date as A.I.D. may agree in writing, A.I.D., at its option, may issue a notice in writing to the Borrower to terminate this agreement. In the event of such notice, the authorized amount of the loan shall be reduced to the amount actually disbursed by A.I.D., which amount, unless otherwise agreed to in writing by A.I.D., shall become due and payable to A.I.D., together with any accrued interest, within one hundred and twenty (120) days from receipt by the Borrower of A.I.D.'s notice to terminate. Upon receipt by A.I.D. of payment in full, this agreement and all obligations of the parties hereunder will terminate.

ARTICLE IV

Disbursements

Section 4.1. Schedule of Disbursements. The proceeds of the loan will be made available in two (2) disbursements. The first disbursement will be Two Hundred Million United States dollars (Dols. 200,000,000). The second disbursment will be One Hundred Million United States dollars (Dols. 100,000,000)

and shall be made one hundred and twenty (120) days from the date on which the condition precedent of Section 3.2. has been met unless A.I.D. agrees otherwise.

Section 4.2. Deposit of Disbursements. After satisfaction of conditions precedent, A.I.D. will deposit the proceeds of the loan, in accordance with the schedule in Section 4 1., in a bank in the United States or Portugal designated in writing by the Borrower.

Section 4.3. Date of Disbursement. Disbursements by A.I.D. will be deemed to occur on the date on which A.I.D. makes a disbursement to the bank to be named in Section 4.2.

ARTICLE V

Use of Funds

Section 5.1. The Borrower agrees that the proceeds of the loan will be used for balance of payments financing and will not be used for financing military requirements of any kind, including the procurement of commodities or services for military purposes.

ARTICLE VI

Miscellaneous

Section 6.1. Communications. The Borrower undertakes to provide to A.I.D. the same information concerning the balance of payments and other economic and financial data that it provides to the IMF in order to assess Portugal's progress under the IMF standby arrangement. Any notice, request, document or other communication submitted by either party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered in duplicate to such party at the following address:

To the Borrower:

Mail Address: Banco de Portugal
Rua do Comércio 148
Lisboa 2

Alternate Address for Telegrams: BANGAL LISBON

Address for Telex: 16771 BAGAL P
16554 BAGAL P

To A.I.D.:

Mail Address: A.I.D. Representative
Embassy of the United States of America
Lisbon, Portugal

Alternate Address for Telex: 12528

All such communications will be in English, unless the parties otherwise agree in writing. Other addresses may be substituted

for the above upon the giving of notice.

Section 6 2. Representatives. For all purposes relevant to this Agreement, the Borrower will be represented by two members of the Board of Directors of the Bank of Portugal and A.I.D. will be represented by the Secretary of State or his designee, each of whom, by written notice may designate additional representatives. The names of the representatives of the Borrower, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this agreement, until receipt of written notice of revocation of their authority.

Section 6.3. Language of Agreement. This Agreement is prepared in both English and Portuguese. In the event of ambiguity or conflict between the two versions, the English language version will control.

IN WITNESS WHEREOF, the Borrower and the United States of America, each acting through its duly authorized

representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

BANK OF PORTUGAL

BY: _____

NAME: Dr. José da Silva Lopes

TITLE: Governor

BY: _____

NAME: Dr. Walter P. Marques

TITLE: Director

UNITED STATES OF AMERICA

BY: _____

NAME: Herbert S. Okun

TITLE: Chargé d'Affaires ad interim

EMPRÊSTIMO NÚMERO· 150-K-013

ACORDO DE EMPRÊSTIMO

ENTRE

PORTUGAL

E OS

ESTADOS UNIDOS DA AMÊRICA

PARA APOIO À

BALANÇA DE PAGAMENTOS

Datado de 1 de Março de 1978

TIAS 9286

ACORDO RELATIVO A BALANÇA DE PAGAMENTOS

celebrado em 1 de Março de 1978, entre o Banco de Portugal ("Mutuário") e os Estados Unidos da América, representados pela Agency for International Development ("A.I.D."), adiante designados em conjunto por "As Partes" ou separadamente por "A Parte".

Artigo I

O Empréstimo

A A.I.D., ao abrigo da Foreign Assistance Act of 1961, revista, aceita conceder ao Mutuário, nos termos deste Acordo, um empréstimo, cujo montante não excederá trezentos milhões de dólares dos Estados Unidos (Dls. 300 000 000), para financiamento da balança de pagamentos, com vista a apoiar e fomentar a estabilidade financeira e a recuperação económica de Portugal. O quantitativo total de desembolsos por conta do Empréstimo será designado por "Capital".

Artigo II

Condições do Empréstimo

1. Juro. O Mutuário pagará à A.I.D. juros à taxa de 8,15 por cento ao ano, contados a partir da data do primeiro desembolso nos termos deste Acordo e calculados sobre o saldo em dívida de Capital e sobre quaisquer juros devidos e não pagos. O juros sobre o Capital em dívida serão contados a partir da data (definida no nº. 3 no Artigo IV) de cada desembolso respectivo e serão devidos semestralmente. A primeira prestação de juros será devida e paga o mais tardar seis (6) meses depois da data do primeiro desembolso nos termos deste Acordo, em data a indicar pela A.I.D.

2. Reembolso. O Mutuario reembolsara a A.I.D o Capital do Emprestimo no prazo de dez (10) anos a contar da data do primeiro desembolso do Empréstimo, em quinze (15) prestações semestrais aproximadamente iguais de Capital e juro. A primeira prestação de Capital vencer-se-a dois (2) anos e meio (1/2) depois da data em que for devido o primeiro pagamento de juros de harmonia com o nº. 1 do presente Artigo. A A.I.D. fornecerá ao Mutuário, depois do ultimo desembolso por conta do Emprestimo, uma tabela de amortização em conformidade com o acima disposto.

3. Aplicação, moeda e lugar de pagamento. Todos os pagamentos de juros e Capital nos termos deste Acordo serão realizados em Dolares dos Estados Unidos e aplicados primeiramente à liquidação de juros devidos e depois ao reembolso do Capital. Salvo se a A.I.D. indicar diversamente por escrito, os pagamentos serão efectuados ao Controller, Office of Financial Management, Agency for International Development, Washington, D.C. 20523, U.S.A., considerando-se feitos quando recebidos no referido Office of Financial Management.

4. Reembolso antecipado. Desde que não se encontre em falta nenhum pagamento de juros devidos nem nenhuma restituição que caiba realizar, poderá o Mutuario pagar antecipadamente todo ou parte do Capital, sem que por isso incorra em qualquer penalidade. Salvo se a A.I.D. concordar diversamente por escrito, tal pagamento antecipado sera aplicado as prestações de Capital por ordem inversa da do seu vencimento.

5. Termo do Acordo por pagamento integral. Quando se ache integralmente liquidado o Capital e pagos todos os juros contados, cessarão este Acordo e todas as obrigações assumidas pelo Mutuário e pela A.I.D. nos seus termos.

Artigo III

Condições prévias aos desembolsos

1. Primeiro desembolso. Antes do primeiro desembolso por conta do Empréstimo, o Mutuário fornecerá à A.I.D. na forma e substância que esta considere suficientes, salvo se as Partes acordarem diversamente por escrito:

a) Um parecer de jurista aceite pela A.I.D. que confirme ter este Acordo sido devidamente autorizado e haverem sido preenchidas em nome do Mutuário todas as formalidades de que depende a sua entrada em vigor e, ainda, que ateste constituir o Acordo uma obrigação juridicamente válida e vinculativa do Mutuário de conformidade com todos os seus termos;

b) Um documento de onde constem os nomes das pessoas que podem representar o Mutuário, de acordo com o disposto no nº. 2 do Artigo VI,

c) Uma carta do Director-Geral do Fundo Monetário Internacional (F.M.I.) a atestar que as negociações com o F.M.I. relativas à utilização por Portugal de uma segunda "tranche" de crédito no F.M.I. estão a desenvolver-se em boa fé.

2. Segundo desembolso. Antes do segundo desembolso por conta do Empréstimo, o Mutuario fornecerá à A.I.D. na forma e substância que esta considere suficientes, salvo se as Partes acordarem diversamente por escrito, uma cópia da decisão do Conselho Executivo do F.M.I. a aprovar o arranjo de "stand-by" com o F.M.I. relativo à segunda "tranche" de crédito a Portugal.

3. Notificação. Logo que haja verificado estarem satisfeitas as condições prévias indicadas nos nºs. 1 e 2, a A.I.D. dará disso conhecimento ao Mutuário.

4. Datas-limite para preenchimento das condições prévias: a) Se, nos noventa (90) dias seguintes à data do presente Acordo, ou em data posterior que a A.I.D. tenha aceitado por escrito, não se acharem satisfeitas as diversas condições indicadas no nº. 1, poderá a A.I.D. dar por findo este Acordo mediante aviso escrito dirigido ao Mutuário.

b) Se, nos duzentos e setenta (270) dias seguintes à data do presente Acordo, ou em data posterior que a A.I.D. tenha aceitado por escrito, não se acharem preenchidas as condições indicadas no nº. 2, poderá a A.I.D. notificar o Mutuário, por escrito, de que considera rescindido o Acordo. Caso se verifique tal notificação, o montante autorizado do Emprestimo será reduzido para o quantitativo efectivamente desembolsado pela A.I.D., importância essa que, salvo se a A.I.D. concordar diversamente por escrito, será devida e paga a A.I.D., juntamente com os juros contados, dentro dos cento e vinte (120) dias posteriores a recepção pelo Mutuário da comunicação da A.I.D. a dar por findo o Acordo. Quando a A.I.D. se ache integralmente paga do que nessas circunstâncias lhe seja devido, cessarão este Acordo e todas as obrigações assumidas pelas Partes nos seus termos.

Artigo IV

Desembolsos

1. Escalonamento dos desembolsos. O produto do Empréstimo sera posto à disposição do Mutuario em dois (2) desembolsos. O primeiro desembolso sera no montante de duzentos milhões de Dólares dos Estados Unidos (Dls. 200 000 000). O segundo desembolso será da importância de cem milhões de Dólares (Dls. 100 000 000) e realizado cento e vinte (120) dias a contar da data em que tenha sido satisfeita a condição prévia referida no nº. 2 do Artigo III, salvo se a A.I.D. concordar diversamente.

2. Depósito dos desembolsos. Depois de satisfeitas as condições prévias, a A.I.D. depositara o produto do Emprestimo, de acordo com o escalonamento do número anterior, num Banco nos Estados Unidos ou em Portugal a designar por escrito pelo Mutuário.

3. Data dos desembolsos. Os desembolsos pela A.I.D. considerar-se-ão feitos na data em que a A.I.D. efectue uma entrega ao banco a indicar de acordo com o numero precedente.

Artigo V

Utilização dos fundos

O Mutuário aceita que o produto do Empréstimo seja utilizado para financiamento da balança de pagamentos, com exclusão do financiamento de encargos de natureza militar, incluindo os relacionados com a obtenção de bens ou serviços para fins militares.

Artigo VI

Disposições diversas

1. Comunicações. O Mutuário compromete-se a prestar à A.I.D. as informações relativas à balança de pagamentos e os outros dados de carácter económico e financeiro que sejam fornecidos ao F.M.I. para que este possa avaliar o andamento da economia portuguesa à luz dos compromissos assumidos nos termos do arranjo de "stand-by" com o F.M.I. . Qualquer aviso, pedido, documento ou outra comunicação dirigido por uma Parte à outra ao abrigo do presente Acordo será escrito ou por telegrama e considerar-se-à dado ou enviado em duplicado quando seja entregue a essa outra Parte nos seguintes endereços:

Do Mutuário:

Endereço postal. Banco de Portugal
Rua do Comércio, 148
Lisboa 2

Endereço telegráfico: BANGAL, Lisboa

Endereço para telex: 16771 BAGAL P
16554 BAGAL P

Da A.I.D.:

Endereço postal. A.I.D. Representative
United States Embassy
Av. Duque Loulé, 39
Lisboa 1

Endereço para telex: 12528

Todas as comunicações serão redigidas em inglês, salvo se as Partes acordarem diversamente por escrito. Os endereços acima mencionados poderão ser substituídos por outros, mediante aviso escrito.

2. Representantes. Para todos os fins relevantes para este Acordo, o Mutuario sera representado por dois dos memebros do Conselho de Administração do Banco de Portugal e a A.I.D será representada pelo Secretary of State ou pelo seu substituto legal, cada um dos quais, mediante aviso escrito, podorá designar representantes adicionais. Os nomes dos representantes do Mutuario, com o espécime das suas assinaturas, serão fornecidos à A.I.D., que pode aceitar como devidamente autorizado qualquer instrumento assinado por tais representantes em execussão do presente Acordo, enquanto não receber aviso escrito de revogação dos seus poderes.

3. Língua do Acordo. Este Acordo foi redigido simultaneamente em inglês e em português. Em caso de ambiguidade ou conflito entre as duas versões, prevalecera a versão em lingua inglesa.

Em testemunho do que, o Mutuário e os Estados Unidos da América, por intermédio dos seus representantes autorizados, fizeram assinar o presente Acordo em seu nome e data-lo do dia, mês o ano indicados no inicio deste instrumento

Pelo Banco de Portugal,

José da Silva Lopes, Governador

Valter Valdemar Pego Marques, Administrador

José da Silva Lopes

Pelos Estados Unidos da América,

LIBERIA

OMEGA Navigational Station

Agreement amending the agreement of April 10 and 18, 1973.
Effected by exchange of notes
Dated at Monrovia March 22 and August 22, 1978;
Entered into force August 22, 1978.

The American Embassy to the Liberian Ministry of Foreign Affairs

No. 80

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the Republic of Liberia and has the honor to refer to the Agreement concluded in April 1973 [1] by the Government of the Republic of Liberia and the United States of America for the construction and operation of the Omega Navigational Station in Liberia.

Paragraphs three (3) and four (4) of the Agreement pertain to our two Governments' responsibilities for the operation and maintenance of the Station and read as follows:

"(3) Upon completion of Station erection, the Government of Liberia and the Government of the United States shall operate and maintain the Station without interruption and in phase with the worldwide Omega Navigational System. The Government of the United States shall bear all expenses for operating and maintaining the Station, including the salaries of all employees of the Station.

"(4) Personnel designated by the Government of Liberia to carry out that Government's responsibilities for the operation and maintenance of the Station shall be trained for such purposes by the Government of the United States without cost to the Government of Liberia. Such personnel designated by the Government of Liberia and trained pursuant to this Agreement shall assume control of the buildings and operation and maintenance of the Station within a period of two years from the date of the operation of the Station, except if at the end of said period the two Governments agree otherwise."

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[1] TIAS 7635; 24 UST 1114.

As the Ministry may be aware, the United States Coast Guard administers a contract with a private firm (currently Ford Aerospace and Communications Corporation) for the operation and maintenance of the Station. The contractor and the United States Government share involvement in the training of Liberian personnel who will eventually assume responsibility for the control of the buildings and operation and maintenance of the Station.

During 1976, testing and selection of several Liberian candidates for technical training were completed and pretraining orientation was conducted. In January 1977 nine students began basic electronics training at the United States Coast Guard Training Center, Governors Island, New York. Eight students completed this course. Following this basic course, these eight students then attended four weeks of formal OMEGA Watchstanders classroom training which was conducted at the Station.

These eight Station employees are now Apprentice Watchstanders. Through an on-the-job training program composed of four three-man teams (a team consists of two apprentices and a team leader/instructor), the Liberian apprentices are being trained as qualified Watchstanders through a progressive task-oriented program.

Through correspondence and discussions in early 1977 between officials of the Ministry of Commerce, Industry and Transportation and Station management personnel, a frank appraisal was made of the level of technical knowledge and experience which would be required by the Liberian personnel who are to assume Station management responsibility It was agreed in principle that the scheduled date for transfer of the Station management responsibility from the United States Government to the Government of Liberia of February 1978 was unrealistic. It was recognized that because of the international importance of OMEGA it is essential to develop the most highly qualified people in order to guarantee the uninterrupted operation of the Station.

As a result, in July 1977, the United States Coast Guard outlined a Five-Year Training Program to insure continuity in the ongoing training program for the Liberian personnel at the Station. In August 1977, this training plan was introduced to the Director of Civil Aviation, Mr. J. Wilson Lardner, and later discussed with the Deputy Director of Civil Aviation, Mr. Andy Kennedy, Jr. It was anticipated that, following this discussion of the proposed training program, which was accepted in principle, that the program would be formalized through an Exchange of Notes. The scheduled dates referred to in the following Five-Year Training Program are subject to the availability of funds and trainee proficiency and may be modified as agreed by appropriate authorities of the two governments. The Five-Year Training Program is presented below·

FIVE-YEAR TRAINING PROGRAM

January 1, 1978—Beginning this date, assess annually the need to

replace Liberian personnel due to attrition losses. As required, nominate students for basic electronics training in the United States
—Begin interviewing for the position of Logistician

March 15, 1978—Select four best qualified Watchstanders to attend intensive four-week OMEGA technical training course in the United States
—Qualify current apprentices as Watchstanders
—Continue in-house and on-the-job training to increase Watchstanders' skills to Technician level
—Begin on-the-job training of Logistician
—Begin interviewing for position of Maintenance Supervisor/Diesel Engine Expert

July 1, 1978—Begin on-the-job training of Maintenance Supervisor

January 1, 1979—Qualify Logistician to replace incumbent

April 15, 1979—Nominate maximum of four candidate technicians to attend OMEGA technician refresher training course offered in the United States
—Continue in-house and on-the-job training to Technician level

July 1, 1979—Qualify Maintenance Supervisor to replace incumbent
—Release two (2) expatriate contract Watchstanders

January 1, 1980—American staff to be limited to three (3). 1) Station Manager; 2) Chief Engineer; and 3) Senior Technician who will act as Inspector
—Release remaining expatriate contract Watchstanders

January 1, 1981—Qualify Candidates as Technicians

January 1, 1982—Select best qualified of Technicians to act as Chief Engineer or Station Manager
—Three-member American team to remain as advisors to Liberian staff until such time as the two Governments mutually agree otherwise

In consideration of the foregoing shared appraisals and plans, it is suggested that the wording of paragraph four (4) of the OMEGA Navigational Station Agreement be amended to read as follows:

(4) Personnel designated by the Government of Liberia to carry out that Government's responsibilities for the operation and maintenance of the Station shall be trained for such purposes by the Government of the United States without cost to the Government of Liberia. Such personnel designated by the Government of Liberia and trained pursuant to this Agreement shall

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' assume control of the buildings and operation and maintenance of the Station on or about January 1982.

If the amended wording of paragraph four of the Agreement is acceptable to the Government of Liberia, the Embassy has the honor to propose that this Note together with the Ministry's reply to that effect shall constitute an Amendment to the Agreement between our two Governments and shall enter into force on the date of the Ministry's reply

The Embassy of the United States of America takes this opportunity to renew to the Ministry of Foreign Affairs of the Republic of Liberia the assurances of its highest consideration.

EMBASSY OF THE UNITED STATES OF AMERICA,
MONROVIA, *March 22, 1978.*

The Liberian Ministry of Foreign Affairs to the American Embassy

MINISTRY OF FOREIGN AFFAIRS
MONROVIA, LIBERIA

23626/2-5

The Ministry of Foreign Affairs of the Republic of Liberia presents its compliments to the Embassy of the United States of America and has the honour to acknowledge receipt of the latter's Note No. 80, referring to the Agreement concluded in April 1973 by the Governments of the Republic of Liberia and the United States of America for the Construction and Operation of the Omega Navigational Station in Liberia.

According to the Note, paragraphs three (3) and four (4) of the Agreement pertain to our two Governments' responsibilities for the operation and maintenance of the station and read as follows:

"(3) Upon completion of Station erection, the Government of Liberia and the Government of the United States shall operate and maintain the Station without interruption and in phase with the worldwide Omega Navigational System. The Government of the United States shall bear all expenses for operating and maintaining the Station, including the salaries of all employees of the Station.

(4) Personnel designated by the Government of Liberia to carry out that Government's responsibilities for the operation and maintenance of the Station shall be trained for such purposes by the Government of the United States without cost to the Government of Liberia. Such personnel designated by the Government of Liberia and trained pursuant to this Agreement shall assume control of the buildings and operation and maintenance of the Station within a period of two years from the date of the operation of the Station, except if at the end of said period the two Governments agree otherwise."

Liberia to carry out that Government's responsibilities for the operation and maintenance of the Station shall be trained for such purposes by the Government of the United States without cost to the Government of Liberia. Such personnel designated by the Government of Liberia and trained pursuant to this Agreement shall assume control of the buildings and operation and maintenance of the Station on or about January, 1982."

In view of the foregoing, the Ministry wishes to state that with the correction and adjustment, the amended wording of paragraph four (4) of the Agreement is acceptable to the Government of the Republic of Liberia and shall constitute an Amendment to the Agreement between our two Governments and accordingly shall enter into force on the date of this Note.

The Ministry of Foreign Affairs of the Republic of Liberia takes this opportunity to renew to the Embassy of the United States of America the assurances of its highest consideration and esteem.

The Embassy of the
United States of America
M O N R O V I A

AUGUST 22, 1978

The Note also suggested that the wording of paragraph four (4) of the Omega Navigational Station Agreement be amended to read as follows:

> "(4) Personnel designated by the Government of Liberia to carry out that Government's responsibilities for the operation and maintenance of the Station shall be trained for such purposes by the Government of the United States without cost to the Government of Liberia. Such personnel designated by the Government of Liberia and trained pursuant to this Agreement shall assume control of the buildings and operation and maintenance of the Station on or about January 1982, except if at said date the two Governments agree otherwise."

The Ministry wishes to inform the Embassy that the proposed amendment was accordingly forwarded to the appropriate agency of Government for its comments and reaction. The proposed abovementioned amendment was found to be unacceptable to Government. However, to expedite the early conclusion of the matter, a representative of the Embassy was invited by the Ministry of Justice for discussions to find out if paragraph four (4) could be settled. The Embassy responded favourably and discussions were held with Mr. Foster, the Commercial Attache of the Embassy.

Subsequent to the discussions, it was agreed that the phrase, "except if at said date the two Governments agreed otherwise", be deleted from the proposed amendment.

The Ministry of Foreign Affairs wishes to further inform the Embassy that paragraph four (4) should read as follows:

"(4) Personnel designated by the Government of

UNITED ARAB EMIRATES

Collecting and Conserving Water Supplies From Surface Runoff

Agreement amending and extending the agreement of July 10, 1976.
Effected by exchange of letters
Signed at Abu Dhabi June 24 and July 25, 1978;
Entered into force July 25, 1978;
Effective July 1, 1978.

The American Ambassador to the Minister of Agriculture and Fisheries of the United Arab Emirates

EMBASSY OF THE
UNITED STATES OF AMERICA
Abu Dhabi, U.A.E.

June 24, 1978

His Excellency
Saeed Mohammad Raqbani
Minister of Agriculture and Fisheries
Dubai, United Arab Emirates

Excellency:

I refer to the Agreement between the Government of the Emirate of Abu Dhabi and the Government of the United States of America (copy attached) for the services of the Bureau of Reclamation, United States Department of the Interior signed July 10, 1976.[1] The initial duration of this agreement was for a period of 18 months expiring on June 30, 1978. I refer further to Your Excellency's letter to me dated January 8, 1978 (copy attached) in which you expressed the desire of your Government to extend the duration of the existing agreement for a further period in accordance with Article VI to allow the Bureau of Reclamation to complete plans and specifications and to perform such other services on behalf of the Government of the United Arab Emirates as may be mutually agreed upon.

On the basis of an exchange of letters dated May 23, 1978 and May 24, 1978 between you and the Director of the Abu Dhabi Presidential Court, Shaikh Suroor bin Muhammad Al Nahayyan, subsequently confirmed by a decision of the Council of Ministers dated June 12, 1978 (copies attached), I understand that authority for signature of the amendment to this Agreement has been transferred from the Government of Abu Dhabi to the Federal Ministry of Agriculture and Fisheries, together with authority for establishing the budget for services to be performed under this extension of the Agreement and for supervision of its disbursement.

By this letter I am pleased to inform Your Excellency that under and according to Article VI, the Bureau of Reclamation agrees to extension of the Agreement to September 30, 1980 to cover the period of project construction and initial evaluation in connection with a project for collecting and conserving water supplies from surface runoff. To complete this work

[1] TIAS 8408; 27 UST 3892. [Footnote added by the Department of State.]

requested by the Government of the United Arab Emirates, Schedules A, B, and C are revised and the revised schedules become a part of the Agreement replacing the original Schedules A, B, and C.

This extension under Article VI will become effective July 1, 1978 upon receipt of Your Excellency's written reply to this letter confirming the Agreement of the Government of the United Arab Emirates to the extention of the Agreement to September 30, 1980 and its acceptance of the revised Schedules A, B, and C which are enclosed with this letter.

Sincerely,

Francois M. Dickman

Francois M. Dickman
Ambassador

Enclosures:

Schedule A - Terms of Reference
Schedule B - Reclamation's Time Schedule
Schedule C - Summary of Estimated Costs
Schedule C Annex - Scale of Expenses - U.S.A. Budget

Attachments:[1]

1. Copy of Agreement between the Government of the Emirate of Abu Dhabi and the Government of the United States of America for the services of the Bureau of Reclamation - Department of the Interior dated July 10, 1976.

2. Letter of Minister of Agriculture and Fisheries to Ambassador of the United States of America, No. WZS/69/78 of January 8, 1978.

3. Letter of UnderSecretary of Agriculture and Fisheries to Director of the Presidential Court, No. WZS/TM/32/13/2/2153 of May 23, 1978.

4. Letter of Director of the Presidential Court to Minister of Agriculture and Fisheries, No. 27/2/1/1053 of May 24, 1978.

5. Memorandum of Minister of Agriculture and Fisheries to the Council of Ministers No. WZS/TM/32/5/4/2490/78 of June 3, 1978.

6. Decision of the Council of Ministers No. 393/21m of 1978, contained in letter from Minister of State for Cabinet Affairs to Minister of Agriculture and Fisheries, No. 1/Ain/27/550 of June 12, 1978.

[1] Not printed. [Footnote added by the Department of State.]

SCHEDULE A
(REVISED MAY 1978)

TERMS OF REFERENCE

1. The Bureau of Reclamation, Department of the Interior, United States of America, pursuant to the objectives stated in the prefatory clauses of the Agreement shall provide the services of personnel, home based as well as assigned to work in the United Arab Emirates, for varying periods for the purposes of implementing the following terms of reference:

a) to carry out a complete technical feasibility design study for collecting and conserving the waters from surface runoff in the UAE, including foundation, material investigations, geological and hydrological studies; prepare designs, specifications and cost estimates for the construction of dams and storage or groundwater recharge facilities; determine water supplies available for agriculture and domestic uses.

b) to prepare in consultation with the GOVERNMENT training programs for its selected technical personnel for training in the United States and provide such training.

c) to advise the GOVERNMENT on construction of whatever schemes are recommended.

2. The terms of reference shall also include:

a) reviewing all available hydrometeorological, geological, hydrological, hydrogeological and other relevant data; reviewing existing reports on or affecting the proposal; and detailing a program for the collection of such supplementary data as are necessary.

b) evaluating the effects of the construction of whatever schemes that may be recommended on the water potential of the various underground water aquifers which are presently utilized for various purposes.

SCHEDULE B
(REVISED MAY 1978)

RECLAMATION'S TIME SCHEDULE

This schedule shows RECLAMATION's estimated time schedule for performing the services described in Schedule A, Terms of Reference.

Work Item	Approximate Dates Begin	Complete
Water Augmentation Report	Sept. 1977	Dec. 1978
Preliminary Designs and Estimates	Feb. 1978	Aug. 1978
Designs, Specifications, Cost Estimates and other Tender Documents		
Wadi Bih	Feb. 1978	Mar. 1979
Wadi Ham	April 1978	May 1979
Foundation Exploration	June 1978	Sept. 1978
Advise on Construction		
Wadi Bih	Jan. 1979	Sept. 1980
Wadi Ham	June 1979	June 1980

SCHEDULE C
(REVISED MAY 1978)
SUMMARY OF ESTIMATED COSTS

U.S.A. BUDGET (see Annex for details)

(to be transferred to Bureau of Reclamation, Washington)

	U.S. $
Designs, Specifications, Investigations, Tender Documents, and Administrative Costs for Denver	355,000
Personnel Costs:	450,000
Contingencies:	75,000
Special Overhead Charge.	20,000
TOTAL.	$ 900,000

LOCAL BUDGET

(to be transferred to account no. 2-254 of the Water Supply Augmentation Project in the National Bank of Abu Dhabi, Abu Dhabi.)

	DIRHAMS
Housing:	720,000
Utilities.	150,000
Transportation.	200,000
Local Staff:	180,000
Office Supplies & Equipment:	100,000
Other Cost.	200,000
TOTAL:	DH.1,550,000

SCHEDULE C ANNEX
SCALE OF EXPENSES - U.S.A. BUDGET
MARCH 1978 TO JULY 1980

Position	Grade	Man-Months	Salary Benefits & Differential 1/	Allowances 2/	Travel & Per Diem	Transportation 3/	Suitability Screening	Total U.S.$
Construction Engineer	FC-11	21	$ 85,000	$17,000	$ 9,000	$14,000	$1,000	$ 126,000
* Civil Engineer	FC-10	12	$ 39,000	$11,000	$ 3,000	$ 4,000	-	$ 57,000
Construction Specialist	FC-9	21	$ 60,000	$17,000	$ 9,000	$14,000	$1,000	$ 101,000
Construction Specialist	FC-9	21	$ 60,000	$17,000	$ 9,000	$14,000	$1,000	$ 101,000
Geologist	GS-13	4	$ 15,000	-	$16,000	-	-	$ 31,000
Design Engineer	GS-13	2	$ 8,000	-	$ 9,000	-	-	$ 17,000
Foundation Specialist	GS-13	2	$ 8,000	-	$ 9,000	-	-	$ 17,000
				Personnel Costs - Subtotal:				$ 450,000
				Design, Specifications, & Tender Documents				
				Wadi Bih			$170,000	
				Wadi Ham			$ 90,000	
				Foundation Investigations				
				Wadi Bih			$ 55,000	
				Wadi Ham			$ 30,000	
				Technical Support, Denver				$ 345,000
				Administrative Support, Denver				$ 10,000
							Subtotal:	$ 805,000
				Contingencies - 10% (±)				$ 75,000
				Special Overhead Charge				$ 20,000
				SCALE OF EXPENSES - TOTAL				$ 900,000

1/ Salary and benefits for TDY's include 17½% leave additive

2/ Post and Education Allowances

3/ Include storage of HHE not shipped to UAE.

4/ Include items such as salary increases reflecting inflation adjustment, promotions and other unforeseen or unpredictable changes.

* Presently serving on Bureau's UAE staff

The Minister of Agriculture and Fisheries of the United Arab Emirates to the American Ambassador

بسم الله الرحمن الرحيم

UNITED ARAB EMIRATES
Ministry of Agriculture & Fisheries

دولة الامارات العربية المتحدة
وزارة الزراعة والثروة السمكية

MINISTER'S OFFICE

مكتب الوزير

Ref MAF/SWD

Date · July 25, 1978.

الرقم وزس/ ٢٢٢٩ / ٧٨
التاريخ ٢٥ / ٧ / ١٩٧٨

U.S. AMBASSADOR TO THE U.A.E
ABU DHABI.

المحترم
سعادة سفير الولايات المتحدة الامريكية
المعتمد لدى الدولة

Dear Sir,

I have the honor to reply to your letter of June 24, 1978 informing me that under and according to Article VI of the July 10, 1976 agreement between the Government of the Emirate of Abu Dhabi and the United States Department of Interior, Bureau of Reclamtion, the Bureau of Reclamation has agreed to extension of the Agreement to September 30, 1980 to cover the period of Project construction and initial evaluation for the project to collect and conserve water supplies from surface runoff.

By this letter, I confirm the agreement of the Government of the United Arab Emirates to the extension of the Agreement from July 1, 1978 to September 30, 1980 and its acceptance of the revised Schedules A, B, and C which were enclosed in Your Excellency's letter.

Yours truely,

SAEED M. AL RAGBANI
Minister Of Agriculture & Fisheries.

تحية طيبة وبعد ،

اشارة الى كتابكم المؤرخ بتاريخ ٢٤/٦/١٩٧٨ والذي يشير الى الاتفاقية الموقعة في ١٠ يوليو ١٩٧٦ بين حكومة امارة ابو ظبي وحكومة الولايات المتحدة الامريكية بشأن خدمات مكتب الاستصلاح التابع لوزارة الداخلية لدراسة مشروع انماء المصادر المائية بالدولة والتي انتهت في ٣٠ يونيو ١٩٧٨ وكذلك الى موافقة المكتب المذكور اعلاه على تمديد الاتفاقية حتى ٣٠ سبتمبر لتغطية الدراسة والاشراف على انشاء وتقييم كفاءة السد في تغذية المخزون الجوفي والسيطرة على السيول .

لذا يسرنا ان نبلغ سعادتكم موافقتنا على تمديد مدة الاتفاقية من الاول من يوليو ١٩٧٨ وحتى ٣٠ سبتمبر ١٩٨٠ وعلى قبول المادة أ ، ب ، جـ من مسودة تمديد الاتفاقية

شاكرين لكم تعاونكم الصادق معنا ،
وتفضلوا بقبول فائق التقدير والاحترام ،

المخلص/
سعيد محمد الرقباني
وزير الزراعة والثروة السمكية

TIAS 9291

INDIA

Trade in Tropical Products

Understanding effected by exchange of letters
Signed at Geneva July 26, 1978;
Entered into force July 26, 1978.

The Indian Permanent Representative to the General Agreement on Tariffs and Trade to the American Deputy Special Representative for Trade Negotiations

AVENUE MOLIÈRE, 129
1180 BRUSSELS

July 26, 1978

No.BRU/M/241/1/A/78

Dear Ambassador McDonald,

I am pleased to inform you that the Government of India has taken a number of autonomous measures during the last two years in the direction of import trade liberalisation. These form a basis of my Government's contribution to the attainment of the overall objectives of the Multilateral Trade Negotiations.

2. A number of these measures also benefit United States exports to India such as the following:

(i) The withdrawal by the Government of India of the preferences extended to the United Kingdom under the United Kingdom-India Trade Agreement, 1939.[1] The value of United States exports, based on 1975-76 statistics, benefiting from this permanent withdrawal in July 1977 amounted to Rs.311.6 million which represented 15.7 percent of India's imports from all sources.

(ii) The import policy regarding machine tools has been liberalised as detailed in "Import Trade Control Policy" Vol.I, April 77 - March 78. The value of United States exports of machine tools alone based on 1975-76 statistics, that would benefit from these measures, was of the order of Rs.15.54 million which represents about 7% of our total imports.

(iii) The import policy for spare-parts of equipment for gas and oil drilling wells has been substantially liberalized as part of the policy in regard to spare-parts in general which is detailed in "Import Trade Control Policy", Vol.I, April 77 - March 78.

(iv) The import policy of almonds has been substantially liberalised as part of our policy in regard to dried, salted or preserved fruits.

[1] Signed Mar. 20, 1939. *British and Foreign State Papers*, vol. 143, p. 283.

3. In order to resolve certain practical difficulties that had arisen in the field of mica exports from India, the floor prices of mica powder and bridge mica were reduced, the sharing formula for export of mica below size No.5 was eliminated, and the division of mica scrap into two categories was discontinued.

4. The liberalisation mentioned in sub-paragraphs (i), (iii) and (iv) of paragraph 2 and in paragraph 3 coincides with the requests of the Government of the United States of America. Subject to periodic policy reviews and in accordance with the obligations and rights under the General Agreement on Tariffs and Trade,[1] we hope to maintain the process of liberalisation consistent with India's development, financial and trade needs, from which our major trading partners have derived and can derive further benefits.

5. My Government requests your Government and as stated in your letter of today's date your Government has agreed to implement the attached lists of the Tropical Product Offer by the Government of the United States of America. My Government further hopes your Government will bind these concessions in the General Agreement on Tariffs and Trade.

6. My Government concurs that this exchange of letters will constitute an understanding of the type described in your letter. My Government also hopes that the Government of the United States of America will find it possible to give additional concessions on items of interest to us during the Multilateral Trade Negotiations.

Yours sincerely,

(P.K. Dave)

Ambassador Alonzo L. McDonald,
U.S. Deputy Special Representative
for Trade Negotiations,
U.S. Delegation to the Multilateral
Trade Negotiations,
1-3 Avenue de la Paix,
1202 Geneva.

[1] TIAS 1700; 61 Stat., pts. 5 and 6.

60-963 O - 80 - 31 QL 3

The American Deputy Special Representative for Trade Negotiations to the Indian Permanent Representative to the General Agreement on Tariffs and Trade

UNITED STATES DELEGATION
TO THE
MULTILATERAL TRADE NEGOTIATIONS

1-3, avenue de la Paix
1202 Geneva, Switzerland

July 26, 1978

His Excellency
P. K. Dave
Ambassador for Economic Affairs
in Europe
Permanent Representative to GATT
121 Avenue Moliere
B-1180 Brussels

Dear Ambassador Dave:

1. I have taken note of your letter of July 26, 1978 referring to the autonomous measures taken by your Government, particularly those measures which benefit United States exports to India and the statement in your letter that the liberalization mentioned in sub-paragraphs (i), (iii) and (iv) of paragraph 2 and in paragraph 3 coincides with the requests of the Government of the United States of America. I have further taken note of the letter No. 10/46/75-TPD dated February 24th 1978, from Mr. S. P Shukla to Mr. Stephen Lande [1] which explains the specific liberalization measures on spare parts and on dried, salted or preserved fruits, which include almonds, referred to in your aforementioned letter.

2. I have also noted that subject to periodic policy reviews and in accordance with the obligations and rights under the General Agreement on Tariffs and Trade, the Government of India hopes to maintain the process of liberalization consistent with India's development, financial and trade needs, from which her major trading partners have derived and can derive further benefits. I hope that the Government of India will find it possible to give positive consideration to the remaining requests of the Government of the United States of America which we will recognize as further contributions by India in the Multilateral Trade Negotiations (MTN).

3. I am pleased to confirm that my Government desires to implement the attached list "A" of the Tropical Product offer by the Government of the United States of America not later than sixty days after this exchange of letters. The

[1] Not printed.

Government of the United States of America will implement the concessions on the attached list "B" of this Tropical Product Offer, unless there is failure to reach satisfactory agreement with other countries who are principal or substantial suppliers. In light of the above, if the Government of the United States of America does not implement these concessions within a reasonable period of time, consultations will take place to determine alternative concessions.

4. This exchange of letters will constitute an understanding between our Governments. Such an understanding will terminate at the time that tariff reductions, pursuant to an overall agreement on tariffs in the Multilateral Trade Negotiations, are initially implemented by the Government of the United States of America. It is expected that the results of this understanding will be incorporated into such an overall Multilateral Trade Negotiations Agreement.

5. In the interim, relying upon the contents of your letter including the measures cited, the Government of the United States of America will provide maximum possible security, consistent with the time limits allowed by U.S. law, for its concessions.

Yours sincerely,

A L McDonald

Alonzo L. McDonald
Ambassador

TIAS 9289

LIST "A" OF TROPICAL PRODUCTS OFFERS BY THE GOVERNMENT OF UNITED STATES OF AMERICA

TSUS No.	Short description of product	MFN Duty	Offer
106.60	Frog meat, fresh, chilled, or frozen	2.5%	Free
147.96	Mangoes, prepared or preserved	3.75¢ per lb.	1.5¢ per lb.
305.20	Jute yarns and roving, singles under 720 yds. per lb.	7.5%	3%
305.22	Jute yarns and roving, singles 720 yds. or over per lb.	11%	4.4%
305.28	Jute yarns and roving, plied, under 720 yds. per lb.	10%	4%
335.50	Woven fabrics wholly of jute, bleached, colored, or flame-resistant.	0.2¢ per lb. + 2.5%	1%
347.30	Narrow fabrics: jute webbing	14%	5.6%
*360.15 ex.	Floor coverings with pile hand-inserted or hand-knotted, valued over 66.2/3¢ per sq. ft. and having not over 160 knots per sq. inch.	11%	8%
360.35	Coir floor coverings with pile not hand-inserted or knotted.	5¢ per sq. ft.	2¢ per sq.ft.
385.45	Bags, sacks, etc. of vegetable fibres except cotton, not bleached, not colored, and not rendered non-flammable	0.2¢ per lb. + 1.5%	Free
385.95	Coir pile mats and mattings.	5¢ per sq. ft.	2¢ per sq. ft.
435.70	Opium	$3.60 per lb. of morphine content	Free
516.71	Mica, cut or stamped to dimensions, not over 0.006 inch thick.	11%	4.4%
516.76	Mica, cut or stamped to dimensions, and perforated or indented, over 0.006 inch thick.	12.5%	5%

List "A" of Tropical Products Cont.

TSUS No.	Short description of product	MFN Duty	Offer
516.94	Mica articles, nspf.	12.5%	5%

The above tariff reductions will be implemented at the fastest rate permissible under the U.S. Trade Act of 1974.

* The actual extent and staging of further reductions will be worked out as soon as possible.

LIST 'B' OF TROPICAL PRODUCTS OFFER BY THE GOVERNMENT OF THE UNITED STATES OF AMERICA

TSUS	Short description of product	MFN Duty	Offer
152.58	Mango paste and pulp	7%	2.8%
176.14	Castor oil, valued over 20¢ per lb: Having lovibond color values greater than 6 yellow and 0.6 red.	1.5¢/lb.	Free
176.15	Castor oil, valued over 20¢ per lb: Other	1.5¢/lb.	Free
315.80	Jute cordage, not bleached, not colored, etc.: Singles yarn under 720 yds. per lb.	10%	4%

The above tariff reductions will be implemented at the fastest rate permissible under the U.S. Trade Act of 1974.

MEXICO

Colorado River Waters: Emergency Deliveries to Tijuana

Agreement amending and extending minute no. 240 of the International Boundary and Water Commission, United States and Mexico, of June 13, 1972, as amended and extended.
Effected by minute no. 259
Adopted at El Paso July 27, 1978;
Entered into force August 11, 1978.

INTERNATIONAL BOUNDARY AND WATER COMMISSION
UNITED STATES AND MEXICO

MINUTE NO. 259

El Paso, Texas
July 27, 1978

EXTENSION OF THE EFFECT OF MINUTE NO. 256
RELATING TO THE EMERGENCY DELIVERIES OF COLORADO RIVER WATER
FOR USE IN TIJUANA

The Commission met in the offices of the United States Section, at 10:00 a.m., on July 27, 1978, to consider the need to extend for one year the effect of Minute No. 256,[1] relating to the emergency deliveries which the United States makes to Mexico of waters from the Colorado River at a point on the international boundary near the city of Tijuana, Baja California Norte.

The two Commissioners considered the progress by Mexico of the construction of the aqueduct to supply water to Tijuana, which they observed during the visit they made to the works in January 1978. They agreed that completion of the aqueduct will be delayed probably until May 1979, due to the serious geological problems which have impeded completing the excavation of the two tunnels of the aqueduct.

The Commission considered the substantial storage of water which has accumulated at Rodriguez Reservoir on the Tijuana River from the recent floods, as well as the information furnished by the Mexican Commissioner that although those waters will be used to supply the city of Tijuana, to the extent possible, circumstances may again exist requiring emergency deliveries by the United States to Mexico, and concluded it would be desirable to continue the agreement for emergency deliveries with the understanding that after August 14, 1978, such deliveries may be temporarily suspended at the request of Mexico for one or more periods.

The Commission considered that with such temporary suspension of emergency deliveries after August 14, 1978, it would not be practical to continue the transfer from Mexico to the United States of the electrical energy required to pump the waters of the Colorado River for the emergency deliveries. Accordingly, the Commission concluded that beginning with the date of the first suspension, it would be desirable to terminate the transfer of electrical energy and for Mexico to pay to the United States the additional charge for the energy required for the same purpose. Further, an adjustment will be required for any over- or under-delivery of electrical energy transferred from Mexico to the United States as of the date of termination of transfer of energy.

[1] Adopted Feb. 22, 1977. TIAS 8712; 28 UST 7208.

The Commission then considered the information provided by the United States Commissioner that the agencies of his country which own and operate the hydraulic installations used to make the emergency deliveries to Mexico of water from the Colorado River at a point on the international boundary near the city of Tijuana, are willing and able to continue such emergency deliveries as may be requested by Mexico, until August 14. 1979, in the manner and in accordance with the conditions established in Minute No. 256, and with the proviso that Mexico make its request 10 days in advance of each suspension and of each resumption of such deliveries.

Based on the above considerations the Commission adopted the following Resolution:

1. That the effect of Minute No. 256 of February 22, 1977, be extended to August 14, 1979, with the understandings in points 3 and 4 of this Resolution.

2. That Mexico actively pursue the construction of its aqueduct to supply potable water to the city of Tijuana, with the objective of putting it in operation as soon as possible.

3. That during the one-year extension of the effect of Minute No. 256, the emergency deliveries of Colorado River water made by the United States to Mexico at the international boundary near the city of Tijuana may be temporarily suspended with Mexico making its request 10 days in advance of each suspension and of each resumption of such deliveries.

4. That beginning with the date of the first suspension of the emergency deliveries, under the one-year extension of the effect of Minute No. 256, Mexico terminate its transfer to the United States of the electrical energy required to pump such waters of the Colorado River, and in lieu thereof, pay to the United States the additional charge for the energy required for the same purpose; and that as soon as practical the Commission make an appropriate adjustment for the over- or under-delivery of electrical energy transferred by Mexico as of the date of termination of the transfer of electrical energy from Mexico to the United States, as prescribed in Minute No. 245.[1]

[1] Adopted May 15, 1974. TIAS 8712; 28 UST 7196.

5. That this Minute require the specific approval of the two Governments.[1]

The meeting was adjourned.

[2]
Commissioner of the United States

[4]
Principal Engineer of the Mexican Section for the Mexican Commissioner

[3]
Secretary of the United States Section

[5]
Secretary of the Mexican Section

[1] Aug. 11, 1978.
[2] J. F. Friedkin.
[3] M. R. Ybarra.
[4] Joaquin R. Bustamante.
[5] Lorenzo Padilla S. P.

COMISION INTERNACIONAL DE LIMITES Y AGUAS
ENTRE MEXICO Y LOS ESTADOS UNIDOS

El Paso, Texas,
27 de julio de 1978.

ACTA NUM. 259.

PRORROGA DE LA VIGENCIA DEL ACTA NUM. 256, REFERENTE A LAS ENTREGAS DE EMERGENCIA DE AGUA DEL RIO COLORADO PARA SU USO EN TIJUANA.

La Comisión se reunió en las Oficinas de la Sección de los Estados Unidos, a las 10:00 horas del día 27 de julio de 1978, para considerar la necesidad de prorrogar por un año la vigencia del Acta Núm. 256, referente a las entregas de emergencia que hacen los Estados Unidos a México de aguas del Río Colorado en un punto de la línea divisoria internacional cercano a la ciudad de Tijuana, Baja California Norte.

Los dos Comisionados consideraron el adelanto de México en la construcción del acueducto para abastecer de agua a Tijuana, que observaron durante la visita que hicieron a las obras en enero de 1978. Estuvieron de acuerdo en que la terminación del acueducto se demorará probablemente hasta mayo de 1979 debido a los serios problemas geológicos que han impedido concluir la excavación de los dos túneles del acueducto.

La Comisión consideró los sustanciales almacenamientos de agua que se han logrado en la Presa Rodríguez, en el Río Tijuana, con las avenidas recientes, así como la información proporcionada por el Comisionado de México de que aunque esas aguas se utilizarán para abastecer la ciudad de Tijuana hasta el máximo posible, podrán existir nuevamente circunstancias por las que se requieran entregas de emergencia de los Estados Unidos a México, y concluyó que sería deseable continuar el convenio para las entregas de emergencia, entendido que después del 14 de agosto de 1978, tales entregas podrán suspenderse temporalmente, a solicitud de México, por uno o más períodos.

La Comisión consideró que con dichas suspensiones temporales de las entregas de emergencia, después del 14 de agosto de 1978, no sería práctico continuar la transferencia de México a los Estados Unidos de la energía eléctrica requerida para bombear las aguas del Río Colorado de las entregas de emergencia. Consecuentemente la Comisión concluyó que a partir de la fecha de la primera suspensión, sería deseable terminar con la transferencia de energía eléctrica y que, en su lugar, México pague a los Estados Unidos el cargo adicional por la energía que se requiera para el mismo propósito. Además, se requerirá un ajuste por cualquier excedente o deficiencia de la energía eléctrica transferida de México a los Estados Unidos, a partir de la fecha en que se termine la transferencia de energía.

La Comisión consideró enseguida la información proporcionada por el Comisionado de los Estados Unidos, de que las dependencias de su país que son propietarias y operan las instalaciones hidráulicas que se utilizan para hacer las entregas de emergencia a México de aguas del Río Colorado en un punto de la línea divisoria internacional cercano a la ciudad de Tijuana, están dispuestas y en posibilidad de continuar esas entregas de emergencia solicitadas por México, hasta el 14 de agosto de 1979, en la forma y de acuerdo con las condiciones establecidas en el Acta Núm. 256, con la disposición de que México haga con 10 días de anticipación sus solicitudes de cada suspensión y de cada reanudación de tales entregas.

Basada en las consideraciones anteriores, la Comisión adoptó la siguiente Resolución:

1.- Que la vigencia del Acta Núm. 256, del 22 de febrero de 1977 con lo establecido en los puntos 3 y 4 de la presente Resolución, se prorrogue hasta el 14 de agosto de 1979.

2.- Que México prosiga activamente la construcción de su acueducto para abastecer de agua potable la ciudad de Tijuana, con el propósito de ponerlo en operación a la brevedad posible.

3.- Que durante el año de prórroga de la vigencia del Acta Núm. 256, las entregas de emergencia de aguas del Río Colorado que hagan los Estados Unidos a México en la línea divisoria internacional cerca de la ciudad de Tijuana puedan ser suspendidas temporalmente, a solicitud de México, mediante avisos dados a los Estados Unidos con 10 días de anticipación para cada suspensión y para cada reanudación de tales entregas.

4.- Que a partir de la fecha de la primera suspensión de las entregas de emergencia, dentro del año de prórroga de la vigencia del Acta Núm. 256, México termine su transferencia a los Estados Unidos de la energía eléctrica requerida para bombear tales aguas del Río Colorado, y en lugar de ésto pague a los Estados Unidos el cargo adicional por la energía que se requiera para el mismo propósito; y que tan pronto como sea práctico la Comisión haga un ajuste apropiado de los excedentes o deficiencias de la energía eléctrica transferida por México a partir de la fecha en que se termine la transferencia de energía eléctrica de México a los Estados Unidos, como se establece en el Acta Núm. 245.

5.- Que la presente Acta requiere la aprobación específica de los dos Gobiernos.

Se levantó la sesión.

Ingeniero Principal de la Sección de México, por el Comisionado de México

Comisionado de los Estados Unidos

Secretario de la Sección de México

Secretario de la Sección de los Estados Unidos

HONG KONG

Trade in Textiles

Agreements amending the agreement of August 8, 1977.
Effected by exchange of letters
Signed at Washington September 20 and 25, 1978;
Entered into force September 25, 1978.
And exchange of letters
Signed at Hong Kong November 13 and 24, 1978;
Entered into force November 24, 1978.
And exchange of letters
Signed at Hong Kong February 2 and 13, 1979;
Entered into force February 13, 1979;
Effective January 1, 1979.

The Chief of the Textiles Division, Department of State, to the British Counselor, Hong Kong Commercial Affairs

SEPTEMBER 20, 1978

Mr. RICHARD B. CROWSON
Counselor (Hong Kong Commercial Affairs)
British Embassy
3100 Massachusetts Ave. N W
Washington, D.C. 20008

DEAR MR. CROWSON:

I refer to my letter of June 14, 1978,[1] requesting consultations under paragraph 9 of the Agreement between the Government of the United States of America and the Government of Hong Kong Relating to Trade in Cotton, Wool and Man-made Fiber Textiles, with Annexes, of August 8, 1977,[2] concerning an appropriate level of restraint for the current Agreement Year for Category 448, and to consultations held in Hong Kong July 17 to 21, 1978, during which representatives of the Government of the United States of America requested similar consultations with respect to Categories 435, 438 and 442.

[1] Not printed.
[2] TIAS 8936, 29 UST 2184.

My Government understands that during the consultations of July 17 to 21, 1978, it was agreed that the Government of Hong Kong will limit exports during the current Agreement Year in Category 435 to 565,000 numbers and in Category 442 to 557,500 numbers. The consultations did not result in agreement on an appropriate level of restraint for exports in Categories 438; pursuant to sub-paragraph 9 (E) of the Agreement of August 8, 1977, my Government requests that the Government of Hong Kong limit exports of products in Category 438 during the current Agreement Year to 690,551 7/12 dozens.

As agreed during the consultations, my Government withdraws the request for consultations with respect to Category 448, without prejudice to possible future requests for consultations.

I would appreciate your confirmation that the Government of Hong Kong agrees with the above.

Sincerely,

JOHN J. ST. JOHN

John J. St. John
Chief
Textiles Division

The British Counselor, Hong Kong Commercial Affairs, to the Chief of the Textiles Division, Department of State

BRITISH EMBASSY
3100 MASSACHUSETTS AVENUE, N.W
WASHINGTON, D.C. 20008
TELEPHONE: (202) 462-1340

BY HAND

25 SEPTEMBER, 1978.

Mr. JOHN ST. JOHN,
Chief, Textiles Division,
Room 3333,
U.S. Department of State,
Washington, D.C.

DEAR JACK.

I acknowledge receipt of your letter of 20 September, 1978, which reads as follows:—

"I refer to my letter of June 14, 1978, requesting consultations under paragraph 9 of the Agreement between the Government of

the United States of America and the Government of Hong Kong Relating to Trade in Cotton, Wool and Man-made Fiber Textiles, with Annexes, of August 8, 1977, concerning an appropriate level of restraint for the current Agreement Year for Category 448, and to consultations held in Hong Kong July 17 to 21, 1978, during which the representatives of the Government of the United States of America requested similar consultations with respect to Categories 435, 438 and 442.

"My Government understands that during the consultations of July 17 to 21, 1978, it was agreed that the Government of Hong Kong will limit exports during the current Agreement Year in Category 442 to 557,500 numbers. The consultations did not result in agreement on an appropriate level of restraint for exports in Categories 438, pursuant to sub-paragraph 9 (E) of the Agreement of August 8, 1977, my Government requests that the Government of Hong Kong limit exports of products in Category 438 during the current Agreement Year to 690,551 7/12 dozens.

"As agreed during the consultations, my Government withdraws the request for consultations with respect to Category 448, without prejudice to possible future requests for consultations.

"I would appreciate your confirmation that the Government of Hong Kong agrees with the above."

I confirm that the Government of Hong Kong agrees with these understandings.

Yours sincerely,

DICK CROWSON

R.B. Crowson,
Counsellor, Hong Kong Affairs.

The American Consul General to the Hong Kong Director, Trade Industry and Customs Department

CONSULATE GENERAL OF THE
UNITED STATES OF AMERICA
HONG KONG

NOVEMBER 13, 1978

The Honorable D H. JORDAN, C.M.G., M.B.E., J P
Director of Trade, Industry and Customs
Trade Industry and Customs Department
Ocean Centre, Room 1501, 15/F
Canton Road
Kowloon

DEAR MR. JORDÁN·

I have the honor to refer to the Agreement between the Government of the United States of America and the Government of Hong Kong relating to trade in cotton, wool, and man-made fiber textiles, with annexes, of August 8, 1977, (hereinafter called the Agreement). That the Agreement be amended as follows:

1. Paragraph 6 of the Agreement is amended by the deletion, from the first proviso, of the phrase "cotton shirts and blouses, knit (merged cat. 338/339)" and the insertion in its place of the following: "cotton tank tops (merged cat. 338/339—tank tops), cotton shirts and blouses other than tank tops, knit (merged cat. 338/339—other)".

2. Paragraph 11 of the Agreement is amended by inserting the following subparagraph and redesignating subparagarph 11(C) as 11(D). "(C) merged category 338/339 is divided into two categories, respectively "cotton tank tops (338/339—tank tops)" and "cotton shirts and blouses other than tank tops, knit (338/339—other)."

3. Annex A to the Agreement is amended by (A) deleting the designation "knit shirts and blouses (338/339)" and substituting in its place the designation "cotton shirts and blouses other than tank tops, knit (338/339—other)" and, (B) inserting above the designation, units and specified limits for "cotton shirts and blouses other than tank tops, knit (338/339—other)" the following new designation, unit and specified limits:

Tank Tops (338/339—Tank Tops) Doz.

1st Year Units	2nd Year Units	3rd Year Units
1,699,999	1,750,999	1,803,529
4th Year Units	5th Year Units	
1,857,635	1,913,364	

60-963 O - 80 - 32 QL 3

4. Annex A to the Agreement is further amended by inserting at the appropriate places the following designations, units and specified limits for categories 443 and 640:

"Suits, M and B (443) Nos.

1st Year Units	2nd Year Units	3rd Year Units
99,000 nos.	99,990	100,990
4th Year Units	5th Year Units	
102,000	103,020	

Shirts, Not Knit (640) Doz.

1st Year Units	2nd Year Units	3rd Year Units
690,000	721,050	753,497
4th Year Units	5th Year Units	
787,405	822,838"	

5. Accept, Sir, the renewal of my highest consideration.

Yours sincerely,

THOMAS P SHOESMITH

Thomas P Shoesmith
Consul General

The Hong Kong Director, Trade Industry and Customs Department, to the American Consul General

Ref. CR/EIC 110/5/3/111 24 November 1978

Dear Mr. Shoesmith,

I refer to your letter to Mr. D.H. Jordan of 13 November 1978 proposing certain amendments to the Textile Agreement of 8 August 1977 between the Government of Hong Kong and the Government of the United States. I confirm that the proposed amendments are acceptable to the Hong Kong Government.

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

Yours sincerely,

(W. Dorward)
Acting Director of Trade
Industry and Customs

Mr. Thomas P. Shoesmith,
Consul-General,
Consulate General of the
United States of America,
26 Garden Road,
Hong Kong.

The American Consul General to the Hong Kong Director, Trade Industry and Customs Department

CONSULATE GENERAL OF THE
UNITED STATES OF AMERICA
HONG KONG

February 2, 1979

The Honorable D. H. Jordan, C.M.G., M.B.E., J.P.
Director of Trade, Industry and Customs
Trade Industry and Customs Department
Ocean Centre, Room 1501, 15/F
Canton Road
Kowloon

Dear Mr. Jordan:

I have the honor to refer to the Agreement concerning trade in cotton, wool and man-made fiber textiles and textile products between the Government of Hong Kong and the Government of the United States of America, dated August 8, 1977, with annexes, as amended (the Agreement). I have further the honor to refer to discussions between representatives of the Government of Hong Kong and the Government of the United States of America in Washington from 28-29 November 1978, concerning the establishment of Specified Limits for merged Category 645/646 for the agreement years 1979 through 1982. Because of the special, difficult and different problems encountered by Hong Kong and the United States of America with respect to products in this merged Category, it was not possible to agree on Specified Limits for this merged Category for 1979 through 1982.

Recalling that a Specified Limit for merged Category 645/646 was established for 1978 alone and that it was not possible to reach agreement on Specified Limits thereafter, it was agreed that trade in merged Category 645/646 will be subject to the provisions of paragraph 9 of the Agreement for the final four agreement years. In this regard the Government of the United States of America undertakes that it will not invoke the provisions of paragraph 9 of the Agreement at least until the level of Export Authorizations issued by Hong Kong reaches the following amounts:

Year	EA's Issued (Dozens)
1979	1,200,000
1980	1,201,000
1981	1,202,000
1982	1,203,000

It is my understanding that the Government of Hong Kong will not issue Export Authorizations for merged Category 645/646 in excess of these amounts without prior consultations with and agreement by the Government of the United States of America.

If the foregoing arrangement is acceptable to the Government of Hong Kong this letter and your letter of acceptance on behalf of the Government of Hong Kong shall constitute an amendment to the Agreement, effective as of January 1, 1979.

Accept, Sir, the renewal of my highest consideration.

Yours sincerely,

Thomas P. Shoesmith
Consul General

The Hong Kong Acting Director, Trade Industry and Customs Department, to the American Consul General

To: Coml 2/15/79

FROM THE DIRECTOR
TRADE INDUSTRY AND CUSTOMS DEPARTMENT
HONG KONG

Ref. CR/EIC 110/5/3/111

13 February 1979

Dear Mr. Shoesmith,

I refer to your letter of 2 February 1979 regarding an amendment to the Agreement concerning trade in cotton, wool and man-made fibre textiles and textile products between the Government of the United States of America and the Government of Hong Kong, of August 8, 1977, as amended. I wish to confirm that the arrangement is acceptable to my Government and that your understanding is correct. This letter and your letter constitute an amendment to the Agreement.

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

Yours sincerely,

David Jordan

(D.H. Jordan)

Mr. Thomas P. Shoesmith,
Consul-General,
Consulate General of the
United States of America,
26 Garden Road,
Hong Kong.

TIAS 9291

ZAIRE

Acquisition of Excess Property

Agreement signed at Washington and Kinshasa
July 10 and August 9, 1978;
Entered into force August 9, 1978.

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

ASSISTANT
ADMINISTRATOR

July 10, 1978

Mr. Honore Paelinck
General Manager, ONATRA
Kinshasa, Republic of Zaire

Dear Mr. Paelinck:

The Zairian National Transportation Office (ONATRA) has requested the Agency for International Development (A.I.D.) to furnish to it for use in ONATRA-sponsored programs certain United States Government-owned domestic and foreign excess property. I am pleased to inform you that the request of ONATRA, hereinafter called the "recipient," to receive United States Government-owned excess property has been approved.

In accordance with Section 607(a) of the Foreign Assistance Act of 1961, as amended,[1] A.I.D. has authorized the recipient to acquire Section 608 domestic and foreign excess property, to the extent available, in the kinds and amount described in the enclosure to this letter. This letter, when accepted and agreed to by the recipient, authorizes the recipient to initiate the procedures referred to herein for acquiring such property and sets forth terms and conditions governing the transfer and use of such property. The A.I.D. authorization and the terms and conditions of this letter will be effective until September 30, 1980, unless sooner modified or terminated by A.I.D.

The total amount of property which can be transferred in accordance with this letter, measured in terms of original acquisition cost, is $3,500,000.

The following procedures, terms, and conditions will govern the acquisition, transfer, and use of all property described in the enclosure to this letter delivered to the recipient:

Section 607(b) Determinations

All transfers hereunder are conditional upon the prior accomplishment of the determinations required by Section 607(b) of the Foreign Assistance Act of 1961, as amended.

Charges

1. Section 608 Domestic and Foreign Excess Property

a. General

All transfers hereunder of Section 608 excess will be effected

[1] 75 Stat. 441, 22 U.S.C. § 2357.

by A.I.D. without charge as to the value of the property. Charges are made for Section 608 excess covering the applicable A.I.D. service charge and A.I.D. outshipment charge.

b. A.I.D. Service Charges

(1) Reconditioned property shipped from the A.I.D. storage facility—the sum of (a) actual cost of inland transportation from the holding activity to the A.I.D. storage facility, (b) actual cost of reconditioning, and (c) 15% of the original acquisition cost.

(2) Unreconditioned property shipped from the A.I.D. storage facility—the sum of (a) actual cost of inland transportation from the holding activity to the A.I.D. storage facility and (b) 3% of the original acquisition cost.

(3) Unreconditioned property shipped from the holding activity—3% of the original acquisition cost.

c. A.I.D. Outshipment Charges

(1) Ocean shipment via the Defense Transportation System—14% of the original acquisition cost to cover all outshipment charges through ocean transportation.

(2) Ocean shipment via the recipient's own freight forwarder—6% of the original acquisition cost to cover outshipment charges to that freight forwarder at the port of outloading.

d. No transfers of Section 608 excess will be effected under this agreement prior to receipt by A.I.D. of the required deposit by the recipient to the U.S. Dollar Trust Fund Account 72X8502. After final disbursements have been made, funds remaining in the trust fund account will be returned to the recipient.

Acquisition

Upon concurrence by the recipient in this agreement, requests for availability of Section 608 excess will be transmitted to A.I.D. Excess Property Division, Building 54, New Cumberland Army Depot, New Cumberland, Pennsylvania 17070. The request will be marked "Recipient-Financed" and will include (a) stock number and/or description of the item, (b) quantity, (c) unit of issue, (d) condition (reconditioned or unreconditioned), (e) required delivery date, and (f) planned application or end-use.

Title

1. Title to Section 608 excess property approved for transfer will pass from the United States to the recipient upon delivery of the property

to the recipient's designated freight forwarder or, if shipment is via the Defense Transportation System, when the property is delivered to the port of discharge.

2. After title to excess property has passed to the recipient, the recipient will assume all responsibilities incident to ownership of such property, including, but not limited to, all risks of loss of or damage to the property and of all damage caused by or charges incurred on the property.

Ocean Transportation

1. The provisions of Subpart B, Section 201.15 (U.S.-flag vessel shipping requirement) of A.I.D. Regulation 1 (22 CFR Part 201) are applicable to all property transferred hereunder. Property transferred hereunder is deemed to be "commodities financed with A.I.D. dollar funds" within the meaning of that section.

2. The recipient agrees to furnish to the A.I.D. Mission one copy of the onboard bill of lading covering each shipment not later than 30 days after the date of the shipment.

Use of Property

The recipient agrees that the property transferred to it will be used promptly and effectively only in the public sector in Zaire in the transportation of ONATRA personnel and the manufacture of oxygen for ONATRA's welding needs. This property will not be used either during or after the period of accountability as support of public safety activities or by the military sector.

No Warranty on Property

The property transferred hereunder is excess to the United States Government and is transferred "as is" with all faults. A.I.D. is not responsible for and makes no warranty regarding the fitness, condition, or safety of operation of the property transferred.

Control and Disposition of Property

1. The recipient agrees that (a) the reconditioning of items of mechanical equipment which require reconditioning before use will commence within 6 months after the date of their arrival at the recipient's port of entry (or point of entry in the case of an overland delivery) and (b) such items will be placed in use within 12 months after the date of commencement of their reconditioning.

2. The A.I.D. Mission will determine and establish a period of accountability for each item of excess property as follows--a period of (a) not less than 1 year after the date of arrival at the recipient's port of

entry (or point of entry in the case of an overland delivery) of property that does not require reconditioning or (b) not less than 1 year after the date of completion of reconditioning of property that requires reconditioning, during which the item is subject to the control of the A.I.D. Mission.

3. The following provisions are applicable to each item of excess property during its period of accountability:

a. The recipient will maintain accountability records on all items except expendable items.

b. All accounts and records pertaining to the item are subject to audit by A.I.D. representatives, including the right to inspect the item wherever it is located.

c. The recipient will not retransfer title or otherwise dispose of the item without prior approval of the A.I.D. Mission.

d. In the event that sale or other disposition of the item is approved, the recipient will conduct such sale or other disposition under terms and conditions, including purchaser eligibility, prescribed by the A.I.D. Mission. All proceeds resulting therefrom will accrue directly and in full to the recipient. In no case will sale be made to public safety or military entities.

4. After the item's period of accountability has expired, the recipient may dispose of the item, except to public safety or military entities, without seeking the approval of the A.I.D. Mission. All proceeds resulting from such disposition will accrue directly and in full to the recipient.

If you concur in the foregoing conditions, please sign the original of this letter in the space provided below and return it to me.

Sincerely yours,

[1]

Lucier T. Butcher
Assistant Administrator for Africa

Enclosure:
List of Requirements

[3]

ACCEPTED AND AGREED TO: [2]

RECIPIENT: ONATRA

BY: Controller General & Administrative Director

DATE: August 9 1978

[1] W. Haven North, Acting for.
[2] De Wilde
Controller General.
[3] J. P. Deschietere
Administrative Director.

LIST OF REQUIREMENTS

U. S. Government-owned excess property which may be furnished to the recipient shall not exceed a total original acquisition cost of $3,500,000 and shall be furnished from the following Federal Supply Groups:

Federal Supply Group	Description
23	Ground Effect Vehicles, Motor Vehicles, Trailers, and Cycles
36	Special Industry Machinery

PANAMA

Economic and Military Cooperation

Agreement effected by exchange of notes
Signed at Panama September 7, 1978;
Entered into force September 7, 1978.

The American Chargé d'Affaires ad interim to the Panamanian Minister of Foreign Relations

No. 111 PANAMA, *September 7, 1978*

EXCELLENCY:

I have the honor to refer to the Note dated September 7, 1977,[1] from the Secretary of State to the Ambassador of Panama regarding economic and military cooperation between our two Governments and to propose that our Governments enter into an agreement on the following terms:

The Government of the United States of America will consider applications from the Republic of Panama for housing investment guarantees with a view to approval of specific projects with an aggregate value of not to exceed $75 million over a five-year period. Approval of specific projects shall be subject to conformance with any applicable administrative and legislative criteria.

The Overseas Private Investment Corporation (OPIC) would guarantee borrowing of not to exceed $20 million in the United States by the Corporacion Financiera Nacional (COFINA) of Panama for use in financing productive projects in the private sector in Panama, subject to such terms and conditions as shall be agreed upon by the OPIC, COFINA and the lender, which OPIC guaranty has been approved by OPIC's Board of Directors.

The Export-Import Bank of the United States of America has delivered a letter of interest to provide loans, loan guarantees and insurance, aggregating not to exceed $200 million over a five-year period beginning July 1, 1978, and ending June 30, 1983, for the purpose of financing the U.S. export value of sales to the Republic of Panama. Such financing shall, at the discretion of the Board of Direc-

[1] Not printed.

tors of the Export-Import Bank, be in the form of loans, loan guarantees or insurance for individual products or projects approved by such Board.

The United States Government will issue repayment guarantees under its Foreign Military Sales Program in order to facilitate the extension of loans to the Government of the Republic of Panama by eligible lenders for the purpose of financing the purchases by the Government of the Republic of Panama of defense articles and defense services. The aggregate principal amount of loans guaranteed by the United States Government in accordance with this paragraph shall not exceed $50 million over a ten-year period.

The above arrangements will be subject to the limitations of applicable United States legal requirements, including United States Congressional authorization and appropriation procedures.

If these proposals are acceptable to your Government, I suggest that this Note and your reply indicating acceptance constitute an agreement between our Governments on the above terms, to enter into force on the date of your reply

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

VICTOR H. DIKEOS

Charge d'Affaires, ad interim

His Excellency
LIC. NICOLAS GONZALEZ-REVILLA
Minister of Foreign Relations,
Panama.

The Panamanian Minister of Foreign Relations to the American Chargé d'Affaires ad interim

REPUBLICA DE PANAMA
MINISTERIO DE RELACIONES EXTERIORES

PANAMA 4, PANAMA

7 de septiembre de 1978

Señor Encargado de Negocios:

Tengo el honor de referirme a la nota de Su Señoría con fecha de hoy, relativa al programa de cooperación económica y militar entre nuestros dos Gobiernos, que dice lo siguiente:

"Excelencia:

Tengo el honor de referirme a la nota fechada el 7 de septiembre de 1977, del Secretario de Estado al Embajador de Panamá, en relación con la cooperación económica y militar entre nuestros dos Gobiernos y proponemos que nuestros Gobiernos celebren un acuerdo en los términos siguientes:

El Gobierno de los Estados Unidos de América considerará solicitudes de la República de Panamá para garantías de inversiones en viviendas con el propósito de aprobar proyectos específicos con un valor total que no exceda de $75.000.000.00 en un período de cinco años. La aprobación de los proyectos específicos estará condicionada al cumplimiento de los criterios administrativos y legislativos aplicables.

La Corporación de Inversiones Privadas de Ultramar (Overseas Private Investment Corporation (OPIC) garantizaría los

A Su Señoría
Víctor H. Dikeos
Encargado de Negocios de
Estados Unidos de América
Panamá.

tizaría los préstamos en los Estados Unidos a la Corporación Financiera Nacional (COFINA), de Panamá, que no excedan de $20.000.000.00, para uso en el financiamiento de proyectos productivos del sector privado de Panamá, sujeto a términos y condiciones que sean aprobados por OPIC, COFINA y el prestamista, garantía que ha sido aprobada por la Junta Directiva de OPIC.

El Banco para la Exportación-Importación de los Estados Unidos de América (Export-Import Bank) ha entregado una carta indicativa de su interés en suministrar préstamos, garantías de préstamos y seguros que no excedan en conjunto de $200.000.000.00, en un período de cinco años a partir del 1° de julio de 1978 y que terminará el 30 de junio de 1983, con el objeto de financiar el valor estadounidense de las ventas de exportación a la República de Panamá. Dicho financiamiento, a discreción de la Junta Directiva del Banco para la Exportación-Importación, será en la forma de préstamos, garantías de préstamos o seguros para productos específicos o proyectos aprobados por dicha Junta.

El Gobierno de los Estados Unidos de América expedirá las garantías para el pago según el programa de Ventas Militares en el Extranjero para facilitar el otorgamiento de préstamos al Gobierno de la República de Panamá por los prestamistas elegibles para el propósito de financiar las compras que haga el Gobierno de la República de Panamá de artículos para la defensa y los servicios de defensa. El monto

fensa. El monto del capital total de los préstamos garantizados por el Gobierno de los Estados Unidos de América de acuerdo con este párrafo no excederá de $50.000.000.00 en un período de diez años.

Los acuerdos anteriores estarán condicionados a las limitaciones de los requisitos legales aplicables de los Estados Unidos de América, incluyendo los procedimientos del Congreso de los Estados Unidos de América para la autorización y disponibilidad de fondos.

Si las propuestas anteriores fueren aceptables a su Gobierno, sugiero que esta nota y su respuesta expresando su aceptación, constituyan un acuerdo entre nuestros Gobiernos en dichos términos, el cual entrará en vigor en la fecha de su respuesta.

Acepte, Excelencia, las seguridades renovadas de mi más alta consideración".

Tengo el honor de aceptar, en nombre de mi Gobierno, las propuestas que anteceden y de convenir en que la nota de Su Señoría y ésta constituyen un acuerdo entre nuestros dos Gobiernos, el cual entra en vigor en esta fecha.

Aprovecho la ocasión para reiterarle los sentimientos de mi distinguida consideración.

NICOLAS GONZALEZ REVILLA
Ministro de Relaciones Exteriores

TIAS 9293

60-963 O - 80 - 33 QL 3

TRANSLATION

Republic of Panama
Ministry of Foreign Relations

September 7, 1978

Sir:

I have the honor to refer to your note of this date regarding the economic and military cooperation program between our two Governments, which reads as follows:

[For the English language text, see pp. 1825-1826.]

On behalf of my Government I have the honor to accept the foregoing proposals and to agree that your note and this note constitute an agreement between our two Governments which enters into force on this date.

I avail myself of the opportunity to renew to you the assurances of my distinguished consideration.

Nicolas G Revilla

Nicolas Gonzalez Revilla
Minister of Foreign Relations

Mr. Victor H. Dikeos,
Chargé d'Affaires of the
United States of America,
Panama.

INDONESIA

Rural Electrification

Agreement signed at Jakarta March 30, 1978;
Entered into force March 30, 1978.

Project Number 497-0267

PROJECT

GRANT AGREEMENT

BETWEEN

THE REPUBLIC OF INDONESIA

and the

UNITED STATES OF AMERICA

for

RURAL ELECTRIFICATION

Dated: March 30, 1978

RURAL ELECTRIFICATION PROJECT
Project Grant Agreement

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Amplified Description of Rural Electrification Project — Annex 1
Project Grant Standard Provisions Annex — Annex 2 [1]

[1] Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

Project Grant Agreement

Dated: March 30, 1978

Between Government of Indonesia

And

The United States of America, acting through the Agency for International Development ("A.I.D.")

Article 1. The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Grantee of the Project described below, and with respect to the financing of the Project by the Parties.

Article 2: The Project

SECTION 2.1. Definition of Project. The Project, which is further described in Annex 1, will consist of:

(a) An architectural and engineering (A&E) consulting team that will assist the GOI in designing a rural electrification system for Central Java and several outer island locations, determine specifications for and procure necessary equipment and materials; and supervise construction and installation.

(b) An Operations, Maintenance and Training (OMT) advisory team from the National Rural Electric Cooperative

Association (U.S.) to assist the GOI in Rural Electrification system organization, planning, operations personnel training and a productive usage program in the Rural Electric System Service Areas.

Annex 1, attached which forms a part of this agreement, amplifies the above definition of the Project. Within the limits of the above definition of the Project, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the Parties named in Section 8.3, without formal amendment of this Agreement.

SECTION 2.2. Incremental Nature of Project

(a) A.I.D.'s contribution to the Project will be provided in increments, the initial one being made available in accordance with Section 3.1. of this Agreement. Subsequent increments will be subject to availability of funds to A.I.D. for this purpose, and to the mutual agreement of the Parties, at the time of a subsequent increment, to proceed.

(b) Within the overall Project Assistance Completion Date stated in this Agreement, A.I.D., based upon consultation with the Grantee, may specify in Project Implementation Letters appropriate time periods for the utilization of funds granted by A.I.D. under an individual increment of assistance.

Article 3. Financing

SECTION 3.1. The Grant. To assist the Grantee to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to grant the Grantee under the terms of this Agreement not to exceed three million United States ("U.S ") Dollars ($3,000,000) ("Grant"). This Agreement may be amended subject to the availability of funds to provide additional grant financing of three million United States Dollars ($3,000,000) in support of the financial plan set forth in Annex 1.

The Grant may be used to finance foreign exchange costs, as defined in Section 6.1, and local currency costs, as defined in Section 6.2, of goods and services required for the Project.

SECTION 3.2. Grantee Resources for the Project

(a) The Grantee agrees to provide or cause to be provided for the Project all funds, in addition to the Grant, and all other resources required to carry out the Project effectively and in a timely manner. The Government of Indonesia agrees that its contribution will be provided on a timely basis.

(b) The resources provided by Grantee for the Project will be not less than the equivalent of one million nine hundred thousand United States Dollars ($1,900,000), including costs

[1] 75 Stat. 424, 22 U.S.C. § 2151 note.

borne on an "inkind" basis.

SECTION 3.3. Project Assistance Completion Date

(a) The "Project Assistance Completion Date" (PACD), which is March 30, 1983 or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Grant will have been performed and all goods financed under the Grant will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Grant for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters are to be received by A.I.D. or any bank described in Section 7.1. no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Grantee, may at any time or times reduce the amount of the Grant by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4. Conditions Precedent to Disbursement

SECTION 4.1. First Disbursement. Prior to the first disbursement under the Grant, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D. evidence that an appropriate monitoring mechanism has been established to monitor the Rural Electric Cooperatives.

SECTION 4.2. Nofification. When A.I.D. has determined that the condition precedent specified in Section 4.1 has been met, it will promptly notify the Grantee.

SECTION 4.3. Terminal Dates for Conditions Precedent.

(a) If the condition specified in Section 4.1 has not been met within 90 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to Grantee.

Article 5: Special Covenants

SECTION 5.1. Project Evaluation. The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project at one or more points thereafter:

(a) evaluation of progress toward attainment of the objectives of the Project;

(b) identification and evaluation of problem areas of constraints which may inhibit such attaintment;

(c) assessment of how such information may be used to help overcome such problems; and

(d) evaluation, to the degree feasible, of the overall development impact of the Project.

Article 6: Procurement Source

SECTION 6.1. Foreign Exchange Costs. Disbursements pursuant to Section 7.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in the United States except as A.I.D. may otherwise agree in writing, and except as provided in the Project Grant Standard Provisions Annex, Section C.1(b) with respect to marine insurance.

SECTION 6.2. Local Currency Costs. Disbursements pursuant to Section 7.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in Indonesia.

Article 7 Disbursement

SECTION 7.1. Disbursement for Foreign Exchange Costs

(a) After satisfaction of the condition precedent, the

Grantee may obtain disbursements of funds under the Grant for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

(1) by submitting to A.I.D , with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or, (B) requests for A.I.D. to procure commodities or services in Grantee's behalf for the Project; or,

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Grantee in connection with Letters of Commitment and Letters of Credit will be financed under the Grant unless Grantee instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Grant.

SECTION 7.2. Disbursement for Local Currency Costs

(a) After satisfaction of the condition precedent, the Grantee may obtain disbursements of funds under the Grant for

Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.

(b) These disbursements may be made by A.I.D. at A.I.D.'s option

(1) in U.S. dollars equivalent to the local currency cost, or

(2) in local currency acquired by A.I.D. by purchase or from local currency already owned by the U.S. Government.

SECTION 7.3. Other Forms of Disbursement. Disbursements of the Grant may also be made through such other means as the Parties may agree to in writing.

SECTION 7.4. Rate of Exchange. If funds provided under the Grant are introduced into Indonesia by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D. hereunder, the Grantee will make such arrangements as may be necessary so that such funds may be converted into currency of Indonesia at the highest rate of exchange which, at the time the conversion is made, is not unlawful in Indonesia.

Article 8. Miscellaneous

SECTION 8.1. Communications. Any notice, request, document, or other communication submitted by either Party

to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following addresses:

Mr. Ely Soengkono
Secretary General
Ministry of Public Works and Electric Power
Jl. Pattimura No. 20
Kebayoran Baru, Jakarta Indonesia

Mr. Chairul Basri
Secretary General
Ministry of Manpower, Transmigration and Cooperatives
Jl. H. Agus Salim No. 58
Jakarta, Indonesia

Mr. Thomas C. Niblock
Director
U.S Agency for International Development
American Embassy
Jl. Medan Merdeka Selatan No. 5
Jakarta, Indonesia

SECTION 8.2. Representatives. For all purposes relevant to this Agreement, the Grantee will be represented by the individuals holding or acting in the office of President Director of the Perusahaan Umum Listrik Negara (PLN) and the Director General of Cooperatives and A.I.D. will be represented by the individual holding or acting in the office of Mission Director USAID Mission to Indonesia, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Grantee, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instruments signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

SECTION 8.3. Standard Provisions Annex. A "Project Grant Standard Provisions Annex" (Annex 2)[1] is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Grantee and the United States of America, each acting through its duly authorized representative(s),

[1] See footnote 1, p. 1833.

have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

THE REPUBLIC OF INDONESIA

Ministry of Public Works and Electric Power

By: _____
Ely Soengkono
Secretary General

Ministry of Manpower, Transmigration and Cooperatives

By: _____
Chairul Basri
Secretary General

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

By _____
Thomas C. Niblock
Director

Annex 1

Amplified Description of Rural Electrification Project

1. Purpose: To design, install and begin operations of approximately ten rural electrification systems, seven to be in Central Java under PLN and three to be in the Outer Island Provinces of Lampung, Luwu and East Lombok owned by Rural Electric Cooperatives.

2. Targets. The Project will assist development of the organizations and institutions necessary for a nationwide rural electrification program. It is intended to demonstrate that reliable electric power can be provided to the rural areas of Indonesia at a price which the majority of people can afford. Recipients of the electricity from the systems in this Project are expected to be over half of the families in the areas serviced. The ultimate target of this Project is an improved standard of living and increased productivity of the rural population in the ten service areas and later of the entire nation.

3. Project Management: The PLN systems will be managed by Proyek Induk Jaringan Jawa Tengah. The Cooperative system will be managed by the Project Development Office (PDO) to be formed within the Directorate General of Cooperatives and by the Cooperative staffs and supervised by the Supervisory Group to

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be formed with the representatives of the involved GOI agencies. Technical assistance in management, cooperative organization and training will be provided by the Organization Management and Technical (OMT) team to be financed under the AID grant and assistance in engineering procurement and construction supervision will be provided by the Architectural and Engineering (A&E) team also financed under the AID grant.

4. Project Duration: March 30, 1978 to March 30, 1983

5. Financing: The A.I.D. loan of $30 million will finance the foreign exchange costs and part of the local costs of the distribution systems and house wiring. The A.I.D. grant of $6 million, of which $3 million will be funded in FY 78 and the remainder in subsequent years will finance the technical assistance services of the OMT and A&E teams in addition to part of the costs of training and evaluation of the Project. The costs of a productive uses program will also be covered under the A.I.D. Grant. The foreign exchange costs of generators for the three cooperative projects will be paid from loans and grants from other donors However, it is understood and agreed by the Parties that in event the costs of generators for the three cooperative projects should not be provided from other donors on a timely basis for Project Implementation: (1) the Government of Indonesia will not be obligated under Section 3.2(a) or any other provision of the Loan Agreement to

provide funds or other resources for the costs of said generators, and (2) the project shall be modified in order to fit the financing of the generators within available funds in the Loan Agreement. In the event a re-scoping of the project should become necessary, each cooperative or PLN system financed as a part of the revised project would be a viable unit. The local costs of all the above will be paid partly from G.O.I. budget funds to PLN and DGC and partly from local currency loans to the cooperatives through the Indonesian banking system. The estimated financial plan is attached. The plan is approximate and revisions of up to 25 percent in any line item can be made without formal revision.

6. Implementation: Implementation will be through the two G.O.I. agencies PLN and DGC as described above. A Grant Agreement will be executed between PLN and DGC on the G.O.I. side and A.I.D. on the U.S. side. Contracting for the OMT and A&E will be direct with A.I.D. Procurement under the A.I.D. Loan will be by letter of credit or direct reimbursement.

FINANCIAL PLAN
GRANT FUNDS
($1000)

	Funding This Agreement		Funding Future * Amendment		Total Planned
	PLN	DGC	PLN	DGC	
A. A&E Team	750	900	650	950	3,250
B. OMT Team	300	700	300	800	2,100
C. Productive Uses Advisors	150	100	150	100	500
D. Training	40	40	10	10	100
E. Evaluation	10	10	15	15	50
Totals	1,250	1,750	1,125	1,875	6,000

Note: Prorated funds between PLN and DGC are estimates based on expected advisor manpower allotments between the two agencies.

FINANCIAL PLAN
GOI BUDGET SUPPORT FUNDS
(US DOLLAR EQUIVALENT)

	PIN BUDGET	DGC BUDGET	TOTAL
A. Support for A&E Team	$ 265,000	$ 121,000	$ 386,000
Indonesian Subcontractor Costs	-	861,000	861,000
B. Support for CMT Team	68,000	101,000	169,000
C. Support for Productive Uses Advisors	52,000	32,000	84,000
D. Training	150,000	150,000	300,000
E. Evaluation	50,000	50,000	100,000
Totals	$ 585,000	$ 1,315,000	$ 1,900,000

JAPAN

Finance: Payments for Uranium Enrichment Services

Agreement effected by exchange of notes
Signed at Washington September 1, 1978;
Entered into force September 1, 1978.

The Japanese Ambassador to the Secretary of State

EMBASSY OF JAPAN
WASHINGTON

September 1, 1978

Excellency:

I have the honor to refer to the recent discussions held between the representatives of the Government of Japan and the Government of the United States of America concerning measures to further economic relations between the two countries and to propose on behalf of the Government of Japan the following arrangements:

1. The Department of the Treasury of the United States of America (hereinafter referred to as "Treasury") and the Department of Energy of the United States of America (hereinafter referred to as "DOE") will endeavor to enter into agreements with certain Japanese utility companies (hereinafter referred to as "the Agreements"), pursuant to which Treasury will accept payments from those Japanese utility companies for uranium enrichment services by DOE under currently existing contracts between those Japanese utility companies and DOE.

2. Treasury will place the payments referred to in paragraph 1 above in deposit fund accounts to be maintained by it on terms and conditions to be established in the Agreements.

The Honorable
Cyrus R. Vance
The Secretary of State

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3. It is understood that the purpose of the placement of payments in deposit fund accounts referred to in paragraph 2 above is to further economic relations between the two countries and is not to benefit the Japanese utility companies referred to in paragraph 1 above.

4. The Government of Japan will extend its good offices to the Government of the United States of America in connection with the negotiation of the Agreements.

I have further the honor to propose that this Note and Your Excellency's Note in reply confirming on behalf of the Government of the United States of America the foregoing arrangements shall be regarded as constituting an agreement between the two Governments, which will enter into force on the date of Your Excellency's reply.

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

Fumihiko Togo
Ambassador Extraordinary and
Plenipotentiary of Japan

[1] Fumihiko Togo.

The Secretary of State to the Japanese Ambassador

DEPARTMENT OF STATE
WASHINGTON

September 1, 1978

Excellency:

I have the honor to acknowledge the receipt of Your Excellency's note of today's date which reads as follows:

"I have the honor to refer to the recent discussions held between the representatives of the Government of Japan and the Government of the United States of America concerning measures to further economic relations between the two countries and to propose on behalf of the Government of Japan the following arrangements:

"1. The Department of the Treasury of the United States of America (hereinafter referred to as "Treasury") and the Department of Energy of the United States of America (hereinafter referred to as "DOE") will endeavor to enter into agreements with certain Japanese utility companies (hereinafter referred to as "the Agreements"), pursuant to which Treasury will accept payments from those Japanese utility companies for uranium enrichment services by DOE under currently existing contracts between those Japanese utility companies and DOE.

His Excellency
Fumihiko Togo,
Ambassador of Japan.

"2. Treasury will place the payments referred to in paragraph 1 above in deposit fund accounts to be maintained by it on terms and conditions to be established in the Agreements.

"3. It is understood that the purpose of the placement of payments in deposit fund accounts referred to in paragraph 2 above is to further economic relations between the two countries and is not to benefit the Japanese utility companies referred to in paragraph 1 above.

"4. The Government of Japan will extend its good offices to the Government of the United States of America in connection with the negotiation of the Agreements.

"I have further the honor to propose that this Note and Your Excellency's Note in reply confirming on behalf of the Government of the United States of America the foregoing arrangements shall be regarded as constituting an agreement between the two Governments, which will enter into force on the date of Your Excellency's reply.

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

I have further the honor to confirm on behalf of the Government of the United States of America the foregoing arrangements and to agree that Your Excellency's note and this note shall be regarded as constituting an agreement between the two Governments, which will enter into force on the date of this reply.

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

For the Secretary of State:

David D. Newsom

MALI

Cereal Production Improvement

Agreement signed at Bamako March 30, 1978;
Entered into force March 30, 1978.

AID Project No 688-0206

PROJECT GRANT AGREEMENT
BETWEEN
THE GOVERNMENT OF THE REPUBLIC OF MALI
AND
THE UNITED STATES OF AMERICA
FOR
ACTION RIZ-SORGHO

Dated. MAR 30, 1978

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ANNEX 1.: PROJECT DESCRIPTION AND PROJECT

ANNEX 2: STANDARD PROVISIONS ANNEX[1]

[1] Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

A.I.D. Project No. 688-0206

PROJECT GRANT AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF MALI (GRANTEE) AND THE UNITED STATES OF AMERICA, ACTING THROUGH THE AGENCY FOR INTERNATIONAL DEVELOPMENT ("A.I.D.").

ARTICLE 1. The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Grantee of the Project described herein, and with respect to the financing of the Project by the Parties. The U.S. contribution will be by Grant.

ARTICLE 2: The Project

SECTION 2.1. Definition of the Project

The Project, which is further described in Annex 1, consists of the provision of the technical assistance, training, goods and services required to increase cereal production in the Gao area of the Seventh Region of Mali and to introduce the farmers in the area to the concept of technological development.

Annex 1, attached, amplifies the definition of the project contained in this Section 2.1. Within the limits of the definition of the Project in this section 2.1., elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the Parties named in Section 7.2., without formal amendment of this Agreement.

SECTION 2.2. Incremental Nature of Project

(a) A.I.D 's contribution to the project will be provided in increments. A.I.D 's contribution to the project with the increment of $1,000,000 (ONE MILLION) granted herein total $2,005,000 (TWO MILLION, FIVE THOUSAND). Subsequent increments will be subject to availability of funds to A.I.D for this purpose, and to mutual agreement of the Parties, at the time of a subsequent increment, to proceed.

(b) Except as modified hereby, all terms and conditions of Project Agreements 76-2, 77-1, Revision No. 1, and related Letters of Implementation shall remain in full force and effect.

(c) Within the overall Project Assistance Completion Date stated in this Agreement, A.I.D., based upon consultation with the Grantee, may specify in Project Implementation Letters appropriate time periods for the utilization of funds granted by A.I.D. under an individual increment of assistance.

ARTICLE 3: Financing

SECTION 3.1. The Grant. To assist the Grantee to meet the costs of carrying out the Project, A.I.D. pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to grant the Grantee under the terms of this Agreement not to exceed ONE MILLION United States ("U.S.") Dollars ($1,000,000) ("Grant").

The Grant may be used to finance foreign exchange costs, as defined in Section 5.1, and local currency costs, as defined in Section 5.2., of goods and services required for the Project.

SECTION 3.2. Grantee Resources for the Project.

(a) The Grantee agrees to provide or cause to be provided for the Project all funds, in addition to the Grant, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by the Grantee over the life of the Project will not be less than the equivalent of U.S. $1,463,000 (ONE MILLION, FOUR HUNDRED AND SIXTY-THREE THOUSAND), including costs borne on an "in-kind" basis.

SECTION 3.3. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is June 30, 1981, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Grant will have been performed and all goods financed under the Grant will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree to in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Grant for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 6.1. no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Grantee, may at any time or times reduce the amount of the Grant by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period. In no event will any part of the Grant be disbursed after thirty-six (36) months following the first incountry disbursements for planning and preparation costs outside the Republic of Mali, without further justification satisfactory to A.I.D.

ARTICLE 4: Special Convenants

Special Provisions 1 through 7 found in Project Agreement 77-1; Article IV, remain in effect. Other convenants are as follows:

[1] 75 Stat. 424; 22 U.S.C. § 2151 note.

(a) To ensure the continued success of this project and to enhance the chances of Action Riz-Sorgho to attain financial viability, the Grantee agrees that the producers in the zone will not be subjected to the constraints of official commercialization during the life of the project.

(b) The managerial capability of the Action Riz-Sorgho headquarters staff will be increased. A Financial Manager and an Economist will be added to the staff along with the creation of an evaluation unit;

(c) Staffing of the Action will be increased to improve the ratio of managers per production unit;

(d) A system of dues and fees and a schedule of rates for charges to participating farmers will be instituted by the Action to assure funding for continuation of Action operations after the project ends;

(e) A credit program for participating farmers will be established; and

(f) A study and plan for the creation of rice processing facilities in in the project area will be prepared by the Grantee and the Action Riz-Sorgho.

ARTICLE 5: Procurement Source

SECTION 5.1. Foreign Exchange Costs Disbursements pursuant to Section 5.1. will be used exclusively to finance the costs of goods and services required for the project having their source and origin in the United States, except as A.I.D may otherwise agree in writing, and except as provided in the Project Grant Standard Provisions Annex, Section C.1. (b) with respect to marine insurance.

SECTION 5.2. Local Currency Costs Disbursements pursuant to Section 6.2. will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D may otherwise agree in writing, their origin in the Republic of Mali.

ARTICLE 6: Disbursement

SECTION 6.1. Disbursement for Foreign Exchange Costs.

(a) The Grantee may obtain disbursements of funds under the Grant for the foreign exchange costs of goods or services required for the project in accordance with the terms of this Agreement, by such of the following methods as may mutually be agreed upon:

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or, (B) requests for A.I.D. to procure commodities or services in Grantee's behalf for the Project; or,

(2) by requesting A.I.D to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D to reimburse such bank or banks for pay-

ments made by them to contractors or suppliers, under Letters of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Grantee in connection with Letters of Commitment and Letters of Credit will be financed under the Grant unless Grantee instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Grant.

SECTION 6.2. Disbursement for Local Currency Costs.

(a) The Grantee may obtain disbursements of funds under the Grant for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to Finance such costs.

(b) The local currency needed for such disbursements may be obtained by acquisition by A.I.D. with U.S. Dollars by purchase. The U.S. Dollar equivalent of the local currency made available hereunder will be the amount of U.S. Dollars required by A.I.D. to obtain the local currency

SECTION 6.3. Other Forms of Disbursement. Disbursements of the Grant may also be made through such other means as the Parties may agree to in writing.

SECTION 6.4. Rate of Exchange. If funds provided under the Grant are introduced into the Republic of Mali by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D. hereunder, the Grantee will make such arrangements as may be necessary so that such funds may be converted into currency of the Republic of Mali at the highest rate of exchange which, at the time the conversion is made, is not unlawful in the Republic of Mali.

ARTICLE 7· Miscellaneous

SECTION 7.1. Communications. Any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such Party at the following addresses:

TO THE GRANTEE:

Mail address:

Minister of Rural Development
Bamako, Mali

To A.I.D.:

Mail address: USAID, American Embassy,
B.P. 34,
Bamkko, Mali

TIAS 9296

60-963 O - 80 - 35 QL 3

Alternative address for cables: USAID, AMEMBASSY, BAMAKO.

All such communications may be in English or in French. If A.I.D. communicates with the Government of Mali in both English and French, the English text is the controlling language. Other addresses may be substituted for the above upon the giving of notice.

SECTION 7.2. Representatives. For all purposes relevant to this Agreement, the Grantee will be represented by the individual holding or acting in the office of Minister of Rural Development and A.I.D. will be represented by the individual holding or acting in the office of Country Development Officer, USAID/Mali, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1. to revise elements of the amplified description in Annex I. The names of the representatives of the Grantee, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority

SECTION 7.3. Controlling Language. This Agreement is prepared in both French and English. In the event of ambiguity or conflict between the two versions, the English language version will control.

SECTION 7.4. Standard Provisions Annex. A "Project Grant Standard Provisions Annex" (Annex 2) [1] is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Grantee and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

GOVERNMENT OF THE REPUBLIC OF MALI	UNITED STATES OF AMERICA
By MOUSTAPHA DEME	By RONALD D. LEVIN
Title *Directeur Coopération International*	Title *Directeur*

Project Description

I. Goal and Purpose:

The Seventh Region of Mali has an estimated population of 340,000, which includes 45,000 rural farm families. To meet the yearly minimum food requirements, approximately 65% of the region's cereal consumption needs is imported. The traditional form of rice and sorghum culture has been in practice for over 800 years. To assist the population

[1] See footnote 1, p. 1857.

in this region to produce more of its cereal consumption requirements, Action Riz-Sorgho was established under the Five-year Plan. The area served by the Action begins 95 kilometers above Gao and ends 97 kilometers below Gao in the flood plain of the Niger River.

The goal of Project Action Riz-Sorgho is to decrease the cereal deficit in the Seventh Region of Mali and to increase the nutritional standard of living of the region's population based on a stable food supply The purpose of the project is to increase cereal production in the chronically deficit Gao area and to introduce the area's farmers to the concept of technological development.

II. Interventions:

The project will consist of the four major interventions listed below which are stated in Project Agreements 76–2, dated September 30, 1976 and 77–1, dated August 30, 1977.

(i) Improving rice production in an area of 5,000 ha. in the Niger River flood plain through introduction of selected and treated rice seeds of improved varieties, better cultural practices, reparation of the existing submersible dikes with hand labor, and installation of water-control gates and fish screens;

(ii) improving rice production in an additional area of 5,000 ha. through the construction of insubmersible dikes with earth-moving machinery, installation of water-control gates and fish screens, introduction of selected and treated seeds of improved varieties, and better cultural practices, including a shift from seed broadcasting to transplanting;

(iii) improving sorghum production in an area of 3,300 ha through seed treatment;

(iv) installing a field research station for trials of new varieties, cultural practices and fertilizer doses, as well as for the introduction of improved techniques such as fertilizers, animal traction and ox-draw water-lifting wheels on a pilot basis.

The intervention mentioned above is expected to provide the following:

1. An increase in cereal production in the Seventh Region by 3,750 metric tons per year by 1980.
2. Introduction of new varieties of cereals and improved practices to 10,000 farmers by 1980.

III. Targets for Calendar Year 1978

1. Obtaining all necessary inputs for dike construction to begin in 1979.
2. Construction or renovation of an experimental research station completed.
3. 1,700 hectares of improved sorghum planted.
4. 5,000 hectares of improved rice planted.

5. Repair existing dikes for 1,670 hectares completed.
6. Training courses conducted for Action personnel.

IV. Grantee Contribution

The total GRM contribution in both cash and kind within parameters set out in Section 3.2. of the Project Grant Agreement, includes the following:

A. Personnel costs in thousands of Malian Francs for Action Riz-Sorgho annually as indicated below:

1976	*1977*	*1978*	*1979*
21,719	42,226	58,153	82,520

B. Land and buildings not otherwise provided from other resources

C. Costs of operating heavy equipment, support costs for field and headquarters staff, and other contributions in kind as agreed to in writing.

V. AID Contribution

The A.I.D. dollar contribution to the project, within parameters set out in Section 3.1. of the Project Grant Agreement, will be provided for expenditure in accordance with the Project Financial Plan to be agreed to in writing at a later date.

A.I.D. Projet No. 688-0206

ACCORD DE SUBVENTION DE PROJET ENTRE LE GOUVERNEMENT DE LA REPUBLIQUE DU MALI ET LES ETATS UNIS D'AMERIQUE POUR ACTION RIZ-SORGHO

En date du: 30 Mars 1978

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ANNEXE 1. DESCRIPTION DU PROJET

ACCORD DE SUBVENTION DE PROJET

ENTRE
LE GOUVERNEMENT DE LA RÉPUBLIQUE DU MALI (LE DONATAIRE)
ET
LES ETATS-UNIS D'AMÉRIQUE, AGISSANT PAR L'INTERMÉDIAIRE DE L'AGENCE POUR LE DÉVELOPPEMENT INTERNATIONAL (L'A.I.D.)

ARTICLE 1. L'Accord

Le but de cet Accord est d'exposer les arrangements mutuels des parties nommées ci-dessus (les "Parties") concernant l'entreprise par le Donataire, du projet décrit dans le présent document et concernant le financement du projet par les Parties.

ARTICLE 2: Le Projet

SECTION 2.1 Définition du Projet

Le Projet, qui est plus largement décrit à l'Annexe 1, consiste en l'apport d'assistance technique, d'une formation, de biens et de services nécessaires à l'augmentation de la production de céréales dans la zone de Gao, zone appartenant à la Septième Région du Mali, ainsi que pour familiariser les paysans de la région avec le concept de développement technologique. Dans les limites de la définition du Projet, les éléments de la description élargie citée à l'Annexe 1 peuvent être modifiés par accord écrit des représentants des Parties nommés dans la Section 7.2. sans amendement officiel de cet Accord.

SECTION 2.2. Echelonnement du Projet

(a) On prévoit que la contribution de l'AID au projet se fera par tranches. La contribution de l'A.I.D. au projet, avec l'augmentation de 1,000,000 (UN MILLION) dollars, accordée par le présent Accord, totalise la somme de 2,005.000 (DEUX MILLION CINQ MILLE) dollars. Les tranches suivantes dépendront des fonds dont pourra disposer l'A.I.D. à cet effet, ainsi que du consentement mutuel des Parties de poursuivre le projet au moment de la tranche suivante.

(b) Excepté s'il a été modifié spécifiquement et amendé par le présent acte, les Accords de Projet 76–2, 77–1, Révision No. 1, et toutes les lettres d'engagement s'y référant, resteront exécutoires et d'application.

(c) Dans les limites de la Date de Fin d'Assistance au Projet indiquée dans set Accord, l'A.I.D., en se basant sur des consultations qu'il aura avec le Donataire, peut spécifier dans des Lettres d'Exécution de Projet les périodes de temps appropriées pour l'utilisation des fonds accordés par l'A.I.D. dans le cadre d'une tranche de fonds d'assistance donnée.

ARTICLE 3: Financement

SECTION 3.1 La Subvention.

Pour aider le Donataire a faire face aux coûts de réalisation du projet, l'A.I.D., conformément à la Loi d'Assistance aux Pays Etrangers de 1961, telle qu'elle a été amendée, accepte d'accorder au Donataire conformément aux termes de cet Accord une somme qui n'excédera pas UN MILLION DOLLARS des Etats-Unis (1,000,000 $ U.S.).

La subvention pourra être utilisée pour des financements en devises étrangères, comme prévu à la Section 5.1., et des financements en monnaie locale, comme prévu à la Section 5.2., de biens et de services nécessaires au projet.

SECTION 3.2. Contributions du Donataire au Projet

(a) Le Donataire accepte de fournir ou de faire fournir au projet tous les fonds, en sus de la Subvention, et toutes les autres ressources nécessaires à la réalisation efficace et opportune du projet,

(b) Les ressources fournies par le Donataire pour le Projet ne seront pas inférieures à l'équivalent de 1,463,000 (UN MILLION, QUATRE CENT SOIXANTE-TROIS MILLE) U.S. dollars au cours de la durée du projet, contributions "en nature" incluses.

SECTION 3.3. Date de Fin d'Assistance au Projet

(a) La "Date de Fin d'Assistance au Projet" (PACD)—Projet Assistance Completion Date), fixée au 30 Juin 1981 ou à toute autre date dont les Parties auront pu convenir par écrit, est la date à laquelle les Parties estimeront que tous les services financés dans le cadre de la Subvention auront été accomplis et tous les biens financés dans le cadre de cette Subvention auront été fournis au projet comme prévu dans cet Accord.

(b) A moins que l'AID n'en décide autrement par écrit, l'AID n'émettra pas ou n'approuvera pas de documents autorisant des décaissements de la Subvention pour des services effectués postérieurement au PACD, ou pour des biens fournis pour le projet, comme prévu dans cet Accord, postérieurement au PACD

(c) Les demandes de décaissement, accompagnées par les pièces justificatives nécessaires prescrites dans les Lettres d'Exécution de Projet, doivent parvenir à l'AID ou à toute banque décrite à la Section 6.1. au plus tard neuf (9) mois après le PACD ou à toute autre période dont l'AID pourra convenir par écrit. Après cette période, l'AID, par avis écrit au Donataire, peut à tout moment réduire le montant de la Subvention de la totalité ou d'une partie, quelle qu'elle soit, des sommes pour lesquelles les demandes de décaissement, accompagnées des pièces justificatives nécessaires indiquées dans les Lettres d'Exécution de Projet, ne sont pas arrivées avant l'expiration de ladite période.

ARTICLE 4. Conventions Spéciales

Les clauses spéciales de 1 à 7 trouvées dans l'Accord de Projet 77-1,

Article IV restent en vigueur. Les autres conventions sont comme suit:

(a) Pour assurer le succès continu de ce projet et augmenter les chances de l'Action Riz-Sorgho d'atteindre une viabilité financière, le Donataire accepte que les producteurs de cette zone ne seront pas soumis aux contraintes de la commercialisation officielle pendant la durée du projet.

(b) Les capacités en matière de gestion du personnel du siège de l'Action Riz-Sorgho seront augmentées. Un Directeur Financier et un Economiste viendront renforcer le personnel, en même temps qu'il sera créé un service d'évaluation,

(c) Le personnel de l'Action sera renforcé afin d'améliorer le pourcentage de dirigeants par unité de production;

(d) Un système de redevances et de droits et un tableau de tarifs applicables aux paysans participants seront instaurés par l'Action pour assurer le financement du fonctionnement de l'Action après la vie du projet.

(e) Un programme de crédit pour les paysans participants sera établi; et

(f) Une étude et un plan pour la création d'installations de transformation du riz dans la zone du projet seront préparés par le Donataire et l'Action Riz-Sorgho.

ARTICLE 5: Source d'Achat

SECTION 5.1. Coûts en Devises Etrangères

Les décaissements effectués conformément à la Section 6.1. seront utilisés exclusivement pour financer les coûts de biens et de services nécessaires au projet ayant pour source et origine les Etats-Unis, à moins que l'AID n'en convienne autrement par écrit, et sauf en ce qui concerne l'assurance maritime comme stipulé dans l'Annexe des Dispositions Standards de la Subvention de Projet, à la Section C.1. (b).

SECTION 5.2. Coûts en Monnaie Locale

Les décaissements effectués conformément à la Section 6.2. seront utilisés exclusivement pour financer les coûts de marchandises et de services nécessaires au projet ayant leur source et, à moins que l'AID n'en convienne autrement par écrit, leur origine en République du Mali. Dans les limites définies dans le cadre de cet Accord, la "Monnaie Locale" peut aussi comprendre l'apport de ressources en monnaie locale nécessaire au projet.

ARTICLE 6: Décaissements.

SECTION 6.1. Décaissements pour les Coûts en Devises Etrangères

(a) Une fois que les conditions préalables auront été remplies, le Donataire peut obtenir des décaissements de fonds au titre de la Subvention pour financer les Coûts en Devises Etrangères de biens

ou de services nécessaires au Projet conformément aux termes de cet Accord, par le jeu des méthodes suivantes, comme il en aura été convenu mutuellement:

(1) En soumettant à l'AID, avec les pièces justificatives nécessaires telles que prescrites dans les Lettres d'Exécution de Projet, (A) des demandes de remboursement pour ces biens ou ces services, ou (B) des demandes d'achat à l'AID pour l'acquisition de biens ou de services pour le Projet au bénéfice du Donataire, ou,

(2) en demandant à l'AID d'émettre des Lettres d'Engagement pour des montants donnés (A) à une ou plusieurs banques des Etats-Unis, agréée par l'AID, engageant l'AID à rembourser cette banque ou ces banques pour les paiements effectués par elles à des entrepreneurs ou des fournisseurs, par des Lettres de Crédit ou par un autre moyen, pour ces biens ou ces services, ou (B) directement à un ou plusieurs entrepreneurs ou fournisseurs, engageant l'AID à payer ces entrepreneurs et fournisseurs pour ces biens ou ces services.

(b) Les frais bancaires encourus par le Donataire en relation avec les Lettres d'Engagement ou les Lettres de Crédit seront financés au titre de la Subvention à moins que le Donataire n'instruise l'AID de ne pas le faire. Tous les autres frais dont les Parties pourraient convenir peuvent aussi être financés au titre de la Subvention.

SECTION 6.2. Décaissements pour les Coûts en Monnaie Locale.

(a) Le Donataire pourra obtenir des décaissements de fonds dans le cadre de la Subvention pour les Coûts en Monnaie Locale nécessaires au projet conformément aux termes de cet Accord, en présentant à l'AID, avec les pièces justificatives nécessaires telles qu'elles auront été prescrites dans les Lettres d'Execution de Projet, une demande pour financer de tels coûts.

(b) La monnaie locale nécessaire à ces décaissements sera obtenue par l'AID qui en fera l'acquisition en l'achetant avec des Dollars des Etats Unis. L'équivalent en Dollars des Etats Unis de la monnaie locale mise a disposition à cet effet représentera le montant en Dollars des Etats Unis dont l'AID aura besoin pour obtenir la monnaie locale.

SECTION 6.3 Autres Formes de Décaissement;

Les décaissements de la Subvention peuvent également être effectués par tous les autres moyens dont les Parties pourraient convenir par écrit.

SECTION 6.4. Taux de Change

Si les fonds fournis dans le cadre de la Subvention sont introduits en République du Mali par l'AID ou par tout organisme public ou privé dans le but de réaliser les engagements de l'AID dans le cadre de ce projet, le Donataire prendra toutes les dispositions nécessaires pour que ces fonds soient convertis dans la monnaie de la République

du Mali au taux de change le plus élevé qui, au moment ou s'effectue la conversion, n'est pas illégal en République du Mali.

ARTICLE 7: Divers

SECTION 7.1. Communications.

Tous les avis, toutes les demandes, tous les documents ou autres communications présentés par une Partie à l'autre dans le cadre de cet Accord seront faits par écrit ou par télégramme ou par câble, et seront considérés comme dûment remis ou envoyés lorsqu'ils auront été expédiés à cette Partie aux adresses suivantes:

AU DONATAIRE: Ministère du Développement Rural
Bamako, Mali

A L'AID: USAID, Ambassade Américaine
B.P. 34
Bamako, Mali

Adresse Télégraphique: USAID, AMEMBASSY, Bamako.

Toutes ces communications pourront être faites en anglais ou en français. Si l'AID communique avec le Gouvernement du Mali à la fois en anglais et en français, le texte anglais fera autorité. D'autres adresses peuvent être substituées à celles indiquées ci-dessus sur notification.

SECTION 8.2. Représentants.

Pour tout ce qui est relatif à cet Accord, le Donataire sera représenté par la personne remplissant les fonctions de Ministre du Développement Rural ou agissant en son nom et l'AID sera représenté par la personne remplissant les fonctions de Directeur de l'AID à Bamako ou agissant en son nom, chacune par notification écrite, désigner des représentants supplémentaires à toutes fins autres que l'exercise du pouvoir de révision des éléments de la description détaillée de l'Annexe 1, conformément à la Section 2.1. Le nom des représentants du Donataire, avec le modèle des signatures, sera fourni à l'AID, qui pourra accepter comme dûment autorisé tout instrument signé par ces représentants en exécution de cet Accord, jusqu'à réception de la notification écrite de la révocation de leur pouvoir de décision.

SECTION 8.3. Langue faisant Autorité.

Cet Accord est signé à la fois en anglais et en français. Pour tous les problèmes d'interprétation concernant cet Accord, ce sera le texte anglais qui fera autorité.

SECTION 8.4. Annexe des Dispositions Standards.

Une "Annexe des Dispositions Standards" (Annexe 2) est jointe à cet Accord et en fait partie intégrante.

EN FOI DE QUOI, le Donataire et les Etats Unis d'Amérique, chacun agissant par l'intermédiaire de ses représentants dûment autorisés,

ont fait signer cet Accord en leur nom et l'ont fait remettre au jour et à l'année indiqués précédemment.

GOUVERNEMENT DE LA REPUBLIQUE DU MALI

Signé par MOUSTAPHA DEME

Titre: *Director, International Cooperation*

ETATS UNIS D'AMERIQUE

Signé par RONALD LEVIN

Titre *CDO (Country Desk Officer)*

ANNEXE 1

Description du Projet

I. Objectif et But

La Septiéme Région du Mali a une population que l'on estime à 340.000 habitants, parmi lesquels on compte 45.000 familles paysannes rurales. Pour répondre aux besoins alimentaires minimum annuels, on doit importer environ 65% de la consommation en céréales de la région. La forme traditionnelle de culture du riz et du sorgho est en pratique depüis plus de huit cents ans. Pour aider la population de cette région à produire un plus grand pourcentage de ses besoins en céréales, l'Action Riz-Sorgho a été instaurée dans le cadre du Plan Quinquennal. La zone desservie par l'Action commence à 95 kilomètres au dessus de Goa et se termine à 97 kilomètres en dessous Gao dans la plaine d'inondation du fleuve Niger.

L'objectif général du Projet de l'Action Riz-Sorgho est de diminuer le déficit en céréales dans la Septième Région du Mali et d'augmenter le niveau de vie nutritionnel de la population de la région grâce à un approvisionnement vivrier stable. Le but de ce projet est d'augmenter la production de céréales dans la zone de Gao, zone en déficit chronique, et de familiariser les paysans avec le concept de développement technologique.

II. Interventions

Le projet consistera en quatre interventions majeures décrites ci-dessous et qui figurent dans les Accords de Project 76–2 du 30 Septembre 1976 et 77–1 du 30 Août 1977

(i) Améliorer la production de riz sur une superficie de5.000 ha dans la plaine d'inondation du Niger grâce à l'introduction de variétés améliorées de graines de riz sélectionnées et traitées, à de meilleures méthodes de culture, à la réparation, par des travailleurs manuels, des digues submersibles existantes, et à l'installation de vannes de contrôle des eaux et de grilles à poissons;

(ii) Améliorer la production de riz sur une superficie supplémentaire de 5.000 ha grâce à la construction de digues insubmersibles avec des engins de terrassement, à l'installation de vannes de contrôle des eaux et de grilles à poissons, à l'introduction de variétés améliorées de graines sélectionnées et traitées, et à de meilleures méthodes de culture, comprenant le passage de l'ensemencement à la volée à la transplantation;

(iii) Améliorer la production de sorgho sur une superficie de 3.300 ha grâce au traitement des semences;

(iv) Installer un centre de recherche sur le terrain pour les essais des nouvelles variétés, des méthodes de culture et des taux d'utilisation d'engrais, ainsi que pour l'introduction à titre expérimental, de techniques améliorées telles que l'utilisation d'engrais, la traction animale et l'utilisation de norias actionnées par des boeufs.

On s'attend à ce que l'intervention mentionnée ci-dessus donne les résultats suivants:

1. Une augmentation de la production de céréales dans la Septième Région de 3.750 tonnes métriques par an d'ici 1980.
2. L'introduction de nouvelles variétés de céréales et de meilleures méthodes de culture auprès de 10.000 paysans d'ici 1980.

III. Objectifs pour l'Année Civile 1978

1. Obtenir tous les entrants nécessaires pour que la construction des digues commence en 1979.
2. Construire ou rénover un centre de recherche expérimental.
3. Planter 1.700 hectares de sorgho amélioré.
4. Planter 5.000 hectares de riz amélioré.
5. Réparer les digues existantes pour 1.670 hectares.
6. Organiser des stages de formation pour le personnel de l'Action.

IV Contribution du Donataire

La contribution totale du GRM à la fois en espèces et en nature, à l'intérieur des paramètres définis à la Section 3.2 de l'Accord de Subvention de Projet, comprend les points suivants:

A. Frais salariaux en milliers de Francs Maliens par an pour l'Action Riz-Sorgho comme indiqué ci-dessous:

1976	1977	1978	1979
21. 719	42. 226	58. 153	82. 520

B. Terrains et bâtiments qui ne seront pas fournis autrement à partir d'autres ressources.

C. Coût de fonctionnement du matériel lourd, coûts de soutien pour le personnel sur le terrain et celui du siège, et autres contributions en nature qui auront été convenues par écrit.

V Contribution de L'A.I.D.

La contribution en dollars de l'A.I.D au projet, à l'intérieur des paramètres définis à la Section 3.1 de l'Accord de Subvention de Projet, sera fournie pour les dépenses conformément au Plan Financier du Projet qui fera l'objet d'un accord écrit à une date ultérieure.

UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

Defense Areas in the Turks and Caicos Islands

Agreement effected by exchange of notes
Signed at Washington September 29, 1978;
Entered into force September 29, 1978.

The Secretary of State to the British Ambassador

SEPTEMBER 29, 1978

EXCELLENCY:

I have the honor to bring to your attention a matter concerning defense areas in the Turks and Caicos Islands.

Having regard to the Agreement between the Government of the Federation of the West Indies and the Government of the United States of America ("United States Government") concerning United States defense areas in the Federation of the West Indies signed at Port of Spain on February 10, 1961,[1] the Exchange of Notes between the Government of the United Kingdom of Great Britain and Northern Ireland ("United Kingdom Government") and the Government of the United States of America dated June 11, 1971,[2] concerning the use by civilian aircraft of the airfield at Grand Turk Island and the Exchange of Notes between the said Governments dated June 15, 1972,[3] applying the Agreement of February 10, 1961, to additional United States defense areas in the Turks and Caicos Islands (hereinafter collectively referred to as the "Bases Agreement") and having regard to the discussions concerning the future of the United States defense areas in the Turks and Caicos Islands after the expiration of the Bases Agreement on December 31, 1977, the United Kingdom Government and the United States Government have agreed as follows:

1. Notwithstanding the expiration of the Bases Agreement, the United States Government may continue to have and enjoy the rights granted to it under the Bases Agreement on the same terms and conditions as therein stated as if the Bases Agreement had not expired until December 31, 1978.

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[1] TIAS 4734; 12 UST 408.
[2] TIAS 7446; 23 UST 2583.
[3] TIAS 7375; 23 UST 1145.

2. For the use of the defense areas in the Turks and Caicos Islands as provided for in paragraph 1 hereof the United States Government shall enter into leases with the Turks and Caicos Islands Government providing for the payment of United States dollars Seven Hundred and Fifty Thousand ($750,000) in rent for the period January 1 to September 30, 1978 (of which $330,000 for the United States Navy facility and $420,000 for the United States Air Force facility). The conclusion of such leases shall be subject to review in the United States Congress in accordance with applicable United States law.

3. If the foregoing proposal is acceptable to the United Kingdom Government, I suggest that this note together with your reply to that effect shall be regarded as constituting an Agreement between the two Governments which shall enter into force on the date of the Embassy's reply.

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

For the Secretary of State:

SALLY A. SHELTON

His Excellency
PETER JAY,
British Ambassador.

The British Ambassador to the Deputy Assistant Secretary of State for Inter-American Affairs

BRITISH EMBASSY
WASHINGTON D.C.

29 September 1978

Madam,

I have the honour to acknowledge your Note of today's date, which reads as follows:

"I have the honor to bring to your attention a matter concerning defense areas in the Turks and Caicos Islands.

Having regard to the Agreement between the Government of the Federation of the West Indies and the Government of the United States of America ("United States Government") concerning United States defense areas in the Federation of the West Indies signed at Port of Spain on February 10, 1961, the Exchange of Notes between the Government of the United Kingdom of Great Britain and Northern Ireland ("United Kingdom Government") and the Government of the United States of America dated June 11, 1971, concerning the use by civilian aircraft of the airfield at Grand Turk Island and the Exchange of Notes between the said Governments dated June 15, 1972, applying the Agreement of February 10, 1961, to additional United States defense areas in the Turks and Caicos Islands (hereinafter collectively referred to as the "Bases Agreement") and having regard to the discussions concerning the future of the United States defense areas in the Turks and Caicos Islands after the expiration of the Bases Agreement on December 31, 1977, the United Kingdom Government and the United States Government have agreed as follows:

1. - Notwithstanding the expiration of the Bases Agreement, the United States Government may continue to have and enjoy the rights granted to it under the Bases Agreement on the same terms and conditions as therein stated as if the Bases Agreement had not expired until December 31, 1978.

2. - For the use of the defense areas in the Turks and Caicos Islands as provided for in paragraph 1 hereof the United States Government shall enter into leases with the Turks and Caicos Islands Government providing for the payment of United States dollars Seven Hundred and Fifty Thousand ($750,000) in rent for the period January 1 to September 30, 1978 (of which $330,000 for the United States Navy facility and $420,000

Ms Sally A Shelton
Department of State
Washington D.C.

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for the United States Air Force facility). The conclusion of such leases shall be subject to review in the United States Congress in accordance with applicable United States law.

3. - If the foregoing proposal is acceptable to the United Kingdom Government, I suggest that this note together with your reply to that effect shall be regarded as constituting an Agreement between the two Governments which shall enter into force on the date of the Embassy's reply."

I have the honour to inform you that the foregoing proposal is acceptable to the Government of the United Kingdom of Great Britain and Northern Ireland, who therefore agree that your Note, together with the present reply, shall constitute an Agreement between the two Governments in this matter, which shall enter into force on the date of the present reply.

I avail myself of this opportunity to renew to you the assurance of my highest consideration.

Peter Jay

EGYPT

Narcotic Drugs: Control Enforcement

Agreement signed at Cairo September 29, 1978;
Entered into force September 29, 1978.

PROJECT AGREEMENT

BETWEEN

THE

ARAB REPUBLIC OF EGYPT

AND

THE UNITED STATES OF AMERICA

FOR

NARCOTICS CONTROL ENFORCEMENT

Dated: September 29, 1978

Project Agreement dated September 29, 1978, between the Government of the United States of America ("USG") and the Government of the Arab Republic of Egypt ("GOE") as represented by the Anti-Narcotics General Administration ("ANGA").

Project Title: Narcotics Control Enforcement:
Anti-Narcotics General Administration (ANGA)

The Government of Egypt (GOE) and the United States Government (USG) agree to participate in a cooperative project to suppress the illegal production, transportation, and marketing of illegal narcotics and dangerous drugs destined for domestic or foreign consumption, and to take action and commit resources, herein described, which are designed to develop the capability within the ANGA to accomplish this task.

The actions and resources which will be provided to the project are explained in the narrative and Annexes A and B which form an integral part of this project agreement. These annexes delineate: (A) the project implementation schedule and (B) the USG funding table which will be made

available by United States Congress in the total of $73,000.00. The goal of this project is to develop the capability of ANGA to enforce effectively the laws of Egypt governing the production and trafficking of illicit narcotics particularly the illegal cultivation and trafficking of opium. The GOE and the USG agree to support all of the terms of this project agreement from the date of signing until September 30, 1980. It is mutually agreed that ANGA and the USG personnel involved in Egypt's narcotics control program will coordinate and cooperate in narcotics related activities. The GOE agrees to assign a counterpart officer from ANGA to serve as project coordinator for the purpose of performing these functions mutually identified as necessary to ensure the successful implementation of the project.

Standard Provisions.

A. Submit name of responsible representative of the Arab Republic of Egypt for the purpose of this agreement and a specimen of his signature.

B. The GOE shall ensure that commodities financed under this agreement shall be used exclusively for the purpose for which assistance is made available as set forth in Paragraph 1. Such effective use shall include: (1) the maintenance of accurate arrival and clearance records by Customs authorities and the prompt clearance from Customs of the equipment; (2) the equipment procured under this grant will not be exported from Egypt or sold within Egypt

without prior written agreement from the U.S. Government;
(3) the equipment shall be free from any taxation or fees, Customs duties or any other levy imposed by the GOE.

C. The USG shall not be required to make any contribution after January 31, 1979, or any amended final contribution date. Except as otherwise specified or subsequently agreed upon by the parties, all contributions shall be made on or before said estimated termination date or amended date.

D. Title to all property procured through financing by the USG of this project agreement shall be maintained by ANGA.

E. All property furnished to ANGA financed by the USG shall be devoted to the project until the completion of the project and thereafter shall be used so as to further the objectives sought in the project. ANGA shall offer to reimburse or return the USG for any property obtained through USG financing pursuant to this project agreement which is not used in accordance with the preceding sentence.

F. The USG shall expend funds and carry on operations pursuant to this project agreement only in accordance with the applicable laws and regulations of the USG.

G. The GOE shall ensure that adequate funds for fuel and maintenance are available for efficient utilization of vehicles.

H. The two parties have the right at any time to observe operations carried out under this project agreement. Either party during the term of the project and two years after the completion of the project shall further have the right to: (1) examine any property procured through financing pursuant to this project agreement; (2) inspect and audit the records and accounts with response to funds and properties pursuant to this project agreement.

I. The two parties agree to establish an evaluation program which will include the evaluation of the project at least twice during the life of the project. The initial evaluation will be conducted six months after the signing of this agreement.

J. The present agreement shall enter into force when signed. Either party may terminate this project agreement by giving the other party thirty (30) days written notice of intention to terminate it.

Narrative:

There is no licit opium cultivation in Egypt. The illicit planting of opium poppies is done in patches disbursed among indigenous crops which increases the difficulty in detection. Most of the illicit opium cultivation occurs in Upper Egypt. The majority of the cultivation is in the Assyut area, approximately 275 miles south of Cairo. The planting period is during November and December. The harvest season is between January and March.

Opium cultivation is dependent upon the Nile River for irrigation. The weather and the soil type throughout the Nile Valley and Delta are conducive to opium cultivation throughout the year. Although the practice seems to be limited to a single crop per year, there have been some instances of opium eradication during the recent summer months. ANGA is concerned that opium cultivation will spread from the traditional growing areas which will increase the difficulty of future eradication campaigns. This project represents a joint effort on the part of the GOE and USG to prevent the expansion and eliminate the cultivation of opium in Egypt.

The Egyptian ANGA is an agency within the Ministry of Interior and is the lead drug enforcement agency in Egypt, having coordinating responsibility with agencies also involved in drug enforcement. The Director of ANGA reports to the Minister of Interior.

Fourteen (14) ANGA officers have attended DEA advanced international drug enforcement schools at DEA Headquarters, three (3) officers have attended DEA advanced instructors schools at DEA Headquarters. The ANGA Director has participated in the DEA Executive Observation Program. Approximately 70 officers have been trained by DEA in-country training teams.

ANGA is a dynamic narcotics enforcement organization as evidence by the following indicators:

A. Operative chain of command with appropriate delegation of authority and responsibility.

B. Coherent planning of enforcement and intelligence operations.

C. Adequate maintenance capability for enforcement equipment.

D. Reporting system producing arrest and seizure statistics and operational and administrative records.

E. Operational units responsible for initiating investigations.

F. Institutionalized training program providing effective narcotics training on a continuous basis.

G. Timely provision of funds for assistance to enforcement operations.

H. Motivated personnel with high morale.

I. Organization operating effectively without foreign financial assistance.

IMPLEMENTATION SCHEDULE (Annex A)

I. Sign Project Agreement - September, 1978.

II. Delivery (10) pair binoculars to ANGA - November, 1978.

III. Delivery (5) 4-wheel drive vehicles to ANGA - December, 1978.

IV. Delivery (20) protective body armor - December, 1978.

V. Delivery (5) mobile radios and (5) portable radios to ANGA - January, 1979.

FUNDING TABLE (Annex B)

(05) 4-wheel drive vehicles; (05) mobile radios and (05) portable radios; (20) protective body armor; and (10) pair binoculars - Total Cost: $73,000.00.

ARAB REPUBLIC OF EGYPT

BY: Hassan Abo Basha

NAME: General Hassan Abou Pasha

TITLE: First Assistant Under Secretary for the Minister of Interior.

UNITED STATES OF AMERICA

BY: Hermann Fr. Eilts

NAME: Hermann Fr. Eilts

TITLE: American Ambassador

ZAMBIA

Commodity Import Program

Agreement signed at Lusaka March 30, 1978;
Entered into force March 30, 1978.

A.I.D. Loan No. 611-K-003

LOAN AGREEMENT

(ZAMBIA PROGRAM LOAN)

BETWEEN THE

REPUBLIC OF ZAMBIA

AND THE

UNITED STATES OF AMERICA

March 30, 1978

TIAS 9299

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COMMODITY IMPORT LOAN AGREEMENT

Loan Number 611-K-003

Dated March 30, 1978

Between

The Republic of Zambia ("Borrower")

and

The United States of America, acting through the Agency for International Development ("A.I.D.")

Article 1: The Loan

To finance the foreign exchange costs of certain commodities and commodity-related services ("Eligible Items") necessary to promote the economic and political stability of the Republic of Zambia, the United States, pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to lend the Government of the Republic of Zambia under the terms of this Agreement, not to exceed Thirty Million United States dollars ($30,000,000) ("Loan"). The aggregate amount of disbursements under this Loan is referred to as "Principal."

Article 2: Loan Terms

Section 2.1. Interest. The Borrower will pay to A.I.D. interest which will accrue at the rate of two percent (2%) per annum for ten (10) years following the date of the first disbursement hereunder and at the rate

[1] 75 Stat. 424; 22 U.S.C. § 2151 note.

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of three percent (3%) per annum thereafter on the outstanding balance of Principal and on any due and unpaid interest. Interest on the outstanding balance will accrue from the date (as defined in Section 5.5.) of each respective disbursement, and will be payable semiannually. The first payment of interest will be due and payable no later than six (6) months after the first disbursement hereunder, on a date to be specified by A.I.D.

Section 2.2. Repayment. The Borrower will repay to A.I.D. the Principal within forty (40) years from the date of the first disbursement of the Loan in sixty-one (61) approximately equal semiannual installments of Principal and interest. The first installment of Principal will be payable nine and one-half (9-1/2) years after the date on which the first interest payment is due in accordance with Section 2.1. A.I.D. will provide the Borrower with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

Section 2.3. Application, Currency, and Place of Payment. All payments of interest and Principal hereunder will be made in United States dollars and will be applied first to the payment of interest due and then to the repayment of Principal. Except as A.I.D. may

otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D.C. 20523, U.S.A., and will be deemed made when received by the Office of Financial Management.

Section 2.4. Prepayment. Upon payment of all interest and any refunds then due, the Borrower may prepay, without penalty, all or any part of the Principal. Unless A.I.D. otherwise agrees in writing, any such prepayment will be applied to the installments of Principal in the inverse order of their maturity.

Section 2.5. Renegotiation of Terms.

(a) The Borrower and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loar in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of the Republic of Zambia, which enable the Borrower to repay the Loan on a shorter schedule.

(b) Any request by either Party to the other to so negotiate will be made pursuant to Section 8.3., and will give the name and address of the person or persons who will represent the requesting Party in such negotiations.

(c) Within thirty (30) days after delivery of a request to negotiate, the requested Party will communicate to the other, pursuant to Section 8.3., the name and address of the person or persons who will represent the requested Party in such negotiations.

(d) The representatives of the Parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested Party's communication under Subsection (c). The negotiations will take place at a location mutually agreed upon by the representatives of the Parties, provided that, in the absence of mutual agreement, the negotiations will take place at the office of Borrower's Minister of Economic and Technical Cooperation in the Republic of Zambia.

Section 2.6. Termination on Full Payment. Upon payment in full of the Principal and any accrued interest, this Agreement and all obligations of the Borrower and A.I.D. under it will cease.

Article 3: Conditions Precedent to Disbursement

Section 3.1. Conditions Precedent. Prior to the first disbursement under this Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Borrower will, except as the Parties

may otherwise agree in writing, furnish to A.I.D., in form and substance satisfactory to A.I.D.:

(a) An opinion of the Attorney General of the Republic of Zambia acceptable to A.I.D. that this Agreement has been duly authorized and/or ratified by, and executed on behalf of, the Borrower, and that it constitutes a valid and legally binding obligation of the Borrower in accordance with all of its terms;

(b) A statement representing and warranting that the named person or persons have the authority to act as the representative or representatives of the Borrower pursuant to Section 8.2., together with a specimen signature of each person certified as to its authenticity;

(c) A procurement plan including the procedures by which all procurement financed under this Loan will be carried out, the criteria and procedures for determining importer eligibility, and the mechanism for publicizing procurement and making awards.

Section 3.2. Notification. When A.I.D. has determined that the conditions precedent specified in Section 3.1. have been met, it will promptly notify the Borrower.

Section 3.3. Terminal Date for Conditions Precedent. If all the conditions specified in Section 3.1. have not been met within ninety (90) days from the date of this Agreement, or such later date as A.I.D. may specify in writing, A.I.D., at its option, may terminate this Agreement by written notice to the Borrower.

Article 4: Procurement, Eligibility, and Utilization of Commodities

Section 4.1. A.I.D. Regulation 1. This Loan and the procurement and utilization of commodities and commodity-related services financed under it are subject to the terms and conditions of A.I.D. Regulation 1 as from time to time amended and in effect, except as A.I.D. may otherwise specify in writing. If any provision of A.I.D. Regulation 1 is inconsistent with a provision of this Agreement, the provision of this Agreement shall govern.

Section 4.2. Eligible Items. The commodities eligible for financing under this Loan shall be those mutually agreed upon by the Parties and specified in the Implementation Letters issued to the Borrower in accordance with Section 8.1. of this Agreement. Commodity-related services as defined in A.I.D. Regulation 1 and

the services of a procurement consultant are eligible for financing under this Loan. Eligible Items will be subject to the requirements and Special Provisions of Parts I, II, and III of the A.I.D. Commodity Eligibility Listing which will be transmitted under Implementation Letter. Other commodities or services shall become eligible for financing only with the written agreement of A.I.D. A.I.D. may decline to finance any specific commodity or commodity-related service when in its judgment such financing would be inconsistent with the purposes of the Loan or of the Foreign Assistance Act of 1961, as amended.

Section 4.3. Procurement Source. All Eligible Items shall have their source and origin in Code 000 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such Eligible Items, except as provided in Sections 4.9.(d) and (e), and except as A.I.D. may specify in Implementation Letters or as it may otherwise agree in writing.

Section 4.4. Eligibility Date. No commodities or commodity-related services may be financed under the Loan if they were procured pursuant to orders or contracts firmly placed or entered into prior to the date of this Agreement, except as A.I.D. may otherwise agree in writing.

Section 4.5. Procurement for Public Sector. With respect to procurement under this Loan by or for the Borrower, its departments and instrumentalities, the provisions of Section 201.22 of A.I.D. Regulation 1 regarding formal competitive bid procedures will apply unless A.I.D. otherwise agrees in writing.

Section 4.6. Special Procurement Rules.

(a) None of the proceeds of this Loan may be used to finance the purchase, sale, long-term lease, exchange or guaranty of a sale of motor vehicles unless such motor vehicles are manufactured in the United States, except as A.I.D. may otherwise agree in writing.

(b) The source and origin of ocean and air shipping will be deemed to be the ocean vessel's or aircraft's country of registry at the time of shipment.

Section 4.7. Financing Physical Facilities. Not more than One Hundred Thousand U.S. dollars ($100,000) from the proceeds of this Loan shall be used for the purchase of commodities or commodity-related services for use in the construction, expansion, equipping, or alteration of a physical facility or related physical facilities without prior A.I.D. approval, additional to the approvals required by A.I.D. Regulation 1, except as A.I.D. may

otherwise agree in writing. "Related physical facilities" shall mean those facilities which, taking into account such factors as functional interdependence, geographic proximity, and ownership, constitute a single enterprise in the judgment of A.I.D.

Section 4.8. Utilization of Commodities.

(a) Borrower will assure that commodities financed under this Loan will be effectively used for the purposes for which the assistance is made available. To this end, the Borrower will use its best efforts to assure that the following procedures are followed:

(i) accurate arrival and clearance records are maintained by customs authorities; commodity imports are promptly processed through customs at ports of entry in coastal states through which they transit and through points of entry in Zambia; such commodities are removed from customs and/or bonded warehouses within ninety (90) calendar days from the date the commodities are unloaded from the transportation medium at the point of discharge in Zambia, unless the importer is hindered by force majeure or A.I.D. otherwise agrees in writing; and

(ii) the commodities are consumed or used by the importer not later than one (1) year from the date the commodities are removed from customs, unless a longer period

can be justified to the satisfaction of A.I.D. by reason of force majeure or special market conditions or other circumstances.

(b) Borrower will assure that commodities financed under this Loan will not be reexported in the same or substantially the same form, unless specifically authorized by A.I.D.

Section 4.9. Shipping.

(a) Commodities which are to be transported to the territory of the Borrower may not be financed under this Loan if transported either: (1) on an ocean vessel or aircraft under flag registry of a country which is not included in A.I.D. Geographic Code 935 as in effect at the time of shipment, or (2) on an ocean vessel which A.I.D., by written notice to the Borrower has designated as ineligible, or (3) under an ocean or air charter which has not received prior A.I.D. approval.

(b) Unless otherwise authorized, A.I.D. will finance only those transportation costs incurred on aircraft or ocean vessels under flag registry of a country included in the Geographic Code authorized in Section 4.3. of the Agreement.

(c) Unless A.I.D. determines that privately owned United States flag commercial ocean vessels are not

available at fair and reasonable rates for such vessels, (1) at least fifty percent (50%) of the gross tonnage of all goods (computed separately for dry bulk carriers, dry cargo liners and tankers) financed by A.I.D. which may be transported on ocean vessels will be transported on privately owned United States-flag commercial vessels, and (2) at least fifty percent (50%) of the gross freight revenue generated by all shipments financed by A.I.D. and transported to the Republic of Zambia on dry cargo liners shall be paid to or for the benefit of privately owned United States-flag commercial vessels. Compliance with the requirements of (1) and (2) of this Subsection must be achieved with respect to both cargo transported from U.S. ports and cargo transported from non-U.S. ports, computed separately.

(d) Overland transportation costs from ocean port of discharge of commodities to point of entry in Zambia are eligible for financing under this Loan, provided, that the commodities are transported on a transportation medium registered under the laws of the Republic of Zambia or a country included in A.I.D. Geographic Code 941 as in effect at the time of shipment and that such transportation is provided under a through bill of lading or separately billed by the supplier of the delivery services.

(e) Overland transportation costs from ocean port of discharge to a point in Zambia beyond the point of entry in Zambia are eligible for financing under this Loan, provided, that the commodities are transported on a transportation medium registered under the laws of the Republic of Zambia or a country included in A.I.D. Geographic Code 941 as in effect at the time of shipment and that such transportation is provided under a through bill of lading or separately billed under a through way bill by the supplier of the delivery services.

Section 4.10. Insurance. Marine insurance on commodities financed by A.I.D. under this Loan may also be financed under this Loan provided that such insurance is placed in a country included in the Geographic Code authorized in Section 4.3. of this Agreement.

Article 5: Disbursement

Section 5.1. Letters of Commitment to Banks. After satisfaction of the conditions precedent, Borrower may obtain disbursements of funds under this Loan by submitting Financing Requests to A.I.D. for the issuance of letters of commitment for specified amounts to one or more banking institutions in the United States designated by the Borrower and satisfactory to A.I.D. Such letters will commit A.I.D. to reimburse the bank

or banks on behalf of the Borrower for payments made by them to suppliers or contractors, under letters of credit or otherwise, pursuant to such documentation requirements as A.I.D. may prescribe. Banking charges incurred in connection with letters of commitment and disbursements shall be for the account of the Borrower and may be financed by this Loan.

Section 5.2. Other Forms of Disbursement Authorizations. Disbursements of the Loan may also be made through such other means as the Parties may agree in writing.

Section 5.3. Terminal Date for Requests for Disbursement Authorizations. No letter of commitment or other disbursement authorization will be issued in response to a request received after eighteen (18) months from the date of signing of this Agreement, except as A.I.D. may otherwise agree in writing.

Section 5.4. Terminal Date for Requests for Disbursement. No disbursement of Loan funds shall be made against documentation submitted after twenty-four (24) months from the date of signing of this Agreement, except as A.I.D. may otherwise agree in writing.

Section 5.5. Date of Disbursement. Disbursements by A.I.D. will be deemed to occur on the date on which A.I.D. makes a disbursement to the Borrower or its designee, or to a bank, contractor or supplier pursuant to a letter of commitment or other form of disbursement authorization.

Article 6: General Covenants

Section 6.1. Continuing Consultation. The Borrower and A.I.D. shall cooperate fully to assure that the purpose of the Loan will be accomplished. To this end, the Borrower and A.I.D. shall from time to time, at the request of either Party, exchange views through their representatives with regard to the Borrower's economic development and its progress in achieving the objectives of its economic stabilization program, including the level of current expenditures and its foreign exchange position, and the performance by the Borrower of its obligations under this Agreement, the performance of consultants and suppliers under the Loan, and other matters relating to this Agreement.

Section 6.2. Taxation. This Agreement and the Loan will be free from, and the Principal and interest will be paid free from, any taxation or fees imposed under laws in effect in Zambia. To the extent that any commodity

procurement transaction financed hereunder is not exempt from identifiable taxes, tariffs, duties and other levies imposed under laws in effect within the Republic of Zambia, the same shall not be paid with funds provided under this Loan.

Section 6.3. Reports and Records. In addition to the requirements in A.I.D. Regulation 1, the Borrower will:

(a) furnish A.I.D. such reports and information relating to the goods and services financed by this Loan and the performance of the Borrower's obligations under this Agreement as A.I.D. may reasonably request;

(b) maintain or cause to be maintained, in accordance with generally accepted accounting principles and practices consistently applied, such books and records relating to this Loan as may be prescribed in Implementation Letters. Such books and records may be inspected by A.I.D. or any of its authorized representatives at all times as A.I.D. may reasonably require, and shall be maintained for three years after the date of last disbursement by A.I.D. under this Loan;

(c) permit A.I.D. or any of its authorized representatives at all reasonable times during the three-year period to inspect the commodities financed under this Loan at any point, including the point of use.

Section 6.4. Completeness of Information. The Borrower confirms:

(a) that the facts and circumstances of which it has informed A.I.D., or caused A.I.D. to be informed, in the course of reaching agreement with A.I.D. on the Loan, are accurate and complete, and include all facts and circumstances that might materially affect the Loan and the discharge of responsibilities under this Agreement; and

(b) that it will inform A.I.D. in a timely fashion of any subsequent facts and circumstances that might materially affect or that it is reasonable to believe might so affect, the Loan or the discharge of responsibilities under this Agreement.

Section 6.5. Other Payments. Borrower affirms that no payments have been or will be received by an official of the Borrower in connection with the procurement of goods or services financed under the Loan, except fees, taxes, or similar payments legally established in the country of the Borrower.

Section 6.6. Minimum Size of Transaction. No foreign exchange allocation or letter of credit issued pursuant to this Agreement shall be in an amount less

than Ten Thousand U.S. dollars ($10,000), except as A.I.D. may otherwise agree in writing.

Section 6.7. Generation and Use of Local Currency. The Borrower shall take steps to assure that amounts equal to the Zambian Kwacha generated as countervalue to the Loan shall be used to support the general budget for economic development activities.

Article 7: Termination; Remedies

Section 7.1. Cancellation by Borrower. The Borrower may, by giving A.I.D. thirty (30) days written notice, cancel any part of the Loan which has not been disbursed or committed for disbursement to third parties.

Section 7.2. Events of Default; Acceleration. It will be an "Event of Default" if the Borrower shall have failed:

(a) to pay when due any interest or installment of Principal required under this Agreement, or

(b) to comply with any other provision of this Agreement, or

(c) to pay when due any interest or installment of Principal or other payment required under any other loan, guaranty or other agreement between the Borrower

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or any of its agencies and A.I.D. or any of its predecessor agencies.

If an Event of Default shall have occurred, then A.I.D. may give the Borrower notice that all or any part of the unrepaid Principal will be due and payable sixty (60) days thereafter, and, unless such Event of Default is cured within that time:

(1) such unrepaid Principal and accrued interest hereunder will be due and payable immediately, and

(2) the amount of any further disbursements made pursuant to then outstanding commitments to third parties or otherwise will become due and payable as soon as made.

Section 7.3. Suspension. If at any time:

(a) an Event of Default has occurred; or

(b) an event occurs that A.I.D. determines to be an extraordinary situation that makes it improbable either that the purposes of the Loan will be attained or that the Borrower will be able to perform its obligations under this Agreement; or

(c) any disbursement by A.I.D. would be in violation of the legislation governing A.I.D.; or

(d) the Borrower shall have failed to pay when due any interest, installment of Principal or other payment required under any other loan, guaranty, or other agreement between the Borrower or any of its agencies and the Government of the United States or any of its agencies;

Then, in addition to remedies provided in A.I.D. Regulation 1, A.I.D. may:

(1) suspend or cancel outstanding commitment documents to the extent they have not been utilized through irrevocable commitments to third parties or otherwise, giving prompt notice thereof to the Borrower;

(2) decline to issue additional commitment documents or to make disbursements other than under existing ones; and

(3) at A.I.D.'s expense, direct that title to goods financed under the Loan be vested in A.I.D. if the goods are in a deliverable state and have not been offloaded in ports of entry of the Borrower's country. Any disbursement made under the Loan with respect to such transferred goods will be deducted from Principal.

Section 7.4. Cancellation by A.I.D. If, within sixty (60) days from the date of any suspension of

disbursements pursuant to Section 7.3., the cause or causes thereof have not been corrected, A.I.D. may cancel any part of the Loan that is not then disbursed or irrevocably committed to third parties.

Section 7.5. Continued Effectiveness of Agreement. Notwithstanding any cancellation, suspension of disbursements, or acceleration of repayment, the provisions of this Agreement will continue in effect until the payment in full of all Principal and accrued interest hereunder.

Section 7.6. Refunds.

(a) In addition to any refund otherwise required by A.I.D. pursuant to A.I.D. Regulation 1, if A.I.D. determines that any disbursement is not supported by valid documentation in accordance with this Agreement, or is in violation of United States law, or is not made or used in accordance with the terms of this Agreement, A.I.D. may require the Borrower to refund the amount of such disbursement in U.S. dollars to A.I.D. within sixty (60) days after receipt of request therefor. Refunds paid by the Borrower to A.I.D. resulting from violations of the terms of this Agreement shall be considered as a reduction in the amount of A.I.D.'s obligation under the Agreement and shall be available for reuse under the

Agreement if authorized by A.I.D. in writing. Any refund which reduces the amount of A.I.D. assistance hereunder will be applied to the installments of Principal in the inverse order of their maturity.

(b) The right to require such a refund of a disbursement will continue, notwithstanding any other provision of this Agreement, for three (3) years from the date of the last disbursement under this Agreement.

Section 7.7. Nonwaiver of Remedies. No delay in exercising or omitting to exercise, any right, power, or remedy accruing to A.I.D. under this Agreement will be construed as a waiver of such rights, powers, or remedies.

Article 8: Miscellaneous

Section 8.1. Implementation Letters. From time to time, for the information and guidance of both parties, A.I.D. will issue Implementation Letters describing the procedures applicable to the implementation of this Agreement. Except as permitted by particular provisions of this Agreement, Implementation Letters will not be used to amend or modify the text of this Agreement.

Section 8.2. Representatives. For all purposes relevant to this Agreement, the Borrower will be represented by the individual holding or acting in the office of Minister of Finance and A.I.D. will be represented by the individual holding or acting in the office of Director, Regional Economic Development Services Office/East Africa (REDSO/EA), Nairobi, Kenya, each of whom, by written notice, may designate additional representatives. The names of the representatives of the Borrower, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

Section 8.3. Communications. Any notice, request, document or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such Party at the following address:

To the Borrower:	
Mail Address:	Ministry of Economic and Technical Cooperation P.O. Box 3691 Lusaka, Zambia
Alternative Address for Cables:	MINFIN

With Copy to Ministry of Finance:
Mail Address: Ministry of Finance
P.O. Box RW 62
Lusaka, Zambia

To A.I.D.:
Mail Address: Director
REDSO/EA
P.O. Box 30261
Nairobi, Kenya

Alternative Address for Cables: Director
REDSO/EA
c/o American Embassy
Nairobi, Kenya

With Copy to American Embassy:
Mail Address: American Embassy
P.O. Box 1617
Lusaka, Zambia

All such communications will be in English unless the Parties otherwise agree in writing. Other addressees may be substituted for the above upon giving of notice.

IN WITNESS WHEREOF, the Borrower and the United States of America, each acting through its duly authorized representative have caused this Agreement to be signed, in duplicate originals, in their names and delivered as of the day and year first above written.

REPUBLIC OF ZAMBIA

BY: J.M. Mwanakatwe
John Mwanakatwe
Minister of Finance
Ministry of Finance

UNITED STATES OF AMERICA

BY: Stephen Low
Stephen Low
Ambassador to Zambia

SEYCHELLES

Peace Corps

Agreement effected by exchange of notes
Signed at Victoria May 31 and June 9, 1978;
Entered into force June 9, 1978.

The American Ambassador to the President of Seychelles

EMBASSY OF THE
UNITED STATES OF AMERICA

MR PRESIDENT:

I have the honor to refer to recent conversations and correspondence between representatives of our two governments and to propose the official conclusion of the following understandings with respect to the assignment to Seychelles of the men and women of the United States of America who volunteer to serve in the Peace Corps and who, at the request of your Government, will live and work for periods of time in the Republic of Seychelles.

1. The Volunteers of the United States will furnish such Peace Corps Volunteers as may be requested by the Government of the Republic of Seychelles and approved by the Government of the United States to perform mutually agreed tasks in the fields of Education, Agriculture, Housing, Public Works, Health and other appropriate fields of National Development. The Volunteers will work under the supervision of the Government of the Republic of Seychelles. The Government of the United States will provide training to enable the Volunteers to perform their tasks in the most effective way

2. The Government of the Republic of Seychelles will accord equitable treatment of the Volunteers and their property; afford them full aid and protection, including treatment no less favourable than that accorded generally to nationals of the United States residing in Seychelles; and fully inform, consult and cooperate with representatives of the Government of the United States with respect to all matters concerning them. The Government of the Republic of Seychelles will exempt the Volunteers from all taxes on payments which they receive to defray their living costs and on income from sources outside Seychelles, from all customs duties or other charges on their personal property introduced into Seychelles within six months of their first arrival and from all other taxes or charges except:

   (a) taxes or other charges included in the prices of equipment, supplies and services;

   and (b) licence fees.

3. The Government of the United States will provide the Volunteers with such limited quantities of equipment and supplies as the two Governments may consider necessary to enable the Volunteers to perform their tasks effectively The Government of Seychelles will exempt from all taxes, customs duties, and other charges all equipment and supplies introduced into or acquired in Seychelles by the Government of the United States or any contractor financed by it, for use hereunder

4. To enable the Government of the United States to discharge its responsibilities under this Agreement the Government of the Republic of Seychelles will receive a Representative of the Peace Corps and such staff as may be necessary for this purpose. The Government of the Republic of Seychelles will exempt these persons:-

   (a) from tax on payments which they receive to defray living expenses and on income from sources outside Seychelles;

   (b) from all customs duties on their personal effects and household property imported into Seychelles within 6 months of their arrival,

   (c) from the payment of duty upon their personal motor car provided such exemption shall only be claimable once in every 3 year period;

   but they will be liable for taxes and charges included in the prices of equipment, supplies and services and for licence fees.

5. The Government of the Republic of Seychelles undertakes to waive customs and other import charges in respect of reasonable quantities of Peace Corps equipment and supplies (including the official car) imported into Seychelles.

6. Prior to placement and arrival in Seychelles, the Volunteers shall be assigned to posts by the Government of the Republic of Seychelles in consultation with the representative of the Peace Corps. All reassignments of Volunteers shall be subject to the mutual agreement of the Peace Corps and the Government of the Republic of Seychelles.

7 The Volunteers shall work under the direct supervision of the Government of the Republic of Seychelles or its designated representative and shall be governed by all applicable rules and regulations of any agency to which they are assigned.

8. Volunteers shall be entitled to forty-five (45) days leave during their tour of duty, which shall normally be of two years duration. Leave shall be taken at such times and for such periods as shall be mutually agreed upon by the Government of the Republic of Seychelles and the Representative of the Peace Corps.

9. The Peace Corps will pay all expenses connected with Volunteer medical care and hospitalization.

10. The Government of the Republic of Seychelles shall have the right to demand the recall of any Volunteer whose job performance or conduct is unsatisfactory and, in the event such a recall is demanded, the Representative of the Peace Corps shall arrange for the return of the Volunteer to the United States. Similarly, the Peace Corps shall have the right to recall any Volunteer, subject to consultation with the Government of the Republic of Seychelles. A Volunteer shall have the right to resign from the Peace Corps at any time.

11. The Peace Corps shall be responsible for and shall pay all costs relative to the international transport of Volunteers. The Government of the Republic of Seychelles shall provide on the job transportation for the Volunteers where and when deemed appropriate by the Ministry to which the Volunteer is assigned. The Government of the Republic of Seychelles will meet the cost of two nights' accommodation at the time of each Volunteer's arrival for and departure from a tour of duty

12. The Peace Corps shall provide each Volunteer with a living and leave allowance sufficient to cover his or her basic living costs. In consonance with past practices, the Government of the Republic of Seychelles shall pay the living and leave allowance to the Volunteers on a monthly basis. The Peace Corps shall reimburse the Government of the Republic of Seychelles on either a monthly or quarterly basis, whichever is deemed more suitable by the Government of the Republic of Seychelles.

13. The Government of the Republic of Seychelles shall provide modest and suitable housing and hard furnishings for the Volunteers. The suitability and allocation of housing will be coordinated with and approved by the Representative of the Peace Corps in Seychelles.

14. Appropriate representatives of the two Governments may make from time to time such arrangements with respect to Peace Corps Volunteers and Peace Corps programmes in Seychelles as appear necessary or desirable for the purpose of implementing this Agreement.

I have the further honor to propose that, if these understandings are acceptable to your Government, this note and your Government's reply note concurring therein shall constitute an agreement between our two governments which shall enter into force on the date of your Government's note and shall remain in force until ninety days after the date of notice in writing given by either party to the other of its intention to terminate.

SIGNED in duplicate at VICTORIA, Mahe, Seychelles

this 31st day of May, 1978

Wilbert J. Le Melle

For the Government of the United States of America
H.E. DR. WILBERT J. LE MELLE
American Ambassador to the Republic of Seychelles

France Albert René

For the Government of the Republic of Seychelles
FRANCE ALBERT RENE
President, Republic of Seychelles

The President of Seychelles to the American Ambassador

THE PRESIDENT

STATE HOUSE
MAHE
SEYCHELLES.

9th June, 1978

H.E. Dr. Wilbert J Le Melle,

American Ambassador to the Republic of Seychelles,
Embassy of the United State of America,
VICTORIA HOUSE,
Victoria.

Your Excellency,

I have the honour to acknowledge receipt of Your Excellency's Note of 31 May 1978, which reads as follows:-

"I have the honor to refer to recent conversations and correspondence between representatives of our two governments and to propose the official conclusion of the following understandings with respect to the assignment to Seychelles of the men and women of the United States of America who volunteer to serve in the Peace Corps and who, at the request of your Government, will live and work for periods of time in the Republic of Seychelles.

1. The Volunteers of the United States will furnish such Peace Corps Volunteers as may be requested by the Government of the Republic of Seychelles and approved by the Government of the United States to perform mutually agreed tasks in the fields of Education, Agriculture, Housing, Public Works, Health and other appropriate fields of National Development. The Volunteers will work under the supervision of the Government of the Republic of Seychelles. The Government of the United States will provide training to enable the Volunteers to perform their tasks in the most effective way

2. The Government of the Republic of Seychelles will accord equitable treatment of the Volunteers and their property; afford them full aid and protection, including treatment no less favourable than that accorded generally to nationals of the United States residing in Seychelles; and fully inform, consult and cooperate with representatives of the Government of the United States with respect to all matters concerning them. The Government of the Republic of Seychelles will exempt the Volunteers from all taxes on payments which they receive to defray their living costs and on income from sources outside Seychelles, from all customs duties or other charges on their personal property introduced into Seychelles within six months of their first arrival and from all other taxes

or charges except:

(a) taxes or other charges included in the prices of equipment, supplies and services; and

(b) licence fees.

3. The Government of the United States will provide the Volunteers with such limited quantities of equipment and supplies as the two Governments may consider necessary to enable the Volunteers to perform their tasks effectively. The Government of Seychelles will exempt from all taxes, customs duties, and other charges all equipment and supplies introduced into or acquired in Seychelles by the Government of the United States or any contractor financed by it, for use hereunder

4. To enable the Government of the United States to discharge its responsibilities under this Agreement the Government of the Republic of Seychelles will receive a Representative of the Peace Corps and such staff as may be necessary for this purpose. The Government of the Republic of Seychelles will exempt these persons:-

(a) from tax on payments which they receive to defray living expenses and on income from sources outside Seychelles;

(b) from all customs duties on their personal effects and household property imported into Seychelles within 6 months of their arrival;

(c) from the payment of duty upon their personal motor car provided such exemption shall only be claimable once in every 3 year period;

but they will be liable for taxes and charges included in the prices of equipment, supplies and services and for licence fees.

5. The Government of the Republic of Seychelles undertakes to waive customs and other import charges in respect of reasonable quantities of Peace Corps equipment and supplies (including the official car) imported into Seychelles.

6. Prior to placement and arrival in Seychelles, the Volunteers shall be assigned to posts by the Government of the Republic of Seychelles in consultation with the representative of the Peace Corps. All reassignments of Volunteers shall be subject to the mutual agreement of the Peace Corps and the Government of the Republic of Seychelles.

7. The Volunteers shall work under the direct supervision of the Government of the Republic of Seychelles or its designated representative and shall be governed by all applicable rules and regulations of any agency to which they are assigned.

8. Volunteers shall be entitled to forty-five (45) days leave during their tour of duty, which shall normally be of two years duration. Leave shall be taken at such times and for such periods as shall be mutually agreed upon by the Government of the Republic of Seychelles and the Representative of the Peace Corps.

9. The Peace Corps will pay all expenses connected with Volunteer medical care and hospitalization.

10. The Government of the Republic of Seychelles shall have the right to demand the recall of any Volunteer whose job performance or conduct is unsatisfactory and, in the event such a recall is demanded, the Representative of the Peace Corps shall arrange for the return of the Volunteer to the United States. Similarly, the Peace Corps shall have the right to recall any Volunteer, subject to consultation with the Government of the Republic of Seychelles. A Volunteer shall have the right to resign from the Peace Corps at any time.

11. The Peace Corps shall be responsible for and shall pay all costs relative to the international transport of Volunteers. The Government of the Republic of Seychelles shall provide on the job transportation for the Volunteers where and when deemed appropriate by the Ministry to which the Volunteer is assigned. The Government of the Republic of Seychelles will meet the cost of two nights' accommodation at the time of each Volunteer's arrival for and departure from a tour of duty.

12. The Peace Corps shall provide each Volunteer with a living and leave allowance sufficient to cover his or her basic living costs. In consonance with past practices, the Government of the Republic of Seychelles shall pay the living allowance to the Volunteers on a monthly basis. The Peace Corps shall reimburse the Government of the Republic of Seychelles on either a monthly or quarterly basis, whichever is deemed more suitable by the Government of the Republic of Seychelles.

13. The Government of the Republic of Seychelles shall provide modest and suitable housing and hard furnishings for the Volunteers. The suitability and allocation of housing will be coordinated with and approved by the Representative of the Peace Corps in Seychelles.

14. Appropriate representatives of the two Governments may make from time to time such arrangements with respect to Peace Corps Volunteers and Peace Corps programme in Seychelles as appear necessary or desirable for the purpose of implementing this Agreement.

I have the further honor to propose that, if these understandings are acceptable to your Government, this note and your Government's reply note concurring therein shall constitute an agreement between our two governments which shall enter into force on the date of your Government's note and shall remain in force until ninty days after the date of notice in writing given by either party to the other of its intention to terminate.

In reply I have the honour to inform Your Excellency that the foregoing proposals are acceptable to the Government of the Republic of Seychelles who therefore approve Your Excellency's suggestion that your Note and this reply shall constitute an Agreement between the two Governments which shall enter into force on 9th June 1978.

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

FRANCE ALBERT RENE
PRESIDENT
REPUBLIC OF SEYCHELLES

TIAS 9300

BRAZIL

Trade in Textiles and Textile Products

Agreement amending the agreement of April 22, 1976, as amended.
Effected by exchange of letters
Signed at Washington January 31 and February 28, 1979;
Entered into force February 28, 1979.

60-963 O - 80 - 39 QL 3

The Brazilian Chief of the Economic Section to the Chief of the Textiles Division, Department of State

BRAZILIAN EMBASSY

Washington, D.C., January 31, 1979.

Mr. John J. St.John, Chief
Fibers and Textiles Division
Office of International Trade
Bureau of Economic and Business Affairs
Department of State
Washington, D.C. 20520

Dear Mr. St.John:

With reference to paragraph 6 of the Agreement Relating to Trade in Textiles and Textile Products between Brazil and the United States, of April 22, 1976, as amended in May 4, 1978,[1] and according to instructions received from Brasilia, I am hereby informing you that the Brazilian Government requests the increase of the consultation level for category 359 from 700,000 SYE to 1,000,000 SYE for the last year of the above-mentioned Agreement, that is, from April 1, 1978 through March 31, 1979.

Sincerely yours,

Annunciata Salgado dos Santos
Chief, Economic Section

MADB/ar.

[1] TIAS 8738, 9175, 8038, *ante*, p. 6.

The Deputy Assistant Secretary of State for International Trade Policy to the Brazilian Counselor

February 28, 1979

Ms. Annunciata Salgado Dos Santos
Counselor
Embassy of Brazil
3006 Massachusetts Ave., N.W.
Washington, D.C. 20008

Deas Ms. Santos:

I refer to the Agreement between our two governments relating to trade in cotton textiles and textile products, with annex, effected by exchange of notes in Brasilia April 22, 1976, as amended (the Agreement). I also refer to your letter of January 31, 1979 requesting an increase in the consultation level for category 359 (other cotton apparel) to one million square yards equivalent for the last agreement year of the Agreement. My government agrees to your request and, therefore, your letter and this letter shall constitute an Agreement amending the Agreement accordingly.

Sincerely,

William Barraclough

William Barraclough
Deputy Assistant Secretary for
International Trade Policy

BRAZIL

Trade in Textiles and Textile Products

Agreement extending the agreements of April 22, 1976, as amended, and amending the cotton textile agreement.
Effected by exchange of notes
Signed at Washington March 27, 1979;
Entered into force March 27, 1979.

The Secretary of State to the Brazilian Chargé d'Affaires ad interim

MARCH 27, 1979

SIR:

I refer to the Arrangement Regarding International Trade in Textiles, with Annexes, done at Geneva on December 20, 1973, and extended by a Protocol adopted on December 14, 1977[1] at Geneva.

I also refer to the U.S.-Brazilian Agreement relating to trade in cotton textiles and textile products, with Annex, as amended,[2] (the Cotton Agreement) and to the U.S.-Brazilian Agreement relating to trade in man-made fiber textiles and textile products, with Annex, as amended,[3] (the Man-made Fiber Agreement), both of which were effected by exchange of notes April 22, 1976. On behalf of the Government of the United States of America, I propose the following.

1. Sentence one of paragraph one of the Cotton Agreement and paragraph one of the Man-made Fiber Agreement be amended to read, "The term of this Agreement shall be from April 1, 1976 through March 31, 1982."

2. Paragraph 7 of the Cotton Agreement be amended to read, "The aggregate, group and specific limits shall be increased in the second and succeeding years by seven percent annually."

3. Paragraph 4 of the Cotton Agreement be further amended to establish new specific limits for five categories for the April 1, 1979–March 31, 1980 Agreement Year as follows:

The Honorable
ALVARO DA COSTA-FRANCO,
Brazilian Chargé d'Affaires ad interim.

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[1] TIAS 7840, 8939; 25 UST 1001, 29 UST 2287.
[2] TIAS 8738, 9175, 9301, 28 UST 8038, *ante*, p. 6, *ante*, p. 1925.
[3] TIAS 8737, 9174, 28 UST 8033, *ante*, p. 1.

Category 337	79, 995	dozen
Category 340	131, 642	dozen
Category 350	56, 741	dozen
Category 363	9, 969, 314	pieces
Category 369 (floor coverings)	628, 500	lbs.

4. A designated consultation level of 1,000,000 square yards equivalent be established under the Cotton Agreement for Category 359 (other cotton apparel).

If the foregoing proposal is acceptable to the Government of the Federative Republic of Brazil, this note and your Excellency's note of confirmation on behalf of the Government of the Federative Republic of Brazil shall constitute an Agreement between the Government of the United States of America and the Government of the Federative Republic of Brazil, amending the Cotton Agreement and the Manmade Fiber Agreement accordingly

Accept, Sir, the renewed assurances of my high consideration.

For the Secretary of State:

WILLIAM BARRACLOUGH

The Brazilian Chargé d'Affaires ad interim to the Secretary of State

EMBAIXADA DOS ESTADOS UNIDOS DO BRASIL

Washington,D.C.,em 27 de março de 1979

Nº 115

Excelência,

Tenho a honra de acusar o recebimento da nota de 27 de março de 1979 pela qual o Governo dos Estados Unidos da América propõe que o Acordo Bilateral Brasil/Estados Unidos sobre Têxteis de Algodão, e o Acordo Bilateral Brasil/Estados Unidos sobre Têxteis de Fibras Sintéticas, com seus anexos e emendas, em vigor entre nossos dois Governos, sejam emendados e prorrogados. Transcrevo, abaixo, traduzido para o português, o texto integral da nota de Vossa Excelência:

"Senhor,

Refiro-me ao Acordo relativo ao Comércio Internacional de Têxteis, com seus anexos, feito em Genebra em 20 de dezembro de 1973, e prorrogado por um protocolo concluído em 14 de dezembro de 1977, em Genebra.

Refiro-me também ao Acordo Estados Unidos-Brasil sobre Têxteis de Algodão, com seu anexo e suas emendas, e ao Acordo Estados Unidos-Brasil sobre Têxteis de Fibras Sintéticas, com seu anexo e suas emendas, ambos celebrados, por troca de notas, em 22 de abril de 1976. Em nome do Governo dos Estados Unidos da América, proponho o seguinte:

1) O primeiro período do parágrafo 1 do Acordo sobre Têxteis de Algodão e do Acordo sobre Têxteis de Fibras Sintéticas, emendado, passará a ter a seguinte redação: "A duração deste Acordo será de 1º de abril de 1976 até 31 de março de 1982"

2) O parágrafo 7 do Acordo sobre Têxteis de Algodão, emendado, passará a ter a seguinte redação: "O limite agregado e os limites de grupo e específicos serão aumentados em 7% anualmente, no segundo ano e anos seguintes"

3) O parágrafo 4 do Acordo sobre Têxteis de Algodão, emendado, estabelecerá novos limites específicos para cinco categorias, a vigorarem no ano-acordo de 1º de abril de 1979 a 31 de março de 1980, conforme especificado abaixo:

categoria 337	79.995 dúzias
categoria 340	131.642 dúzias
categoria 350	56.741 dúzias
categoria 363	9.969.314 peças
categoria 369 ("floor coverings")	628.500 libras peso

4) O nível de consulta aplicável, no Acordo sobre Têxteis de Algodão, para a categoria 359 ("other cotton apparel") é fixado em 1.000.000 SYE.

Se a proposta acima for aceitável para o Governo da República Federativa do Brasil, esta nota e a nota de Vossa Senhoria, de confirmação em nome do Governo da República Federativa do Brasil, constituirão um Acordo entre o Governo dos Estados Unidos da América e o Governo da República Federativa do Brasil, emendando e prorrogando, consequentemente, o Acordo sobre Têxteis de Algodão e o Acordo sobre Têxteis de Fibras Sintéticas.

Queira aceitar os protestos de minha mais alta consideração"

2. Em resposta, tenho a honra de comunicar a Vossa Excelência que o Governo da República Federativa do Brasil está de acordo com a proposta apresentada na nota de Vossa Excelência, e que a nota de Vossa Excelência, e esta de resposta, constituem um Acordo entre o Governo da República Federativa do Brasil e o Governo dos Estados Unidos da América, emendando e prorrogando o Acordo sobre Têxteis de Algodão e o Acordo sobre Têxteis de Fibras Sintéticas.

Aproveito a oportunidade para renovar a Vossa Excelência os protestos da minha mais alta consideração.

Álvaro da Costa-Franco
Encarregado de Negócios,a.i.

À Sua Excelência

Cyrus Vance,

Secretário de Estado dos Estados Unidos da América

TRANSLATION

EMBASSY OF THE UNITED STATES OF BRAZIL

Washington, D.C., March 27, 1979

No. 115

Excellency:

I have the honor to acknowledge receipt of the note of March 27, 1979, in which the Government of the United States of America proposes that the U.S.-Brazilian Agreement relating to cotton textiles with annex, as amended, and the U.S.-Brazilian agreement relating to man-made fiber textiles, with annex, as amended, in force between our two governments be amended and extended. The complete text of Your Excellency's note, translated into Portuguese, reads as follows:

[For the English language text, see pp. 1928-1929.]

In reply I have the honor to inform Your Excellency that the Government of the Federative Republic of Brazil concurs in the proposal put forth in Your Excellency's note and that Your Excellency's note and this reply constitute an agreement between the Government of the Federative Republic of Brazil and the Government of the United States of America amending and extending the Agreement relating to Cotton Textiles and the Agreement relating to Man-Made Fiber Textiles.

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

Alvaro da Costa Franco

Alvaro da Costa-Franco

Charge d'Affaires, ad interim

LEBANON

Agricultural Commodities

Agreement signed at Beirut March 23, 1978;
Entered into force March 1, 1979.
With minutes of negotiations
Signed at Beirut March 20, 1978.

AGREEMENT BETWEEN THE
GOVERNMENT OF THE UNITED STATES OF AMERICA
AND THE GOVERNMENT OF LEBANON
FOR THE SALE OF AGRICULTURAL COMMODITIES
UNDER THE PUBLIC LAW 480 TITLE I[1] PROGRAM

The Government of the United States of America and the Government of Lebanon agree to the sales of agricultural commodities specified below. This Agreement shall consist of the preamble, parts I and III of the Title I Agreement signed April 25, 1977[2] together with the following Part II:

PART II - PARTICULAR PROVISIONS

Item I. Commodity Table.

Commodity	Supply Period (U.S. Fiscal Year)	Approximate Maximum Quantity (Metric Tons)	Maximum Export Market Value (Millions of Dollars)
Wheat/ Wheat Flour (Grain equivalent basis)	1978	50,000	6.0

Item II: Payment Terms, Dollar Credit

A. Initial payment - 5 percent.

B. Currency use payment - 15 percent for Section 104(A) purposes.

C. Number of installment payments - 19

D. Amount of each installment payment - approximately equal annual amounts

E. Due date of first installment - 2 years after date of last delivery of commodities in each calendar year

F Initial interest rate - 2 percent

G. Continuing interest rate - 3 percent

[1] 68 Stat. 455, 7 U.S.C. § 1701 *et seq.*
[2] TIAS 8676, 28 UST 6154.

Item III. Usual Marketing Table:

Commodity	Import Period (U.S. Fiscal Year)	Usual Marketing (Metric Tons)
Wheat/Wheat Flour (on a grain equivalent basis)	1978	125,000

Item IV Export Limitations.

A. The export limitation period shall begin on the date the Agreement is signed and continue through U.S. fiscal year 1978 or any subsequent U.S. fiscal year during which commodities financed under this Agreement are being imported or utilized.

B. For the purposes of Part I, Article III A(4) of the Agreement, the commodities which may not be exported are for wheat/wheat flour -- wheat, wheat flour, rolled wheat, semolina, farina or bulgur (or the same product under a different name).

Item V Self-help Measures:

A. In implementing these self-help measures, specific emphasis will be placed on contributing directly to development progress, including rehabilitation/reconstruction, in poor rural areas and enabling the poor to participate actively in increasing agricultural production through small farm agriculture.

B. The Government of Lebanon agrees to:

1. Give high priority to rehabilitation/reconstruction of the agricultural sector by putting farm land back into production, by restoring rural farm housing, restoring damaged agricultural research farms, and by repairing and expanding water and irrigation systems.

2. Rebuild and develop grain handling equipment, rebuild silos and other storage and preservation facilities; and rehabilitate the livestock and poultry sector.

3. Give emphasis to the agricultural education and training sectors in rural areas and re-equip them for normal functioning.

4. Emphasize internal agricultural marketing systems including cooperative marketing in order to achieve adequate supplies at fair market prices for consumers and producers.

5. Strengthen systems for collection, computation and analysis of agricultural statistics including import, export, and other related trade data for use in determining production and marketing policies.

6. Identify short and medium term agricultural credit needs for low income rural families and develop plans to meet such needs.

Item VI. Economic Development, including rehabilitation and reconstruction, which proceeds accruing to importing country are to be used:

A. The proceeds accruing to the importing country from the sale of commodities financed under this Agreement will be used for financing the self-help measures set forth in Item V of the Agreement for the agricultural sector.

B. In the use of proceeds for these purposes emphasis will be placed on directly improving the lives of the poorest of recipient country's people and their capacity to participate in the development, including the reconstruction and rehabilitation of their country.

Done at Beirut this 23rd day of March, 1978.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA

Richard B. Parker
Ambassador

FOR THE GOVERNMENT OF LEBANON

Salim al Hoss
Prime Minister
Minister of Economy and Trade

Minutes of Negotiations between Representatives
of the Government of Lebanon and the United States
on a PL-480 Title I Agreement

On March 16, 1978 a negotiation meeting was held to discuss the wheat part under the proposed PL-480, Title I Agreement for U.S. Fiscal Year 1978. Mr. Mounir Berbari, Director General of the Cereals and Sugarbeets Office of the Ministry of Economy and Trade represented the Government of Lebanon, and Dr. Thomas C. Irvin, the Agency for International Development Representative at the American Embassy represented the Government of the United States of America.

On March 20, 1978, Mr. Berbari and Dr. Irvin approved the following minutes of the meeting held on March 16.

1. The meeting was opened by a word of thanks from the Lebanese Government representative to the United States Government and the U.S. representative and other staff of the American Embassy for their help and cooperation towards the successful implementation of the preceding PL-480 Title I Agreement in Lebanon. On his turn, the U.S. representative thanked the Lebanese representative and his staff for their efforts and cooperation for the success of the past Agreement.

2. The U.S. representative called the Lebanese representative's attention to Article I(E), Part 1, of the proposed agreement which provides that the export market values specified in Part II may not be exceeded. He also explained that if commodity prices dropped, 50,000 MT was the ceiling on the commodity quantity.

3. The U.S. representative pointed out that the Currency Use Payment (CUP) level in the proposed agreement was raised to 15 percent of the value of financing as opposed to 10 percent in the preceding agreement.

4. The U.S. representative mentioned that a Usual Marketing Requirement (UMR) of 125,000 metric tons of wheat for FY 1978 was included in the proposed agreement. The UMR requirement was waived by exception in the preceding agreement due to the prevailing conditions in Lebanon at that time.

5. The U.S. representative mentioned that the recent PL-480 regulations require specific emphasis on self-help measures that contribute to development progress in poor rural areas and to enable the poor to

participate actively in increasing agricultural production through small-farm agriculture and the use of the proceeds towards the improvement of the poorest of the recipient country's people.

6. The U.S. representative pointed out the recent amendments to the PL 480 financing regulations which were provided to the Lebanese representative by Embassy letter dated November 3, 1977. Particular emphasis was made of the provisions of the Bellmon amendment and the requirement that all Invitations for Bids (IFB's) for food commodities and freight will be publicly advertised and opened in the United States and that these IFB's should be first approved by the Office of the General Sales Manager, USDA, prior to their issuance.

7. The U.S. representative mentioned that if the Government of Lebanon nominates a purchasing and/or shipping agent to procure commodities or arrange ocean transportation under the proposed agreement it should notify the General Sales Manager, USDA in writing of such nomination and provide a copy of the proposed agency agreement.

8. The U.S. representative mentioned that arrangements should be made by the appropriate Lebanese Government authorities to relay to its Washington Embassy all instructions, information, and authority necessary to enable timely implementation of the agreement.

9. The U.S. representative pointed out the importance of timely opening of acceptable letters of credit for the commodity and freight as well as timely settlement of the 10 percent balance of freight to avoid costly claims by the suppliers and possible higher commodity and freight rates in the future.

10. The U.S. representative mentioned also the importance of timely submission of the reports required under the provisions of the agreement as well as the importance of the measures concerning identification and publicity of the commodities as mutually agreed upon.

11. The Lebanese representative mentioned that Lebanon had requested and obtained in the past waivers for the exporting of limited quantities of decorticated wheat, bulgur and semolina to some neighboring Arab countries that traditionally depend on Lebanon for their needs. The Lebanese representative asked that the minutes reflect a request for such a waiver to export a maximum of 5,000 metric tons of the above products in fiscal year 1978

as compared to 4,000 metric tons in fiscal year 1977 The requested level is to meet the increased demand caused by a larger number of Lebanese residents who moved to these countries following the 1975/76 events in Lebanon.

Signed on March 20, 1978

For the Government of the United States of America

Thomas C. Irvin
AID Representative
U. S. Embassy, Beirut

For the Government of Lebanon

Mounir Berbari
Director General
Cereals and Sugarbeets Office

LEBANON

Agricultural Commodities

Agreements amending the agreement of March 23, 1978.
Effected by exchange of notes
Signed at Beirut May 17 and June 23, 1978;
Entered into force March 1, 1979.
With minutes of negotiations
Signed at Beirut March 31, 1978.
And exchange of notes
Signed at Beirut September 26 and October 6, 1978;
Entered into force March 1, 1979.
And exchange of notes
Signed at Beirut November 24, 1978;
Entered into force March 1, 1979.

60-963 O - 80 - 40 QL 3

The American Chargé d'Affaires ad interim to the Lebanese Prime Minister

Beirut, May 17, 1978

Excellency,

I have the honor to refer to the P.L. 480 Title I Agricultural Commodities Sales Agreement signed by representatives of our two Governments on March 23, 1978[1] and propose that the mentioned Agreement be amended as follows:

In Part II -- Item I, Commodity Table -- under the appropriate columns, insert: Tobacco, 1978, 500, 2.0 and insert new line 8.0.

In Part II -- item III, Usual Marketing Table -- under the appropriate columns, insert: Tobacco, 1978, 200 (all of which shall be imported from the USA).

Part II - Item IV Export Limitations -- at the end of Paragraph B, change the final period to a semicolon and insert.... and for Tobacco -- None.

All the other terms and conditions of the March 23, 1978 Agreement remain the same.

It is proposed that this note and your concurrence therein, or the concurrence of the authorized Government of Lebanon representative designated by you, constitute an agreement between our two Governments to be effective as of the date of your note reply.

Please accept, Excellency, the renewed assurances of my highest consideration.

George M. Lane
Charge d'Affaires

His Excellency
Dr. Salim Al Hoss
Prime Minister
Republic of Lebanon

cc: His Excellency Dr. Farid Raphael, Minister of Finance
Mr. Jacques Dagher, Director General, Regie Libanaise des Tabacs et Tombacs

[1] TIAS 9303, *ante*, p. 1934.

The Lebanese Prime Minister to the American Ambassador

RÉPUBLIQUE LIBANAISE
Présidence du Conseil des Ministres

Beirut, June 23, 1978.

Excellency,

I have the honor to refer to the P.L. 480 Title I Agricultural Commodities Sales Agreement signed by representatives of our two Governments on March 23, 1978 and Mr. George M. Lane's note of May 17, 1978 proposing that the Agreement be amended as follows

In Part II-Item I, Commodity Table—under the appropriate columns, insert : Tobacco, 1978, 500, 2.0 and insert new line 8.0.

In Part II—Item III, Usual Marketing Table—under the appropriate columns, insert: Tobacco, 1978, 200 (all of which shall be imported from the USA).

Part II—Item IV Export Limitations—at the end of Paragraph B, change the final period to a semicolon and insert.... and for Tobacco—None.

All the other terms and conditions of the March 23, 1978 Agreement remain the same.

I concur with the proposed amendment as stated above to become effective as of the date of this note.

Please accept, Excellency, the renewed assurances of my highest consideration.

Salim Hoss
Prime Minister

His Excellency
Mr. Richard B. Parker
Ambassador of the
United States of America,
American Embassy,
Beirut, Lebanon.

Minutes of Negotiations between Representatives of the Governments of the United States and Lebanon on a PL-480 Title I[1] Agreement

On March 17, 1978 a negotiation meeting was held to discuss the tobacco part under the proposed PL-480, Title I Agreement for U.S. Fiscal Year 1978. Mr Jacques Dagher, Director General of the Regie Libanaise des Tabacs et Tombacs, Ministry of Finance represented the Government of Lebanon, and Dr Thomas C. Irvin, the Agency for International Development Representative at the American Embassy represented the Government of the United States of America.

On March 31, 1978, Mr Dagher and Dr Irvin approved the following minutes of the meeting held on March 17.

1. The U.S. representative explained briefly the purpose and the operational aspects of the PL-480 Title I program and informed the Lebanese representative the quantity and value of the tobacco provided under the proposed agreement. He also emphasized that the export market values and the quantities mentioned in Part II of the agreement may not be exceeded

2. The U.S. representative called to the attention of the Lebanese representative that the proposed agreement provides for the commercial purchase by the recipient country of at least 510 metric tons of leaf tobacco (of which at least 390 metric tons must be from the United States) during U.S Fiscal Year 1978.

3. The U.S. representative called to the attention of the Lebanese representative that PL-480 regulations require specific emphasis on implementation of self-help measures so as to contribute directly to development progress in poor rural areas and to enable the poor to participate actively in increasing agricultural production through small farm agriculture and that the proceeds of the sales of the subject commodities will be used for purposes which directly improve the lives of the poorest of the recipient country's people

[1] 68 Stat. 455, 7 U.S.C. § 1701 *et seq.*

4 The U.S. representative pointed out that purchases of the commodities in question and the ocean freight should be made on the basis of invitations for bids (IFB)s to be approved by the General Sales Manager, USDA, prior to issuance

5. The U.S. representative mentioned that if the Government of Lebanon decides to nominate a purchasing or shipping agent to procure the commodity or arrange ocean transportation under the agreement, the GOL must notify the General Sales Manager, USDA, in writing of such nomination and provide along with the notification, a copy of the proposed agency agreement.

6 The U.S. representative informed the Lebanese representative that arrangements should be made by the appropriate Lebanese authorities to relay to its Washington Embassy all instructions, information and authority necessary to enable timely implementation of the agreement.

7 The U.S. representative informed the Lebanese representative that acceptable letters of credit for both commodity and freight for 100 percent of value should be opened on time to avoid delays in shipment and costly claims by the suppliers resulting thereof. The same is true for the settlement of the initial and final payments on the freight.

8. The U.S. representative called to the attention of the Lebanese representative that appropriate measures for identification and publicity for the commodities should be undertaken by the government of the recipient country, as mutually agreed upon by both parties.

9 The U.S. representative emphasized the importance of timely submission of the reports required by the proposed agreement.

10. The Lebanese representative called to the attention of the U.S. representative that in view of the state of reorganization and reequipment of the Lebanese Tobacco Monopoly (Regie Libanaise des Tabacs et Tombacs) facilities which were heavily damaged during the 1975/76 hostilities in Lebanon, the Regie will not be able to purchase during US Fiscal Year 1978 the quantities of tobacco required under the UMR section of the proposed agreement.

The Lebanese representative mentioned that the Regie will start its importing operations for the first time since 1975 by purchasing commercially 200 metric tons of US burley tobacco for which invitations for bids were already issued this month for immediate delivery The Lebanese representative stated that the quantity of tobacco to be provided for under the proposed agreement together with the above quantity to be purchased commercially and about 350 metric tons of flue cured tobacco in stocks will suffice the needs for this calendar year He also expressed the wish that the above proposed program not be affected by this matter taking into consideration the tight financial situation of the Regie and the fact that manufacturing will resume newly after a disruption of about two years by "force majeure" reasons.

Signed on March 31, 1978

For the Government of the United States of America

Thomas C. Irvin
AID Representative
U.S. Embassy, Beirut

For the Government of Lebanon

Jacques Dagher
Director General
Regie Libanaise des Tabacs et Tombacs

Addendum to
Minutes of Negotiations between
Representatives of the Governments
of the United States and Lebanon
on a PL 480 Title I Agreement (Tobacco)

On May 9, 1978, Dr. Thomas C. Irvin of the American Embassy informed Mr. Jacques Dagher, Director General of the Regie Libanaise des Tabacs et Tombacs, that the Usual Marketing Requirement (UMR) for tobacco, for U.S. Fiscal Year 1978 under the subject PL 480 Title I Agreement was reduced to 200 Metric Tons, all of which shall be imported from the United States.

The Government of Lebanon understands and accepts the above UMR levels.

For the Government of the
United States of America

Thomas C. Irvin
AID Representative
U.S. Embassy, Beirut

For the Government
of Lebanon

Jacques Dagher
Director General
Regie Libanaise des
Tabacs et Tombacs

The American Minister Counselor to the Lebanese Prime Minister

Beirut, September 26, 1978

Excellency,

I have the honor to refer to the P. L. 480 Title I Agricultural Sales Agreement signed by representatives of our two Governments on March 23, 1978, as amended June 23, 1978, and propose that the Agreement be further amended as follows:

In Part II — Item I, Commodity Table — under column entitled "Supply". For Tobacco delete "1978" and insert "1978 plus October and November 1978".

In Part II — Item III, Usual Marketing Requirement — under column entitled "Import Period". For Tobacco delete "1978" and insert "1978 plus October and November 1978".

In Part II, Item IV — Export Limitations — delete the entire paragraph A and insert the following: "The export limitation period shall begin on the date the Agreement is signed and continue through U.S. fiscal year 1978, except that the period for tobacco will cover U.S. fiscal year 1978 plus October and November 1978, or any subsequent U.S. fiscal year during which commodities financed under this Agreement are being imported or utilized".

All other terms and conditions of the March 23, Title I Agreement, as amended June 23, 1978, would remain the same.

I propose that this note and your reply concurring therein, constitute an agreement between our two Governments to be effective as of the date of your note in reply.

Please accept, Excellency, the renewed assurances of my highest consideration.

Lucien L. Kinsolving
Minister Counselor

His Excellency
Dr. Salim Al Hoss
Prime Minister
Republic of Lebanon

cc: His Excellency Dr. Farid Raphael, Minister of Finance
Mr. Jacques Dagher, Director General, Regie Libanaise des Tabacs et Tombacs

TIAS 9304

The Lebanese Prime Minister to the American Ambassador

RÉPUBLIQUE LIBANAISE
Présidence du Conseil des Ministres

Beirut, 6th October 1978

Excellency,

I have the honor to refer to the P.L. 480 Title I Agricultural Sales Agreement signed by representatives of our two Governments on March 23, 1978, as amended June 23, 1978, and Mr. Lucien L. Kinsolving's note of September 26, 1978, proposing that the Agreement be further amended as follows :

In Part II - Item I, Commodity Table -- under column entitled "Supply". For Tobacco delete "1978" and insert "1978 plus October and November, 1978".

In Part II - Item III, Usual Marketing Requirement -- under column entitled "Import Period". For Tobacco delete "1978" and insert "1978 plus October and November 1978".

In Part II, Item IV -- Export Limitations -- delete the entire paragraph A and insert the following: "The export limitation period shall begin on the date the Agreement is signed and continue through U.S. fiscal year 1978, except that the period for tobacco will cover U.S. fiscal year 1978 plus October and November 1978, or any subsequent U.S. fiscal year during which commodities financed under this Agreement are being imported or utilized".

All other terms and conditions of the March 23, Title I Agreement, as amended June 23, 1978, would remain the same.

I concur with the proposed amendment as stated above, to be effective as of the date of this note.

Please accept, Excellency, the renewed assurances of my highest consideration.

Salim Hoss
Prime Minister

His Excellency
The Ambassador of the
United States of America
American Embassy
Beirut, Lebanon

The American Ambassador to the Lebanese Prime Minister

Beirut, November 24, 1978

Excellency,

I have the honor to refer to the P.L. 480 Title I Agricultural Sales Agreement signed by representatives of our two Governments on March 23, 1978, as amended June 23, and October 6, 1978, and propose that the Agreement be further amended as follows:

In Part II — Item I, Commodity Table — under column entitled "Supply Period". For Tobacco delete "1978 plus October and November 1978" and insert "1978 plus October 1, 1978 through February 28, 1979".

In Part II — Item III, Usual Marketing Requirements — under column entitled "Import Period". For Tobacco delete "1978, plus October and November 1978", and insert "1978 plus October 1, 1978 through February 28, 1979".

In Part II, Item IV — Export Limitations — In paragraph A delete the words "1978 plus October and November 1978" and insert "1978 plus October 1, 1978 through February 28, 1979".

All other terms and conditions of the March 23, Title I Agreement, as amended June 23, and October 6, 1978, would remain the same.

I propose that this note and your reply concurring therein, constitute an agreement between our two Governments to be effective as of the date of your note in reply.

Please accept, Excellency, the renewed assurances of my highest consideration.

John Gunther Dean

John Gunther Dean
American Ambassador

His Excellency
Dr. Salim Al Hoss
Prime Minister
Republic of Lebanon

cc: His Excellency Dr. Farid Raphael, Minister of Finance
Mr. Jacques Dagher, Director General, Regie Libanaise des Tabacs et Tombacs

TIAS 9304

The Lebanese Prime Minister to the American Ambassador

REPUBLIQUE LIBANAISE
MINISTÈRE DE L'INFORMATION
LE MINISTRE

N° 395

Beirut, November 24, 1978

Excellency,

I have the honor to refer to the P.L. 480 Title I Agricultural Sales Agreement signed by representatives of our two Governments on March 23, 1978, as amended June 23, and October 6, 1978, and your note of November 24, 1978, proposing that the Agreement be further amended as follows:

In Part II - Item I, Commodity Table - under column entitled "Supply Period". For Tobacco delete "1978, plus October and November 1978" and insert "1978 plus October 1, 1978 through February 28, 1979".

In Part II - Item III, Usual Marketing Requirements - under column entitled "Import Period". For Tobacco delete "1978, plus October and November 1978" and insert "1978 plus October 1, 1978 through February 28, 1979".

In Part II, Item IV - Export Limitations - In paragraph A delete the words "1978 plus October and November 1978" and insert "1978 plus October 1, 1978 through February 28, 1979".

All other terms and conditions of the March 23, Title I Agreement, as amended June 23, and October 6, 1978, would remain the same.

I concur with the proposed amendment as stated above, to be effective as of the date of this note.

Please accept, Excellency, the renewed assurances of my highest consideration.

Salim Hoss
Prime Minister

REPUBLIQUE LIBANAISE
Présidence du Conseil des Ministres

His Excellency
The Ambassador of the
United States of America
American Embassy
Beirut, Lebanon

FINLAND

Trade: Papermaking Machinery

Agreement signed at Washington July 21, 1978;
Entered into force July 21, 1978.

AGREEMENT SUPPLEMENTARY TO THE GENERAL AGREEMENT ON TARIFFS AND TRADE

The United States of America and the Republic of Finland;

Considering the reciprocal concessions and advantages for the promotion of trade provided for in their respective Schedules annexed to the General Agreement on Tariffs and Trade[1] (hereinafter referred to as the General Agreement);

Recalling that both the United States and Finland participated in the 1964-67 Trade Conference and that in the Geneva (1967) Protocol to the General Agreement[2] resulting therefrom the United States and Finland extend tariff concessions to articles imported from the other;

Recalling, in particular, that the United States agreed to reduce to 3.5% ad valorem tariffs on imports of certain papermaking machinery provided for in the Tariff Schedules of the United States (TSUS);

Noting that Finland has been a beneficiary of such tariff reductions and noting further that, as a result of a ruling of the United States Customs Service of March 13, 1978, the benefits to Finland which it was contemplated would result from such tariff reductions have been substantially reduced;

[1] TIAS 1700; 61 Stat., pts. 5 and 6.
[2] Done June 30, 1967. TIAS 6425; 19 UST 1.

Noting that the governments of the United States and Finland have entered into negotiations with a view to the adjustment of the matter;

Desiring to restore the contemplated benefits to Finland and thereby promote the foreign trade of both the United States and Finland;

Agree as follows:

The United States of America shall apply to the products described in the attached Schedule, entered, or withdrawn from warehouse, on or after March 13, 1978, treatment no less favorable than the treatment indicated therein, as though such treatment were provided for such products in part I of Schedule XX to the General Agreement with the understanding that as soon as practicable such treatment will be specifically included in Schedule XX.

IN WITNESS WHEREOF the undersigned, being duly authorized by their respective Governments, have signed this agreement.

DONE at Washington, this 21st day of July, 1978.

For the Republic of Finland [1]

For the United States of America [2]

[1] Erik Hellqvist.
[2] Alan W. Wolff.

SCHEDULE

Tariff item number	Description of products 1/	Rate of duty
	Pumps for liquids, whether or not fitted with measuring devices; liquid elevators of bucket, chain, screw, band, and similar types; all the foregoing whether operated by hand or by any kind of power unit, and parts thereof:	
	[Fuel injection pumps for compression-ignition engines, and parts thereof]	
	Other:	
660.96 2/	Stock pumps, and parts thereof, imported for use with machines for making cellulosic pulp, paper, or paperboard.....	3.5% ad val.
	Calendering and similar rolling machines (except metal-working and metal-rolling machines and glass-working machines), and parts thereof:	
	[Calender bowls or rolls of textile fibers, husk, paper, or mixtures thereof, compressed between and held together by iron or steel heads or washers fastened to iron or steel cores or mandrels, for calendering, embossing, mangling, or pressing operations]	
	[Embossing rollers of metal]	
	[Textile calendering and rolling machines, and parts thereof]	
	Other:	
661.54 3/	Calendering and similar rolling machines, and parts thereof, for machines for making cellulosic pulp, paper, or paperboard.....	3.5% ad val.
	Industrial machinery, plant, and similar laboratory equipment, whether or not electrically heated, for the treatment of materials by a process involving a change of temperature, such as heating, cooking, roasting, distilling, rectifying, sterilizing, pasteurizing, steaming, drying, evaporating, vaporizing, condensing, or cooling; instantaneous or storage water heaters, non-electrical; all the foregoing (except agricultural implements, sugar machinery, shoe machinery, and machinery or equipment for the heat-treatment of textile yarns, fabrics, or made-up textile articles) and parts thereof:	
	[Instantaneous or storage water heaters, and parts thereof]	
	Other:	
661.67 4/	Machinery for making cellulosic pulp, paper, or paperboard, and parts thereof.....	3.5% ad val.

See footnotes at end of schedule.

Tariff item number	Description of products 1/	Rate of duty
680.43 5/	Gear boxes and other speed changers with fixed, multiple, or variable ratios; pulleys, pillow blocks, and shaft couplings; torque converters; chain sprockets; clutches and universal joints; all the foregoing (except parts of agricultural or horticultural machinery and implements provided for in item 666.00 and parts of motor vehicles, aircraft, and bicycles) and parts thereof: Gear boxes and other speed changers, and parts thereof: Fixed ratio speed changers, multiple and variable ratio speed changers each ratio of which is selected by manual manipulation, and parts thereof: Imported for use with machines for making cellulosic pulp, paper, or paperboard.....	3.5% ad val.

1/ The bracketed language in the description column of this Schedule has been inserted only in order to clarify the scope of the numbered concession items, and such language is not itself intended to describe articles on which concessions have been granted.
2/ New item to be established from part of existing item 660.94 when this agreement is implemented.
3/ New item to be established from part of existing item 661.55 when this agreement is implemented.
4/ New item to be established from part of existing item 661.70 when this agreement is implemented.
5/ New item to be established from part of existing item 680.45 when this agreement is implemented.
[Footnotes in the original.]

PEOPLE'S REPUBLIC OF CHINA

Settlement of Claims

Agreement signed at Beijing May 11, 1979;
Entered into force May 11, 1979.

60-963 O - 80 - 41 QL 3

AGREEMENT BETWEEN THE GOVERNMENT

OF

THE UNITED STATES OF AMERICA

AND THE GOVERNMENT OF

THE PEOPLE'S REPUBLIC OF CHINA

CONCERNING THE SETTLEMENT OF CLAIMS

In order to develop bilateral economic and trade relations and to complete the process of normalization of relations on the basis of equality and mutual benefit and in accordance with the spirit of the Joint Communique on Establishment of Diplomatic Relations between the United States of America and the People's Republic of China,[1] the Government of the United States of America (hereinafter referred to as the "USA") and the Government of the People's Republic of China (hereinafter referred to as the "PRC") have reached this Agreement:

ARTICLE I

The claims settled pursuant to this Agreement are:

(a) the claims of the USA and its nationals (including natural and juridical persons) against the PRC arising from any nationalization, expropriation, intervention, and other taking of, or special measures directed against, property of nationals of the USA on or after October 1, 1949 and prior to the date of this Agreement; and

(b) the claims of the PRC, its nationals, and natural and juridical persons subject to its jurisdiction or control against the USA arising from actions related to the blocking of assets by the Government of the USA on or after December 17, 1950 and prior to the date of this Agreement.

[1] *Department of State Bulletin*, Jan., 1979, p. 25.

ARTICLE II

(a) The Government of the USA and the Government of the PRC agree to a settlement of all claims specified in Article I. The Government of the PRC agrees to pay to the Government of the USA the sum of $80.5 million as the full and final settlement of the claims specified in Article I. The Government of the USA agrees to accept this sum in full and final settlement of those claims.

(b) The Government of the USA agrees to unblock by October 1, 1979 all assets which were blocked because of an interest, direct or indirect, in those assets of the PRC, its nationals, or natural and juridical persons subject to its jurisdiction or control, and which remained blocked on the date of the initialing of this agreement, March 2, 1979. The Government of the USA further agrees, in a spirit of mutual cooperation, that prior to unblocking under this paragraph, it will notify the holders of blocked assets which the records of the Government of the USA indicate are held in the name of residents of the PRC that the Government of the PRC requests that assets of nationals of the PRC to be unblocked not be transferred or withdrawn without its consent.

ARTICLE III

The Government of the PRC shall pay to the Government of the USA $80.5 million of which $30 million shall be paid on October 1, 1979 and the remaining $50.5 million shall be

paid in five annual installments of $10.1 million each on the first day of October with the first installment due on October 1, 1980.

ARTICLE IV

The Government of the USA shall be exclusively responsible for the distribution of all proceeds received by it under this Agreement.

ARTICLE V

After the date of signature of this Agreement, neither government will present to the other, on its behalf or on behalf of another, any claim encompassed by this Agreement. If any such claim is presented directly by a national of one country to the government of the other, that government will refer it to the government of the national who presented the claim.

ARTICLE VI

This Agreement shall enter into force on the date of signature.

This Agreement was signed on May 11, 1979 at Beijing, in duplicate, in the English and Chinese languages, both versions being equally authentic.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA

Juanita M. Kreps [1]

FOR THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA

張勁夫 [2]

[1] Juanita M. Kreps.
[2] Zhang Jingfu.

美利坚合众国政府和中华人民共和国政府关于解决资产要求的协议

美利坚合众国（以下简称美国）政府和中华人民共和国（以下简称中国）政府，为了在平等互利的基础上并按照美国和中国建立外交关系的联合公报的精神，发展双边经济和贸易关系和完成关系正常化的进程，兹达成协议如下：

第 一 条

本协议所解决的资产要求是：

（甲）美国及其国民（包括自然人和法人）对中国的资产要求，这些资产要求产生于一九四九年十月一日或其后直到本协议签订日以前对美国国民的财产实行的国有化、征收、干预和其他占有或特别措施。

（乙）中国及其国民和在它管辖或控制下的自然人和法人对美国的资产要求，这些资产要求产生于美国政府在一九五〇年十二月十七日或其后直到本协议签订日以前所采取的有关冻结资产的行动。

第 二 条

（甲）美国政府和中国政府协议解决第一条所列的全部资产要求。中国政府同意向美国政府支付八千零五十万美元，作为对第一条所列的资产要求的完全的和最后的解决。美国政府同意接受这笔款项，以完全地和最后地解决这些资产要求。

（乙）美国政府同意于一九七九年十月一日对由于中国及其国民或在它管辖或控制下的自然人和法人在其中有直接和间接的利益而被美国政府冻结，且在草签之日（一九七九年三月二日）仍被冻结的所有资产，予以解冻。美国政府还本着互相合作的精神同意，在根据本款进行解冻之前，它将通知被冻结资产的持有机构（该资产是美国政府记录表明系以居住在中国的人的名义而持有的）：中国

政府要求，未经它的同意，将予解冻的中国国民的资产不得转移或提取。

第 三 条

中国政府将向美国政府支付八千零五十万美元，其中三千万美元于一九七九年十月一日付给，其余五千零五十万美元将分五次付给，即五年中每年十月一日付给一千零一十万美元，其第一笔款项应于一九八〇年十月一日付给。

第 四 条

美国政府根据本协议收到的一切款项，完全由美国政府负责分配。

第 五 条

在本协议签订以后，两国政府都不再代表自己或别人向对方政府提出本协议范围内的任何资产要求。如果一国国民直接向对方政府提出这类资产要求，该政府将把它转

给提出资产要求的国民所属国家的政府。

第 六 条

本协议自签字之日起生效。

本协议于一九七九年五月 11 日在北京签订，一式两份，用英文和中文写成，两种文本具有同等效力。

美利坚合众国政府	中华人民共和国政府
代　　表	代　　表
Leonard H. Kress	張勁夫

SOCIALIST REPUBLIC OF ROMANIA

Cultural Relations: Exchanges for 1979–1980

Agreement signed at Washington December 7, 1978;
Entered into force December 7, 1978;
Effective January 1, 1979.

PROGRAM OF COOPERATION AND EXCHANGES

between the Government of the United States of America and the Government of the Socialist Republic of Romania in Educational, Cultural, Scientific, Technological and other Fields for the Years 1979 and 1980

In order to carry out the Agreement between the Government of the United States of America and the Government of the Socialist Republic of Romania on Cooperation and Exchanges in the Cultural, Educational, Scientific and Technological Fields signed at Bucharest on December 13, 1974,[1] and in the spirit of the Final Act of the Conference on European Security and Cooperation,[2] the Parties will make every effort to carry out the following Program for the years 1979 and 1980.

ARTICLE I: EDUCATION

1. The Parties will exchange annually:

a) Fifteen to twenty graduate students or research scholars for periods of three to ten months, up to a total of 100 person-months on each side. Of these the Romanian side will send to the United States four researchers in the field of cell biology, for periods of ten months each.

b) Six scholars, specialists or officials in education or other fields for visits of up to 30 days, for the purpose of observation, consultation or lecturing in mutually acceptable fields.

c) Up to ten university faculty members to lecture for periods of up to ten months each in language, literature, history and civilization of the two countries or in other mutually acceptable fields.

d) In addition, three American lecturers to teach at summer courses in Romania organized for Romanian teachers of English.

e) And the Romanian side will extend invitations to American teachers of Romanian to participate in summer language courses to be held in Romania.

2. Nominations under Paragraphs 1.a,b and c above may be in all fields, but the Parties will give special consideration to American and Romanian studies and will make every effort to achieve a balance between the pure and applied sciences, and the social sciences and humanities.

[1] TIAS 8006, 26 UST 31.
[2] *Department of State Bulletin*, Sept. 1, 1975, p. 323.

3. The Parties will encourage the conclusion of arrangements for direct cooperation between universities, research institutes and other scholarly institutes or organizations of the two countries. Such arrangements may include, but need not be limited to, cooperative research projects, the granting of scholarships at the undergraduate and graduate levels, and the exchange of senior scholars for lecturing and research.

4. The Parties will encourage and facilitate the exchange of specialists in the social and political sciences for documentation, lecturing and exchange of experience.

5. The Parties will encourage private exchanges of lecturers, research scholars and graduate students, as well as specialists in the fields of education and research.

6. The Parties will facilitate one event annually on aspects of education and research, at which four to six specialists from each country will participate. Priority will be given to conducting bilateral American-Romanian symposia in the fields of history, economics, literature and international affairs.

7. The Parties will continue to explore the possibility of an exchange of information and consultation concerning the equivalency of degrees.

8. The Parties will encourage exchanges between university libraries and other scholarly research centers of books, publications and documentary materials in the field of education.

9. The Parties will encourage the exchange of information, textbooks, atlases and other documentary materials on the geography, history, economy and social life of their respective countries with the object of improving understanding of each country in the other.

ARTICLE II. SCIENCE, TECHNOLOGY AND HEALTH

1. In order to carry out the provisions of Article III of the above mentioned Agreement, the Parties agree to take all appropriate measures to achieve the fulfillment of the following existing understandings and agreements:

a) The Memorandum of Understanding of September 20, 1971 between the Atomic Energy Commission of the United States of America and the State Committee for Nuclear Energy of the Socialist Republic of Romania, as extended by the note of the Socialist Republic of Romania dated March 27, 1973 and the letter of the Commission dated November 13, 1973. The Memorandum of Understanding will remain in force under the jurisdiction of the Department of Energy of the United States of America and the State Committee for Nuclear Energy of the Socialist Republic of Romania.

b) The Memorandum of Understanding Regarding Scientific Cooperation of November 1, 1969 between the National Academy of Sciences of the United States of America and the Academy of the Socialist Republic of Romania.

c) The Memorandum of Understanding of November 1, 1971 on Transportation Research Cooperation between the Department of Transportation of the United States of America and the Ministry of Transportation and Telecommunications of the Socialist Republic of Romania. During the period of validity of this Program, the parties will exchange delegations of specialists in scientific areas of mutual interest, up to 30 person-days on each side annually.

d) The Memorandum of Understanding to be negotiated between the National Science Foundation of the United States of America and the National Council for Science and Technology of the Socialist Republic of Romania.

e) The Understanding between the Department of Health, Education and Welfare (DHEW) of the United States of America, and the Ministry of Health of the Socialist Republic of Romania, contained in the DHEW's letters of December 14, 1972 and January 15, 1974, and the Ministry of Health's letters of March 22, 1973 and January 29, 1974.

2. In connection with Paragraph I (e) above, the DHEW and the Ministry of Health will provide for the exchange of specialists for professional visits (specialization and exchange of experience) totalling 24 person-months for each side annually.

a) Short-term visits shall be considered as periods of at least 30 days, except in the case of groups, which may be for 2-3 weeks.

b) Long-term visits shall be considered as periods of at least 60 days, and not to exceed 180 days.

The parties will also facilitate:

-- the exchange of information, publications and documentation in the fields of health care and medical research;

-- the exchange of published statistical data on epidemic diseases and the general state of health of the population of the two countries; and

-- collaboration between the National Institutes of Health of the DHEW of the United States of America and the Academy of Medical Sciences through the Ministry of Health of the Socialist Republic of Romania.

Details of the specific exchanges provided for under this Paragraph, including necessary administrative arrangements, as well as any new exchanges in the field of health or change in the person-month quota, shall be agreed upon directly between the DHEW and the Ministry of Health.

ARTICLE III: CULTURE

1. The Parties will encourage the exchange of musical, dance and theatrical groups and individual artists. The American side will encourage American impresarios to accept Romanian performing arts groups and individual artists for concert tonrs and performances in the United States. The Romanian side will encourage the Romanian Agency for Artistic Management (ARIA) to accept American performing arts groups and individual artists for performances and concert tours in the Socialist Republic of Romania. During the period of this Program both Parties will make appropriate efforts to facilitate the tour of "The Lucia Sturdza Bulandra" company in the United States and an American theatre company in Romania. In addition, the Parties will encourage the annual exchange of two or three "young talents" from each side to perform symphonic or operatic music.

2. The Parties will make every effort to receive annually five specialists from various cultural and art fields for observation, exchange of experience and the establishment of contacts intended to expand cultural relations, as well as for lectures on the literature, culture and civilization of each country. The visits will be up to 30 days each, with the understanding that two of the specialists may be considered for visits up to 60 days each.

3. The Parties will encourage the theater, opera, operetta and orchestra companies of each country to develop direct contacts with similar companies of the other country and to include in their repertories drama and music works by playwrights and composers of the other country.

4. The Parties will encourage invitations to individual artists and representative performing arts groups, as well as theater and music specialists (performers, composers, critics) from the other country to participate in international festivals, competitions, theater and music meetings to be held in their own countries. Special consideration will be given the George Enescu and the Cluj-Napoca Music Festivals.

5. The Parties will continue to encourage, subject to the legal requirements of each country, the exchange of books, publications and other printed, duplicated or recorded materials, between the Library of Congress and the Central State Library as well as between other libraries and research institutes of the United States of America and the Socialist Republic of Romania.

6. The Parties will encourage, subject to the legal requirements of each country, including -if necessary- the consent of the author, the translation and publication in each country of scientific, scholarly and literary works of the other. In order to expand cooperation in the publishing field, the Parties will exchange during the period of this Program visits by delegations of two editors or publishers each, for periods of 15 to 30 days each. The Parties will encourage activities and exchanges between American translators of Romanian scientific, scholarly and literary works and Romanian translators of American scientific, scholarly and literary works. The Parties will study the possibility of symposia in the two countries on translation of their scientific, scholarly and literary works.

7. During the period of this Program the Parties will exchange visits by two writers on each side for a period of 30 days each in order to promote a better mutual understanding of literary works and the development of contacts between writers and their professional associations of the two countries. Each Party will also facilitate the extension of invitations to writers, literary critics and historians from the other country to participate in international conferences, seminars and symposia organized in its own country on literary themes (creative writing, literary history and criticism). The American side will also invite annually one Romanian writer to participate in the International Writing Program at Iowa.

8. The Parties will facilitate the organization in their countries of various cultural and scholarly programs to commemorate appropriate national anniversaries and celebrations of the other country.

9. The Parties agree to exchange two official exhibits, each to be shown in three or four major cities including where possible the capitals of the two countries, for periods of three or four weeks in each city. The themes of these exhibits will be in the fields of art, culture, education, history, science or general information and will be determined through diplomatic channels.

During 1979 the American side will send to Romania an exhibition "The Artist at Work in America." In 1979, the Romanian side will send to the United States an exhibition of plastic arts or folk art (Romanian folk costumes), while for 1980 it is studying the possibility of sending one of the exhibits from the collections of the Museum of History of the Socialist Republic of Romania.

The Parties will also exchange documentary exhibits related to the history, culture, arts and civilization of the two nations.

The exhibitions of each country may also include other mutually acceptable activities such as: lectures, symposia and other activities generally related to the themes and may be accompanied by such personnel as the sending side deems necessary.

10. The Parties will encourage the development of contacts and exchanges of art exhibits and artists' visits between the Union of Plastic Artists of the Socialist Republic of Romania and similar organizations or art galleries in the United States on the basis of arrangements made directly by those organizations.

11. The Parties will encourage other exchanges of exhibitions in the fields of science, education, architecture or other mutually acceptable fields, on the basis of arrangements made directly between interested institutions or organizations of the two countries.

12. The Parties will encourage museums of the two countries to expand direct contacts, and to exchange specialized informational materials, art books, albums, art monographs, photographs of certain art works, as well as the exchange of information material of mutual interest, including the field of conservation and restoration, subject to the legal requirements of each country.

13. The Parties will mutually encourage the participation, with works and individual artists, in international exhibits or seminars organized in their own countries.

14. The Parties will encourage the expansion of contacts and exchanges of photography exhibitions between the Association of Photographers of the Socialist Republic of Romania and similar organizations in the United States.

15. In order to expand cooperation in the medium of films, the Parties will encourage:

(a) the exchange of mutually acceptable documentary and scientific films;

(b) the exchange of film publications and relations between associations of film specialists of the two countries;

(c) the participation of film specialists and the showing of films at international film festivals or cinematographic meetings organized by each country;

(d) the sponsoring by appropriate organizations in each country of a film week devoted to the films of the other country;

(e) the exchange of films and informational materials between the National Film Archives of the Socialist Republic of Romania and appropriate institutions in the United States of America;

(f) cooperation in production of documentary and feature films;

(g) the exchange of films for direct projection or on television on a commercial basis.

16. The Parties will mutually encourage the exchange of specialized informational material as well as microfilms or copies of documents (subject to payment) between the National Archives of the United States of America and the General Directorate of the State Archives of the Socialist Republic of Romania.

The Parties will encourage the exchange of persons for the purpose of doing research and gathering information for periods up to 90 days for each side.

ARTICLE IV: PRESS, RADIO, TELEVISION

1. The Parties will encourage exchanges of radio programs, of musical, cultural, science and feature films, as well as the exchange of specialists between American radio and television companies and Romanian radio and television.

2. The Parties will encourage and facilitate direct contacts and exchanges between appropriate press organizations of the two countries.

3. The Parties will exchange two journalists or publishers each, annually.

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ARTICLE V. GOVERNMENTAL, SOCIAL, PROFESSIONAL AND CIVIC EXCHANGES

1. The Parties will encourage exchanges between governmental officials at the national level and representatives of local authorities of the two countries for contacts and consultations in the specific areas of their activities. Details will be arranged through diplomatic channels.

2. The Parties will encourage exchanges of representatives of professional and public organizations. The decisions and implementing conditions of these exchanges rest with the respective organizations.

3. The Parties will encourage the exchange of delegations of youth organizations in each country for visits of information and observation in order to reach a better understanding of the way of life, culture and youth activities in the other country. The Parties will also encourage tourist exchanges, on a mutual basis, between youth organizations of the two countries. The decisions, implementing and financial conditions regarding these exchanges rest with the respective organizations.

ARTICLE VI. SPORTS

The Parties will encourage the development of exchanges in the field of sports, and exchanges of experience and information between sports organizations and institutes of physical education and sports of the two countries. The financial conditions of these exchanges will be established by mutual agreement between the respective organizers.

ARTICLE VII. GENERAL

1. The exchanges and visits provided for herein shall be subject to the constitutional requirements and applicable laws and regulations of the two countries. Within this framework, both Parties will promote favorable conditions for the fulfillment of these exchanges and visits in accordance with the provisions and objectives of the Agreement.

2. This Program does not preclude other exchanges and visits which may be arranged by interested organizations or individuals, it being understood that arrangements for additional exchanges and visits will be facilitated by prior agreement through diplomatic channels or between appropriate organizations.

3. The Parties agree to hold, before the end of the year 1979, a meeting of their representatives to discuss the implementation of the Program in 1979 and the provisions for 1980. The Parties agree to hold, in addition, a review of Article I implementation at a working-level meeting in June of each year.

4. The Program Year will begin on January 1 of each year and end on December 31. However, for the purpose of determining the fulfillment of quotas under paragraphs I.1.a and I.1.c of this Program, the Program Year for grantees will be September 1 - August 31.

5. This Program is valid from January 1, 1979 through December 31, 1979. Its validity will be automatically extended for one year through December 31, 1980 upon the renewal of the Agreement between the Government of the United States of America and the Government of the Socialist Republic of Romania on Cooperation and Exchanges in the Cultural, Educational, Scientific and Technological Fields of December 13, 1974, or upon the conclusion of a new Agreement on such cooperation and exchanges, assuming the consistency of the provisions of this Program with the new Agreement.

DONE at Washington on December 7, 1978 in two originals, in the English and Romanian languages, both equally authentic.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

John E Reinhardt [1]

FOR THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF ROMANIA:

C Bogdan [2]

[1] John E. Reinhardt.
[2] C. Bogdan.

PROGRAM DE COOPERARE SI SCHIMBURI

între Guvernul Statelor Unite ale Americii şi Guvernul Republicii Socialiste România în domeniile învăţămîntului, culturii, ştiinţei, tehnologiei şi în alte domenii pe anii 1979 - 1980

In vederea punerii în aplicare a Acordului dintre Guvernul Statelor Unite ale Americii şi Guvernul Republicii Socialiste România privind cooperarea şi schimburile în domeniile culturii, învăţămîntului, ştiinţei şi tehnologiei, semnat la Bucureşti, la 13 decembrie 1974, şi în spiritul Actului final al Conferinţei pentru securitate şi cooperare în Europa, Părţile vor depune toate eforturile pentru a pune în aplicare următorul Program pentru anii 1979 - 1980:

ARTICOLUL I - INVATAMINT

1. Părţile vor proceda la următoarele schimburi anual:

a.- 15-20 tineri absolvenţi universitari sau cercetători cu experienţă, pe perioade între 3 şi 10 luni, pînă la un total de 100 luni/persoană de fiecare parte. Dintre aceştia, Partea română va trimite în Statele Unite 4 cercetători în domeniul biologiei celulare, pe perioade de cîte 10 luni fiecare.

b.- 6 cercetători ştiinţifici, specialişti sau persoane oficiale din învăţămîntul superior sau alte domenii pentru vizite de pînă la 30 zile, în vederea documentării, consultării sau ţinerii de prelegeri în domenii reciproc acceptabile.

c.- Pînă la 10 cadre didactice universitare, pe o perioadă de pînă la 10 luni fiecare, pentru cursuri de limbă, literatură, istorie şi civilizaţie ale celor două ţări sau în alte domenii reciproc acceptabile.

d.- 3 specialişti universitari americani pentru a preda la cursurile de vară din România, organizate pentru profesorii români de engleză.

e.- Partea română va invita profesori americani de limba română să participe la cursurile de vară ce au loc în România.

2. Nominalizările în cadrul paragrafelor 1 a.,b. şi c. de mai sus, se pot face în toate domeniile,dar Părţile vor acorda atenţie deosebită studiilor româneşti şi americane şi vor depune toate eforturile pentru a se realiza un echilibru între ştiinţele fundamentale şi aplicate şi ştiinţele sociale şi umanistice.

3. Părţile vor încuraja încheierea de înţelegeri de cooperare directă între universităţi şi institute de cercetări, precum şi alte instituţii sau organizaţii ştiinţifice ale celor două ţări. Astfel de înţelegeri pot include, dar nu se vor limita la proiecte de cercetări comune, acordarea de burse pentru studenţi şi absolvenţi universitari, precum şi schimbul de cercetători cu experienţă pentru prelegeri şi cercetări.

4. Părţile vor încuraja şi facilita schimbul de specialişti în domeniul ştiinţelor sociale şi politice pentru documentare, conferinţe şi schimb de experienţă.

5. Părţile vor încuraja schimburile pe cont propriu de lectori, cercetători ştiinţifici şi absolvenţi, ca şi de specialişti în domeniile educaţiei şi cercetării.

6. Părţile vor facilita organizarea unei acţiuni pe an, pe probleme ale învăţămîntului, cercetării şi educaţiei, la care vor participa 4-6 specialişti din fiecare ţară.

Se va acorda prioritate organizării de simpozioane bilaterale americano-române în domeniile istoriei, economiei, literaturii şi problemelor internaţionale.

7. Părţile vor continua să exploreze posibilitatea schimbului de informaţii şi consultărilor referitoare la echivalarea diplomelor.

8. Părţile vor încuraja schimburile dintre bibliotecile universitare şi alte centre de cercetare ştiinţifică, de cărţi, publicaţii şi materiale documentare din domeniul educaţiei.

9. Părţile vor încuraja schimbul de informaţii, manuale şcolare, atlase şi alte materiale documentare referitoare la geografia, istoria, economia şi viaţa socială a ţărilor lor, în scopul îmbunătăţirii cunoaşterii fiecărei ţări în cealaltă.

ARTICOLUL II - STIINTA, TEHNOLOGIE SI SANATATE

1. In vederea aplicării prevederilor Articolului III din Acordul menţionat mai sus, Părţile sînt de acord să ia toate măsurile corespunzătoare pentru a realiza îndeplinirea următoarelor aranjamente şi înţelegeri existente:

a.- Memorandumul Inţelegerii din 2o septembrie 1971 dintre Comisia pentru Energie Atomică a Statelor Unite ale Americii şi Comitetul de Stat pentru Energia Nucleară din Republica Socialistă România, extins prin scrisoarea Comisiei din 13 noiembrie 1973 şi prin nota Republicii Socialiste România din 27 martie 1973. Memorandumul Inţelegerii va rămîne în vigoare sub jurisdicţia Departamentului Energiei al Statelor Unite ale Americii şi Comitetului de Stat pentru Energia Nucleară al Republicii Socialiste România.

b.- Memorandumul Inţelegerii privind cooperarea ştiinţifică din 1 noiembrie 1969 dintre Academia Naţională de Ştiinţe din Statele Unite ale Americii şi Academia Republicii Socialiste România.

c.- Memorandumul Inţelegerii din 1 noiembrie 1971 privind cooperarea în cercetările din domeniul transporturilor dintre Departamentul Transporturilor din S.U.A. şi Ministerul Transporturilor şi Telecomunicaţiilor din Republica Socialistă România. Părţile vor efectua în perioada valabilităţii programului, schimburi de delegaţii de specialişti în probleme ştiinţifice de interes reciproc, de pînă la 30 zile/persoană anual, de fiecare parte.

d.- Memorandumul Inţelegerii dintre Fundaţia Naţională de Ştiinţe din Statele Unite ale Americii şi Consiliul pentru Ştiinţă şi Tehnologie din Republica Socialistă România, care va fi renegociat.

e.- Inţelegerea dintre Departamentul Sănătăţii, Educaţiei şi Prevederilor Sociale (DHEW) din Statele Unite ale Americii şi Ministerul Sănătăţii din Republica Socialistă România, cuprinsă în scrisorile DHEW din 14 decembrie 1972 şi 15 ianuarie 1974 şi ale Ministerului Sănătăţii din 22 martie 1972 şi 29 ianuarie 1974.

2. In legătură cu paragraful 1.e de mai sus, DHEW şi Ministerul Sănătăţii vor acorda pentru schimburile de specialişti pentru vizite profesionale (specializare şi schimb de experienţă) un volum total anual de 24 luni/persoană, de fiecare parte.

a.- Vizitele de scurtă durată vor fi considerate cele pentru perioade de cel puţin 30 de zile, exceptînd cazul grupurilor care pot fi pe o durată de 2-3 săptămîni.

b.- Vizitele de lungă durată vor fi considerate cele pe perioade de minimum 60 zile şi care nu depăşesc 180 zile.

Părţile vor facilita, de asemenea:

- Schimbul de informaţii, publicaţii şi documentaţii în domeniile ocrotirii sănătăţii şi cercetării ştiinţifice medicale.

- Schimbul de date statistice publice cu privire la bolile epidemiologice şi la starea generală de sănătate a populaţiei din cele două ţări.

- Colaborarea dintre Institutele Naţionale de Sănătate (NIH) ale DHEW din Statele Unite ale Americii şi Academia de Ştiinţe Medicale prin Ministerul Sănătăţii al Republicii Socialiste România.

Detaliile privind schimburile specifice prevăzute de acest paragraf, inclusiv aranjamentele administrative necesare, ca şi orice noi schimburi în domeniul sănătăţii sau modificare a volumului de luni/persoană vor fi convenite direct între DHEW şi Ministerul Sănătăţii.

ARTICOLUL III - CULTURA

1. Părţile vor încuraja schimburile de formaţii muzicale, de balet şi de teatru, precum şi de artişti individuali. Partea americană va încuraja impresarii americani să accepte formaţii artistice şi artişti individuali români pentru turnee de concerte şi spectacole în Statele Unite. Partea română va încuraja Agenţia Română de Impresariat Artistic (ARIA) să accepte formaţii artistice şi artişti individuali americani pentru turnee de spectacole şi concerte în Republica Socialistă România. In perioada de valabilitate a acestui Program, ambele Părţi vor depune eforturi corespunzătoare pentru a facilita turneul Teatrului "Lucia Sturdza Bulandra" în Statele Unite ale Americii şi a unei companii americane de teatru în Republica Socialistă România. Pe lîngă acestea, Părţile vor încuraja schimbul anual de 2-3 "tinere talente" de fiecare parte pentru a interpreta muzică simfonică sau de operă.

2. Părţile vor depune toate eforturile de a primi, în fiecare an, cinci specialişti din diverse domenii ale

artei şi culturii pentru documentare, schimb de experienţă şi stabilirea de contacte menite să contribuie la dezvoltarea relaţiilor culturale, ca şi pentru conferinţe despre literatura, cultura şi civilizaţia fiecărei ţări.

Vizitele vor fi de pînă la 30 zile fiecare, cu înţelegerea că doi din specialiştii respectivi pot fi avuţi în vedere pentru vizite de pînă la 60 zile fiecare.

3. Părţile vor încuraja teatrele dramatice, operele, operetele şi orchestrele din propria ţară să dezvolte contacte directe cu teatrele, orchestrele, operetele şi operele din cealaltă ţară şi să introducă în repertoriile lor lucrări de dramaturgi şi compozitori din cealaltă ţară.

4. Părţile vor încuraja invitarea unor artişti şi grupuri aritstice reprezentative, ca şi a unor oameni de teatru şi muzicieni (interpreţi, compozitori, critici) din cealaltă ţară pentru a participa la festivalurile, concursurile, reuniunile de teatru şi muzicale internaţionale care vor fi organizate în propriile lor ţări. Se va acorda o atenţie deosebită festivalului muzical "George Enescu" şi celui de la Cluj-Napoca.

5. Părţile vor continua să încurajeze, cu condiţia îndeplinirii cerinţelor legale ale fiecărei ţări, schimburile de cărţi, publicaţii şi alte materiale tipărite, multiplicate sau înregistrate, între Biblioteca Congresului şi Biblioteca Centrală de Stat, precum şi între alte biblioteci şi institute de documentare ale Statelor Unite ale Americii şi Republicii Socialiste România.

6. Părţile vor încuraja, cu condiţia îndeplinirii cerinţelor legale din fiecare ţară, inclusiv - dacă este necesar - consimţămîntul autorilor, traducerea şi publicarea în fiecare ţară a unor lucrări ştiinţifice,academice şi literare din cealaltă ţară. In vederea lărgirii cooperării în domeniul editorial, Părţile vor face schimb, în perioada acestui Program, de vizite de delegaţii formate din cîte doi editori sau redactori, pe perioade de 15 la

30 zile fiecare. Părţile vor încuraja activităţile şi schimburile dintre traducătorii americani de lucrări ştiinţifice, academice şi literare româneşti şi traducătorii români de lucrări literare, academice şi ştiinţifice americane. Părţile vor studia posibilitatea organizării unor simpozioane în cele două ţări cu privire la traducerea lucrărilor lor literare, academice şi ştiinţifice.

7. In perioada acestui Program, Părţile vor face schimb de vizite a cîte doi scriitori de fiecare parte pentru o perioadă de 30 zile fiecare în vederea promovării unei mai bune înţelegeri reciproce a literaturii şi dezvoltării contactelor dintre scriitorii şi asociaţiile lor profesionale din cele două ţări. Fiecare parte va facilita, de asemenea, invitarea unor scriitori, istorici şi critici literari din cealaltă ţară pentru a participa la conferinţele, seminariile şi simpozioanele internaţionale organizate în propria ţară, avînd teme literare (creaţie, istorie şi critică literară).

Anual, partea americană va invita, de asemenea, un scriitor român să participe la Programul internaţional pentru scriitori din Iowa.

8. Părţile vor facilita organizarea în ţările lor a unor variate programe culturale şi ştiinţifice dedicate comemorării unor aniversări naţionale corespunzătoare ale celeilalte ţări.

9. Părţile sînt de acord să facă schimb de două expoziţii oficiale, fiecare să fie prezentată în 3 sau 4 oraşe importante, inclusiv,pe cît posibil, în capitalele celor două ţări, pentru perioade de 3 sau 4 săptămîni în fiecare oraş. Tematicile acestor expoziţii vor fi din domeniile artei, culturii, învăţămîntului, istoriei, ştiinţei sau de informare generală şi vor fi convenite pe căi diplomatice.

In anul 1979, Partea română va trimite în Statele Unite o expoziţie de arte plastice sau de artă populară

(portul popular românesc), iar pentru 1980 studiază posibilitatea trimiterii unei expoziții din colecțiile Muzeului de Istorie al Republicii Socialiste România.

In anul 1979, Partea americană va trimite în România expoziția "The Artist at work in America".

Părțile vor face, de asemenea, schimb de expoziții documentare privind istoria, cultura, artele și civilizația celor două națiuni.

Expozițiile fiecărei țări pot, de asemenea, cuprinde și alte activități reciproc acceptabile, cum ar fi: prelegeri, simpozioane și alte activități legate de tematica acestora și pot fi însoțite de personalul pe care Partea trimițătoare îl va considera necesar.

10. Părțile vor încuraja dezvoltarea contactelor și schimburilor de expoziții de artă și de vizite ale unor artiști plastici între Uniunea Artiștilor Plastici din Republica Socialistă România și organizații similare sau galerii de artă din Statele Unite, pe baza unor aranjamente stabilite direct de aceste organizații.

11. Părțile vor încuraja alte schimburi de expoziții din domeniile științei, învățămîntului, arhitecturii sau altor domenii reciproc acceptabile, pe baza aranjamentelor convenite direct între instituțiile sau organizațiile interesate din cele două țări.

12. Părțile vor încuraja muzeele din cele două țări să lărgească contactele directe și să facă schimb de materiale documentare de specialitate, de cărți de artă, albume, monografii de artă, fotografii ale unor lucrări de artă, precum și schimburi de materiale documentare de interes reciproc, inclusiv din domeniul conservării și restaurării, cu condiția respectării reglementărilor legale din fiecare țară.

13. Părțile vor încuraja participarea reciprocă cu lucrări de artă și artiști plastici la expozițiile sau seminariile internaționale organizate în propriile țări.

14. Părţile vor încuraja lărgirea contactelor şi a schimburilor de expoziţii de artă fotografică între Asociaţia Artiştilor Fotografi din Republica Socialistă România şi organizaţii similare din Statele Unite.

15. In vederea lărgirii cooperării în domeniul cinematografiei, Părţile vor încuraja.

a.- Schimbul de filme documentare şi ştiinţifice reciproc acceptabile.

b.- Schimbul de publicaţii cinematografice şi relaţiile dintre asociaţiile de cineaşti ale celor două ţări.

c.- Participarea cineaştilor şi prezentarea de filme la festivalurile, întîlnirile cinematografice internaţionale organizate de fiecare ţară.

d.- Organizarea de către organizaţiile corespunzătoare din fiecare ţară a unei săptămîni a filmului dedicată celeilalte ţări.

e.- Schimbul de filme şi materiale informative între Arhiva Naţională de Filme a Republicii Socialiste România şi instituţii corespunzătoare din Statele Unite ale Americii.

f.- Cooperarea în producţia de filme documentare şi artistice.

g.- Schimbul de filme, pentru proiectare directă sau la televiziune, pe bază comercială.

16. Părţile vor încuraja reciproc schimbul de materiale informative de specialitate, precum şi microfilme sau copii de documente (contra cost) între Arhivele Naţionale ale Statelor Unite şi Direcţia Generală a Arhivelor Statului din Republica Socialistă România.

Părţile vor încuraja schimbul de persoane pentru informare şi cercetare pe perioade pînă la 90 zile de fiecare parte.

ARTICOLUL IV - PRESA, RADIO SI TELEVIZIUNE

1. Părţile vor încuraja schimburile de programe radio, de filme de televiziune muzicale, culturale, de

ştiinţă şi artistice, precum şi schimbul de specialişti între companiile americane de radio şi televiziune şi Radioteleviziunea Română.

2. Părţile vor încuraja şi facilita contactele şi schimburile directe între organizaţiile corespunzătoare de presă din cele două ţări.

3. Părţile vor schimba anual cîte doi ziarişti şi editori fiecare.

ARTICOLUL V - SCHIMBURI ÎNTRE ORGANISME GUVERNAMENTALE, SOCIALE, PROFESIONALE SI OBSTESTI

1. Părţile vor încuraja schimburi între oficialităţi guvernamentale la nivel naţional şi reprezentanţi ai autorităţilor locale ale celor două ţări pentru contacte şi consultări în domeniile specifice ale activităţii lor. Detaliile vor fi stabilite pe căi diplomatice.

2. Părţile vor încuraja schimburi de reprezentanţi ai unor organizaţii profesionale şi obşteşti. Deciziile şi condiţiile de îndeplinire ale acestor schimburi sînt de competenţa organizaţiilor respective.

3. Părţile vor încuraja schimbul de delegaţii ale organizaţiilor de tineret din fiecare ţară pentru vizite de informare şi documentare în scopul unei mai bune înţelegeri a modului de viaţă, a culturii şi activităţilor tineretului din cealaltă ţară. Părţile vor încuraja, de asemenea, schimburile turistice, pe bază de reciprocitate, între organizaţiile de tineret ale celor două ţări. Deciziile, condiţiile de realizare şi finanţare privind aceste schimburi sînt de competenţa organizaţiilor respective.

ARTICOLUL VI - SPORT

Părţile vor încuraja dezvoltarea schimburilor în domeniul sportului, a schimburilor de experienţă şi informaţii între organizaţii sportive şi institute de educaţie fizică şi sport ale celor două ţări. Condiţiile financiare

ale acestor schimburi vor fi stabilite de comun acord între organizatorii respectivi.

ARTICOLUL VII- PREVEDERI GENERALE

1. Schimburile şi vizitele prevăzute în acest program se vor efectua conform normelor constituţionale, legilor şi reglementărilor în vigoare din cele două ţări. In acest cadru, părţile vor asigura condiţii favorabile pentru efectuarea acestor schimburi şi vizite, în conformitate cu prevederile şi obiectivele Acordului.

2. Acest program nu exclude alte schimburi şi vizite care vor putea fi stabilite între organizaţii sau persoane interesate, înţelegîndu-se că aranjamentele pentru schimburi şi vizite suplimentare vor fi facilitate prin înţelegeri prealabile, pe cale diplomatică sau între organizaţiile corespunzătoare.

3. Părţile sînt de acord ca înainte de sfîrşitul anului 1979, să aibă loc o întîlnire a reprezentanţilor lor pentru a discuta realizarea Programului în anul 1979 şi prevederile pentru 1980.

Părţile sînt de acord să aibă loc, suplimentar, în luna iunie a fiecărui an, o întîlnire de lucru privind aplicarea prevederilor de la Articolul I.

4. Anul de program va începe la 1 ianuarie al fiecărui an şi se va termina la 31 decembrie. Cu toate acestea, în scopul determinării îndeplinirii cotelor de la paragrafele I.1.a. şi I.1.c. ale acestui Program, Anul de program pentru bursieri se va considera de la septembrie la 31 august.

5. Acest Program este valabil de la 1 ianuarie 1979 la 31 decembrie 1979.

Valabilitatea sa se va extinde automat pentru încă un an, pînă la 31 decembrie 1980, la extinderea Acordului dintre Guvernul Statelor Unite ale Americii şi Guvernul Republicii Socialiste România privind cooperarea şi schimburile în domeniile culturii, învăţămîntului, ştiinţei şi

tehnologiei din 13 decembrie 1974 sau la încheierea unui nou Acord pentru asemenea cooperare şi schimburi, presupunînd concordanţa prevederilor acestui Program cu noul Acord.

Incheiat la Washington, la 7 decembrie 1978, în două exemplare originale, în limbile engleză şi română, ambele fiind în mod egal autentice.

Pentru	Pentru
GUVERNUL STATELOR UNITE ALE AMERICII	GUVERNUL REPUBLICII SOCIALISTE ROMANIA
John E. Reinhardt	C. Bogdan

INDONESIA

Development of Science and Technology

Agreement signed at Jakarta April 12, 1978;
Entered into force April 12, 1978.

A.I.D. Loan No. 497-W-050

Project No. 497-0266

PROJECT

LOAN AGREEMENT

BETWEEN

THE REPUBLIC OF INDONESIA

and the

UNITED STATES OF AMERICA

for

SCIENCE AND TECHNOLOGY. Practical

Applications for Development

Dated: April 12, 1978

TIAS 9308

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Annex 1. Amplified Description of the Project

Annex 2: Project Loan Standard Provisions[1]

[1] Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

A.I.D. LOAN NO. 497-W-050

PROJECT NO. 497-0266

PROJECT LOAN AGREEMENT

Dated April 12, 1978

Between THE REPUBLIC OF INDONESIA ("Borrower")

And THE UNITED STATES OF AMERICA, acting through the Agency for International Development ("A.I.D.")

Article 1. The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Borrower of the Project described below, and with respect to the financing of the Project by the Parties.

Article 2: The Project

SECTION 2.1. Definition of Project. The Project, which is further described in Annex 1, will consist of assisting the Borrower in financing its program to upgrade selected science, technology, research and technical service institutions within Indonesia, and to strengthen Borrower's technological and research policies. The Project will emphasize the practical application of science and technology for development. Annex 1, attached, amplifies the above definition of the Project.

Within the limits of the above definition of the Project, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the Parties named in Section 9.2, without formal amendment of this Agreement.

Article 3: Financing

SECTION 3.1. The Loan. To assist the Borrower to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to lend the Borrower under the terms of this Agreement not to exceed Five Million United States ("U.S.") dollars ($5,000,000) ("Loan"). The aggregate amount of disbursements under the Loan is referred to as "Principal." The Loan may be used to finance foreign exchange costs, as defined in Section 7.1, and local currency costs, as defined in Section 7.2, of goods and services required for the Project.

SECTION 3.2. Borrower Resources for the Project

(a) The Borrower agrees to provide or cause to be provided for the Project all funds, in addition to the Loan, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by Borrower for the Project will be not less than the equivalent of U.S. $2,200,000, including costs borne on an "in-kind" basis.

[1] 75 Stat. 424, 22 U.S.C. § 2151 note.

SECTION 3.3. Project Assistance Completion Date

(a) The "Project Assistance Completion Date" ("PACD"), which is April 12, 1983, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Loan will have been performed and all goods financed under the Loan will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Loan for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Borrower, may at any time or times reduce the amount of the Loan by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4: Loan Terms

SECTION 4.1. Interest. The Borrower will pay to A.I.D. interest which will accrue at the rate of two percent (2%) per annum for ten (10) years following the date of the first disbursement hereunder and at the rate of three percent (3%) per annum thereafter on the outstanding balance of Principal and on any due and unpaid interest. Interest on the outstanding balance will accrue from the date (as defined in Section 8.5) of each respective disbursement, and will be payable not later than six (6) months after the first disbursement hereunder, on a date to be specified by A.I.D.

SECTION 4.2. Repayment. The Borrower will repay to A.I.D. the Principal within forty (40) years from the date of the first disbursement of the Loan in sixty-one (61) approximately equal semiannual installments of Principal and interest. The first installment of Principal will be payable nine and one-half (9-1/2) years after the date on which the first interest payment is due in accordance with Section 4.1. A.I.D. will provide the Borrower with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

SECTION 4.3. Application, Currency, and Place of Payment. All payments of interest and Principal hereunder will be made in U.S. Dollars and will be applied first to the payment of interest due and then to the repayment of Principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D.C. 20523, U.S.A., and will be deemed made when received by the Office of Financial Management.

SECTION 4.4. Prepayment. Upon payment of all interest and any refunds then due, the Borrower may prepay, without penalty, all or any part of the Principal. Unless A.I.D. otherwise agrees in writing, any such prepayment will be applied to the installments of Principal in the inverse order of their maturity

SECTION 4.5. Renegotiation of Terms.

(a) The Borrower and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of Indonesia, which enable the Borrower to repay the Loan on a shorter schedule.

(b) Any request by either Party to the other to so negotiate will be made pursuant to Section 9.2, and will give the name and address of the person or persons who will represent the requesting Party in such negotiations.

(c) Within thirty (30) days after delivery of a request to negotiate, the requested Party will communicate to the other, pursuant to Section 9.2, the name and address of the person or persons who will represent the requested Party in such negotiations.

(d) The representatives of the Parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested Party's communication under subsection (c). The negotiations will take place at a location mutually agreed upon by the representatives of the Parties, provided that, in the absence of mutual agreement, the negotiations will take place at the office of Borrower's Minister of Finance in Indonesia.

SECTION 4.6. Termination on Full Payment. Upon payment in full of the Principal and any accrued interest, this Agreement and all obligations of the Borrower and A.I.D. under it will cease.

Article 5: Conditions Precedent to Disbursement

SECTION 5.1. First Disbursement. Prior to the first disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D

(a) An opinion of the Minister of Justice of the Borrower that this Agreement has been duly authorized and/or ratified by, and executed on behalf of, the Borrower, and that it constitutes a valid and legally binding obligation of the Borrower in accordance with all of its terms;

(b) A statement of the name of the person holding or acting in the office of the Borrower specified in Section 9.2, and of any additional representatives, together with a specimen signature of each person specified in such statement;

(c) Evidence that a Science and Technology Project Management and Evaluation Committee has been established and is ready to guide and evaluate the Project;

(d) Evidence that the Borrower has assigned a senior individual with adequate staff support from the Office of the Minister of State for Research as the central point of contact and the person responsible for the day-to-day management of the Project; and

(e) A schedule for the evaluation program referred to in Section 6.1.

SECTION 5.2. Disbursement for Individual Activities. Prior to disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, for the purpose of financing any individual activity under the Project, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) A plan for a feasibility study for that activity unless it is agreed in writing between the Borrower and A.I.D. that prior relevant activities or studies have satisfied this requirement;

(b) A written description of the activity setting forth its objectives, including the ways in which it will benefit Indonesia's lower income majority, a scope of work, a suggested budget, and an implementation plan;

(c) Written approval for the activity by the Science and Technology Project Management and Evaluation Committee;

(d) Evidence that the Borrower has assigned a senior individual, with necessary staff, from the relevant institution or institutions as the point of contact and person responsible for the day-to-day management of the activity; and

(e) Evidence that the implementing institution of Borrower which is responsible for the activity possesses the organizational and manpower capacity to carry out the activity in accordance with the budget and the implementation plan.

SECTION 5.3. Notification. When A.I.D. has determined that the conditions precedent specified in Sections 5.1 and 5.2 have been met, it will promptly notify the Borrower.

SECTION 5.4. Terminal Dates for Conditions Precedent. If all the conditions specified in Section 5.1 have not been met within 90 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to Borrower.

Article 6: Special Covenants

SECTION 6.1. Project Evaluation. The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter: (a) evaluation of progress toward attainment of the objectives of the Project; (b) identification and evaluation of problem areas or constraints which may inhibit such attainment; (c) assessment of how such information may be used to help overcome such problems; and (d) evaluation, to the degree feasible, of the overall development impact of the Project.

SECTION 6.2. Employment of Trained Students. Borrower covenants that each student trained in the United States under the Project shall be guaranteed a position by the Borrower either in the Government institution where employed prior to the training or elsewhere in the Government of Indonesia in a position commensurate with his training and experience.

Article 7. Procurement Source

SECTION 7.1. Foreign Exchange Costs. Disbursement pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Loan Standard Provisions Annex, Section C.1(b) with respect to marine insurance.

SECTION 7.2. Local Currency Costs. Disbursement pursuant to Section 8.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in Indonesia ("Local Currency Costs").

Article 8: Disbursement

SECTION 8.1. Disbursement for Foreign Exchange Costs.

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or (B) requests for A.I.D. to procure commodities or services in Borrower's behalf for the Project; or

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letter of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Borrower in connection with Letters of Commitment and Letters of Credit will be financed under the Loan unless the Borrower instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Loan.

SECTION 8.2. Disbursement for Local Currency Costs. After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs. These disbursements may be made by A.I.D..

(1) In U.S. dollars equivalent to the local currency cost, or

(2) In local currency acquired by A.I.D. by purchase or from local currency already owned by the U.S. Government.

SECTION 8.3. Other Forms of Disbursement. Disbursements of the Loan may also be made through such other means as the Parties may agree to in writing.

SECTION 8.4. Rate of Exchange. If funds provided under the Loan are introduced into Indonesia by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D hereunder, the Borrower will make such arrangements as may be necessary so that such funds may be converted into currency of Indonesia at the highest rate of exchange which, at the time the conversion is made, is not unlawful in Indonesia.

SECTION 8.5. Date of Disbursement. Disbursements by A.I.D. will be deemed to occur (a) on the date on which A.I.D. makes a disbursement to the Borrower or its designee, or to a bank, contractor or supplier pursuant to a Letter of Commitment, contract, or purchase order; or (b) on the date on which A.I.D. disburses to the Borrower or its designee local currency acquired in accordance with Section 8.2.

Article 9: Miscellaneous

SECTION 9.1. Communications. Any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following address:

To the Borrower:

Mail Address: Departemen Luar Negeri
Jalan Pejambon No. 6
Jakarta Pusat, Indonesia

Alternate address for telegrams: DEPLU Jakarta

To A.I.D.

Mail Address: United States Agency for International Development
American Embassy
Jakarta, Indonesia

Alternate address for telegrams: USAID AMEMB Jakarta

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

SECTION 9.2. Representatives. For all purposes relevant to this Agreement, the Borrower will be represented by the individual holding or acting in the office of Chairman or Vice Chairman, National Development Planning Agency (BAPPENAS), and A.I.D. will be represented by the individual holding or acting in the office of Mission Director, USAID Mission to Indonesia, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Borrower, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

SECTION 9.3. Standard Provisions Annex. A "Project Loan Standard Provisions Annex" (Annex 2) [1] is attached and forms part of this Agreement.

[1] See footnote 1, p. 1991.

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IN WITNESS WHEREOF, the Borrower and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

REPUBLIC OF INDONESIA

Mochtar Kusumaatmadja

By: _____
Prof. Dr Mochtar Kusumaatmadja
Minister for Foreign Affairs

UNITED STATES OF AMERICA

Edward E. Masters

By: _____
Edward E. Masters
Ambassador

ANNEX 1

AMPLIFIED DESCRIPTION OF THE PROJECT

A basic objective of the Indonesian Government is the improvement of employment opportunities and incomes for the majority of its citizens.

The Indonesian Government recognizes that to achieve this objective, it must develop appropriate policies and programs and have well-managed and efficient institutions capable of adapting and using scientific principles and technological advances to improve the life of the average, poor and rural Indonesian. At the present, over 150 institutions deal with some aspect of research, development or technical service, but many are poorly-managed and inefficient, and their policies are not well developed. Whether involved in agricultural research, small industry and product development, or health and safety standards, there is a need for improvement in policy development and management capability, and also in program development.

The Project objective may be summarized as follows: "To provide a strong indigenous capacity in selected Indonesian scientific and technological (S&T) institutions to plan and conduct research and development (R&D) activities in ways that will benefit Indonesia's majority, and offer opportunities for increased productivity, income and improvements in the quality of life."

Two general technical assistance activities will be established under the Project to address the problem of policy development and research institutional and project management. Activity "A" on S&T policy development will link the U.S. National Academy of Sciences with the Office of the State Minister for Research to provide U.S. expertise in particular to problems of science and technology policy development, both at the national level and institutional level, in Indonesia. Activity "B" on R&D institutional and project management will link an experienced and highly qualified U.S. non-profit institution with the Indonesian Institute of Sciences ("LIPI"), to establish a self-sustaining and relatively self-sufficient Indonesian capability to teach modern management methods to Indonesian R&D institutions and, meanwhile, to continue an experimental training program.

The Project will also include specific activities dealing with more specific developmental problems such as standardization, alternative energy development, aquatic resource development, remote sensing, geological and land use mapping, geological hazards, and weather forecasting for farmers and fishermen. In each case, a linkage will be established with an experienced and appropriate U.S. governmental, non-profit or educational institution to provide the technical assistance training and services required to upgrade Indonesian capabilities in the selected topical area by working with the appropriate institutions and organizations of the Borrower.

A S&T Project Management and Evaluation Committee will be established for purposes such as activity approval, project and management policies and guidance, evaluation, and other services required for the success of the Project. Membership in the Committee will include representatives from the Office of the Minister of State for Research and USAID.

The Office of the State Minister for Research of the Borrower will have the overall coordinating responsibility for Project administration. Responsibility for each activity within the Project may be delegated to the appropriate institution(s) of the Borrower.

Financial Plan

The U.S. dollar resources for this Project are the $5,000,000 loan, and, subject to the availability of funds, a $1,500,000 grant. Grant funds of $600,000 are available for U.S. fiscal year 1978. The balance will be provided in increments for FY 1979 through FY 1981, subject to the availability of funds.

In event any of referenced increments under the grant for fiscal years 1979, 1980 and 1981 should not be made available to A.I.D., the Borrower would not be responsible for providing such funds for the Project. Under such circumstances, it is agreed between Borrower and A.I.D. that the scope of the overall Project would be reduced to correlate with the reduction of available funds.

This Project consists of two general activities: "A" - Science, Technology and Research Policy Development, "B" - Manpower Development in R&D Management, and some to-be-selected specific activities. The estimated U.S. dollar requirements for Activities "A" and "B" are approximately $635,000 and $1,500,000, respectively Regarding the more specific activities, illustrative examples and budgets have been developed for topics on:

1. Standardization
2. Alternative energy resources
3. Aquatic resources
4. Remote sensing
5. Geological mapping and geological hazards, and
6. Weather forecasting for farmers and fishermen.

The balance of loan and grant funds will be used for selected specific activities, by agreement between the Borrower and A.I.D., with the approval of the Project Management and Evaluation Committee.

The resources will be used to defray the costs of technical assistance including consultants (short and long-term), training and surveys in-country and abroad, limited commodities (primarily instrumentation and equipment), and certain support costs. The funding of travel costs by A.I.D. for participant training will be considered on a case by case basis.

PEOPLE'S REPUBLIC OF BULGARIA

Cultural Relations: Exchanges for 1979–1980

Agreement signed at Sofia October 26, 1978;
Entered into force October 26, 1978;
Effective January 1, 1979.

PROGRAM OF CULTURAL, EDUCATIONAL, SCIENTIFIC
AND TECHNOLOGICAL EXCHANGES BETWEEN
THE UNITED STATES OF AMERICA AND
THE PEOPLE'S REPUBLIC OF BULGARIA
FOR 1979 AND 1980

The Government of the United States of America and the Government of the People's Republic of Bulgaria, acting in the spirit of the Final Act of the Conference on Security and Cooperation in Europe [1] and taking into account the experience of the 1977/1978 Program, agree on the following:

ARTICLE I

1. The Parties will exchange each year at least seven international visitors and specialists on each side for periods of three to six weeks for professional observation and consultation in fields such as the arts, culture, education, government, the information media, agriculture, science and sports. The fields of specialization will be agreed by the Parties.

2. The Parties will facilitate the exchange each year of one to two university lecturers from each side in the civilization, culture, language and literature of their countries for a full academic year.

3. Bulgaria will provide five places each year for American scholars and students in Bulgarian or Slavic studies to participate in the Summer Seminar for Foreign Slavic or Bulgarian Scholars in Bulgaria.

4. Each Party will provide one five-month scholarship each year for research scholars from the other country for study in the fields of art and culture. Specific arrangements will be determined through diplomatic channels.

5. The United States will provide one five-month scholarship each year for Bulgarian scholars to do research in American commercial and business law. Specific arrangements will be determined through diplomatic channels.

[1] *Department of State Bulletin*, Sept. 1, 1975, p. 323.

6. The United States will provide one lecturer in English language teaching for the summer course in Bulgaria in 1980 for Bulgarian teachers of English.

7. The Parties agree to study the possibility of conducting in Bulgaria a seminar related to labor practices, with the U.S. side providing specialists appropriate to a specific theme which may be agreed upon by the Parties.

8. The Parties will encourage the conclusion of agreements for direct exchanges between universities, research institutes and other appropriate organizations of the two countries.

9. The Parties will facilitate the exchange of informational materials on their education systems, including school and instructional literature, textbooks, periodicals, and other pedagogical publications.

ARTICLE II

1. The Parties will take all appropriate measures to fulfill the Memorandum of Understanding of February 9, 1978, between the National Science Foundation of the United States of America and the State Committee for Science and Technical Progress of the People's Republic of Bulgaria.

2. The Parties will encourage continued fulfillment of the Memorandum of Understanding between the National Academy of Sciences of the United States and the Bulgarian Academy of Sciences, of September 1, 1970, and subsequently renewed.

3. The Parties will encourage scientists of the two countries to explore additional areas of cooperation, and will consider, as deemed necessary, the conclusion of agency-to-agency memoranda of understanding for mutually beneficial cooperation between other United States Government agencies and Bulgarian organizations.

ARTICLE III

1. The Parties will facilitate the exchange of at least one major

official exhibit from each side during the period of the Program. The Bulgarian side plans to show in honor of the 1300th anniversary of the foundation of the Bulgarian state, the exhibition "Medieval Bulgarian Art" in 1980, as well as the exhibit "Contemporary Bulgarian Art". The United States plans to show an exhibit of American arts and culture. Each of the exhibits may incorporate collections of reference publications and such mutually acceptable collateral activities as conferences, symposia, lectures and consultations related to the theme of the exhibit, and may be accompanied by personnel such as exhibit director, guides, technicians and specialists. The organization of these exhibitions will be subject to additional agreements and contracts. In addition, the Parties will also endeavor to show several small circulating exhibits in the fields covered by this Program.

2. The Parties will also encourage the exchange of other exhibits between museums and other institutions of the two countries. The Bulgarian side expressed its strong desire to receive an exhibit from the Metropolitan Museum or the Boston Museum of Fine Arts.

3. The Parties will encourage and facilitate contacts, exchanges and the conclusion of agreements between appropriate press, radio and television organizations of the two countries including the exchange of specialists, materials, programs and films.

4. The Parties will facilitate the regular exchange of major publications of fiction and scientific literature, periodicals, reference books, monographs, scientific papers, etc., between the Library of Congress and the Cyril and Methodius National Library. Details will be specified in a direct agreement between the two libraries.

5. The two libraries will endeavor to exchange one specialist each for a period of two to four weeks for the sharing of experience, research of materials and observation.

6. The Parties will encourage, subject to the legal requirements of each country, including, if necessary, the consent of the author, the translation and publication in each country of scientific, scholarly and literary works of the other.

7. The Parties will encourage the exchange of professional and academic musical, dance and theatrical groups and individual artists. Specific arrangements will be determined through appropriate channels.

8. The Parties will encourage the invitation of persons eminent in the arts to participate in festivals, competitions and other international events and to act as members of the jury or observers in activities with international participation. To this end, the two sides will exchange information as to international festivals, competitions and other similar events taking place in each country.

ARTICLE IV

1. This Program will not preclude other exchanges which may be arranged by appropriate organizations or persons interested in these activities.

2. The exchanges provided for herein shall be subject to the constitutional requirements and applicable laws and regulations of the two countries.

3. The Program year will begin on January 1 and end on December 31 of each year.

4. The Parties will meet before the end of the Program period to review its implementation and to discuss plans for future program activities.

5. The persons exchanged in implementation of this Program will be nominated by the sending Party and are subject to approval by the receiving Party.

6. For the exchanges specified in Article I, paragraph 1, and Article III, paragraph 5, the sending Party will provide, three months in advance

of the proposed arrival date, full biographic data and details for the persons proposed for exchange, including professional fields of interest, special interests, publications, names of persons and institutions to be visited, and knowledge of foreign languages. The decision of the receiving Party will be given not later than six weeks prior to the proposed date of arrival. The final date and time of arrival will be communicated to the receiving Party not later than ten days in advance of arrival.

7 For the exchanges specified in Article I, paragraph 2, 4, and 5, the sending Party will provide, nine months in advance of the proposed arrival date, full biographic data and details for the persons proposed for exchange, including academic fields of interests, the subjects of scholarly publications, special interests, the subjects of lectures to be given or research topics to be undertaken and the names and ages of accompanying dependents. The decision of the receiving Party will be given not later than six months prior to the proposed date of arrival. The final date and time of arrival will be communicated to the receiving Party not later than twenty days in advance.

ARTICLE V

1. For all participants in these exchanges, round-trip international travel between the capitals of the two countries will be provided by the sending side except for the exchanges specified in Article III, paragraph 7, which will be conducted on a commercial basis and subject to prior agreement in each case.

2. For the exchanges specified in Article I, paragraph 1, and Article III, paragraph 5, the United States side will pay the costs of necessary internal travel in the United States and will provide a daily stipend of at least fifty dollars in the case of individual visitors and a guide-interpreter where necessary; other arrangements may be made for visits of longer duration; the Bulgarian side will pay the costs of necessary internal travel within Bulgaria, appropriate local accommodations,

a daily stipend of 20 leva, and provide a guide-interpreter.

3. For the exchanges specified in Article I, paragraphs 2, 3, 4, 5 and 6, the receiving side will in each case provide an appropriate stipend in accordance with established rates and the academic status of each person, to be made known in advance; each side will provide free housing or a stipend sufficient to cover the costs of local housing and other necessary expenses.

4. The receiving side will provide medical and hospital insurance in case of illness or accident, within limitations established in advance by each side.

5. The conditions governing direct exchanges between universities, research institutions and other appropriate organizations, specified in Article I, paragraph 8, will be established by the participating organizations.

6. For the official exhibits to be exchanged under Article III, paragraphs 1 and 2, unless other arrangements are made the sending side will pay all costs connected with their exhibits, including costs of collateral activities and personnel connected with the exhibits.

ARTICLE VI

This program is valid from January 1, 1979, through March 22, 1980. Its validity will be automatically extended through December 31, 1980, upon the renewal of the agreement between the Government of the United States of America and the Government of the People's Republic of Bulgaria on exchanges and cooperation in cultural, scientific, educational, technological and other fields which entered into force on March 23, 1978,[1] or upon the conclusion of a new agreement on such exchanges and cooperation, assuming the consistency of the provisions of this Program with such renewed or new agreement.

[1] Signed June 13, 1977. TIAS 9020; 29 UST 3419.

DONE at Sofia, in duplicate, this 26th day of October, 1978, in two originals, in the English and Bulgarian languages, both equally authentic.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

[1]

FOR THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BULGARIA:

[2]

[1] Raymond L. Garthoff.
[2] Lyuben S. Gotsev.

П Л А Н

ЗА ОБМЕН В ОБЛАСТТА НА КУЛТУРАТА, ОБРАЗОВАНИЕТО, НАУКАТА И ТЕХНИКАТА МЕЖДУ СЪЕДИНЕНИТЕ АМЕРИКАНСКИ ЩАТИ И НАРОДНА РЕПУБЛИКА Б Ъ Л Г А Р И Я ЗА 1979 и 1980 ГОДИНА

Правителдтвото на СЪЕДИНЕНИТЕ АМЕРИКАНСКИ ЩАТИ и Правителството на НАРОДНА РЕПУБЛИКА БЪЛГАРИЯ , ръководени от духа на Заключителния акт на Конференцията за сигурност и сътрудничество в Европа и вземайки под внимание опита от изпълнение на Плана за 1977/1978 година, се съгласяват за следното:

Ч Л Е Н I

1. Страните ще обменят всяка година най-малко по седем посетители и специалисти от всяка страна за периоди от три до шест седмици с цел професионални наблюдения и консултации в областта на изкуството, културата, образованието, управлението, средствата за информация, селското стопанство, науката и спорта. Областите за специализации ще бъдат съгласувани между двете Страни.

2. Страните ще способствуват за осъществяване на ежегоден обмен на един до двама университетски преподаватели от всяка страна по цивилизацията, културата, езика и литературата на своите народи, за една пълна учебна година.

3. България ще предоставя ежегодно по пет места на американски учени и студенти в областта на българистиката или славистиката за участие в Летния семинар за специалисти по българистика или славистика от чужбина, който се провежда в България.

4. Всяка Страна ще предоставя по една петмесечна стипендия ежегодно на научни работници от другата страна за изследвания в областта на изкуството и културата. Конкретното договаряне ще се извършва по дипломатически път.

5. Съединените щати ще отпускат по една петмесечна стипендия годишно на български учени за проучвания в областта на американското търговско и икономическо право.

6. Съединените щати ще предоставят един преподавател по методика на обучението на английски език за летния курс в България през 1980 година за български преподаватели по английски език.

7. Страните се договарят да проучат възможността за провеждане в България на семинар по трудовите въпроси, като С А Щ предоставят специалисти по конкретна тема, съгласувана между Страните.

8. Страните ще насърчават сключването на споразумения за пряк обмен между университети, научни институти и други подходящи организации от двете страни.

9. Страните ще улесняват обмена на информационни материали по въпроси на техните образователни системи, включително учебна и помощна литература, учебници, периодични издания и други педагогически публикации.

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Ч Л Е Н II

1. Страните ще вземат всички необходими мерки за изпълнение на Меморандума за разбирателство, подписан на 9 февруари 1978 година между Националната научна фондация на Съединените американски щати и Държавния комитет за наука и технически прогрес на Народна република България

2. Страните ще насърчават и по-нататък изпълнението на Меморандума за разбирателство между Националната академия на науките на Съединените щати и Българската академия на науките, подписан на 1 септември 1970 година и съответно подновен след това.

3 Страните ще поощряват учени от двете страни в работата им по проучване на допълнителни области на сътрудничество и ще разгледат, ако се сметне за необходимо, сключването на преки меморандуми за разбирателство, които да осигурят взаимно изгодно сътрудничество между други правителствени органи на Съединените щати и български организации.

Ч Л Е Н III

1. Страните ще подпомогнат обмена на най-малко една голяма официална изложба от двете страни в периода, предвиждан от Плана. Българската Страна планира да организира в чест на 1300-годишнината на Българската държава

изложбата "Средновековно българско изкуство" през 1980 година, както и изложбата "Съвременно българско изкуство". Съединените щати планират уреждането на изложба на американското изкуство и култура. Към всяка от изложбите може да бъде включена сбирка от информационни материали и взаимно приемливи общи мероприятия- като: конференции, симпозиуми, лекции и консултации, свързани с темата на изложбата, която може да бъде придружавана от персонал като. директор на изложбата, информатори, техници и специалисти. Организирането на тези изложби ще бъде предмет на допълнителни споразумения и договори. Освен това, Страните ще положат усилия също така за уреждането на няколко малки пътуващи изложби в областите, обхванати от този План.

2. Страните ще насърчават също така обмена на други изложби между мудеи и други институти от двете страни. Българската страна изрази силното си желание да приеме изложба от Метрополитън Мюзеум или Бостонския музей на изящните изкуства.

3. Страните ще поощряват и улесняват контактите, обмена и сключването на споразумения между съответни органи на печата, радиото и телевизията на двете страни, включително размяната на специалисти, материали, програми и филми.

4. Страните ще улесняват редовния обмен на по-значими издания на художествената и научната литература, периодични издания, справочници, монографии, научни трудове и др. между Националната библиотека "Кирил и Методий" и Конгресната библиотека. Подробностите ще се определят в пряко споразумение между двете библиотеки.

5 Двете библиотеки ще положат за размяната на един специалист от всяка страна за период от две до четири седмици за обмяна на опит, проучване на материали и наблюдения

6. Двете Страни ще поощряват превода и публикуването на научна и художествена литература на другата страна съгласно правните норми на всяка страна, включително,ако необходимо, и съгласието на автора.

7 Страните ще насърчават обмена на професионални и академични музикални, танцови и театрални групи и отделни изпълнители. Конкретните договаряния ще се извършват по съответните канали.

8. Страните ще насърчават поканването на изтъкнати представители на изкуството да участвуват във фестивали, конкурси и в други международни прояви и да участвуват като

членове на жури или наблюдатели на мероприятия с международно участие. За тази цел, двете Страни ще разменят информация по международни фестивали, конкурси и други подобни мероприятия, провеждани във всяка една от страните.

ЧЛЕН IV

1. Настоящият План няма да изключва друг вид обмен, който може да се организира чрез съответните организации или лица, заинтересовани от подобна дейност.

2. Предвиденият тук обмен ще се подчинява на конституционните изисквания и прилаганите закони и разпоредби на двете страни.

3. Годината за изпълнение на Плана ще започва на 1 януари и ще приключва на 31 декември всяка година.

4. Страните ще се срещнат преди изтичането на срока на Плана, за да направят преглед на изпълнението и и да разискват мероприятията за бъдещето.

5. Лицата, които ще се разменят в изпълнение на този План, ще се определят от изпращащата страна и ще бъдат одобрявани от приемащата страна.

6. За обмена, предвиден в чл.I, параграф 1 и член III, параграф 5, изпращащата страна ще предоставя три месеца преди предложената дата на пристигане пълните био - графични данни и подробности за лицата, предложени за обмен, включително и професионални интереси, специални интереси, имената на хората и учрежденията, които ще посетят, както и знания на чужди езици.

Решението на приемащата страна ще бъде оповестявано не по-късно от шест седмици преди предложената дата на пристигане. Окончателната дата и часа на пристигане ще се съоб - щава на приемащата страна не по-късно от десет дни преди пристигането

7. За обмена, определен в чл.I, параграф 2,4 и 5, изпращащата страна ще предоставя девет месеца преди предложената дата на пристигане пълни биографични данни и подробности за лицата, предложени за обмен, включително и академични интереси, публикации, специални интереси, теми за лекции, които ще се изнасят, или теми за изследвания, както и имената и възрастта на придружаващите, които са на издръжка на тези лица. Решението на приемащата страна ще се съобщава не по-късно от шест месеца преди предложената дата на пристигане. Окончателната дата и часа на пристигане ще се съобщават на приемащата страна не по-късно от двадесет дни предварително.

Ч Л Е Н V

1. За всички участници в този обмен билетите за пътуване между двете столици ще се осигуряват от изпращащата страна с изключение на обмена по чл.III, параграф 7, който ще се извършва на търговска база и ще се подчинява на предварителна договореност за всеки случай поотделно.

2. За обмена, предвиден в чл.I, параграф 1 и член III, параграф 6, американската страна ще поеме разходите за необходимия вътрешен транспорт в САЩ и дневна стипендия, възлизаща най-малко на петдесет долара за индивидуални посетители и екскурзовод-преводач при необходимост. За по-продължителни посещения могат да се уреждат и други условия на пребиваване. Българската страна ще поеме разходите за необходимия вътрешен транспорт в България, съответно настаняване дневна стипендия от 20 лева и ще осигурява екскурзовод-преводач.

3. За обмена, предвиден в чл.I, параграф 2,3,4,5 и 6, приемащата страна за всеки случай ще осигурява подходящо възнаграждение в съответствие с установените норми и академичния статут на всяко лице, което ще се оповестява предварително; всяка една от страните ще осигурява безплатно жилище или стипендия достатъчно голяма, за да покрие разходите за жилище на място и други необходими разходи.

4. Приемащата страна ще осигурява медицинска и болнична застраховка в случай на заболяване или злополука в рамки, установени от всяка страна предварително.

5 Условията, регулиращи прекия обмен между университети, изследователски институти и други организации, предвиден в чл.I, параграф 8, ще се определят от участвуващите организации.

6. За официалните изложби, които ще се разменят съгласно член III, параграф 1 и 2, освен ако не се постигне друга договореност, изпращащата страна ще поеме всички разходи по своите изложби, включително и разходите по странични мероприятия и по кадровия състав, свързан с изложбите.

Ч Л Е Н VI

Настоящият План е валиден от 1 януари 1979 до 22 март 1980 година. Неговата валидност ще се продължи автоматически до 31 декември 1980 година при подновяване на споразумението между Правителството на Съединените американски щати и Правителството на Народна република България за обмен и сътрудничество в културната, образователната, техническата и др.области, влязло в сила на 23 март 1978 година или при сключване на ново споразумение по въпросите на такъв обмен и сътрудничество, като се съгласуват постановките

на настоящия План с подновените или новите споразумения.

Изготвен в София на 26 октомври 1978 година в два екземпляра на английски и български език, като двата екземпляра са еднакво достоверни.

ЗА ПРАВИТЕЛСТВОТО НА СЪЕДИНЕНИТЕ АМЕРИКАНСКИ ЩАТИ:

ЗА ПРАВИТЕЛСТВОТО НА НАРОДНА РЕПУБЛИКА БЪЛГАРИЯ:

INDONESIA

Agricultural Development

Agreement signed at Jakarta April 12, 1978;
Entered into force April 12, 1978.

A.I.D. LOAN NO. 497-T-051

PROJECT NO. 497-0265

PROJECT

LOAN AGREEMENT

BETWEEN

THE REPUBLIC OF INDONESIA

and the

UNITED STATES OF AMERICA

for

AGRICULTURAL DEVELOPMENT PLANNING AND ADMINISTRATION

DATED· April 12, 1978

TIAS 9310

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Annex 1 - Amplified Description of the Project

Annex 2 - Project Loan Standard Provisions Annex[1]

[1] Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

A.I.D LOAN NO. 497-T-051

PROJECT NO. 497-0265

PROJECT LOAN AGREEMENT

Dated April 12, 1978

Between THE REPUBLIC OF INDONESIA ("Borrower")

And THE UNITED STATES OF AMERICA, acting through the Agency for International Development ("A.I.D.").

Article 1. The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Borrower of the Project described below, and with respect to the financing of the Project by the Parties.

Article 2: The Project

SECTION 2.1. Definition of Project. The Project, which is further described in Annex 1, will consist of assisting the Borrower in funding its program to improve agricultural development planning and administration, including data analysis, in Indonesia. Annex 1, attached, amplifies the above definition of the Project.

Within the limits of the above definition of the Project, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives

of the Parties named in Section 9.2, without formal amendment of this Agreement.

Article 3: Financing

SECTION 3.1. The Loan. To assist the Borrower to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to lend the Borrower under the terms of this Agreement not to exceed Five Million United States ("U.S.") Dollars ($5,000,000) ("Loan"). The aggregate amount of disbursements under the Loan is referred to as "Principal." The Loan may be used to finance foreign exchange costs, as defined in Section 7.1, and local currency costs, as defined in Section 7.2, of goods and services required for the Project.

SECTION 3.2. Borrower Resources for the Project.

(a) The Borrower agrees to provide or cause to be provided for the Project all funds, in addition to the Loan, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by Borrower for the Project will be not less than the equivalent of U.S. $4,100,000, including costs borne on an "in-kind" basis.

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[1] 75 Stat. 424, 22 U.S.C. § 2151 note.

SECTION 3.3. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" ("PACD"), which is April 12, 1983, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Loan will have been performed and all goods financed under the Loan will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Loan for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Borrower, may at any time or times reduce the amount of the Loan by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4: Loan Terms

SECTION 4.1. Interest. The Borrower will pay to A.I.D. interest which will accrue at the rate of two percent (2%) per annum for ten (10) years following the date of the first disbursement hereunder and at the rate of three percent (3%) per annum thereafter on the outstanding balance of Principal and on any due and unpaid interest. Interest on the outstanding balance will accrue from the date (as defined in Section 8.5) of each respective disbursement, and will be payable semiannually. The first payment of interest will be due and payable no later than six (6) months after the first disbursement hereunder, on a date to be specified by A.I.D.

SECTION 4.2. Repayment. The Borrower will repay to A.I.D. the Principal within forty (40) years from the date of the first disbursement of the Loan in sixty-one (61) approximately equal semiannual installments of Principal and interest. The first installment of Principal will be payable nine and one-half (9½) years after the date on which the first interest payment is due in accordance with Section 4.1. A.I.D. will provide the Borrower with an amortization schedule in accordance with this Section after final disbursement under the Loan.

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SECTION 4.3. Application, Currency, and Place of Payment. All payments of interest and Principal hereunder will be made in U.S. Dollars and will be applied first to the payment of interest due and then to the repayment of Principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D.C. 20523, U.S.A., and will be deemed made when received by the Office of Financial Management.

SECTION 4.4. Prepayment. Upon payment of all interest and any refunds then due, the Borrower may prepay, without penalty, all or any part of the Principal. Unless A.I.D. otherwise agrees in writing, any such prepayment will be applied to the installments of Principal in the inverse order of their maturity

SECTION 4.5. Renegotiation of Terms.

(a) The Borrower and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of Indonesia, which enable the Borrower to repay the Loan on a shorter schedule.

(b) Any request by either Party to the other to so negotiate will be made pursuant to Section 9.2, and will give the name and address of the person or persons who will represent the requesting Party in such negotiations.

(c) Within thirty (30) days after delivery of a request to negotiate, the requested Party will communicate to the other, pursuant to Section 9.2, the name and address of the person or persons who will represent the requested Party in such negotiations.

(d) The representatives of the Parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested Party's communication under subsection (c). The negotiations will take place at a location mutually agreed upon by the representatives of the Parties, provided that, in the absence of mutual agreement, the negotiations will take place at the office of Borrower's Minister of Finance in Indonesia.

SECTION 4.6. Termination on Full Payment. Upon payment in full of the Principal and any accrued interest, this Agreement and all obligations of the Borrower and A.I.D. under it will cease.

Article 5: Conditions Precedent to Disbursement

SECTION 5.1. First Disbursement. Prior to the first disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) An opinion of the Minister of Justice that this Agreement has been duly authorized and/or ratified by, and executed on behalf of, the Borrower, and that it constitutes a valid and legally binding obligation of the Borrower in accordance with all of its terms;

(b) A statement of the name of the person holding or acting in the office of the Borrower specified in Section 9.2 and of any additional representatives, together with a specimen signature of each person specified in such statement;

(c) A training plan and implementation plan for the Project;

(d) A schedule for the evaluation program referred to in Section 6.1.

SECTION 5.2. Disbursement for Training. Prior to disbursement under the Loan for training or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made for training, the Borrower will, except as the Parties

may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D. a signed contract for technical advisory services previously approved by A.I.D. relating to the training to be performed.

SECTION 5.3. Disbursement for Data Processing Equipment. Prior to disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made for data processing equipment the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D..

(a) A signed contract for technical advisory services previously approved by A.I.D.,

(b) Evidence that the land for the data information center has been obtained by the Department of Agriculture;

(c) Evidence that plans and specifications satisfactory to A.I.D. have been prepared for the data information center, that financing is available for the construction of the data information center, and that the building will be completed and ready for the installation of the data processing equipment prior to the arrival in Indonesia of the equipment; and

(d) Evidence that adequate arrangement have been made to improve the quality and acquisition of agricultural data and to assure early access to such data by central Department of Agriculture officials.

SECTION 5.4. Notification. When A.I.D. has determined that the conditions precedent specified in Sections 5.1, 5.2, and 5.3 have been met, it will promptly notify the Borrower.

SECTION 5.5. Terminal Dates for Conditions Precedent. If all of the conditions specified in Section 5.1 have not been met within 90 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to Borrower.

Article 6: Special Covenants

SECTION 6.1. Project Evaluation. The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter: (a) evaluation of progress toward attainment of the objectives of the Project; (b) identification and evaluation of problem areas or constraints which may inhibit such attainment; (c) assessment of how such information may be used to help overcome such problems; and (d) evaluation, to the degree feasible, of the overall development impact of the Project.

Article 7. Procurement Source

SECTION 7.1. Foreign Exchange Costs. Disbursements pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Loan Standard Provisions Annex, Section C.1(b) with respect to marine insurance.

SECTION 7.2. Local Currency Costs. Disbursements pursuant to Section 8.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in Indonesia ("Local Currency Costs").

Article 8: Disbursements

SECTION 8.1. Disbursement for Foreign Exchange Costs.

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or (B) requests for A.I.D. to procure commodities or services in Borrower's behalf for the Project; or

(2) by requesting A.I.D to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letter of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Borrower in connection with Letters of Commitment and Letters of Credit will be financed under the Loan unless the Borrower instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Loan.

SECTION 8.2. Disbursement for Local Currency Costs. After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs. These disbursements may be made by A.I.D.

(1) In U.S. dollars equivalent to the local currency cost, or

(2) In local currency acquired by A.I.D. by purchase or from local currency already owned by the U.S. Government.

SECTION 8.3. Other Forms of Disbursement. Disbursements of the Loan may also be made through such other means as the Parties may agree to in writing.

SECTION 8.4. Rate of Exchange. If funds provided under the Loan are introduced into Indonesia by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D. hereunder, the Borrower will make such arrangements as may be necessary so that such funds may be converted into currency of Indonesia at the highest rate of exchange which, at the time the conversion is made, is not unlawful in Indonesia.

SECTION 8.5. Date of Disbursement. Disbursement by A.I.D. will be deemed to occur (a) on the date on which A.I.D. makes a disbursement to the Borrower or its designee, or to a bank, contractor or supplier pursuant to a Letter of Commitment, contract, or purchase order; (b) on the date on which A.I.D. disburses to the Borrower or its designee local currency acquired in accordance with Section 8.2.

Article 9. Miscellaneous

SECTION 9.1. Communications. Any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such Party at the following address:

To the Borrower:

Mail Address: Departemen Luar Negeri
Jalan Pejambon No. 6
Jakarta Pusat, Indonesia

Alternate address for telegrams: DEPLU Jakarta

To A.I.D.

Mail Address: United States Agency for International Development
American Embassy
Jakarta, Indonesia

Alternate address for telegrams: USAID AMEMB Jakarta

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

SECTION 9.2. Representatives. For all purposes relevant to this Agreement, the Borrower will be represented by the individual holding or acting in the office of Chairman or Vice Chairman, National Development Planning Agency ("BAPPENAS") and A.I.D. will be represented by the individual holding or acting

in the office of Director, United States A.I.D. Mission to Indonesia, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Borrower, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

SECTION 9.3. Standard Provisions Annex. A "Project Loan Standard Provisions Annex" (Annex 2)[1] is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Borrower and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

REPUBLIC OF INDONESIA

By: Mochtar Kusumaatmadja
Prof. Dr. Mochtar Kusumaatmadja
Minister for Foreign Affairs

UNITED STATES OF AMERICA

By: Edward E. Masters
Edward E. Masters
Ambassador

[1] See footnote 1, p. 2033.

ANNEX 1

AMPLIFIED DESCRIPTION OF THE PROJECT

1. Project Purpose

To upgrade the planning and programming capability of the Department of Agriculture (DOA) by helping to institutionalize within the DOA the ability to carry out effective agricultural policy analysis and the capacity to design and evaluate appropriate developmental program and project alternatives.

2. Targets

(a) Technical assistance for planning, data programming and training;

(b) long and short-term academic training of some 380 DOA planners; and

(c) improved data management system by (i) centralizing the data processing functions in the Agency for Agricultural Research and Development (ARD), (ii) constructing a new data information center in Jakarta, (iii) installing the data processing equipment, (iv) improving the data processing functions through technical assistance, and (v) providing on-the-job training for ARD personnel.

3. Project Management

Implementation shall be carried out by the Project Officer and two Subproject Officers. The Secretary General as Project Officer shall be responsible for the day-by-day implementation and shall provide policy direction and overall guidance to the two Subproject Officers.

For implementation purposes, the project is divided into two subprojects: (a) data processing center and (b) planning and administration. Each subproject shall include a training component. The Subproject Officer for the data processing center shall be a senior official from ARD and the Subproject Officer for the planning and administration shall be a senior official from the Bureau of Planning. For purposes of this project, the two Subproject Officers shall be under the general guidance of the Project Officer.

The authorized representatives appointed pursuant to Sections 5.1(b) and 9.2 of this Loan Agreement will include the Secretary General and the Director, Bureau of Planning.

4. Project Duration - April 12, 1978 through April 12, 1983.

5. Financing - Project Cost

A.I.D. loan of $5,000,000 and grant of $1,300,000 to assist the GOI in carrying out the project. The total project budget will be not less than $10,400,000. The project financial plan is presented on Page 4. The grant will finance the foreign exchange costs of the technical assistance contract. About $3,300,000 of the loan (66%) will be used to finance foreign exchange costs of overseas training and imported commodities and about $1,700,000 (34%) will be used to assist in financing the local currency costs of in-country training. The GOI contribution of $4,100,000 repre-

sents 39% of total project costs. Since the contingency and inflation allowances included in the Project Financial Plan (Page 4) have not been allocated to individual inputs, changes of up to 40% may be made to line items without formal revision of the Financial Plan provided the total A.I.D. contribution is not increased or Borrower's contribution decreased.

6. Implementation

The two elements of this project are: (a) improvement in the capability of the DOA in policy and project planning and implementation, and (b) improvement of the data management system.

Improving the planning capability will be accomplished through (i) technical assistance for planning, data programming and training under a host country contract (grant funded) between a U.S. university and the DOA, and (ii) long and short-term academic training of some 380 DOA planners in selected U.S., third country and Indonesian universities and institutions (loan funded). The participants will be from various offices in the DOA involved in planning/programming.

Improving the data management system will be accomplished by (i) centralizing the data processing functions in ARD, (ii) constructing a new building in Jakarta for this activity (GOI contribution), (iii) installing the needed data processing equipment (loan funded), and (iv) improving the data processing functions through technical assistance and on-the-job training (grant and/or loan funded). Design and construction of the building will be performed by Indonesian firms in accordance with GOI regulations.

Project Financial Plan
(thousands U S $)

AS OF April 12, 1978

Project No 497-0265

Inputs	Grant FX	Grant L/C	Loan FX	Loan L/C	Total AID	Borrower/Grantee GOI	Total All Costs
Technical Assistance	(910)				(910)	(210)	(1120)
Long Term (78 mos)	546				546	78	624
Short Term (52 mos.)	364				364	52	416
Counterpart Salaries (33 yr)*						80	80
Training in Indonesia				(1220)	(1220)	(500)	(1720)
Long Term (50 Degrees)				500	500		500
Short Term (1200 mos)				720	720		720
Salaries & Allowances*						500	500
Training Overseas			(1410)		(1410)	(510)	(1920)
Long Term (30 Degrees)			870		870	300	1170
Short Term (120 mos)			540		540	10	550
Salaries & Allowances*						200	200
Commodities			(1025)		(1025)	170	(1195)
Data Processing Equip. (incl. training & maintenance)			995		995	150	1145
Vehicles			30		30	20	50
Building Construction						(850)	(850)
Operations & Maintenance (bldgs., equip. vehicles)						(650)	(650)
Totals	910		2435	1220	4565	2890	7455
Contingency (10%)	90		245	120	455	300	755
Inflation (30%)	300		620	360	1280	910	2190
Grand Total	1300		3300	1700	6300	4100	10400

JORDAN

Irrigation System Design

Agreement signed at Amman September 21, 1977;
Entered into force September 21, 1977.

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A.I.D. Loan Number: 278-k-019

Project Number: 278-0200

PROJECT

LOAN AGREEMENT

BETWEEN

THE HASHEMITE KINGDOM OF JORDAN

and

THE UNITED STATES OF AMERICA

for

MAQARIN DAM AND JORDAN VALLEY

IRRIGATION SYSTEM DESIGN

Dated SEP 21 1977

TIAS 9311

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[1] Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

Project Loan Agreement

Between

The Hashemite Kingdom of Jordan ("Borrower")

And

The United States of America, acting through the Agency for International Development ("A.I.D")

ARTICLE I

The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Borrower of the Project described below, and with respect to the financing of the Project by the Parties.

ARTICLE II

The Project

SECTION 2.1 Definition of Project. The Project, which is further described in Annex 1, will consist of the final design and preparation of invitation for bid documents for construction of the proposed Maqarin Dam and its associated power generation facilities and irrigation system.

Within the limits of the above definition of the Project, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the Parties named in Section 9.2, without formal amendment of this Agreement.

ARTICLE III

Financing

SECTION 3.1. The Loan. To assist the Borrower to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to lend the Borrower under the terms of this Agreement an amount not to exceed Five Million United States ("U.S.") dollars ($5,000,000) ("Loan"). The aggregate amount of disbursements under the Loan is referred to as "Principal". The Loan may be used to finance foreign exchange costs, as defined in Section 7.1, and local currency costs, as defined in Section 7.2, of goods and services required for the Project.

SECTION 3.2. Borrower Resources for the Project.

(a) The Borrower agrees to provide or cause to be

[1] 75 Stat. 424, 22 U.S.C. § 2151 note.

provided for the Project all funds, in addition to the Loan, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by the Borrower for the Project are estimated to be not less than the equivalent U.S.$3,404,000 including costs borne on an "in-kind" basis. This estimated contribution also includes an amount allocated for contingency costs, as shown in Annex I, which will be provided by the Borrower as necessary.

SECTION 3.3. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is January 31, 1979, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Loan will have been performed and all goods financed under the Loan will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Loan for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Borrower, may at any time or times reduce the amount of the Loan by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

ARTICLE IV

Loan Terms

SECTION 4.1. Interest. The Borrower will pay to A.I.D. interest which will accrue at the rate of two percent (2%) per annum for ten (10) years following the date of the first disbursement hereunder and at the rate of three percent (3%) per annum thereafter on the outstanding balance of Principal and on any due and unpaid interest. Interest on the

outstanding balance will accrue from the date (as defined in Section 8.5) of each respective disbursement, and will be payable semi-annually. The first payment of interest will be due and payable no later than six (6) months after the first disbursement hereunder, on a date to be specified by A.I.D.

SECTION 4.2. Repayment. The Borrower will repay to A.I.D. the Principal within Forty (40) years from the date of the first disbursement of the Loan in sixty-one (61) approximately equal semiannual installments of Principal and interest. The first installment of Principal will be payable nine and one-half (9-1/2) years after the date on which the first interest payment is due in accordance with Section 4.1. A.I.D. will provide the Borrower with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

SECTION 4.3. Application, Currency, and Place of Payment. All payments of interest and Principal hereunder will be made in U.S. Dollars and will be applied first to the payment of interest due and then to the repayment of

of Principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D.C. 20523, U.S.A., and will be deemed made when received by the Office of Financial Management.

SECTION 4.4. Prepayment. Upon payment of all interest and any refunds then due, the Borrower may prepay without penalty, all or any part of the Principal. Unless A.I.D. otherwise agrees in writing, any such prepayment will be applied to the installments of Principal in the inverse order of their maturity.

SECTION 4.5. Renegotiation of Terms.

(a) The Borrower and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of Jordan, which enable the Borrower to repay the Loan on a shorter schedule.

(b) Any request by either Party to the other to so negotiate will be made pursuant to Section 9.1, and will

give the name and address of the person or persons who will represent the requesting Party in such negotiations.

(c) Within thirty (30) days after delivery of a request to negotiate, the requested Party will communicate to the other, pursuant to Section 9.1, the name and address of the person or persons who will represent the requested Party in such negotiations.

(d) The representatives of the Parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested Party's communication under subsection (c). The negotiations will take place at a location mutually agreed upon by the representatives of the Parties, provided that, in the absence of mutual agreement, the negotiations will take place at the office of the Jordan Valley Authority in Jordan.

SECTION 4.6. Termination on Full Payment. Upon payment in full of the Principal and any accrued interest, this Agreement and all obligations of the Borrower and A.I.D. under it will cease.

ARTICLE V

Conditions Precedent to Disbursement

SECTION 5.1. First Disbursement. Prior to the first disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) An opinion of counsel acceptable to A.I.D. that this Agreement has been duly authorized and/or ratified by, and executed on behalf of, the Borrower, and that it constitutes a valid and legally binding obligation of the Borrower in accordance with all of its terms;

(b) A statement of the name of the person holding or acting in the office of the Borrower specified in Section 9.2, and of any additional representatives, together with a specimen signature of each person specified in such statement.

SECTION 5.2. Notification. When A.I.D. has determined that the conditions precedent specified in Section 5.1 have been met, it will promptly notify the Borrower.

SECTION 5.3. Terminal Dates for Conditions Precedent. If all of the conditions specified in Section 5.1 have not been met within ninety (90) days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to Borrower.

ARTICLE VI

Special Covenants

SECTION 6.1. Project Evaluation. The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter: (a) evaluation of progress toward attainment of the objectives of the Project; (b) identification and evaluation of problem areas or constraints which may inhibit such attainment; (c) assessment of how such information may be used to help overcome such problems; and (d) evaluation, to the degree feasible, of the overall development impact of the Project.

SECTION 6.2. Access to Project Site. Borrower warrants that it will take all necessary steps to assure that full and unrestricted access to the Project site both in Jordan and Syria is provided for the contractor in carrying out the Project and for A.I.D. personnel for exercising A.I.D.'s rights under Section B.5 of the Standard Provisions Annex.

ARTICLE VII

Procurement Source

SECTION 7.1. Foreign Exchange Costs. Disbursements pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Loan Standard Provisions Annex, Section C.1 (b) with respect to marine insurance.

SECTION 7.2. Local Currency Costs. Disbursements pursuant to Section 8.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in Jordan ("Local Currency Costs").

ARTICEL VIII

Disbursements

SECTION 8.1. Disbursement for Foreign Exchange Costs.

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon.

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or (B) requests for A.I.D. to procure commodities or services in Borrower's behalf for the Project; or

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letter of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Borrower in connection with Letters of Commitment and Letters of Credit will be financed under the Loan unless the Borrower instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Loan.

SECTION 8.2. Disbursement for Local Currency Costs.

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.

(b) The local currency needed for such disbursement hereunder may be obtained by acquisition by A.I.D. with U.S. dollars by purchase or from local currency already owned by the U.S. Government. The U.S. dollar equivalent of the local currency made available hereunder will be the amount of U.S. dollars required by A.I.D. to obtain the local currency.

SECTION 8.3. Other Forms of Disbursement. Disbursements of the Loan may also be made through such other means as the Parties may agree to in writing.

SECTION 8.4. Rate of Exchange. If funds provided under the Loan are introduced into Jordan by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D. hereunder, the Borrower will make such arrangements as may be necessary so that such funds may be converted into currency of Jordan at the highest rate of exchange which, at the time the conversion is made, is not unlawful in Jordan.

SECTION 8.5. Date of Disbursement. Disbursements by A.I.D. will be deemed to occur (a) on the date on which

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A.I.D. makes a disbursement to the Borrower or its designee, or to a bank, contractor or supplier pursuant to a Letter of Commitment, contract, or purchase order; or (b) on the date on which A.I.D. disburses to the Borrower or its designee local currency acquired in accordance with Section 8.2.(b).

ARTICLE IX

Miscellaneous

SECTION 9.1. Communications. Any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following address:

To the Borrower:

Mail Address: Jordan Valley Authority
P. O. Box 1970
Amman, Jordan

Alternate address for telegrams:

Same.

To A.I.D.:

Mail Address: USAID Mission
Amman, Jordan

Alternate address for telegrams: USAID Amman.

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

SECTION 9.2. Representatives. For all purposes relevant to this Agreement, the Borrower will be represented by the individual holding or acting in the office of President, Jordan Valley Authority and A.I.D. will be represented by the individual holding or acting in the office of Mission Director in Jordan, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Borrower, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of notice of revocation of their authority.

SECTION 9.3. Standard Provisions Annex. A "Project Loan Standard Provisions Annex" (Annex 2)[1] is attached to and forms part of this Agreement.

[1] See footnote 1, p. 2056.

IN WITNESS WHEREOF, the Borrower and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

THE HASHEMITE KINGDOM OF JORDAN

By: Hanna Odeh [1]

Title: President, National Planning Council

UNITED STATES OF AMERICA

By: Christopher H. Russell [2]

Title: Director, USAID/Jordan

[1] Hanna Odeh.
[2] Christopher H. Russell.

ANNEX I

Project Description

This project is to investigate, study, design and to prepare design specifications, plans and bidding documents for providing the necessary physical facilities for completing the irrigation system planned for East Ghor of the Jordanian Valley. The project includes preparation of topographical drawings of all project facilities; conducting detailed studies of the method for irrigation supply, design-level foundation exploration, construction materials testing, and hydraulic model testing. On the basis of the detailed field investigations and associated laboratory testing, the final detailed designs of the project shall be completed. The invitation for bid (tender) and contract documents shall then be prepared in accordance with the approved final designs.

The major elements of the project for which final designs, tender and contract documents are to be prepared are as follows:

1. Storage project at the Maqarin site;
2. A 20-MW power plant at Maqarin Dam;

3. A 2.0-MW power plant at King Talal Dam;

4. A diversion dam across the Yarmouk River at the existing intake to the East Ghor Main Canal (EGMC);

5. Rehabilitation or new diversion facilities at Wadis Yabis, Kufrinja and Rajib.

6. 14.5 kilometer southern extension of the EGMC; and

7. Sprinkler irrigation system for 25,353 hectares.

Items 1-5, above, will be eligible for payment from the proposed A.I.D. loan and items 6 and 7 will be financed by the West German Ministry for Economic Development, Kreditanstalt fur Wiederaufbau (KFW).

The proposed Maqarin Dam will be a zoned earth and rock fill dam. A chute spillway with a flip bucket will be located on the left abutment with sufficient capacity to pass the maximum design flood discharge. A low level outlet with a capacity of $20m^3$/sec. at minimum operating level will be constructed in the diversion tunnel. A conventional power plant will be located about 2 kilometers along the river downstream from the dam site on the left bank of the Yarmouk River. The plant will contain

two generating units. A 66-KV transmission line from the power plant will connect to the national grid system in Irbid.

The concrete diversion dam to be constructed immediately below the existing intake to the EGMC (at Adasiya) will provide for a diversion of $20m^3$/sec., the capacity of the EGMC, and the facility will permit water releases for the Adasiya Triangle.

A pit-type power plant will be installed in the right abutment immediately downstream from the King Talal Dam. A 33-KV transmission line will connect the power plant to the national grid near Abu Hamid.

A sprinkler irrigation system will be designed for a total of 25,353 hectares. The irrigation facilities will include a pipe distribution network, a farm system, and pumping stations located along the EGMC which is to be extended 14.5 kilometers to permit full irrigation coverage of the East Ghor.

Small diversion dams and canals are to be constructed on three side wadis (Yabis, Kufrinja and Rajib) to collect and distribute base flows for irrigation.

Project Financial Plan
(U.S. $)

Item	Local Currency	Foreign Exchange	Total	Source
Final Design				
Storage/Power	$ 747,300	$ 4,221,528	$ 4,968,828	A.I.D. Loan/GOJ
Irrigation	27,486	1,677,877	1,705,363	KFW Loan 1/
Surveying for Irrigation	600,000	-	600,000	GOJ
Camps	300,000	-	300,000	GOJ
Engineering	450,000	60,000	450,000	GOJ-L/C
			60,000	AID LOAN FEX
Transportation	90,000	-	90,000	GOJ
Board of Consultants	-	100,000	100,000	GOJ
Supplies	150,000	-	150,000	GOJ
Totals	$ 2,364,786	$ 6,059,405	$ 8,424,191	
	472,957	1,211,881	1,684,838	
Contingency @20%	$ 2,837,743	$ 7,271,286	$10,109,029	

Contribution	Amount	Percentage
AID	$ 5,000,000	49%
KFW 1/	1,705,363	17%
GOJ	3,403,666	34%
	$10,109,029	100%

1/ Kreditanstalt fur Wiederaufbau (W. Germany Ministry for Economic Development

[Footnote in the original.]

JORDAN

Rural and Urban Electrification

Agreement signed at Amman September 21, 1977;
Entered into force September 21, 1977.

A.I.D. Loan Number: 278-k-020

Project Number: 278-0209

PROJECT

LOAN AGREEMENT

BETWEEN

THE HASHEMITE KINGDOM OF JORDAN

and

THE UNITED STATES OF AMERICA

for

RURAL AND URBAN ELECTRIFICATION

Dated SEP 21 1977

TIAS 9312

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[1] Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

Project Loan Agreement

Dated: , 1977

Between

The Hashemite Kingdom of Jordan ("Borrower")

And

The United States of America, acting through the Agency for International Development ("A.I.D.")

ARTICLE I

The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Borrower of the Project described below, and with respect to the financing of the Project by the Parties.

ARTICLE II

The Project

SECTION 2.1. Definition of Project. The Project will consists of assisting the Borrower in providing electricity to approximately 35 villages in the rural vicinity of Amman and two areas in suburban Amman and to upgrade the existing urban Systems. Annex 1, attached, amplifies the above definition of the Project.

Within the limits of the above definition of the Project, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the Parties named in Section 9.3, without formal amendment of this Agreement.

ARTICLE III

Financing

SECTION 3.1. The Loan. To assist the Borrower to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to lend the Borrower under the terms of this Agreement not to exceed Nine Million United States ("U.S.") dollars ($9,000,000) ("Loan"). The aggregate amount of disbursements under the Loan is referred to as "Principal". The Loan may be used to finance foreign exchange costs, as defined in Section 7.1, and local currency costs, as defined in Section 7.2, of goods and services required for the Project.

SECTION 3.2. Borrower Resources for the Project.

(a) The Borrower agrees to provide or cause to be provided for the Project all funds, in addition to the Loan, and all other resources required to carry out the Project effectively and in a timely manner.

[1] 75 Stat. 424, 22 U.S.C. § 2151 note.

(b) Borrower will undertake to assure that all funds required for the Project over and above the funds to be made available from the Loan, will be provided by the Jordan Electric Power Company (JEPCO). It is estimated that this amount will be approximately U.S. $ 5,500,000 including costs borne on an inkind basis.

SECTION 3.3. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is December 31, 1980, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under this Loan will have been performed and all goods financed under the Loan will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Loan for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1 no later than Thirteen (13) months following the PACD, or such other period as A.I.D. agrees in writing. After such period, A.I.D., giving notice in writing to the Borrower, may at any time or times reduce the amount of the Loan by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

ARTICLE IV

Loan Terms

SECTION 4.1. Interest. The Borrower will pay to A.I.D. interest which will accrue at the rate of two percent (2%) per annum for ten (10) years following the date of the first disbursement hereunder and at the rate of three percent (3%) per annum thereafter on the outstanding balance of Principal and on any due and unpaid interest. Interest on the outstanding balance will accrue from the date (as defined in Section 8.5)

of each respective disbursement, and will be payable semiannually. The first payment of interest will be due and payable no later than six (6) months after the first disbursement hereunder, on a date to be specified by A.I.D.

SECTION 4.2. Repayment. The Borrower will repay to A.I.D. the Principal within forty (40) years from the date of the first disbursement of the Loan in sixty-one (61) approximately equal semiannual installments of Principal and interest. The first installment of Principal will be payable nine and one-half (9½) years after the date on which the first interest payment is due in accordance with Section 4.1. A.I.D. will provide the Borrower with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

SECTION 4.3. Application, Currency, and Place of Payment. All payments of interest and Principal hereunder will be made in U.S. Dollars and will be applied first to the payment of interest due and then to the repayment of Principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller Office of

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Financial Management, Agency for International Development, Washington, D.C. 20523, U.S.A., and will be deemed made when received by the Office of Financial Management.

SECTION 4.4. Prepayment. Upon payment of all interest and any refunds then due, the Borrower may repay, without penalty, all or any part of the Principal. Unless A.I.D. otherwise agrees in writing, any such prepayment will be applied to the installments of Principal in the inverse order of their maturity.

SECTION 4.5. Renegotiation of Terms.

(a) The Borrower and A.I.D. agree to negotiate, at such time or times as either may request an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of the Hashemite Kingdom of Jordan, which enable the Borrower to repay the Loan on a shorter schedule.

(b) Any request by either Party to the other to so negotiate will be made pursuant to Section 9.2, and will give the name and address of the person or persons who will represent the requesting Party in such negotiations.

(c) Within thirty (30) days after delivery of a request to negotiate, the requested Party will communicate to the other, pursuant to Section 9.2, the name and address of the person or persons who will represent the requested Party in such negotiations.

(d) The representatives of the Parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested Party's communication under subsection (c). The negotiations will take place at a location mutually agreed upon by the representatives of the Parties, provided that, in the absence of mutual agreement, the negotiations will take place at the office of Borrower's representative in Jordan.

SECTION 4.6. Termination on Full Payment. Upon payment in full of the principal and any accrued interest, this Agreement and all obligations of the Borrower and A.I.D. under it will cease.

ARTICLE V

Conditions Precedent to Disbursement

SECTION 5.1. First Disbursement. Prior to the first disbursement under the Loan, or to the issuance

by A.I.D. of documentation pursuant to which disbursement will be made, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance acceptable to A.I.D.:

(a) An opinion of counsel that this Agreement has been duly authorized and/or ratified by, and executed on behalf of, the Borrower, and that it constitutes a valid and legally binding obligation of the Borrower in accordance with all of its terms;

(b) A statement of the name of the person holding or acting in the office of the Borrower specified in Section 9.3, and of any additional representatives, together with a specimen signature of each person specified in such statement;

SECTION 5.2. Additional Disbursement for Equipment and Materials. Prior to disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made for materials and equipment, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance acceptable to A.I.D.:

(a) Evidence of the arrangement between the Borrower and the Jordan Electricity Authority (JEA) making the proceeds of this Loan available to the JEA and authorizing JEA to make the proceeds of this Loan available to the Jordan Electric Power Company (JEPCO) for the Project.

(b) Evidence of the arrangement between the JEA and JEPCO making the proceeds of this Loan available to the JEA for the Project.

(c) Plans for the preparation of detailed layouts of primary and secondary distribution lines; equipment and materials lists; bidding documents, including technical specifications, for the procurement of equipment and materials; and warehousing and inventory control procedures.

(d) Such other evidence or documents as A.I.D. may reasonably require.

SECTION 5.3. Additional Disbursements for Construction and Erection. Prior to disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made for construction and erection services, the Borrower will, except as the Parties may

otherwise agree in writing, furnish to A.I.D. in form and substance acceptable to A.I.D:

(a) A plan and schedule of construction, erection and installation and timetables for the utilization of all procurement items.

(b) A plan for providing supervision of construction.

(c) Evidence that a contract has been executed for the procurement of an additional pole plant and that the pole plant is under construction and that the pole plant will be capable of supplying poles of adequate quality needed for construction of the Project in accordance with the construction schedule.

(d) Such other evidence or documents as A.I.D. may reasonably require.

SECTION 5.4. Notification. When A.I.D. has determined that the conditions precedent specified in Section 5.1 and 5.2, and 5.3 have been met, it will promptly notify the Borrower.

SECTION 5.5. Terminal Dates for Conditions Precedent.

(a) If all of the conditions specified in Section 5.1 have not been met within 60 days from the date of this

Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to Borrower.

(b) If all of the conditions specified in Section 5.2 and 5.3 have not been met within 120 and 270 days respectively from the date of this Agreement, or such later date as A.I.D. may agree in writing, A.I.D., at its option, may cancel the then undisbursed balance of the Loan, to the extent not irrevocably committed to third parties, and may terminate this Agreement by written notice to the Borrower. In the event of such termination, the Borrower will repay immediately the Principal then outstanding and any accrued interest; on receipt of such payments in full, this Agreement and all obligations of the Parties hereunder will terminate.

ARTICLE VI

Special Covenants

SECTION 6.1. Project Evaluation. The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the

Project and at one or more points thereafter: (a) evaluation of progress toward attainment of the objectives of the Project; (b) identification and evaluation of problem areas or constraints which may inhibit such attainment; (c) assessment of how much information may be used to help overcome such problems; and (d) evaluation, to the degree feasible, of the overall development impact of the Project.

ARTICLE VII

Procurement Source

SECTION 7.1. Foreign Exchange Costs. Disbursements pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services, ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Loan Standard Provisions Annex, Section C.1 (b) with respect to marine insurance.

SECTION 7.2. Local Currency Costs. Disbursements pursuant to Section 8.2 will be used exclusively to finance

the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in Jordan ("Local Currency Costs").

ARTICLE VIII

Disbursements

SECTION 8.1. Disbursement for Foreign Exchange Costs.

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or (B) requests for A.I.D. to procure commodities or services in Borrower's behalf for the Project; or

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks,

satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letter of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Borrower in connection with Letters of Commitment and Letters of Credit will be financed under the Loan unless the Borrower instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Loan.

SECTION 8.2. Disbursement for Local Currency Costs.

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.

(b) The local currency needed for such disbursement hereunder may be obtained by acquisition by A.I.D. with U.S. dollars by purchase or from local currency already owned by the U.S. Government. The U.S. dollar equivalent of the local currency made available hereunder will be the amount of U.S. dollars required by A.I.D. to obtain the local currency.

SECTION 8.3. Other Forms of Disbursement. Disbursements of the Loan may also be made through such other means as the Parties may agree to in writing.

SECTION 8.4. Rate of Exchange. If funds provided under the Loan are introduced into Jordan by A.I.D. or any public or private agency for purposes of carrying out' obligations of A.I.D. hereunder, the Borrower will make such arrangements as may be necessary so that such funds may be converted into currency of Jordan at the highest rate of exchange which, at the time the conversion is made, is not unlawful in Jordan.

SECTION 8.5. Date of Disbursement. Disbursements by A.I.D. will be deemed to occur (a) on the date on which A.I.D. makes a disbursement to the Borrower or its designee,

or to a bank, contractor or supplier pursuant to a Letter of Commitment, contract, or purchase order; or (b) on the date on which A.I.D. disburses to the Borrower or its designee local currency acquired in accordance with Section 8.2. (b).

ARTICLE IX

Miscellaneous

SECTION 9.1. Investment Guaranty Project Approval. Construction work to be financed under this Agreement is agreed to be a project approved by Jordan pursuant to the Agreement between it and the United States of America on the subject of investment guaranties, and no further approval by Jordan will be required to permit the United States to issue investment guaranties under that Agreement covering a contractor's investment in that Project.

SECTION 9.2. Communications. Any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following address:

To the Borrower:

Mail Address: National Planning Council
Amman, Jordan

Alternate address for telegrams: NPC, Amman, Jordan.

To A.I.D.:

Mail Address: USAID Mission
Amman, Jordan

Alternate address for telegrams: USAID/Amman

All such communications will be in English, unless the parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

SECTION 9.3. Representatives. For all purposes relevant to this Agreement, the Borrower will be represented by the individual holding or acting in the office of President, National Planning Council and A.I.D. will be represented by the individual holding or acting in the office of Mission Director in Jordan, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Borrower, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized

any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

SECTION 9.4. Standard Provisions Annex. A "Project Loan Standard Provisions Annex" (Annex 2)[1] is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Borrower and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

THE HASHEMITE KINGDOM OF JORDAN

By: [2]

TITLE: President, National Planning Council

THE UNITED STATES OF AMERICA

By: [3]

Title: Director, USAID/Jordan

[1] See footnote 1, p. 2080.
[2] Hanna Odeh.
[3] Christopher H. Russell.

ANNEX I

Project Description

The objectives of the Project are to provide reliable electricity service to approximately 35 villages in the rural vicinity of Amman and two areas in suburban Amman, and also to reinforce the existing urban Amman system to meet the need for additional electrical service. Inputs to be financed mainly consist of imported equipment and materials used for substations and distribution systems in urban Amman. Financed inputs to project also include installation and erection services and such technical assistance as maybe required for studies and construction supervision needed for the implementation of the project.

To meet the objectives, the project will finance procurement of materials and services including but not limited to:

1) For Village Electrification:

   a) Overhead Electrical Lines and Conductors.

   b) Steel Lattice Poles.

   c) Transformers and Safety Devices.

2) For Reinforcement of Amman System:

   a) Remote Control Equipment.

   b) Transformers and Safety Devices.

3) Installation/Erection Services by Local or Code 941 Contractor.

4) Power System Erection and Maintenance Equipment including trucks, ditch digging equipment, derricks, winches and cable handling equipment.

5) US Engineering Services for Assistance in Power System Design, Construction, Installation, Materials Procurement.

6) Procurement of such U.S. and Code 941 Distribution and Control equipment as required to the objectives of the Project.

CUBA

Establishment of Interests Section

Agreement effected by exchange of notes
Signed at New York May 30, 1977;
Entered into force May 30, 1977.

The Acting Assistant Secretary of State to the Cuban Vice Minister of External Affairs

CITY OF NEW YORK

MAY 30, 1977

EXCELLENCY:

I have the honor to refer to the negotiations that our two delegations have conducted toward establishing an Interests Section of the United States of America in the Embassy of Switzerland in Havana and an Interests Section of Cuba in the Embassy of Czechoslovakia in Washington. We have reached agreement on the functions, personnel, privileges and immunities that both Sections will enjoy on the basis of full reciprocity Each Interests Section will be headed by a diplomat with the rank of Counselor. The Interests Sections will be able to employ a reasonable number of nationals of the receiving State, in Cuba through the national enterprise CUBALSE, and in the United States through normal employment practices.

Both Sections will be located in those buildings that were occupied by the Embassies of the United States of America in Havana and of the Republic of Cuba in Washington and will be under the protection of the Embassy of Switzerland in Havana and of the Embassy of Czechoslovakia in Washington. Both Interests Sections will be inviolable. Entry will not be permitted without the consent of the heads of the Interests Sections.

Signs on the exterior of the buildings occupied by the Interests Sections will indicate: Embassy of Switzerland in Havana, United States Interests Section, and Embassy of Czechoslovakia in Washington, Cuban Interests Section. The official stationery of both Interests Sections shall be so lettered with the exception of that used for internal communications.

No flags nor national seals of either country shall be displayed on

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the outside of the aforementioned buildings or other properties, except those that are engraved on the buildings, because they are under the protection of other diplomatic missions.

Automobiles and other means of transportation used by the Interests Sections or their employees, shall be licensed in the series assigned to the automobiles belonging to the Swiss Embassy in Havana and the Czechoslovakian Embassy in Washington respectively and may only display the flags of those countries.

Official access of the United States Interests Section to the Ministry of Foreign Affairs in Havana and of the Cuban Interests Section to the Department of State in Washington will be at the same level.

The Interests Sections shall have the right of free communication for all official purposes, using open or encrypted diplomatic mail or communications. Official correspondence and diplomatic pouches will be inviolable, in accordance with international practice. The Interests Sections may maintain radio transmitters only with the consent of the host country

Members of the Interests Sections shall have freedom to travel throughout the territory of the host country in accordance with the established international practice commonly accepted for Embassy personnel. In accordance with Protocol, the Head of each Interests Section shall rank in diplomatic precedence after Charges d'affaires. The Interests Sections may carry out routine diplomatic and consular functions and make their own financial transactions.

Both Governments reconfirm their commitments under the applicable international treaties govening diplomatic and consular relations to which both are parties. Personnel of both Sections shall benefit from the privileges and immunities provided by those treaties.

The names of the diplomats of both Interests Sections will appear in the Diplomatic List, apart from and after those of the diplomats of the Government of Switzerland in the case of the United States and of the Government of Czechoslovakia in the case of Cuba.

The Government of the United States shall obtain the concurrence of the Government of Switzerland and the Government of Cuba shall obtain the concurrence of the Government of Czechoslovakia to this arrangement.

Subject to the preceding paragraph, the opening of the Interests Sections will take place simultaneously in both capitals at a date to be mutually agreed within one month of the date of this exchange of notes.

I have the honor to propose that this note and your Excellency's reply thereto constitute an agreement between our two Governments.

Accept, Excellency, the assurances of my highest consideration.

WILLIAM H. LUERS

DR. PELEGRIN TORRAS,
Vice Minister of External Affairs,
Republic of Cuba

TIAS 9313

The Cuban Vice Minister of External Affairs to the Acting Assistant Secretary of State

REPUBLICA DE CUBA

MINISTERIO DE RELACIONES EXTERIORES

Excelencia:

Me honro en hacer referencia a la Nota de Vuestra Excelencia de fecha de hoy relativa al establecimiento de Secciones de Intereses de la República de Cuba en la Embajada de la República Socialista de Checoslovaquia en Washington y de los Estados Unidos de América en la Embajada de la Confederación Helvética de Suiza en La Habana, la cual traducida al español dice lo siguiente:

"Tengo el honor de referirme a las negociaciones que han sostenido nuestras dos delegaciones relativas al establecimiento de una Sección de Intereses de los Estados Unidos de América en la Embajada de Suiza en La Habana y una Sección de Intereses de Cuba en la Embajada de Checoslovaquia en Washington. A tal efecto, hemos establecido de común acuerdo las funciones, personal, privilegios e inmunidades de que disfrutarán ambas Secciones bajo régimen de plena reciprocidad. Cada Sección de Intereses estará encabezada por un diplomático con rango de Consejero. Las Secciones de Intereses podrán contratar un número razonable de personal nacional del Estado receptor por intermedio en Cuba de la Empresa CUBALSE y en los Estados Unidos por medio de las prácticas normales de empleo.

Ambas Secciones tendrán sus Oficinas en los edificios que ocupaban las Embajadas de Estados Unidos de América en La Habana y de la República de Cuba en Washington, bajo la protección de la Embajada Suiza en La Habana y de la Embajada de Checoslovaquia en Washington, respectivamente. Ambas Secciones de Intereses serán inviolables. No se podrá penetrar en ellas sin el consentimiento de los Jefes de las Secciones de Intereses.

Mr William H.Luers
Acting Assistant Secretary
Of State for the United States
of America.

La identificación en el exterior de los edificios ocupados por las Secciones de Intereses indicarán: Embajada de Suiza en La Habana, Sección de Intereses de los Estados Unidos, y Embajada de Checoslovaquia en Washington, Sección de Intereses Cubanos. El papel timbrado oficial de ambas Secciones de Intereses tendrá la misma leyenda con excepción de aquel que se utilice para las comunicaciones internas.

No se podrá colocar la Bandera ni el Escudo nacional respectivo en el exterior de los edificios antes mencionados y otras propiedades, a excepción de los que estén grabados en el inmueble, por cuanto los mismos están bajo protección de otra sede diplomática.

Los automóviles y otros medios de transporte que utilicen ambas Secciones de Intereses, o sus funcionarios, tendrán las licencias correspondientes a las series asignadas para los automóviles pertenecientes a la Embajada Suiza en La Habana y la Embajada de Checoslovaquia en Washington, respectivamente y sólo pueden ostentar las banderas de estos países.

El acceso oficial de la Sección de Intereses de los Estados Unidos al Ministerio de Relaciones Exteriores en La Habana y de la Sección de Intereses de Cuba al Departamento de Estado en Washington será al mismo nivel.

Las Secciones de Intereses tienen derecho a la libre comunicación para todos los fines oficiales pudiendo utilizar Correos Diplomáticos y comunicaciones tanto abiertas como cifradas La correspondencia oficial y la Valija Diplomática disfrutarán de inviolabilidad conforme a las normas internacionales. Las Secciones de Intereses podrán mantener transmisores radiales sólo con el consentimiento del país huesped.

Los miembros de las Secciones de Intereses gozarán de la libertad de circulación y tránsito por el territorio nacional del país sede conforme se establece en la práctica internacional comúnmente aceptadas para el personal de las Embajadas La precedencia de que disfrutará el Jefe de cada Sección de Intereses, conforme al Protocolo, será a continuación de los Encargados de Negocios. Las Secciones de Intereses podrán llevar a cabo funciones.

diplomáticas y consulares rutinarias y realizarán sus propias transacciones financieras.

Ambos gobiernos reafirman su compromiso con lo establecido en los Tratados Internacionales que rigen las relaciones diplomáticas y consulares de los cuales son Partes. El personal de ambas Secciones disfrutará de los privilegios e inmunidades establecidos-- por estos Tratados.

Los nombres de los diplomáticos de ambas Secciones de Intereses aparecerán en la Guía Diplomática en lista aparte y a continuación de los diplomáticos del gobierno de Suiza en el caso de los Estados Unidos y del Gobierno de Checoslovaquia en el caso de Cuba. El gobierno de los Estados Unidos deberá obtener el consentimiento del gobierno de Suiza a los términos de estos arreglos y el gobierno de Cuba lo deberá obtener del gobierno de Checoslovaquia.

Sujeto al párrafo precedente, la apertura de las Secciones de Intereses tendrá lugar simultáneamente en ambas capitales, -- en una fecha que será acordada mutuamente dentro del plazao de un mes a partir de la fecha de este intercambio de Notas.

Tengo el honor de proponerle que esta Nota y la respuesta de su Excelencia constituyan un acuerdo entre nuestros dos gobiernos.

Acepte Excelencia, el testimonio de mi más alta consideración."

Al respecto, tengo el honor de comunicarle que la propuesta enunciada en la Nota de Vuestra Excelencia es aceptable para el Gobierno de la República de Cuba y por consiguiente, estoy de -- acuerdo en que la Nota de Vuestra Excelencia y la presente respuesta constituyan un Acuerdo entre nuestros dos gobiernos que entrará en vigor a partir de la fecha de hoy

Acepte, Excelencia, las seguridades de mi más alta y -- distinguida consideración.

Pelegrín Torras [1]

Nueva York, 30 de mayo de 1977.

[1] Pelegrín Torras.

Translation

MINISTRY OF CUBA
MINISTRY OF FOREIGN RELATIONS

EXCELLENCY:

I have the honor to refer to Your Excellency's note of this date concerning the establishment of Interests Sections of the Republic of Cuba in the Embassy of the Czechoslovak Socialist Republic in Washington and of the United States of America in the Embassy of the Swiss Confederation in Havana, which translated into Spanish reads as follows:

[For the English language text, see pp. 2101–2102.]

With respect to the foregoing, I have the honor to inform you that the proposal contained in Your Excellency's note is acceptable to the Government of the Republic of Cuba, and I therefore agree that your note and this reply shall constitute an agreement between our two Governments which shall enter into force beginning on this date.

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

PELEGRIN TORRAS

NEW YORK, *May 30, 1977*

WILLIAM H. LUERS,
Acting Assistant Secretary of State
for the United States of America.

SURINAME

Alien Amateur Radio Operators

Agreement effected by exchange of notes
Signed at Paramaribo October 3 and 12, 1978;
Entered into force October 12, 1978.

The Surinamese Minister for General and Foreign Affairs to the American Ambassador

MINISTERIE VAN
ALGEMENE EN BUITENLANDSE
ZAKEN[1]

To:

H.E. the Ambassador of the United
States of America.
Madam Nancy Ostrander

Uw kenmerk Uw brief van Ons kenmerk Bura No. 13516 Datum

Onderwerp Paramaribo, 3 - OKT. 1978 197

Madam:

I have the honour to refer to conversations between representatives of the Government of Suriname and representatives of the Government of the United States of America relating to the possibility of concluding an agreement between the two Governments with a view to the reciprocal granting of authorizations to permit licensed amateur radio operators of either country to operate their stations in the other country, in accordance with the provisions of Article 41 of the International Radio Regulations, Geneva, 1959.[2] It is proposed that an agreement with respect to this matter be concluded as follows:

1. An individual who is licensed by his Government as an amateur radio operator and who operates an amateur radio station licensed by such Government shall be permitted by the other Government, on a reciprocal basis and subject to the conditions stated below, to operate such station in the territory of such other Government.

2. The individual who is licensed by his Government as an amateur radio operator shall, before being permitted to operate his station as provided for in paragraph 1, obtain from the appropriate administrative agency of the other Government an authorization for that purpose.

[1] In translation reads: "Ministry of General and Foreign Affairs"

[2] TIAS 4893, 12 UST 2633.

3. The appropriate administrative agency of each Government may issue an authorization, as prescribed in paragraph 2, under such conditions and terms as it may prescribe, including the right of cancellation at the convenience of the issuing Government at any time.

Upon the receipt of a reply note from you indicating the concurrence of the Government of the United States of America, it will be considered that this note and the reply note constitute an agreement between the two Governments, such agreement to be in force as of the date of the reply note and to be subject to termination by either Government giving six months' notice, in writing, of its intention to terminate.

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

Paramaribo, September 1978.

H.A.E. ARRON,
MINISTER FOR GENERAL AND FOREIGN AFFAIRS.

The American Ambassador to the Surinamese Minister for General and Foreign Affairs

Paramaribo
October 12, 1978

No. 55

Sir:

I have the honor to acknowledge receipt of your note No. 13561 of October 3, 1978 in which reference is made to conversations between representatives of the Government of the United States of America and representatives of the Government of the Republic of Suriname relating to the possibility of concluding an agreement between the two Governments with a view to the reciprocal granting of authorizations to permit licensed amateur radio operators of either country to operate their stations in the other country, in accordance with the provisions of Article 41 of the international Radio Regulations, Geneva 1959.

Pursuant to section 303 (1) (2) and 310(a) of the Communications Act of 1934 as amended (47 U.S.C. 303 (1) (2), 310(a), the Government of the United States of America is prepared to conclude an agreement with respect to this matter as follows:

1. An individual who is licensed by his Government as an amateur radio operator and who operates an amateur radio station licensed by such Government shall be permitted by the other Government, on a reciprocal basis and subject to the conditions stated below, to operate such station in the territory of such other Government.

2. The individual who is licensed by his Government as an amateur radio operator shall, before being permitted to operate his station as provided for in paragraph 1, obtain from the appropriate administrative agency of the other Government an authorization for that purpose.

3. The appropriate administrative agency of each Government may issue an authorization, as prescribed in paragraph 2, under such conditions and terms as it may prescribe, including the right of cancellation at the convenience of the issuing Government at any time.

In accordance with the suggestion made in your note, that note and this reply note indicating the concurrence of the Government of the United States of America are considered as constituting an agreement between the two Governments, such agreement to be in force as of the date of this reply note and to be subject to termination by either Government giving six months' notice, in writing, of its intention to terminate.

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

[1]

Mr. H. A. E. Arron
Minister for General and Foreign Affairs
Republic of Suriname
Paramaribo

[1] Nancy Ostrander.

AUSTRALIA

Scientific and Technical Cooperation

Agreement extending the agreement of October 16, 1968, as extended.
Effected by exchange of notes
Signed at Canberra October 10, 1978;
Entered into force October 10, 1978.

The American Ambassador to the Australian Minister for Science

No. 116 Canberra, October 10, 1978.

Sir:

I have the honor to refer to recent discussions between the representatives of our two Governments concerning the Agreement Relating to Scientific and Technical Cooperation between the Government of Australia and the Government of the United States of America signed at Canberra on 16 October 1968 and renewed for five years by an Exchange of Notes at Washington on 30 July 1973.[1]

I have the honor to inform you that the Government of the United States of America wishes to propose that the Agreement be extended pursuant to Article 11 for a further period of five years from 16 October 1978.

In relation to the implementation of particular scientific or technical projects covered by the Agreement, the Government of the United States of America would appreciate your confirmation that the coordinating agencies of the two Governments will continue to be the Australian Department of Science and the United States National Science Foundation; arrangements for the implementation by the

Senator the Honorable
J. J. Webster,
Minister for Science,
Canberra.

[1] TIAS 6589, 7682; 19 UST 6714; 24 UST 1758.

coordinating agencies of projects under the Agreement will be carried out as the coordinating agencies may from time to time agree.

If the foregoing is acceptable to the Government of Australia, I have the honor to propose that this Note together with your confirmatory reply shall constitute an Agreement between our Governments further extending the said Agreement for a period of five years from 16 October 1978.

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

[1]

[1] Philip H. Alston, Jr.

The Australian Minister for Science to the American Ambassador

MINISTER FOR SCIENCE

PARLIAMENT HOUSE.
CANBERRA A.C.T. 2600

10 October 1978

Excellency,

I have the honour to refer to your Note of today's date which reads as follows:

"I have the honor to refer to recent discussions between the representatives of our two Governments concerning the Agreement Relating to Scientific and Technical Cooperation between the Government of Australia and the Government of the United States of America signed at Canberra on 16 October 1968 and renewed for five years by an Exchange of Notes at Washington on 30 July 1973.

I have the honor to inform you that the Government of the United States of America wishes to propose that the Agreement be extended pursuant to Article 11 for a further period of five years from 16 October 1978.

In relation to the implementation of particular scientific or technical projects covered by the Agreement, the Government of the United States of America would appreciate your confirmation that the coordinating agencies of the two Governments will continue to be the Australian Department of Science and the United States National Science Foundation: arrangements for the implementation by the coordinating agencies of projects under the Agreement will be carried out as the coordinating agencies may from time to time agree.

If the foregoing is acceptable to the Government of Australia, I have the honor to propose that this Note together with your confirmatory reply shall constitute an Agreement between our Governments further extending the said Agreement for a period of five years from 16 October 1978".

I have the honour to inform you that the proposals contained in your Note are acceptable to the Government of Australia and that the Government of Australia will regard your Note and this reply as constituting an Agreement between our two Governments further extending the said Agreement for a period of five years from 16 October 1978.

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

[1]

His Excellency Mr Philip H. Alston, Jnr ,
Ambassador,
Embassy of the United States of America,
CANBERRA

[1] J. J. Webster.

SAUDI ARABIA

Technical Cooperation: Nasseriah Power Station

Agreement signed at Washington and Riyadh November 9 and 13, 1978;
Entered into force November 13, 1978.

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اللجنة السعودية الأميركية
المشتركة للتعاون الاقتصادي

United States - Saudi Arabian
Joint Commission
on Economic Cooperation

Department of the Treasury
Washington, D.C. 20220

NOV 9 1978

Dear Mansoor:

This letter is to confirm our understanding concerning a technical cooperation project (the project) which the Department of the Treasury of the United States of America (Treasury) and the Ministry of Finance and National Economy of the Kingdom of Saudi Arabia (the Ministry) will undertake to increase the electrical power generating capacity of the Nasseriah power station in Riyadh.

The project will be carried out under the auspices of the United States-Saudi Arabian Joint Commission on Economic Cooperation and in accordance with the Technical Cooperation Agreement between the Governments of the United States and Saudi Arabia signed on February 13, 1975.[1]

Treasury will assist in providing the following services for the project:

-- Purchase of electrical equipment, including turbine generators of 30 MW capacity, electrical switchgear, distribution bus, remote controls and other auxiliary equipment;

-- Installation of such equipment in accordance with accepted US practices and connection of such equipment with that presently at the power station;

-- Rehabilitation, as necessary, of existing generating facilities to enhance their efficiency and improvement of safety devices at the power station;

[1] TIAS 8072, 26 UST 880.

-- Design and construction of necessary ancillary facilities required for the efficient operation of the power station, including warehouse, shops, administration building and employee quarters;

-- Design and construction of necessary infrastructure facilities for the power station including roads, water and sewage system.

As you know, these services are described in greater detail in the preliminary scope document dated April 29, 1978. With respect to services which the Ministry requests in addition to those described in the preliminary scope document, Treasury will first notify the Ministry of the estimated cost of such additional services. Prior to Treasury's making arrangements for carrying out any additional components, the Ministry will deposit in the dollar trust account such supplemental funds as may be needed to finance such services.

In response to your request in your letters of May 6, 1978 and July 11, 1978[1] that Treasury initiate work as rapidly as possible, Treasury has already made the following arrangements:

a) An agreement with the General Services Administration of the United States of America (GSA) is being finalized, under which GSA will procure the requested electrical equipment as authorized agent for Treasury. GSA will solicit and evaluate bids and/or offers, enter into contracts on behalf of Treasury for the purchase of the requested equipment. Purchases will be made from U.S. manufacturers and suppliers and in accordance with the Federal Procurement Regulations and the General Services Procurement Regulations. U.S. manufacturers and suppliers will be chosen solely on the basis of quality, cost, delivery time of the items, and other like merit factors.

b) An agreement with Overseas Advisory Associates, Inc. (OAAI), has been concluded under which OAAI will provide technical advice to Treasury, GSA, and the Ministry on all phases of the project.

[1] Not printed.

The services to be provided by OAAI by itself and in association with an architectural and engineering firm include:

-- Providing technical assistance to GSA in the procurement of the electrical equipment, including development of specifications and suitable commercial equipment warranties, evaluation of proposals, and inspection and testing of the electrical equipment.

-- Providing engineering and design services associated with the installation of the electrical equipment, the ancillary civil works, and station rehabilitation outlined in the preliminary scope document.

-- Developing bid documents for the construction contract, evaluating bids for the construction contract, and recommending which bidder should be awarded the construction contract. (The Ministry and the successful bidder will be the parties to the construction contract.)

-- Supervising the work of the construction contractor on the project and certifying the contractor's invoices for payment.

-- Providing technical advice to the Ministry during equipment testing and initial operation of the facilities to be provided under the project.

GSA will make arrangements for title to the equipment and related supplies procured by GSA for the Nasseriah Power Station to pass at the supplier's place of business from the supplier to the Ministry upon the issuance of approppriate acceptance forms by the GSA. All warranties and guarantees connected with the equipment and related supplies will be contracted to vest in both the Ministry and the GSA.

With respect to funding, the Ministry has already deposited in the dollar trust account the sum of twenty-five million dollars which will be utilized to provide the services outlined in the preliminary scope document.

Prior to the issuance of the invitation to bid for the construction contract, Treasury will advise the Ministry of its estimate, prepared with the assistance of OAAI, of the amount of funds required to complete the project. At that time Treasury will review this estimate with the Ministry to determine whether the scope of the services should be reduced and/or whether additional funding should be provided. In no case will a construction contract be entered into without adequate funds on deposit in the dollar trust account to complete the agreed upon services.

To insure successful completion of the project, the Ministry will:

-- designate a Ministry project director;

-- identify and provide an adequate number of technical personnel from the Ministry and elsewhere to work with Treasury, GSA, and OAAI on the project;

-- provide all available data and other information which may be needed by Treasury, GSA and OAAI;

-- cooperate with the construction contractor and OAAI by coordinating power station operations with construction schedules;

-- provide interpreter and translator services as needed.

The same "Force Majeure" provision contained in previous Joint Economic Commission projects will apply to the project.

The arrangements described in this letter may be changed by the mutual consent of the Ministry and the Treasury and may be terminated at any time by the Ministry or the Treasury upon sixty days written notice or by termination of the Technical Cooperation Agreement of February 13, 1975.

I would very much appreciate it if you would confirm that the contents of this letter also represent the Ministry's understanding and desire with respect to the project by signing the enclosed copy of this letter and returning it to me.

Sincerely,

Lewis W. Bowden
Deputy for Saudi Arabian Affairs

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

Dr. Mansoor Al Turki

INDONESIA

Professional Resources Development

Agreement signed at Jakarta April 12, 1978;
Entered into force April 12, 1978.

A.I.D. Loan Number 497-V-049

Project Number 497-0261

PROJECT

LOAN AGREEMENT

BETWEEN

THE REPUBLIC OF INDONESIA

AND THE

UNITED STATES OF AMERICA

FOR

PROFESSIONAL RESOURCES DEVELOPMENT I

Dated: April 12, 1978

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Annex 1 - Amplified Description of the Project

Annex 2 - Standard Provisions Annex[1]

[1] Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

A.I.D. Project No. 497-0261

PROJECT LOAN AGREEMENT

Dated. April 12, 1978

Between The Republic of Indonesia ("Borrower")

And The United States of America, acting through the Agency for International Development ("A.I.D.")

Article 1. The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Borrower of the Project described below, and with respect to the financing of the Project by the Parties

Article 2. The Project

SECTION 2.1. Definition of Project The Project is designed to improve the manpower base through the advanced training and related costs for personnel of selected cooperating country agencies, such training may take place in the United States, in Indonesia, or in third countries, and may include on-the-job or other non-formal as well as formal or degree and non-degree training. Annex 1, attached, amplifies the above definition of the Project.

Within the limits of the above definition of the Project, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the Parties named in Section 9.3, without formal amendment of this Agreement.

Article 3 Financing

SECTION 3.1. The Loan. To assist the Borrower to meet the costs of carrying out the Project, A.I.D., (in furtherance of the Alliance for Progress), and pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to lend the Borrower under the terms of this Agreement not to exceed five million nine hundred thousand United States ("U.S ") dollars ($5,900,000) ("Loan") The aggregate amount of disbursements under the Loan is referred to as "Principal."

The Loan may be used to finance foreign exchange costs, as defined in Section 7.1, and local currency costs, as defined in Section 7.2, of goods and services required for the Project.

SECTION 3.2. Borrower Resources for the Project. (a) The Borrower agrees to provide or cause to be provided for the Project all funds, in addition to the Loan, and all

[1] 75 Stat. 424, 22 U.S.C. § 2151 note.

other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by Borrower for the Project will be not less than the equivalent of U.S.$3,400,000, including costs borne on an "in-kind" basis

SECTION 3.3 Project Assistance Completion Date (a) The "Project Assistance Completion Date" (PACD), which is April 12, 1983 , or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Loan will have been performed and all goods financed under the Loan will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Loan for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1. no later than nine (9) months following the

PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Borrower, may at any time or times reduce the amount of the Loan by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4. Loan Terms

SECTION 4.1. Interest. The Borrower will pay to A.I.D. interest which will accrue at the rate of two percent (2%) per annum for ten (10) years following the date of the first disbursement hereunder and at the rate of three percent (3%) per annum thereafter on the outstanding balance of Principal and on any due and unpaid interest. Interest on the outstanding balance will accrue from the date (as defined in Section 8.5) of each respective disbursement, and will be payable semiannually. The first payment of interest will be due and payable no later than six (6) months after the first disbursement hereunder, on a date to be specified by A.I.D.

SECTION 4.2. Repayment. The Borrower will repay to A.I.D. the Principal within forty (40) years from the date of the first disbursement of the Loan in sixty-one (61)

approximately equal semiannual installments of Principal and interest. The first installment of Principal will be payable nine and one-half (9½) years after the date on which the first interest payment is due in accordance with Section 4.1. A.I.D will provide the Borrower with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

SECTION 4.3 Application, Currency and Place of Payment. All payments of interest and Principal hereunder will be made in U.S Dollars and will be applied first to the payment of interest due and then to the repayment of Principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D.C. 20523, U.S.A., and will be deemed made when received by the Office of Financial Management.

SECTION 4.4 Prepayment. Upon payment of all interest and any refunds then due, the Borrower may prepay, without penalty, all or any part of the Principal. Unless A.I.D. otherwise agrees in writing, any such prepayment will be applied to the installments of Principal in the inverse order of their maturity

SECTION 4.5. Renegotiation of Terms. (a) The Borrower and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of Indonesia, which enable the Borrower to repay the Loan on a shorter schedule.

(b) Any request by either Party to the other to so negotiate will be made pursuant to Section 9.2, and will give the name and address of the person or persons who will represent the requesting Party in such negotiations.

(c) Within thirty (30) days after delivery of a request to negotiate, the requested Party will communicate to the other, pursuant to Section 9.2, the name and address of the person or persons who will represent the requested Party in such negotiations

(d) The representatives of the Parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested Party's communication under subsection (c) The negotiations will take place at a location mutually agreed upon by the representatives of the Parties, provided that, in the absence of mutual agreement, the

negotiations will take place at the office of Borrower's Department of Finance in Indonesia.

SECTION 4.6. Termination on Full Payment. Upon payment in full of the Principal and any accrued interest, this Agreement and all obligations of the Borrower and A.I.D under it will cease.

Article 5: Conditions Precedent to Disbursement

SECTION 5.1. First Disbursement. Prior to the first disbursement under the Loan, or to the issuance by A.I.D of documentation pursuant to which disbursement will be made, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.

(a) An opinion of the Minister of Justice of the Borrower that this Agreement has been duly authorized and/or ratified by, and executed on behalf of, the Borrower, and that it constitutes a valid and legally binding obligation of the Borrower in accordance with all of its terms;

(b) A statement of the name of the Person holding or acting in the office of the Borrower specified in Section 9.3, and of any additional representatives, together with a specimen signature of each person specified in such statement;

(c) Evidence that the Project Steering Committe as described in Annex I has been formally established and is prepared to assist in guiding and evaluating the Project; and

(d) A schedule for the evaluation program referred to in Section 6 1.

SECTION 5.2. Disbursement for Training. Prior to disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, for any training within any agencies of the Borrower, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.

(a) Evidence that BAPPENAS, LAN and DOF (and other related agencies which contribute to the institutional development objectives of BAPPENAS, LAN and DOF) each have developed discrete training plans indicating the types and amounts of training to be included for such agency together with a justification as to how the training will strengthen that agency's institutional capacity to contribute to the achievement of Indonesian development objectives.

(b) Evidence that satisfactory criteria have been established to be used in selecting candidates for training under the Loan.

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(c) Evidence that a contract previously approved by A.I.D. has been executed with a United States firm or organization to provide the technical services required for the project.

SECTION 5.3. Notification. When A.I.D has determined that the conditions precedent specified in Section 5.1 and 5.2 have been met, it will promptly notify the Borrower.

SECTION 5.4 Terminal Dates for Conditions Precedent. If all of the conditions specified in Section 5.1. have not been met within 90 days from the date of this Agreement, or such later date as A.I.D may agree to in writing, A.I.D , at its option, may terminate this Agreement by written notice to Borrower

Article 6 Special Covenants

SECTION 6.1. Project Evaluation. The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter· (a) evaluation of progress toward attainment of the objectives of the Project;

(b) identification and evaluation of problem areas or constraints which may inhibit such attainment;

(c) assessment of how such information may be used to help overcome such problems, and

(d) evaluation, to the degree feasible, of the overall development impact of the Project.

SECTION 6.2. Placement of Participants. The Borrower covenants that each participant, upon satisfactory completion of training, will be guaranteed an appropriate position commensurate with his educational achievement and prior experience in the agency that nominates him for training.

Article 7 Procurement Source

SECTION 7.1. Foreign Exchange Costs. Disbursements pursuant to Section 8.1. will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services, ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Loan Standard Provisions Annex, Section C.I. (b) with respect to marine insurance.

SECTION 7.2. Local Currency Costs Disbursements pursuant to Section 8.2. will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in Indonesia ("Local Currency Costs")

Article 8. Disbursements

SECTION 8.1. Disbursement for Foreign Exchange Costs

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

(1) by submitting to A.I.D , with necessary supporting documentation as prescribed in Project Implementation Letters,

(A) requests for reimbursement for such goods or services, or

(B) requests for A.I.D to procure commodities or services in Borrower's behalf for the Project; or

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S banks, satisfactory to A.I.D , committing A.I.D to reimburse such bank or banks for payments made by them to contractors or suppliers, under

Letter of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Borrower in connection with Letters of Commitment and Letters of Credit will be financed under the Loan unless the Borrower instructs A.I.D. to the contrary Such other charges as the Parties may agree to may also be financed under the Loan.

SECTION 8.2. Disbursement for Local Currency Costs. After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D. with necessary reporting documentation as prescribed in Project Implementation Letters, requests to finance such costs. These disbursements may be made by A.I.D.

(1) In U.S. dollars equivalent to the local currency cost or

(2) In local currency acquired by A.I.D. by purchase or from local currency already owned by the U.S. Government.

SECTION 8.3 Other Forms of Disbursement. Disbursements of the Loan may also be made through such other means as the Parties may agree to in writing.

SECTION 8.4 Rate of Exchange. If funds provided under the Loan are introduced into Indonesia by A.I.D or any public or private agency for purposes of carrying out obligations of A.I.D hereunder, the Borrower will make such arrangements as may be necessary so that such funds may be converted into currency of Indonesia at the highest rate of exchange which, at the time the conversion is made, is not unlawful in Indonesia.

SECTION 8.5 Date of Disbursement. Disbursement by A.I.D. will be deemed to occur (a) on the date on which A.I.D. makes a disbursement to the Borrower or its designee, or to a bank, contractor or supplier pursuant to a Letter of Commitment, contract, or purchase order; (b) on the date on which A.I.D. disburses to the Borrower or its designee local currency acquired in accordance with Section 8.2.

Article 9· Miscellaneous

SECTION 9.1. Communications Any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following address

To the Borrower·

Mail Address Departemen Luar Negeri
Jl. Pejambon No. 6
Jakarta Pusat

Alternate Address for telegrams: DEPLU Jakarta

To A.I.D

Mail Address United States Agency for
International Development
American Embassy
Jakarta, Indonesia

Alternate Address for telegrams. USAID AMEMB Jakarta

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice. The Borrower, in addition, will provide the USAID Mission with a copy of each communication sent to A.I.D.

SECTION 9.2. Representatives For all purposes relevant to this Agreement, the Borrower will be represented by the individual holding or acting in the office of Chairman or Vice Chairman, National Development Planning Agency (BAPPENAS), and A.I.D. will be represented by the individual holding or acting in the office of Director, USAID Mission to Indonesia, each of whom, by written notice, may designate additional representatives for all purposes other than

exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Borrower, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority

SECTION 9.3. Standard Provisions Annex. A "Project Loan Standard Provisions Annex" (Annex 2)[1] is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Borrower and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

REPUBLIC OF INDONESIA

By: Mochtar Kusumaatmadja
Prof. Dr. Mochtar Kusumaatmadja
Minister for Foreign Affairs

UNITED STATES OF AMERICA

Edward E. Masters

By: _____
Edward E. Masters
Ambassador

[1] See footnote 1, p. 2125.

ANNEX 1

AMPLIFIED DESCRIPTION OF THE PROJECT

The purpose of the Project is to develop through training the personnel of the three principal government agencies that provide leadership in planning, resource mobilization and allocation, fiscal management and the administration of Indonesia's national development plan and budget. This objective will be accomplished through both technical assistance and training (long and short-term specialized training in the United States and third countries and in-country specialized training.)

The agencies that will participate in this training project are: the National Development Planning Agency (BAPPENAS), the Department of Finance (DOF), the National Institute of Administration (LAN), and other related agencies which contribute to the institutional development objectives of BAPPENAS, LAN and DOF.

Training to be provided these government agencies will be predominantly concentrated at those levels where the ranks of second and third echelon workers are the thinnest, and to the extent possible training programs will be decentralized so that their benefits in terms of more

efficient development planning and implementation can directly impact on principal Indonesian development programs. The project administrators also will seek inputs from provincial government officials regarding needs and the selection of local candidates for training aimed at meeting those needs.

A.I.D. loan funds will meet the costs of degree training in the U.S. for some 70-80 participants at a cost of approximately $2.0 million; short-term training in the U.S. and third countries of another 130-150 participants at a cost of approximately $1.0 million; and in-country training of large numbers of government workers who will participate in seminars, short courses, and on-the-job training at a cost of approximately $1.6 million, including consulting services. The Government of Indonesia will provide $3.4 million (equivalent) to meet local currency costs.

The project will receive policy guidance and management from the Minister of State for Administrative Reform (MENPAN) and administrative support from the Secretariat of the Cabinet (SEKKAB) A representative of the MENPAN will chair a Project Steering Committee with members drawn from each of the government agencies involved in the project. A representative of

SEKKAB will act as a participating member of the committee and as a special advisor regarding the coordination of participant training programs of the implementing agencies. The USAID Project Manager will be the principal U.S. advisor to this Project Steering Committee.

Each principal participating agency will establish a Committee consisting of representatives of those discrete agency units receiving project assistance and will assign teams to draw up operational plans (detailed specifications) on selection, training and placement of trainees. There will be a team of long-term advisors as required for human resources development. One of the advisors will be project coordinator and will be responsible for coordinating the full run of technical assistance activities, assuring the placement of participants and procurement of commodities. The long-term advisors will be supplemented by short-term training specialists to assist with in-country training.

The total overall cost of the project is $9,300,000 of which $5,900,000 is the U.S. contribution and $3,400,000 (equivalent) is the Government of Indonesia contribution.

SUMMARY COST ESTIMATES

	(U.S. $000)		
	A.I.D.	INDONESIAN GOVERNMENT	TOTAL
Academic Training (160 years)	1,920	-	1,920
Short-Term Training (465 months)	930	-	930
Expert Consultants (258 months)	1,554	260	1,814
Instructional Materials	240	100	340
International Travel (155 trips)	638	-	638
Local Travel	-	400	400
Salaries, Counterparts, Participants and Support	-	920	920
In-Country Training	-	1,000	1,000
Equipment and Facilities	-	220	220
U.S Office Support	300	-	300
Indirect Costs	320	500	820
	5,902	3,400	9,302

BUDGET (A.I.D.)

Project Leader	
(4 years at $70,000)	280,000
Home Office Support	300,000
Indirect Costs	
(Incl. $30,000 for field evaluation)	120,000
	700,000

	Indonesian Government
Counterparts Salaries	100,000
Supporting Services	100,000
International Country Travel	50,000
Miscellaneous Costs	50,000
	300,000

SAUDI ARABIA

Technical Cooperation in Agricultural Bank Management and Training

Agreement signed at Jeddah November 18, 1978; Entered into force March 5, 1979.

PROJECT AGREEMENT BETWEEN THE GOVERNMENT OF THE KINGDOM OF SAUDI ARABIA AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA FOR TECHNICAL COOPERATION IN AGRICULTURAL BANK MANAGEMENT AND TRAINING

ARTICLE 1 Scope

This Project Agreement to be implemented by the Saudi Arabian Agricultural Bank (the Bank) and the Ministry of Finance and National Economy (MFNE) of the Kingdom of Saudi Arabia, and the Farm Credit Administration (FCA) and the Department of the Treasury (Treasury) of the United States of America sets forth a technical cooperation project (the project) to assist the Bank in establishing a training program in the United States for employees of the Bank and improving the capabilities of the Bank in the fields of management, organization, administration, and economic analysis.

ARTICLE 2 Authorization

This Agreement will be carried out under the auspices of the United States-Saudi Arabian Joint Commission on Economic Cooperation and in accordance with the provisions of the Technical Cooperation Agreement between the Governments of the United States and Saudi Arabia, signed on February 13, 1975,[1] which is hereby incorporated by reference and becomes a part of this Agreement.

ARTICLE 3 Services

1. The services to be performed under this Agreement follow the general guidelines of a report prepared by the FCA entitled "Organization and Administration of the Saudi Arabian Agricultural Bank",

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[1] TIAS 8072; 26 UST 880.

September 10, 1977. This report is hereby incorporated by reference and becomes part of this Agreement.

2. The services to be provided under the project include:

(A) Providing advisors to assist the Director General regarding the organization and administration of the Bank, and an agricultural economist to assist in developing the Bank's economic analysis capability and in the systematic preparation and utilization of economic data. These specialists will advise, inter alia, regarding instituting certain organizational and administrative changes in the Bank.

(B) Arranging for a non-degree training program at an appropriate academic institution in the United States for twenty to thirty Saudi Arabian employees of the Bank.

3. Treasury and FCA will assign a team of nine (9) experts to the project to assist the Bank by carrying out the services described in paragraph 2 of this Article. An initial team of three (3) experts will be assigned to the Bank and the remaining experts will be assigned to the project on a phased basis. A list showing the members and a more detailed description of the work each expert will undertake is attached as Annex 1.

4. Personnel assigned to the project will be selected solely on the basis of professional capability, experience and other like merit factors after review and approval by the Bank and Treasury.

5. FCA will prepare and transmit to the Bank periodic reports on the overall status and progress of the project as well as recommendations for changes in the project.

ARTICLE 4 Local Support

1. The Bank shall, either directly or through MFNE, support the project by:

a. Identifying appropriate Bank personnel to work with the U.S. personnel assigned to the project.

b. Providing all available data which may be needed by the U.S. advisors to fulfill their obligations under the project.

c. Providing services, when necessary, to obtain clearance in matters relating to the project, including but not limited to, customs, drivers permits and other services that may involve other agencies of the Government of Saudi Arabia.

d. Providing adequate office space, office furnishings, utilities, telephone facilities, supplies, and maintenance and upkeep of such office space for each advisor assigned to Saudi Arabia pursuant to this Agreement.

e. Providing interpreter and translator services as needed.

f. Providing other related support as may be appropriate to the conduct by the experts of their official advisory duties.

2. FCA and Treasury may use funds deposited for the project by the Government of Saudi Arabia in the dollar trust account, to pro-

vide the supplies and services mentioned in this Article to the extent they are not provided by the Government of Saudi Arabia.

ARTICLE 5 Coordination

1. FCA shall designate an appropriate FCA official to be responsible for FCA's coordination with the Bank for the project. The Bank shall designate an appropriate Bank official to be responsible for the Bank's coordination with FCA under the project.

2. Overall coordination of the project with other Joint Economic Commission activities of the United States Government, and provision of certain administrative facilities and support for the project, will be the responsibility of Treasury The Office of the Joint Economic Commission in Riyadh will serve as the point of contact for all communications between the Bank, MFNE, FCA, and Treasury concerning the project, and will be primarily responsible for monitoring the implementation of the project in Saudi Arabia.

ARTICLE 6 Force Majeure

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

ARTICLE 7 Estimated Budget

The total two-year cost for the project is estimated to be $3,530,000. This figure breaks down as follows:

	Year One	Year Two
Personnel Costs—compensation and benefits	$ 500, 000	$ 530, 000
Travel and Transportation	150, 000	160, 000
Housing and Related Expenses	520, 000	530, 000
Other	490, 000	500, 000
Training	75, 000	75, 000
Totals	$1, 735, 000	$1, 795, 000

ARTICLE 8 Dollar Trust Account

The Government of Saudi Arabia agrees to deposit in the dollar trust account in the United States Treasury the sum of $1,735,000 to cover the estimated cost for the first year's activities under the project.

ARTICLE 9 Entry into Force, Amendment, Extension and Termination

1. This Agreement shall enter into force after the deposit by the Government of Saudi Arabia of the sum described in Article 8 above,[1] and shall remain in effect for five years unless terminated either in accordance with paragraph three (3) below or through expiration of the Technical Cooperation Agreement of February 13, 1975, whichever shall occur first.

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

3. This Agreement may be terminated at any time at the discretion of either Government upon sixty (60) days written notice.

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

Done at Jeddah, Saudi Arabia, this 18th day of November, 1978.

UNITED STATES OF AMERICA	KINGDOM OF SAUDI ARABIA
W M BLUMENTHAL	MOHAMMAD ABA AL-KHAIL
Department of the Treasury	*Minister of Finance and National Economy*
W M BLUMENTHAL	
Farm Credit Administration	

ANNEX 1

Team of Experts Required by the Bank

A. Experts

1. Initial Team

a) Senior Advisor and Project Team Leader

This advisor, experienced in farm credit management affairs, will serve as a senior advisor to the Director General of the Bank and to designated members of the Director's staff. The senior advisor will:

—assist in the overall planning and programming of the activities of the team,
—provide general supervision of the team and evaluation of performance;
—maintain coordination and liaison between the team and the Bank staff.

[1] Mar. 5, 1979.

60-963 O - 80 - 53 QL 3

b) Management Consultant/Analyst

The management consultant/analyst will be responsible for assisting in.

—developing planning procedures;
—developing an internal management system,
—developing a budget oriented management by objective system,
—if requested, assisting in making reorganization recommendations;
—assisting in the development of requirements for data management.

c) Training and Staff Development Specialist

This specialist will.

—assist in selecting personnel for training, including academic study;
—evaluate the qualifications of candidates to be trained in the United States to determine needs;
—formulate employee development plans for each candidate;
—process candidates' applications for placement in academic institutions of advanced study;
—provide training liaison with the appropriate institutions in the United States;
—evaluate the effectiveness of training program,
—develop short-term and long-term training plans.

2. Team Members to be Assigned on a Phased Basis

a) Agricultural Economist

The duties of the agricultural economist will include, but not necessarily be limited to:

—preparing a study of farm equipment size needs, distribution and repair centers and manufacturer demonstrations;
—coordinating the establishment of model or demonstration farms by area,
—developing precise statistics on production methods, types of equipment, costs of inputs and marketing;
—developing farm production, cost and income models by area and farm type,
—assisting the development of plans for the identified livestock and other factors which relate to the extension of credit;
—assisting in the design of standard guidelines on production, costs, prices and income for areas and farm types for distribution to Bank staff and Bank branches.

b) Special Assistant

Will work directly with the Director's immediate staff to:

—streamline office procedures and policies including those relating to the routing of correspondance and other documents;
—carry out other duties as assigned which include scheduling, arranging for printing and distribution of documents and Bank directives.

c) Data Processing Specialists (2)

Will be responsible for·

—analyzing the data processing requirements both for the central office of the Bank and the Bank branches;
—developing an overall data processing plan which will fit the specific needs of the Bank and which will include an information system, and equipment configuration,
—in conjunction with the training and staff development advisor, developing a program to train appropriate members of the Bank's staff to manage the data processing system and to operate the required data processing system.

d) Loan Evaluation Specialist

This specialist will assist the appropriate members of the Bank's staff in reviewing existing loan follow-up policies and methods and in developing and implementing modifications to those methods and policies.

B. Phasing of Assignments

To insure smooth implementation of the project, the assignment of the experts listed above will be carried out on a phased basis. As soon as possible after signing and funding of this Agreement, the senior advisor, management consultant/analyst and training and staff development specialist will be assigned to the Bank. The schedule for assignment of the remaining team members will be determined at a later date.

C. Additional Team Members

Additional personnel may be added to this team through mutual consent of the parties to this Agreement and the provision of adequate funds.

SAUDI ARABIA

Technical Cooperation in Transportation

Agreement signed at Jeddah November 18, 1978;
Entered into force March 5, 1979.

PROJECT AGREEMENT
BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND
THE GOVERNMENT OF THE KINGDOM OF SAUDI ARABIA
FOR
TECHNICAL COOPERATION
IN
TRANSPORTATION

Article I - Scope

By the terms of this Agreement, the Department of Transportation (DOT) and the Department of the Treasury (Treasury) of the United States of America hereby agree with the Ministry of Communications (MOC) and the Ministry of Finance and National Economy (MFNE) of the Kingdom of Saudi Arabia to undertake a cooperative project for the provision of technical management, training and financial analysis assistance to the Kingdom of Saudi Arabia in the field of transportation.

Article 2 - Authorization

The project will be carried out under the auspices of the United States - Saudi Arabian Joint Commission on Economic Cooperation and in accordance with the provisions of the Technical Cooperation Agreement between the Governments of the United States and Saudi Arabia signed on February 13, 1975,[1] which is hereby incorporated by reference and becomes a part of this Agreement.

Article 3 - Services

1. In addition to the provisions of Article 1, the overall objective of the work to be performed under this Agreement shall be the provision of technical advice and consultation to the MOC in improving MOC's institutional capability to promote the development and regulation of the transportation system in the Kingdom.

2. DOT shall assist the MOC by providing experts for:

(a) Aid in the development, management and coordination of transportation systems under the jurisdiction of the MOC;

(b) Drafting and reviewing the transportation section of the Kingdom's third Five - Year Plan;

(c) Developing and structuring the staff required by the MOC to carry out its transportation responsibilities;

(d) Establishment of a regulatory framework for transportation in the Kingdom; and

(e) Other assignments related to the MOC's transportation jurisdiction.

[1] TIAS 8072; 26 UST 880.

Assistance to be provided during the first year of the project includes:

A. Long-term

(1) Project Coordinator, who would represent DOT and provide liaison, monitor the activities of the systems management team, and facilitate the provision of short-term personnel;

(2) Transportation Planner, who would provide assistance in planning and economic analysis and consult on the development of Ministry staff;

(3) A five-man Systems Management Team which DOT, using contractor personnel as appropriate, would provide for the primary purpose of assisting the MOC in its oversight of the systems and modes of transportation. The team will consist of a systems management specialist, a transportation economist, a financial analyst, a transportation system analyst, and an administrative specialist.

B. Short-term

A minimum of three short-term specialists would be provided, chosen from the following disciplines: vehicle technician, construction, design and maintenance, purchasing, cost control, industrial engineering, labor and/or others as may be specified by MOC.

3. Personnel to provide such assistance shall be selected solely on the basis of professional capability, experience and other like merit factors.

4. DOT shall develop work plans to carry out the duties required by MOC in the areas specified in Paragraph 2 above, and with approval of the MOC such work plans shall be incorporated herein. The work plans may be refined or modified by mutual agreement.

Article 4 - Local Support

MOC shall support the project by:

1. Designating an individual to be responsible for coordination between U.S. personnel under the project and the MOC;

2. Providing funding from the estimated budget of $2.2 million provided under Article 8 and from subsequent year budgets for the DOT team to acquire:

(a) secretarial and on-the-job logistical support;

(b) interpreter and translator services as necessary; and

(c) adequate office space, office furnishings, utilities, and maintenance and upkeep of such office space for personnel assigned to Saudi Arabia under this Agreement, and such supplies and materials as may be required for official project duties.

Article 5 - Coordination

Overall coordination of the project with other Joint Commission activities within the United States Government and provision of certain administrative facilities shall be the responsibility of Treasury. The Office of the Joint Commission in Riyadh shall serve as the point of contact for all communications between MOC, MFNE, DOT and Treasury. DOT is responsible for the coordination of all technical aspects of this project in the field of transportation.

Article 6 - Reports

DOT, in cooperation with Treasury, shall prepare and transmit to MOC and MFNE a quarterly report covering the overall status and progress of the project. In addition, DOT shall prepare and transmit to MOC a brief monthly report covering progress in all aspects of transportation related to this Agreement.

Article 7 - Force Majeure

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

Article 8 - Estimated Budget

Formal budgets shall be submitted annually by Treasury to MFNE. The total cost for the first year of the project is estimated to be $2,200,000 and the first-year budget for the project is attached as Annex A and is hereto made an integral part of this Agreement. This estimate covers the following expenses:

Salaries and Benefits
Travel and Transportation
Housing
Special Equipment

Article 9 - Dollar Trust Account

The Government of Saudi Arabia agrees to deposit in the dollar trust account in the United States Treasury established by the Technical Cooperation Agreement the sum of $2,200,000 to cover the estimated costs for the first year's activities referenced in Article 8 above.

Article 10 - Effective Date, Amendment, Extension and Termination

1. This Agreement shall enter into force upon the deposit by the Government of Saudi Arabia of the sum described in Article 9 above,[1] and shall remain in effect for four years or until terminated by the parties hereto in accordance with Paragraph 3 below or the termination of the Technical Cooperation Agreement of February 13, 1975, whichever shall occur first.

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

3. This Agreement may be terminated at any time at the discretion of either Government upon sixty (60) days' written notice.

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

[1] Mar. 5, 1979.

Done at JEDDAH, SAUDI ARABIA, this 18th day of NOVEMBER, 1978.

UNITED STATES OF AMERICA

W M Blumenthal [1]
Department of the Treasury

Department of Transportation [2]

KINGDOM OF SAUDI ARABIA

[3]
Minister of Finance and National Economy

[1] W M. Blumenthal.
[2] Chester Davenport.
[3] Mohammad Aba al-Khail.

ANNEX A

TRANSNET BUDGET

FIRST YEAR
(US Dollars $)

7 Persons in Saudi Arabia and 1 person in U S and 3 short-term persons in Saudi Arabia

	Contract 5 Persons Cost and Fee (5 persons)	10%
Salaries[1/]	375,000	(37,500)
Allowances and Benefits		
Education for family $7,000 each	35,000	(3,500)
Benefits - 11% of USG Salary	- 0 -	- 0 -
Allowances	- 0 -	- 0 -
Travel and Transportation $16,000 each	80,000	(8,000)
Housing and Related Expenses $50,000 each	250,000	- 0 -
Other:		
Contractors - 100% of Salaries	375,000	(37,500)
DOT - 20% of DOT Cost	- 0 -	- 0 -
Auto & Other - Contractors $16,000 each	80,000	- 0 -
- DOT $33,000 each	- 0 -	- 0 -
Fee 10% - Sum of all 10% Fees	- 0 -	86,500
T O T A L	1,281,500	
Short-term Persons - 3[2/]	256,300	

1/ Salaries: Contract 5 x $50,000 x 150% = $375,000
DOT in Saudi Arabia 2 x $47,000 x 120% = $114,000
DOT in United States 1 x $37,900 = $ 37,900

2/ Short-term Persons assumes 3 persons at the average annual cost of 1 contract person ($1,281,500 divided by 5 equal $256,300)

[Footnotes in the original.]

	DOT Employees in S.A 2 Persons Costs (2 persons)	DOT Employees in U S. 1 Person Costs	Total
Salaries[1/]	114,000	37,900	526,000
Allowances and Benefits			
Education for family $7,000 each	14,000	- 0 -	49,000
Benefits - 11% of USG Salary	10,400	4,200	14,600
Allowances	2,400	- 0 -	2,400
Travel and Transportation $16,000 each	32,000	- 0 -	112,000
Housing and Related Expenses $50,000 each	100,000	- 0 -	350,000
Other:			
Contractors - 100% of Salaries	- 0 -	- 0 -	375,000
DOT - 20% of DOT Cost	34,600	84,000	43,000
Auto & Other - Contractors $16,000 each	- 0 -	- 0 -	80,000
- DOT $33,000	66,000	- 0 -	66,000
Fee 10% - Sum of all 10% Fees	- 0 -	- 0 -	86,500
TOTAL	373,400	50,500	1,705,400
Short-term Persons - 3 persons[2/]			256,300
Secretarial translation & office space = 20% of Salary approximately			105,000
Highway Agreement and Repayment			145,000
	Rounded off $2,200,000 (similar amount in second year)		2,211,700

1/ Salaries: Contract 5 x $50,000 x 150% = $375,000
DOT in Saudi Arabia 2 x $47,500 x 120% = $114,000
DOT in United States 1 x $37,900 = $ 37,900

2/ Short-term Persons assumes 3 persons at the average annual cost of 1 contract person ($1,281,500 divided by 5 equal $256,300)

[Footnotes in the original.]

SAUDI ARABIA

Technical Cooperation in Executive Management Development

Agreement signed at Jeddah November 18, 1978; Entered into force March 4, 1979.

PROJECT AGREEMENT BETWEEN THE GOVERNMENT OF THE KINGDOM OF SAUDI ARABIA AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA FOR TECHNICAL COOPERATION IN EXECUTIVE MANAGEMENT DEVELOPMENT

ARTICLE I. Scope

The Department of the Treasury (Treasury) of the United States of America hereby agrees with the Ministry of Finance and National Economy (MFNE) of the Kingdom of Saudi Arabia to undertake a project (the project) to develop the executive and managerial effectiveness of selected senior Saudi Arabian Government officials.

ARTICLE II. Authorization

The project will be carried out under the auspices of the United States-Saudi Arabian Joint Commission on Economic Cooperation and in accordance with the provisions of the Technical Cooperation Agreement between the Governments of the United States and Saudi Arabia signed on February 13, 1975,[1] which is hereby incorporated by reference and becomes a part of this Agreement.

ARTICLE III. Objectives of the Project

The project will provide an opportunity for senior Saudi Arabian Government officials to

1. Enhance their executive and managerial skills in fields such as planning, organization, personnel administration, and budget and fiscal management.
2. Learn the latest techniques in their specialized fields through on-the-job training and interchange of ideas and experience with

[1] TIAS 8072; 26 UST 880.

counterparts in U.S. Government departments and agencies.
3. Broaden their knowledge of the economic and social influences on government administration.
4. Observe how government administrators in the United States draw upon the resources of academic institutions, private research institutes, business associations, and other non-governmental organizations to improve government programs.

The project will provide an opportunity for the participants to learn through special programs which will include close interchanges with senior U.S. government officials and leaders in the U.S. private sector and workshops and visits to institutions in the United States.

The programs in the project will be conducted on an individual and group basis, with each program tailored to fit the particular needs of the individual or group participating in the program.

It is anticipated that for the first program a group of Saudi Arabian participants will come to the United States for a period of time deemed appropriate.

ARTICLE IV Selection of participants

MFNE will select the participants for each program.

Selection of Saudi Arabian participants will be based primarily upon the following criteria.

1. Current and potential future responsibilities of the official,
2. Requirements of the position held by the official for the skills and knowledge to be offered by the program contemplated, and
3. Ability of the official to contribute to discussions and other aspects of the program contemplated.

ARTICLE V Responsibilities of Treasury

With respect to the project, Treasury shall

(1) Design, in consultation with MFNE, programs to be offered to the participants;
(2) Select U.S. Government personnel and private contractors to carry out the programs. Selection will be made solely on the basis of professional capability, experience and other like merit factors; and
(3) Monitor the implementation of all phases of the project.

ARTICLE VI. Coordination

Treasury and MFNE will each designate an individual to be responsible for coordinating the implementation of programs under the project.

Coordination in Saudi Arabia of the project with other Joint Commission activities of the United States Government will be the responsibility of the U.S. Representation to the Joint Economic Commission

Office in Riyadh. The office of the Joint Economic Commission in Riyadh will serve as the point of contact for all communications between MFNE and Treasury concerning the project.

ARTICLE VII. Force Majeure

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

ARTICLE VIII: Estimated Budget

Individual budgets will be submitted by Treasury to MFNE for each program. These budgets will be composed of the following cost items:

Domestic U.S. travel for participants
Escort services
Consultants and special programming
Contractor services

ARTICLE IX. Dollar Trust Account

The Government of the Kingdom of Saudi Arabia will deposit in the Trust Account the sum of $100,000 to initiate activities under the project.

ARTICLE X. Entry into Force, Amendment, Extension and Termination

(A) This Agreement shall become effective after the deposit by the Government of Saudi Arabia of the sum described in Article IX above, [1] and shall remain in effect until terminated by the parties hereto in accordance with Paragraph (C) below, or the termination of the Technical Cooperation Agreement of February 13, 1975, whichever shall occur first.
(B) This Agreement may be amended or extended by mutual agreement in writing.
(C) This Agreement may be terminated by either party notifying the other 60 days in advance in writing.
(D) All questions related to this Agreement arising during its term shall be settled by the parties by mutual agreement.

[1] Mar. 4, 1979.

Done at Jeddah, Saudi Arabia, this 18th day of November, 1978.

UNITED STATES OF AMERICA

W M BLUMENTHAL

Department of the Treasury

KINGDOM OF SAUDI ARABIA

MOHAMMAD ABA AL-KHAIL

Minister of Finance and National Economy

SAUDI ARABIA

Technical Cooperation in Customs Administration and Training

Agreement signed at Riyadh and Washington June 11 and 22, 1978;
Entered into force August 10, 1978.

60-963 O - 80 - 54 QL 3

PROJECT AGREEMENT

between the

Ministry of Finance and National Economy
Government of the Kingdom of Saudi Arabia

and the

Department of Treasury
Government of the United States of America

for

Technical Cooperation in
Customs Administration and Training

Article I. Scope

By terms of this Agreement, the Department of Treasury (Treasury) of the United States of America herewith agrees with the Ministry of Finance and National Economy (MFNE) of the Kingdom of Saudi Arabia to undertake a project for the provision of technical, management, training and manpower development advisory assistance by the Department of Treasury's U.S. Customs Service (USCS) to MFNE's Department of Customs (SADC).

Article II. Authorization

The project will be carried out under the auspices of the United States - Saudi Arabian Joint Commission on Economic Cooperation and in accordance with the provisions of the Technical Cooperation Agreement between the Governments of the United States and Saudi Arabia, signed on February 13, 1975,[1] which is hereby incorporated by reference and becomes a part of this Agreement.

[1] TIAS 8072; 26 UST 880.

Article III. Guide for Services to be Performed

Under the terms of this Agreement, USCS will provide up to 48 man-months of Customs Administration Advisory Services to SADC during a one year period beginning with the effective date of this Agreement. Services will be provided to SADC by a four member USCS team and by other short-term experts as are appropriate in the following four areas:

1. Overall Customs Administration. The Principal Customs Advisor, acting as USCS team leader, will act as the principal point of contact with SADC officials and will coordinate the work of the other team members. He will also work generally to upgrade the technical and managerial capabilities of SADC and to increase its overall planning and programming of customs activities.

2. Technical services. The U.S. Technical Advisor will work to improve and modernize SADC operations and procedures relative to the entry, assessment, classification, analysis, security, transit and clearance of cargoes, baggage, and passengers entering Saudi Arabia from abroad or transiting Saudi Arabia.

3. Management Services. The U.S. Management Advisor will analyze the productivity and efficiency of operations and of the administration of existing regulations, will analyze data collection mechanisms in terms of their effectiveness and maintenance, will analyze and evaluate logistic procurement, maintenance, distribution, disposal, warehousing and inventory control and will formulate standards, priorities, and implementation plans on the basis of these analyses.

4. Training Programs. The U.S. Training and Manpower Development Advisor and other USCS personnel in Riyadh and in the U.S. will assist SADC in establishing procedures and scheduling for long-term overall training programs for its employees.

Subject to the availability of funds, these programs will include the placement of up to 80 SADC employees per year in U.S -based specially programmed USCS seminars which will include observational tours of USCS operations at selected field offices and a program of intensive English language training They will also include the placement of up to 15 SADC employees per year in U.S.-based graduate-level programs in the field of Public Administration. Finally, they will include appropriate on-the-job training programs.

A detailed description of each adviser's work program is contained in Attachment I - "Working Experts Required by the Central Department of Customs Under Five-Year Plan 1395-1400AH." A locally-hired administrative assistant will work with the team in Riyadh to provide administrative support services. USCS will also assign staff, as required, to coordinate in Washington the technical backup and logistical support to the advisory team stationed in Riyadh and the staff and resources required to implement U.S.-based training.

Article IV. Responsibilities of Treasury

A. Treasury's USCS will support this project by:

1. recruiting and hiring four technical personnel, as detailed in Attachment I to work in SADC;

2. designating the Principal Customs Adviser on the USCS team as team leader who will be responsible for coordinating the team's efforts and acting as the team's principal point of contact with SADC;

3. recruiting and hiring one additional administrative assistant to work with the team in Riyadh;

4. designating a project coordinator and other personnel in its Washington office to oversee the work of the USCS team, to monitor U.S.-based training programs related to the project and to periodically make on-site evaluations of the team's effectiveness in meeting its goals;

5. establishing, providing personnel for, and coordinating USCS training programs and seminars both in Saudi Arabia and in the U.S. for selected SADC personnel;

6. working with the Saudi Education Mission in Houston to place selected SADC officers in appropriate graduate programs in the U.S.;

7. providing SADC with short-term experts in areas of specific concern within the limitations of the budget in Article VIII;

8. arranging for appropriate consultations in the U.S. for SADC personnel.

B. Treasury will support this Agreement by:

1. monitoring the implementation of all phases of this project through the Office of the United States Representation to the Joint Commission in Riyadh, Saudi Arabia, and the Office of Saudi Arabian Affairs in Washington, D.C., U.S.A.;

2. providing all necessary logistical support to U.S. Government personnel stationed in Saudi Arabia in connection with this project.

Article B. Responsibilities of MFNE and SADC

MFNE and SADC will support this project by:

1. Designating an appropriate SADC official to be responsible for coordination between U.S. personnel under this project and MFNE.

2. Identifying and providing other appropriate counterpart personnel from SADC to work with the members of the USCS team.

3. Providing USCS team personnel with access to MFNE computer facilities and other relevant statistical data and information available to SADC and to MFNE.

4. Providing USCS team members with adequate offices, furnishings, and facilities in Riyadh and making

these available to them in other parts of the Kingdom when this shall be necessary to perform their duties.

5. Providing secretarial and on-the-job logistical support.

6. Providing interpreter and translator services as necessary.

7. Providing the USCS team with names and information concerning SADC personnel to receive training, and working with it to evaluate and revise training programs.

8. Providing other job-related support services as needed to enable the USCS team to effectively perform its duties.

Article VI. Coordination

Coordination in Saudi Arabia of this project with other Joint Commission activities of the United States Government will be the responsibility of the Office of the U.S. Representation to the Joint Commission in Riyadh. The office will also serve as the point of contact for all policy-related matters between NFNE and Treasury concerning this project.

Article VII. Force Majeure

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

Article VIII. Estimated Budget

Formal budgets will be submitted by USCS to MFNE by year. The total cost for the first year of this project is estimated to be $1,681,000. This estimate covers the following expenses:

Personnel Compensation and Benefits	$ 219,000
Travel and Transportation	63,000
Housing and Related Expenses	197,000
Other	243,000
Total for Long-term Advisory Assistance	$ 722,000
Local Staff	35,000
Short-term Advisory Assistance	67,000
Equipment and Supplies	22,000
Training*	835,000
TOTAL	$1,681,000

*Training figure covers the cost for short-term U.S. training for 80 SADC employees and long-term training for 15 SADC employees. [Footnote in the original.]

Article IX. Dollar Trust Account

The Government of Saudi Arabia has agreed to deposit in the Dollar Trust Account in the United States Treasury established by the Technical Cooperation Agreement the sum of $1,681,000 to cover the estimated costs for the first year's activities delineated in Article VIII above.

Article X. Confidentiality

To the extent permitted by U.S. law, Treasury and USCS will, upon request of the MFNE, keep confidential any information or data provided to it by the MFNE or generated as a result of the activities of USCS pursuant to this Agreement.

Article XI. Effective Date

This Agreement shall become effective after signature by representatives of parties and after the deposit by the Government of Saudi Arabia of the initial sum described in Article IX, above,[1] and shall remain in effect until terminated by the parties hereto in accordance with Article XII below, or the termination of the Technical Cooperation Agreement of February 13, 1975, whichever shall occur first.

[1] Aug. 10, 1978.

Article XII. Amendment, Extension or Termination

A. This Agreement may be amended or extended by mutual agreement in writing.

B. This Agreement may be terminated by any party notifying the others 60 days in advance in writing.

C. Unless terminated 60 days in advance in writing this agreement will be considered to be automatically renewed at the end of each year for one additional year.

Article XIV. Resolution of Difficulties

Treasury and the MFNE shall consult, upon request of either party, regarding any matter related to the terms of the Agreement, and shall endeavor jointly in a spirit of cooperation and mutual trust to resolve any difficulties or misunderstandings that may arise.

GOVERNMENT OF THE KINGDOM OF SAUDI ARABIA

[1] [2]

Ministry of Finance and National Economy

GOVERNMENT OF THE UNITED STATES OF AMERICA

[3]

U.S. Customs Service

[4]

Department of Treasury

Executed: June 22, 1978

[1] Mohammad Al-Rushudi.
[2] M. Al-Turki.
[3] R. E. Chasen.
[4] John Hummon.

ATTACHMENT I

WORKING EXPERTS REQUIRED BY SADC

---

1. Principal Customs Adviser

A senior adviser to the Director-General of SADC in all Customs affairs. This adviser, experienced in Customs organization and administration and with a working knowledge of Customs operations procedures will be needed to:

(a) assist in overall planning and programming of Customs activities, including training;

(b) coordinate the activities of experts;

(c) provide general supervision of expert staff and evaluation of performance;

(d) maintain liaison between top level staff and experts; and

(e) maintain liaison with U.S. Customs, International Operations Division, Washington, D.C.

2. Technical Adviser

A working expert is needed to provide the additional technical skills required to improve, modernize and facilitate all operational procedures relative to the entry, assessment, classification, analysis, security, transit and Customs clearance of cargoes, baggages, and passengers entering Saudi Arabia from abroad or transiting Saudi Arabia.

A major objective of this position is to assist SADC in the development of efficient procedures that will improve the dispatch of passengers and goods transiting or entering Saudi Arabia, while at the same time

protecting Saudi Arabian revenues from fraud and smuggling.

The technical expert is required to assist:

(a) in the development of adequate and efficient systems at all Customs point of entry that govern manifest procedures, supervision and control of merchandise, timely entry of merchandise and finally, disposal of overlain/unentered merchandise;

(b) in the development of efficient procedures to facilitate the clearance of passengers and persons and their effects entering Saudi Arabia, and screening of such passengers or persons to prevent the entry of smugglers, terrorists or other undesirable persons;

(c) in the development of uniform procedures for the assessment, classification, and statistical reporting of imported merchandise;

(d) in the development of uniform procedures for the sampling and qualitative and quantitative analysis of imported merchandise.

Beginning date: As soon as possible

3. Management Adviser

A management adviser is required to develop a single operating system for the SADC that will bring all Customs sub-systems into one uniform system of operation.

The management adviser will:

(a) define the system and identify all sub-systems;

(b) analyze operations and the integration of sub-systems, in terms of resources, productivity and efficiency;

(c) establish immediate goals and objectives to conform and coordinate with improvements in the sub-system;

(d) set overall objectives in terms of integration of the system;

(e) formulate implementation plans to:

(1) develop changes in the system that are essential to its improvement;

(2) develop new work systems and necessary work manuals to accomodate these changes; and

(f) evaluate effectiveness of changes in terms of process criteria (productivity and efficiency).

Beginning date: As soon as possible

4. Training and Manpower Development Adviser

A trained staff is basic to a viable and on-going Customs organization. Trained staff will be required to carry out the various programs, improvements and new operational procedures envisioned by this project agreement.

The training adviser will:

(a) assist in selecting personnel for training, including academic study;

(b) evaluate the qualifications of candidates to be trained in the United States to determine needs:

(c) formulate employee development plans for each candidate;

(d) process candidates applications for placement in academic institutions of advanced study or U.S. Customs International training programs;

(e) provide training liaison with U.S. Customs, International Operations Division's project manager for international training;

(f) evaluate training needed at present by SADC;

(g) develop programs in-country for training;

(h) provide on the job training to implement changes as required by the overall Customs improvement plan;

(i) evaluate the effectiveness of training program; and

(j) develop short-term and long-term training plans.

Beginning date: As soon as possible

5. Short Term Advisers

During the life of this project it is expected that the services of experts from USCS will be required to assist the Advisory Team in Riyadh on a short term basis in specialized Customs areas, the timing and need for which will be determined through the implementation of this Agreement.

USCS will provide SADC the services of additional Customs experts on a short term basis as need requires.

Beginning date: When required

MEXICO

Criminal Investigations

Agreement effected by exchange of letters
Signed at Washington November 17 and December 5, 1978;
Entered into force December 5, 1978.

The Assistant Attorney General, Criminal Division, to the Mexican Ambassador

EMBAJADA DE MEXICO

NUM. 3557

EXP. 73-0/366(PJ2)(72:73)/1.

Washington, D.C.
November 17, 1978.

John C. Keeney, Esquire
Deputy Assistant Attorney General
Criminal Division
Department of Justice
Washington, D.C. 20530

Dear Mr. Assistant Attorney General:

I have the honor to refer to the Procedures for Mutual Assistance in the Administration of Justice in Connection with the General Tire and Rubber Company and the Firestone Tire and Rubber Company Matters signed in Washington on June 23, 1976.[1] The Attorney General of the Republic of Mexico requests that the operation of the aforementioned agreement be extended by an exchange of letters between the parties to include alleged illicit acts pertaining to the activities in Mexico of the International Telephone and Telegraph Corporation (ITT) and its subsidiaries and affiliates.

The Attorney General of Mexico undertakes to exchange information relating to the International Telephone and Telegraph Corporation (ITT) under the same terms and conditions as those contained in the aforementioned agreement.

Please accept assurances of my highest consideration.

On behalf of the Attorney
General of Mexico:

Hugo B. Margáin
Ambassador

[1] TIAS 8533, 8930, 9005, 28 UST 2083, 29 UST 3200.

The Mexican Ambassador to the Assistant Attorney General, Criminal Division

United States Department of Justice
ASSISTANT ATTORNEY GENERAL
CRIMINAL DIVISION
WASHINGTON, D.C. 20530

His Excellency
Hugo B. Margain
Ambassador of Mexico
2829 16th Street, N.W.
Washington, D.C. 13009

DEC 5 1978

Dear Mr. Ambassador:

I have the honor to refer to your letter of November 17, 1978, which states in pertinent part as follows:

> "I have the honor to refer to the Procedures for Mutual Assistance in the Administration of Justice in Connection with the General Tire and Rubber Company and the Firestone Tire and Rubber Company Matters signed in Washington on June 23, 1976. The Attorney General of the Republic of Mexico requests that the operation of the aforementioned agreement be extended by an exchange of letters between the parties to include alleged illicit acts pertaining to the activities in Mexico of the International Telephone and Telegraph Corporation (ITT) and its subsidiaries and affiliates.
>
> The Attorney General of Mexico undertakes to exchange information relating to the International Telephone and Telegraph Corporation (ITT) under the same terms and conditions as those contained in the aforementioned agreement.
>
> Please accept assurances of my highest consideration."

This letter of reply concerning the proposed extension of the Agreement of June 23, 1976, so as to include the activities of the International Telephone and Telegraph Corporation (ITT), and their subsidiaries and affiliates, as requested in your above-mentioned letter of November 17, 1978, constitutes an agreement between the Procurador General of the Republic of Mexico and the United States Department of Justice effective this date.

Please accept the renewed assurances of my consideration.

Sincerely,

Philip B. Heymann

Philip B. Heymann
Assistant Attorney General
Criminal Division

TIAS 9322

FRANCE

Deep Sea Drilling Project

Agreement amending the memorandum of understanding of January 15, 1976.
Signed at Paris and Washington October 12 and 26, 1978;
Entered into force October 26, 1978

Amendment to Memorandum of Understanding[1] Between the U.S. National Science Foundation and the Centre National pour l'Exploitation des Oceans on Participation of France in the International Phase of Ocean Drilling of the Deep Sea Drilling Project

Drilling operations during IPOD have been extended through September 30, 1979, an additional fourteen months from that planned when the Memorandum of Understanding was signed. IPOD is now scheduled to end on September 30, 1980. France, through CNEXO, wishes to continue to cooperate in the project during its extension and NSF desires the continued cooperation of CNEXO. Therefore NSF and CNEXO agree to amend section 1 of the Memorandum of Understanding to read as follows:

"1. France will support the International Phase of Ocean Drilling of the Deep Sea Drilling Project with a financial contribution, payable quarterly, of one million U.S. dollars per annum for the periods November 1, 1975–October 31, 1976, November 1, 1976–October 31, 1977, November 1, 1977–October 31, 1978, and U.S. $941,667 for the period November 1, 1978–October 31, 1979. In addition, for the period of November 1, 1979, through September 30, 1980, a lump sum contribution of U.S. $275,000 will be made. In addition to these basic contributions, France will pay the travel expenses defined in Article 6 below France will make this contribution in cash or in kind, as mutually agreed, to the U.S. National Science Foundation. The financial contributions of all participants in the IPOD will be commingled to support the total program costs, estimated at 17 million dollars per year through September 30, 1979, and at 5 million dollars for the final year. At the end of each fiscal year, the U.S. National Science Foundation will send to France

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[1] TIAS 8610; 28 UST 5026.

a summary of expenses for the past year. In the event that the project is terminated, France will be reimbursed on a pro rata basis and the U.S. National Science Foundation will send a final summary of expenses to France."

This amendment will be effective upon signature of both parties to this amendment which has been prepared in duplicate in the English and French languages, both texts being equally authentic.

FOR THE CENTRE NATIONAL POUR l'EXPLOITATION DES OCEANS	FOR THE U.S. NATIONAL SCIENCE FOUNDATION
by G PIKETTY	by JOHN B SLAUGHTER
Gerard Piketty *Director General*	John B. Slaughter *Assistant Director* *Astronomical, Atmospheric, Earth, and Ocean Sciences*
12 OCT. 1978 Date	10/26/78 Date

Avenant au contrat entre la U.S. National Science Foundation et le Centre National pour l'Exploitation des Océans, relatif à la participation de la France dans la Phase Internationale de Forage en Océan du Projet de Forage en haute mer.

Les opérations de forage pendant la Phase International de Forage en Océan ont été prolongées jusqu'au 30 septembre 1979, soit quatorze mois de plus que prévu à la signature du Contrat. Cette Phase Internationale doit maintenant se terminer le 30 septembre 1980. La France, par l'intermédiaire du CNEXO, souhaite continuer à coopérer au projet durant sa prolongation et la NSF désire la continuation de la coopération du CNEXO. En conséquence, la NSF et le CNEXO conviennent de modifier le paragraphe 1 du Contrat comme suit:

"1. La France coopérera à la Phase Internationale de Forage en Océan du Projet de Forage en haute mer en versant une contribution financière, payable trimestriellement, d'un million de dollars US par an pendant les périodes suivantes: du 1er novembre 1975 au 31 octobre 1976; du 1er novembre 1976 au 31 octobre 1977, du 1er novembre 1977 au 31 octobre 1978; et une contribution financière de 941.667 dollars US pendant la période allant du 1er novembre 1978 au 31 octobre 1979. En outre, pour la période allant du 1er novembre 1979 au 30 septembre 1980, une somme globale de 275.000 dollars US sera versée. Outre ces contributions de base, la France

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paiera les frais de voyage prévus à l'Article 6 ci-après. La France versera ces contributions à la U.S. National Science Foundation, en espèces ou en nature, ainsi que convenu d'un commun accord. Les contributions financières de tous les participants à la Phase Internationale seront réunies pour couvrir le total des frais du programme, estimés à 17 millions de dollars par en jusqu'au 30 septembre 1979, et à 5 millions de dollars pour la dernière année. A la fin de chaque exercise budgétaire, la U.S. National Science Foundation enverre à la France un relevé des dépenses pour l'exercice é coulé. Si le projet est abandonné, la France sera remboursée au prorata et la U.S. National Science Foundation lui enverre un relevé définitif des dépenses.

Le présant avenant prendra effet dès au'il aura été signé par les deux parties; il a été établi en deux exemplai res, en langue anglaise et en langue française, les ceux textes faisant paraillement foi.

POUR LE CENTRE NATIONAL POUR L'EXPLOITATION DES OCÉANS.

G PIKETTY

Gérard Piketty
Président Directeur Général.

12 OCT 1978
Date

POUR LA U.S. NATIONAL SCIENCE FOUNDATION

JOHN B SLAUGHTER

John B. Slaughter
Sous-directeur
Sciences astronomiques, atmosphériques, de la terre et des océans.

10/26/78
Date

REPUBLIC OF KOREA

Right of Priority on Patents

Agreement effected by exchange of notes
Signed at Seoul October 30, 1978;
Entered into force October 30, 1978.

The American Ambassador to the Korean Minister of Foreign Affairs

Seoul, October 30, 1978

No. 397

Excellency:

I have the honour to refer to the recent discussions held between the representatives of the Government of the United States of America and the Government of the Republic of Korea with respect to the conclusion of an agreement for the reciprocal granting and protection of the right of priority on patents of invention and industrial designs, recognized by the national law of either country and extended to the nationals of the other country, and to propose the following arrangements:

1. On a reciprocal basis, physical and juridical persons of either country who have duly filed in one country for a patent of invention, or for protection of an industrial design, shall enjoy, for the purpose of filing in the other country, a right of priority, based on such earlier filing, during the period provided for by the relevant laws and regulations of such other country.

His Excellency
Tong Jin Park,
Minister of Foreign Affairs,
Seoul.

2. It shall be permissible to file a patent application in the other country by virtue of a right of priority based on the filing of a utility model, and vice versa.

I have further the honour to propose that this note and your Excellency's note in reply confirming on behalf of the Government of the Republic of Korea the foregoing arrangements shall be regarded as constituting an agreement between the two governments, which shall enter into force on the date of your Excellency's reply and shall continue in force until one year from the date on which either government shall have given to the other written notice of termination.

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

William H. Gleysteen, Jr.

The Korean Minister of Foreign Affairs to the American Ambassador

MINISTRY OF FOREIGN AFFAIRS
REPUBLIC OF KOREA

30 October 1978

Excellency,

I have the honour to acknowledge the receipt of Your Excellency's note of today's date which reads as follows:

"I have the honour to refer to the recent discussions held between the representatives of the Government of the United States of America and the Government of the Republic of Korea with respect to the conclusion of an agreement for the reciprocal granting and protection of the right of priority on patents of invention and industrial designs, recognized by the national law of either country and extended to the nationals of the other country, and to propose the following arrangements:

1. On a reciprocal basis, physical and juridical persons of either country who have duly filed in one country for a patent of invention, or for protection of an industrial design, shall enjoy,

His Excellency
William H. Gleysteen Jr.
Ambassador Extraordinary and Plenipotentiary
of the United States of America
Seoul

TIAS 9324

for the purpose of filing in the other country, a right of priority, based on such earlier filing, during the period provided for by the relevant laws and regulations of such other country.

2. It shall be permissible to file a patent application in the other country by virtue of a right of priority based on the filing of a utility model, and vice versa.

I have further the honour to propose that this note and Your Excellency's note in reply confirming on behalf of the Government of the Republic of Korea the foregoing arrangements shall be regarded as constituting an agreement between the two Governments, which shall enter into force on the date of Your Excellency's reply and shall continue in force until one year from the date on which either Government shall have given to the other written notice of termination."

I have further the honour to confirm on behalf of the Government of the Republic of Korea the foregoing

arrangements and to agree that Your Excellency's note and this note shall be regarded as consituting an agreement between the two Governments, to enter into force on the date of this note.

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

[1]

Minister of Foreign Affairs

[1] T. Jin Park.

UNION OF SOVIET SOCIALIST REPUBLICS

Marine Cargo Insurance

Memorandum of understanding signed at Vienna
October 26, 1978;
Entered into force October 26, 1978.

MEMORANDUM OF UNDERSTANDING
REGARDING MARINE CARGO INSURANCE

The United States of America and the Union of Soviet Socialist Republics,

Acknowledging the important role played by the marine cargo insurance firms or entities of each country in the bilateral trade between the U.S.A. and the U.S.S.R., and

Recognizing the importance of maintaining friendly relations between the marine cargo insurance firms or entities of both countries, and

Desiring to improve these relations, particularly through cooperation in the areas of insuring various types of risks in the bilateral commerce between the U.S.A. and the U.S.S.R., and

Acting in accordance with the Basic Principles of Relations Between the United States of America and the Union of Soviet Socialist Republics signed in Moscow on May 29, 1972,[1]

Have agreed as follows:

[1] *Department of State Bulletin*, June 26, 1972, p. 898.

1. Each Party recognizes the interest of the other in having a substantial share of marine cargo insurance resulting from the U.S.-U.S.S.R. bilateral trade.

2. In this connection, both Parties designate their national marine cargo insurance firms or entities to enter into immediate discussions for the purpose of developing implementing procedures designed to accomplish such objective.

Both Parties agree to provide observers at such meetings.

3. Both Parties agree to meet before April 30, 1979 for the purpose of reviewing the work performed by the national marine cargo insurance firms or entities and to assess compliance with the principle subscribed to by both Parties as expressed in Paragraph 1.

Done at Vienna, Austria, this 26th day of October, 1978.

Robert J. Blackwell
Maritime Administration
Department of Commerce of
the United States of America

Viktor M. Ivanov
Ministry of Foreign Trade
of the Union of Soviet
Socialist Republics

МЕМОРАНДУМ

о взаимопонимании в отношении страхования грузов при морских перевозках

Союз Советских Социалистических Республик и Соединенные Штаты Америки,

признавая важную роль, которую играют компании или организации каждой страны, занимающиеся страхованием грузов при морских перевозках в двусторонней торговле между СССР и США,

признавая важность поддержания дружественных отношений между компаниями или организациями обеих стран, занимающимися страхованием грузов при морских перевозках, и

желая улучшать эти отношения, в частности, путем сотрудничества в области страхования различных видов рисков в двусторонней торговле между СССР и США, и

действуя в соответствии с Основами взаимоотношений между Союзом Советских Социалистических Республик и Соединенными Штатами Америки, подписанными в Москве 29 мая 1972 года

договорились о нижеследующем:

1. Каждая Сторона признает заинтересованность другой Стороны иметь существенную долю страхования грузов при морских перевозках в рамках двусторонней торговли между СССР и США.

2. В этой связи обе Стороны поручат своим национальным компаниям или организациям, занимающимся страхованием грузов при морских перевозках, незамедлительно начать переговоры с целью выработки процедур, предназначенных для достижения вышеуказанной цели.

Обе Стороны согласились выделить наблюдателей на такие встречи.

3. Обе Стороны согласились встретиться до 30 апреля 1979 года с целью проверки работы, проведенной национальными компаниями или организациями, занимающимися страхованием грузов при морских перевозках, и для оценки её соответствия принципам, которые признали обе Стороны, как это изложено в пункте I настоящего меморандума.

Совершено в Вене, Австрия, 26 октября 1978 года.

Виктор М.Иванов
Министерство внешней торговли Союза Советских Социалистических Республик

Роберт Дж.Блэквелл
Морская администрация Министерство торговли Соединенных Штатов Америки

UNION OF SOVIET SOCIALIST REPUBLICS

Marine Cargo Insurance

Memorandum of understanding signed at London April 5, 1979;
Entered into force April 5, 1979.

MEMORANDUM OF UNDERSTANDING
REGARDING MARINE CARGO INSURANCE

The United States of America and the Union of Soviet Socialist Republics,

Acknowledging the important role played by the marine cargo insurance firms or entities of each country in the bilateral trade between the U.S.A. and the U.S.S.R., and

Recognizing the importance of maintaining friendly relations between the marine cargo insurance firms or entities of both countries, and

Desiring to improve these relations, particularly through cooperation in the areas of insuring various types of risks in the bilateral commerce between the U.S.A. and the U.S.S.R., and

Acting in accordance with the Basic Principles of Relations Between the United States of America and the Union of Soviet Socialist Republics signed in Moscow on May 29, 1972,[1]

Have agreed as follows

[1] *Department of State Bulletin*, June 26, 1972, p. 898.

1. Each Party recognizes the interest of the other in having a substantial share of marine cargo insurance resulting from the U.S - U.S.S.R. bilateral trade.

2 In this connection, both Parties agree that the objectives set forth in paragraph 1 of this Memorandum will be accomplished by the implementing procedures outlined in the Report on Meetings Between U.S and U.S.S.R. Marine Insurance Entities of March 5, 1979.

3 The Parties agree that they shall meet annually for a comprehensive review of the placement of marine cargo insurance in the bilateral trade. The Parties further agree to exchange such data as may be necessary to evaluate compliance with the objectives of the Memorandum.

4 This Memorandum of Understanding shall supersede the Memorandum of Understanding of October 26, 1978,[1] signed by the Parties at Vienna, Austria. It may be terminated by either Party ninety days after the date on which written notice of termination has been received by the other Party.

Done at London this 5th day of April, 1979

Robert J Blackwell
Maritime Administration
Department of Commerce of
the United States of America

Viktor M. Ivanov
Ministry of Foreign Trade
of the Union of Soviet
Socialist Republics

[1] TIAS 9325, *ante*, p. 2189.

МЕМОРАНДУМ

о взаимопонимании в отношении страхования грузов при морских перевозках

Союз Советских Социалистических Республик и Соединенные Штаты Америки,

признавая важную роль, которую играют компании или организации каждой страны, занимающиеся страхованием грузов при морских перевозках в двусторонней торговле между СССР и США,

признавая важность поддержания дружественных отношений между компаниями или организациями обеих стран, занимающимися страхованием грузов при морских перевозках, и

желая улучшать эти отношения, в частности, путем сотрудничества в области страхования различных видов рисков в двусторонней торговле между СССР и США, и

действуя в соответствии с Основами взаимоотношений между Союзом Советских Социалистических Республик и Соединенными Штатами Америки, подписанными в Москве 29 мая 1972 г.

договорились о нижеследующем:

1. Каждая Сторона признает заинтересованность другой Стороны иметь существенную долю страхования грузов при морских перевозках в рамках двусторонней торговли между СССР и США.

2. В этой связи обе Стороны согласны, что цели, установленные в пункте 1 настоящего Меморандума, будут достигнуты путем осуществления процедур, указанных в Докладе о встречах между организациями СССР и США по страхованию грузов при морских перевозках от 5 марта 1979 года.

3. Стороны договорились, что они будут встречаться ежегодно для всестороннего рассмотрения вопросов размещения страхования грузов при морских перевозках в двусторонней торговле. Стороны также согласились обмениваться информацией, которая может быть необходима для оценки выполнения целей Меморандума.

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4. Настоящий Меморандум о взаимопонимании заменит Меморандум о взаимопонимании от 26 октября 1978 г., подписанный Сторонами в Вене, Австрия. Он может быть аннулирован любой из Сторон через девяносто дней с даты получения другой Стороной письменного извещения об аннулировании.

Совершено в Лондоне, 5 апреля 1979 года.

Виктор М.Иванов

Министерство внешней торговли
Союза Советских Социалистических
Республик

Роберт Дж.Блэквелл

Морская администрация
Министерство торговли Соединенных Штатов Америки

CANADA

Emplacement of Data Link Transmitters in St. Mary's River, Ontario

Agreement effected by exchange of notes
Signed at Ottawa September 29 and October 16, 1978;
Entered into force October 16, 1978;
Effective September 1, 1977.

The American Ambassador to the Canadian Secretary of State for External Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 275 Ottawa, September 29, 1978.

Sir:

I have the honor to refer to recent discussions between officials of our two Governments concerning the emplacement of two data-link transmitters and connecting cable in the bed of the St. Marys River, in Ontario, as part of a cooperative experimental electronic-magnetic aid to navigation subsystem intended to enhance existing monitoring of vessel traffic flow in the River. These discussions have led to agreement that operational evaluation of the proposed subsystem would be in the mutual interest of both countries on the basis of the terms and conditions set forth in the Annex to this Note.

I have the further honor of proposing that, if this meets with the approval of your Government, this Note and its Annex, together with your reply indicating such concurrence, shall constitute an agreement between our two Governments which will enter into force on the date of your reply, and remain in force until May 31, 1980.

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

Thomas O Enders [1]
9/29.

Enclosure:
Annex.

The Honorable
Don Jamieson,
Secretary of State
for External Affairs,
Ottawa.

[1] Thomas O. Enders.

ANNEX

TERMS AND CONDITIONS REGARDING THE EMPLACEMENT, FOR OPERATIONAL EVALUATION, OF TWO DATA LINK TRANSMITTERS AS PART OF AN AID TO NAVIGATION SYSTEM

This Annex outlines an electronic/magnetic aid to navigation research program designed to develop joint arrangements toward the further advancement of new transportation technologies and systems. The effort will serve to enhance cooperation between Canada and the United States and permit both countries to work together in a new environment while exchanging skills and techniques.

The two data link transmitters and connecting cable, which are the subject of this agreement, are part of an electronic/magnetic aid to navigation subsystem being installed in the St. Marys River, Michigan for operational evaluation. This navigation subsystem is being evaluated on the basis of its ability to enhance the existing aid to navigation system, in the vicinity of Coast Guard Base Sault Ste. Marie, Michigan. The location of each electronic/magnetic sensing device, connecting cable and remoting data link transmitter was selected as best suiting the needs of the navigation subsystem.

1. COOPERATING AGENCIES

On the part of the United States of America the Cooperating Agency will be the United States Coast Guard, (hereinafter referred to as U.S.C.G.) and on the part of the Government of Canada the Cooperating Agency will be the Canadian Coast Guard, (hereinafter referred to as C.C.G.). Either government which is party to this Agreement may change the designation of its Cooperating Agency by means of a notice in writing to the other Government.

2. SITES SELECTED

The electronic/magnetic sensors which will provide input to the remote transmitters are to be located in areas within the territorial jurisdiction of the United States. Portions of connecting cable and the two data link transmitters will be in areas within the territorial jurisdiction of Canada. The C.C.G. and U.S.C.G. have mutually agreed to two Canadian sites for mounting the data link transmitter equipment. They are Gros Cap Reefs Light, and Stribling Point South Range Front Light. They are listed in the Department of Transport, C.C.G. List of Lights as numbers 1081 and 1064 respectively. The associated electronic/magnetic sensor packages will be placed on the St. Marys River bed lying beneath navigable waters of the United States adjacent to the above named sites.

3. REMOTE SENSOR SITE EQUIPMENT

The U.S.C.G. will furnish all equipment, including spare parts necessary for monitoring and remoting these sensors, and retain title thereto. The U.S.C.G. will be responsible for the installation of this equipment at its expense.

4. PRIMARY POWER

The C.C.G. will provide, free of charge, electrical power for normal operation of this equipment.

5. OPERATION AND MAINTENANCE

The U.S.C.G. shall be responsible for the operation, maintenance and monitoring of the sensors and associated subsystem equipment, it being understood that these two sites in Canada constitute elements of an experimental aid to navigation system and consequently, will be operated

*TIAS 4841, 12 UST 1228.

in accordance with the requirements of that system. U.S.C.G. personnel may visit the sites during the installation stage and thereafter for operational, maintenance and liaison purposes. Coordination for visits will be made with the C.C.G.

6. FREQUENCY ASSIGNMENT AND TECHNICAL CHARACTERISTICS

The U.S.C.G. will be responsible for obtaining the registration of the frequency for their data link transmitters and coordinating its use with the Canadian Department of Communications.

The technical characteristics are as follows:

a. Assigned frequency - 171.3625 MHz

b. Transmitting power - 4 watts

c. Emission - 16 F2

7 DURATION

The target date for commencing testing and evaluation is September 1st, 1977. This agreement will remain in force until August 31st, 1979.

8. TERMINATION, OWNERSHIP AND DISPOSAL OF REMOVABLE PROPERTY

The Government of the United States shall retain ownership of any removable property (including readily demountable structures) it provides or pays for in connection with this electronic aid to navigation subsystem. The Government of the United States shall have the right to remove or dispose of all such property upon termination of this agreement or when it is no longer required for the operation of the subsystem. Removal or disposal of such United States Government property shall not be delayed beyond a reasonable time after the date upon which the operation of the subsystem has been discontinued. The disposal of United States Government excess property in

Canada shall be carried out in accordance with the provisions of the agreement between the United States and Canada concerning the disposal of excess property, effected by Exchange of Notes at Ottawa on August 28, and September 1, 1961[1].[*]

9 TAXES

Each Government shall, to the extent permitted by its federal legislation, grant relief from all taxes or customs duties on materials and equipment used in the installation, operation or maintenance of the two remote data link transmitters and connecting cable located in Canada. In particular, Canada shall grant remission of customs duties and excise taxes on goods imported and Federal sales and excise taxes on goods purchased in Canada, specifically for the purpose of these facilities, which are or are to become the property of the United States and are to be used in the installation, maintenance or operation of these facilities. Canada shall also grant refunds by ways of drawback of the customs duty paid on goods imported by Canadian manufacturers specifically for the purpose of these facilities and used in the manufacture or production of goods purchased by or on behalf of the United States and to become the property of the United States in connection with establishment, maintenance and operation of the facility

(1) Canada Treaty Series No. 7 [Footnote in the original.]

* TIAS 4841, 12 UST 1228.

10. IMMIGRATION AND CUSTOMS REGULATIONS

Each Government will take the necessary steps, in accordance with its immigration and customs legislation and regulations, and subject to such controls as are mutually agreed by the Cooperating Agencies, to facilitate the admission into its territory of such personnel, with their personal possessions, as may be assigned by the other Government to participate in the cooperative program,

11. SECURITY

The Government of Canada shall take reasonable measures to protect the two remote data link transmitters and connecting cables from vandalism and inhibit the entry into the installation sites of unauthorized personnel.

12. SUBSIDIARY ARRANGEMENTS BETWEEN COOPERATING AGENCIES

Subsidiary arrangements for the purpose of implementing this Agreement may be entered into by the Cooperating Agencies. Such subsidiary arrangements may be modified by the Cooperating Agencies as necessary from time to time, within the purposes of the present Agreement.

13. PROTECTION OF WILDLIFE AND OBJECTS OF HISTORICAL INTEREST

No game, fish or wildlife shall be taken or molested by members of the construction force or personnel on the station staff, except as permitted by Canadian law.

No objects of archaeological interest or historical significance will be disturbed or removed from Canada.

14. INFORMATION

The scientific, technical performance and evaluation information derived by the appropriate authorities of each Government pursuant to this Agreement will be made available to the appropriate authorities of the other Government.

The Canadian Secretary of State for External Affairs to the American Ambassador

Department of External Affairs Ministère des Affaires extérieures

Canada

Ottawa, October 16, 1978.

No. GNT-355

Excellency,

I have the honour to refer to your Note No. 275 of September 29, 1978, concerning the emplacement of two data link transmitters and connecting cable in the bed of the St. Marys River in Ontario, as part of a cooperative experimental electronic-magnetic aid to navigation subsystem intended to enhance existing monitoring of vessel traffic flow in the River.

I am pleased to inform you that the Government of Canada accepts the proposals set forth in your Note and the Annex thereto. The Government of Canada further agrees that your Note and the Annex thereto, together with this reply, which is authentic in English and French, shall constitute an agreement between our two Governments which will enter into force on the date of this Note (with effect from September 1, 1977) and remain in force until May 31, 1980.

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

Don Jamieson [1]

Secretary of State for
External Affairs.

His Excellency Thomas O. Enders,
Ambassador of the United States of America,
OTTAWA.

---

[1] Don. Jamieson.

[FRENCH TEXT OF THE CANADIAN NOTE]

Department of External Affairs Ministère des Affaires extérieures

Canada

OTTAWA, le 16 octobre 1978.

No. GNT-355

Excellence,

J'ai l'honneur de me référer à votre Note No. 275 du 29 septembre 1978, portant sur la pose de deux émetteurs de liaison de données et d'un câble de raccordement sur le lit de la rivière St. Marys en Ontario, dans le cadre d'un sous-système coopératif et expérimental d'aide électronique-magnétique à la navigation destiné à améliorer le contrôle du trafic des bateaux sur la rivière.

Je suis heureux de vous annoncer que le Gouvernement du Canada accepte les propositions contenues dans votre Note et dans l'Annexe qui l'accompagne. Le Gouvernement du Canada convient en outre que votre Note, son Annexe ainsi que la présente réponse, dont les versions française et anglaise font également foi, constitueront entre nos deux Gouvernements un accord qui entrera en vigueur à la date de la présente Note (avec effet à partir du 1er septembre 1977) et le demeurera jusqu'au 31 mai 1980.

Veuillez agréer, Excellence, les assurances de ma très haute considération.

le Secrétaire d'Etat aux
Affaires extérieures,

Son Excellence Thomas O. Enders,
Ambassadeur des Etats-Unis d'Amérique,
OTTAWA

AUSTRALIA

Coal Information Exchange in Health, Safety and Environment

Memorandum of understanding signed at Canberra October 24 and 25, 1978;
Entered into force November 23, 1978.

MEMORANDUM OF UNDERSTANDING

Between the Bureau of Mines, United States Department of the Interior, and the Australian Department of National Development relating to Coal Information Exchange in the areas of health, safety and environment

Para. A. (1) The Bureau of Mines of the United States Department of the Interior (the Bureau) and the Department of National Development of Australia (the Department) share the objective of acquiring health, safety and environmental information to further the development of processes and equipment concerned with coal in any or all of the following areas as well as other areas as may be mutually agreed on:

1. Mining techniques and mining research
2. Automatic coal cutting machines
3. Automatic continuous measurement of coal characteristics
4. Liquid effluent control from mineworkings
5. Mine stone disposal
6. Noise and dust control underground and on the surface
7. Health of mineworkers
8. Air Pollution Control
9. Opencast techniques including restoration techniques

Para. B.

(2) 1. The Bureau and the Department shall exchange basic information on coal mine health and safety technology and examine the impact of environmental, health, safety, manpower, and other requirements on the production of coal.

(3) 2. The exchange under this Paragraph may include personnel, equipment and research material relating to the areas noted in Paragraph 1.

(4) 3. In this Paragraph "basic information" means all technical and economic information relating to the systems set out above.

(5) 4. There shall be excluded from information to be exchanged under B. 1 above the following categories of information.

a. information which the party possessing such information either does not own or does not have the right to disclose, and

b. detailed drawings and manufacturing specifications in respect of prototype designs of systems relating to health, safety, and environmental matters, and detailed calculations supporting such drawings and specifications or information contained therein, for purposes of this section, "prototype" means systems or components which are built specifically to provide data for the design of commercial

equipment, provided that either party may upon one month's notice in writing, add to such list such systems or components as it may specify;

c. any information which related to potentially patentable inventions unless the party passing such information is satisfied that the other party has taken adequate steps towards patent protection for such information.

Para. C. (6) A review of operations under this Memorandum may be requested by either party if that party is not satisfied as to the equity or result of the exchange or the performance of the other party. If the parties are unable to resolve the issues which arise on such review either party may terminate this Memorandum by giving not less than 30 days' written notice to the other party.

Para. D. (7) This Memorandum shall remain in force for a period of five years. The term of this Memorandum may thereafter be extended for successive periods of two years each by agreement of the parties. This Memorandum may be terminated by either party at any time upon 90 days' written notice to the other party.

Para. E. 1. Any information--marked with the restrictive
(8) legend required under this Paragraph--and which is exchanged pursuant to this Memorandum--shall be kept in confidence by the receiving party or by contractors to the receiving party under a pledge of confidentiality to the extent permitted by its laws and regulations and shall be used by the receiving party only for experimental use and assessment of its commercial and practical value. The obligation of confidentiality imposed by this Paragraph shall remain in effect no longer than necessary to protect the rights of the disclosing party and, in the absence of convincing showing by the disclosing party that the imposition of confidentiality for a longer period of time is necessary, it shall terminate as to any marked information at the end of seven (7) years from the time such information was submitted to the receiving party.

(9) 2. Nothing in this Memorandum shall give the receiving party any rights of commercial exploitation of information received from the disclosing party or any rights in the patents of the disclosing party. Such rights may be the subject of negotiation on normal commercial terms in the future.

(10) 3. This Paragraph shall not apply to information exchanged pursuant to this Memorandum in the following categories:

a. information which is or becomes part of the public domain other than through a breach of the obligations of confidentiality imposed under Para. E.

b. information already in the possession of one party prior to its acquisition from the other.

c. information acquired by one party of this Memorandum from a third party other than information which the first party knew or had reason to know was independently acquired from the other party to this Memorandum subject to restrictions on its use of disclosure.

(11) 4. The disclosing party shall mark each sheet of data which it wishes to restrict with the following legend: "Use or disclosure of proposed data is subject to the restriction on the title page of this proposal". The title page shall state what restrictions apply.

Para. F. (12) 1. Nothing in this Memorandum shall be construed to prohibit either party from selling to or purchasing from the other information which is excluded from exchange under this Memorandum.

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(13) 2. Each party shall notify the other of the categories of information and know-how of commercial value in its possession excluded under section 4 of Para. B. Notification shall be given at regular meetings of the parties or at such times as may be appropriate.

Para. G. Communications between the parties, those relating to the exchange of information, shall be made in accordance with the following arrangements

(14) 1. Each party shall designate an individual as Co-ordinator through whom the implementation of this Memorandum shall be co-ordinated.

(15) 2. Each party, through its Co-ordinator, may designate correspondents for dealing with specific topics. Subject to this provision, all correspondence in connection with this Memorandum addressed to the United States of America should be addressed to the Director, Bureau of Mines, and all correspondence to Australia should be addressed to the Secretary, Department of National Development.

(16) 3. The Co-ordinator (or other designated correspondent(s)) of each party shall send to the other's Co-ordinator or correspondent(s) lists of external and internal reports in which the basic information is contained. The receiving party may then request copies of such reports at its own expense.

(17) 4. To review the implementation of this Memorandum and agreed procedures therefor, meetings may be held as deemed necessary, at the discretion of the Co-ordinators or their alternates, including others as the Co-ordinators may designate. Any further details may be governed by mutual discussions.

(18) 5. Each party shall make all reasonable efforts to arrange for exchanges of personnel and such visits to its country as the other party may reasonably request. Such visits shall be at the expense of the visiting party and the host party may require employees or servants of the visiting party to enter into a personal confidentiality agreement with the host party.

Para. H. The implementation of this Memorandum shall be
(19) subject to the availability of appropriated funds.

Para. I. This Memorandum shall become effective 30 days after
(20) signature by the Australian Department of National Development.

For the BUREAU OF MINES
UNITED STATES DEPARTMENT OF THE INTERIOR

[1]

October 25 1978.

Date

For the
AUSTRALIAN DEPARTMENT OF NATIONAL DEVELOPMENT

[2]

24 OCT 1978

Date

[1] Philip H. Alston, Jr.
[2] A. J. Woods.

EGYPT

Suez Canal: Hydrographic Survey

Agreement signed at Cairo September 27, 1977;
Entered into force September 27, 1977.

A.I.D. Project Number 263-0071

PROJECT
GRANT AGREEMENT
BETWEEN
THE ARAB REPUBLIC OF EGYPT
AND THE
UNITED STATES OF AMERICA
FOR
HYDROGRAPHIC SURVEY

Dated: SEPTEMBER 27, 1977

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[1] Not printed herein. For text, see TIAS 8830 · 29 UST 501.

A.I.D. PROJECT No. 263-0071

Project Grant Agreement

DATED: SEPTEMBER 27, 1977

Between The Arab Republic of Egypt ("Grantee") And the United States of America, acting through the Agency for International Development ("A.I.D.").

ARTICLE 1. The Agreement.

The purpose of this Agreement is to set out the understandings of the Parties named above ("Parties") with respect to the undertaking by the Grantee of the Project described below, and with respect to the financing of the Project by the Parties.

ARTICLE 2: The Project.

SECTION 2.1. Definition of Project. The Project, which is further described in Annex 1, will consist of providing goods and services required for (1) a hydrographic survey of the approaches to the Suez Canal and the Southern Terminus of the Suez Mediterranean Pipeline; (2) training of Grantee personnel in the use of hydrographic equipment and in conducting hydrographic surveys; and (3) furnishing hydrographic survey equipment to the Ministry of Maritime Transport. Annex 1, attached, amplifies the above definition of the Project. Within the limits of the above definition of the Project, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the Parties named in Section 8.2 without formal amendment of this Agreement.

ARTICLE 3: Financing.

SECTION 3.1. The Grant. To assist the Grantee to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to grant the Grantee under the terms of this Agreement not to exceed Eight Million United States ("U.S.") Dollars ($8,000,000) ("Grant").

The Grant may be used only to finance foreign exchange costs, as defined in Section 6.1, of goods and services required for the Project.

SECTION 3.2. Grantee Resources for the Project.

(a) The Grantee agrees to provide or cause to be provided for the Project all funds, in addition to the Grant, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The total resources provided by Grantee for the Project will be not less than Six Hundred Sixty Eight Thousand Egyptian Pounds (L.E. 668,000), including costs borne on an "in-kind" basis.

SECTION 3.3. Project Assistance Completion Date.

[1] 75 Stat. 424, 22 U.S.C. § 2151 note.

(a) The "Project Assistance Completion Date" (PACD), which is December 31, 1979, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Grant will have been performed and all goods financed under the Grant will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Grant (1) in response to requests received by A.I.D after December 31, 1978 or (2) for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters are to be received by A.I.D or any bank described in Section 7.1 no later than three (3) months following the PACD, or such other period as A.I.D agrees to in writing. After such period A.I.D., giving notice in writing to the Grantee, may at any time or times reduce the amount of the Grant by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

ARTICLE 4: Conditions Precedent to Disbursement.

SECTION 4.1. First Disbursement. Prior to the first disbursement under the Grant, or to the issuance by A.I.D of documentation pursuant to which disbursement will be made, the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D in form and substance satisfactory to A.I.D..

(a) A statement of the name of the persons holding or acting in the offices of the Grantee specified in Section 8.2, and of any additional representatives, together with a specimen signature of each person specified in such statement; and

(b) Such other information and documents as A.I.D. may reasonably request.

SECTION 4.2. Notification. When A.I.D. has determined that the conditions precedent specified in Section 4.1 have been met, it will promptly notify the Grantee.

SECITON 4.3. Terminal Date for Conditions Precedent.

If all of the conditions specified in Section 4.1 have not been met within 90 days from the date of this Agreement, or such later date as A.I.D may agree to in writing, A.I.D at its option, may terminate this Agreement by written notice to Grantee.

ARTICLE 5: Special Covenants.

SECTION 5.1. Project Evaluation. The Parties agree to establish an evaluation program as part of the Project, Except as the Parties otherwise agree in writing, the program will include, during the

implementation of the Project and at one or more points thereafter:

(a) evaluation of progress toward attainment of the objectives of the Project;

(b) identification and evaluation of problem areas or constraints which may inhibit such attainment;

(c) assessment of how such information may be used to help overcome such problems; and

(d) evaluation, to the degree feasible, of the overall development impact of the Project.

SECTION 5.2. Hydrographic Survey Work. The Grantee covenants to assure that hydrographic survey work will be performed on a continuing basis for the purpose of upgrading nautical charts of Egyptian coastal waters and ports.

SECTION 5.3. Local Currency Budget. Grantee covenants that, except as A.I.D may otherwise agree in writing, a budget showing the local currency (Egyptian pound) costs of the Project will be submitted to A.I.D. within two months from the signing of this Agreement.

SECTION 5.4. Imprest Fund. Grantee covenants that within thirty (30) days from the submission of the Budget referred to in Section 5.3 herein, the Grantee will have established an imprest fund with the U.S. Naval Medical Research Unit, in an amount to be mutually agreed by A.I.D. and the Grantee, for those Egyptian pound costs which are directly related to survey and ship operations of the U.S. Navy ships, but not to the costs associated with Grantee's crewmen, surveyors and trainee salaries. The capitalization of the fund will be mutually agreed to by the Grantee and A.I.D.

SECTION 5.5. Training. The Grantee convenants that within twelve (12) months from the signing of this Agreement, it will submit a plan to A.I.D. for the training of Egyptian nationals in hydrographic engineering, including marine environment, applied oceanography and oceanographic data processing.

SECTION 5.6. Use of Survey Grantee covenants that the nautical charts and other finished products resulting from the Project survey shall be made available to mariners of all nations.

ARTICLE 6: Procurement Source.

SECTION 6.1. Foreign Exchange Costs. Disbursements pursuant to Section 7.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in the United States (Code 000 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods or services) ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Grant Standard Provisions Annex, Section 6.1(b) with respect to marine insurance.

ARTICLE 7· Disbursement.

SECTION 7.1. Disbursement for Foreign Exchange Costs.

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon.

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or, (B) requests for A.I.D to procure commodities or services in Grantee's behalf for the Project; or,

(2) by requesting A.I.D to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Grantee in connection with Letters of Commitment and Letters of Credit will be financed under the Grant unless Grantee instructs A.I.D to the contrary Such other charges as the Parties may agree to may also be financed under the Grant.

SECTION 7.2. Other Forms of Disbursement. Disbursements of the Grant may also be made through such other means as the Parties may agree to in writing.

ARTICLE 8: Miscellaneous.

SECTION 8.1. Communications. Any notice, request, document, or other communication submitted by either party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following addresses:

To the Grantee:

Ministry of Maritime Transport
7, Sharia Abdel Khalek Sarwat
Cairo, Egypt

To A.I.D..

A.I.D
American Embassy
Cairo, Egypt

All such communications will be in English, unless the Parties

otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

SECTION 8.2. Representatives. For all purposes relevant to this Agreement, the Grantee will be represented by the individuals holding or acting in the offices of Minister of Economy and Economic Cooperation, Minister of Maritime Transport, and First Undersecretary of State for Economy and Economic Cooperation, and A.I.D. will be represented by the individual holding or acting in the office of Director, U.S.A.I.D., Cairo, Egypt, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Grantee, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

SECTION 8.3. Standard Provisions Annex. A "Project Grant Standard Provisions Annex" (Annex 2)[1] is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Grantee and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

THE ARAB REPUBLIC OF EGYPT:		UNITED STATES OF AMERICA:	
By:	MAHMOUD SALAH EL DIN HAMED	By:	H. FREEMAN MATTHEWS, JR.
Name:	Dr. Mahmoud Salah el Din Hamed	Name:	H. Freeman Matthews, Jr.
Title:	*Minister of Finance and Acting Minister of Economy and Economic Cooperation*	Title:	*Charge d'Affaires a.i.*

ANNEX 1

Project Description

The purpose of this project is to increase the efficiency of the Suez Canal by making the approaches to the Canal and the Southern terminus to the Suez Mediterranean (SUMED) pipeline safer to world navigation. The economic importance of the Canal is described in

[1] See footnote 1, p. 2218.

Section VI of the project paper. As Egypt expands the operation of the Canal, safe navigation of the areas covered under this project become increasingly more important to Egypt.

The project will provide financing for the US Navy to gather hydrographic survey data required to permit the production of accurate nautical charts covering the approaches to the Suez Canal and the Southern terminus of the SUMED pipeline. (The Northern terminus of the pipeline is accurately covered by existing charts.) The principle desired output—new nautical charts—will be prepared by the US Defense Mapping Agency approximately six months after receipt of consolidated survey data. This chart preparation will be accomplished, without cost to this project, as a service to all mariners. Copies of such charts will be provided to the Grantee.

A secondary output will be an evaluation of the adequacy of existing navigational aids (NAVAIDS) and recommendations on their improvements. This will be provided to the Grantee for this overall effort to increase the safety and efficiency of the Canal.

Finally, the project will also provide training in modern hydrographic survey methods to Egyptian specialists and furnish a modest amount of equipment which will facilitate future mapping operations by Egyptian marine agencies. Such mapping activity will serve to maintain the accuracy of the new nautical charts as natural and/or man-made changes in underwater geography occur.

The principal assumption upon which this project is based is that better charts will allow safer and more efficient navigation of the increasing traveled area to be covered by this project. It is not the only aid to safer and more efficient navigation, however, in the Canal Zone Area. The Grantee is undertaking and plans to undertake a series of steps, including additional fixed navigation aids, automated piloting systems, etc., to increase both the efficiency and safety of the operation of the Suez Canal.

The total cost of the project is estimated at $8,000,000 in foreign exchange and $954,000 equivalent Egyptian Pounds. A.I.D 's grant will finance the foreign exchange costs. The Ministry of Maritime Transport (the Ministry) will finance the Egyptian Pound costs from its operating budget. The implementing agency will be the Ministry.

ATTACHMENT A TO ANNEX 1

PROJECT IMPLEMENTATION PLAN*
(Source and Application of Funding—$000)

As of September , 1977

Item	Foreign Exchange	(Expressed in US $) Egyptian Pounds	Total
(a) Ship Operations	3,614	716	4,330
Labor	(1,846)		
Other [1]	(1,768)		
(b) Helicopter	203		203
Personnel	(90)		
Operations	(113)		
(c) Oceanographic Unit and Navaids Support	1,198	5	1,203
(d) Naval Oceanographic Office	1,572	46	1,618
Salaries	(832)		
Travel	(150)		
Supplies	(192)		
Support	(19)		
Other	(379)		
Total Hydrographic Survey	6,587	767	7,354
Hydrographic Equipment	500	—	500
Training	186	100	286
Contingency	727	87	814
Total Project Cost	8,000	954	8,954

[1] Includes fuel, subsistence, consumables, port expenses, equippage, maintenance and repair.

*The costs indicated in the Financial Plan are based on estimates only and are subject to adjustment.

[Footnotes in the original.]

EGYPT

Water Use and Management Project

Agreement amending the agreement of June 30, 1976.
Signed at Cairo September 20, 1977,
Entered into force September 20, 1977.

A.I.D. Project No. 263-0017

FIRST AMENDMENT
TO
GRANT AGREEMENT
BETWEEN
THE ARAB REPUBLIC OF EGYPT
AND THE
UNITED STATES OF AMERICA
FOR
WATER USE AND MANAGEMENT PROJECT

Dated. September 20, 1977

First Amendment, dated September 20, 1977, to the Grant Agreement dated June 30, 1976,[1] between the Arab Republic of Egypt ("Grantee") and the United States of America, acting through the Agency for International Development ("A.I.D.") for Water Use and Management ("Grant Agreement").

Section 1. The Grant Agreement is amended as follows:

(a) Section 1.01 is amended to read as follows:

Section 1.01. The Grant. To assist the Grantee to meet the costs of carrying out the Project, A.I.D. pursuant to the Foreign Assistance Act of 1961, as amended,[2] agrees to grant the Grantee under the terms of this agreement not to exceed Two Million Three Hundred Thousand United States Dollars ($2,300,000) to finance the foreign exchange costs, and Five Hundred Thousand Egyptian Pounds (L.E. 500,000) to finance the local currency costs, of goods and services required to carry out the project as described in Section 2.01 ("Project"). Goods and services authorized to be financed hereunder are hereinafter referred to as "Eligible Items".

(c) Section 2.01 is amended to read as follows:

Section 2.01. The Project. The Project consists of the development and implementation of an applied research and demonstration program for the improvement of management of irrigation water. Project activities will be conducted at a control office in Cairo and in three pilot agroclimatological zones in Egypt. The project will develop and test optimal management and production practices. Those practices that prove effective will become the basis for regional or national programs to improve agricultural production, improve the efficient use of water and reduce drainage and water-logging problems. United States Dollars from the Grant may be used to finance the foreign exchange costs of U.S. technicians resident in Egypt, short-term consultants, training of Egyptian technicians and required equipment and commodities for the first two years of operation of an expected five-year project. Egyptian pounds may be used for local costs of technical assistance contractors, including travel, salaries and allowances, housing and utilities and for operations and related costs. The project is more fully described in Annex 1, attached hereto, which Annex may be modified in writing by the parties designated in Section 8.02 hereof.

(d) Article V of the Grant Agreement is hereby amended by adding a new section 5.09 which shall read as follows:

"Section 5.09. Local Currency Costs. Disbursements pursuant to Section 6.07 will be used exclusively to finance the costs of goods and

[1] TIAS 8517; 28 UST 1441.
[2] 75 Stat. 424; 22 U.S.C. § 2151 note.

services required for the Project having their source, and except as A.I.D. may otherwise agree in writing, their origin in Egypt."

(e) Article VI of the Grant Agreement is hereby amended by adding a new Section 6.07 which shall read as follows:

Section 6.07. Disbursement for Local Currency Costs.

(a) The Grantee may obtain disbursements of funds under the Grant for local currency costs required for the Project in accordance with the terms of the Grant Agreement, by submitting to A.I.D., with necessary supporting documentation as described in Implementation Letters, requests to finance such costs.

(b) The local currency needed for such disbursements may be obtained from local currency already owned by the U.S. Government.

(f) Section 8.01 of the Grant Agreement is hereby amended by deleting the address from the Grantee mail address and substituting the following therefore: Project Director, Water Use and Management Project, 22 El-Galaa St., Bulak, Cairo, ARE.

(g) Section 8.02 of the Grant Agreement is hereby amended by deleting the word "Agriculture" from the fourth line thereof.

(h) The budget set forth on page 12 of Annex 1 of the Grant Agreement is hereby deleted and the following budget substituted therefore:

Budget Summary

U.S. dollar budget for the contract:

	Original Agreement	First Amendment
Up to 162 man-months of services of inresidence U.S. specialists	554, 000	164, 000
Up to 129 man-months of short term advisors plus home office and administrative support	275, 000	150, 000
Project vehicles and spare parts	221, 000	129, 000
Irrigation, laboratory, office and farm equipment	380, 000	180, 000
Training	70, 000	177, 000
	$1, 500, 000	$800, 000

U.S. Owned local currency in Egyptian Pounds

	First Amendment
Salaries incountry nationals	29, 500
Benefits	7, 375
Travel & Per Diem	
International	92, 225
Unaccompanied baggage	13, 400
Incountry travel	4, 000
Participant travel	25, 600
Emergency	10, 000
Incountry per diem	45, 000
Housing and Utilities	
Temporary	23, 600
Permanent Staff	160, 000
Other Direct Costs	
Vehicles Operations	25, 000
Field operating costs	20, 000
Other	44, 300
	L.E. 500, 000

Local currency budget—to be supplied by the G.O.E. in Egyptian pounds or in-kind and to be administered by the G.O.E.

Line Item Description	Project	Year
	1	2
Egyptian Professional and support Personnel	135. 000	360, 000
Short Term Consultants	6, 000	6, 000
International Travel Participants	4, 500	----------
Farm and Office Equipment	35, 500	25, 000
Per Diem in Egypt for Egyptian and U.S. Project Personnel	30, 000	50, 000
Operating Expenses Including Project Vehicles	22, 000	28, 000
Office Rent, Utilities, Telephone and other Office Expenses	25, 000	45, 000
International Travel and Housing Costs for Technicians	48, 000	----------
	L.E. 306, 000	LE 514, 000

Section 2. This First Amendment shall enter into force when signed by both parties hereto.

Section 3. Except as specifically amended or modified herein, the Grant Agreement shall remain in full force and effect in accordance with all of its terms.

ARAB REPUBLIC OF EGYPT

By: A. A. ATTA

Name: A. A. Atta
Title: *Minister of Irrigation*

UNITED STATES OF AMERICA

By: DONALD S. BROWN

Name: Donald S. Brown
Title: *Director, U.S.A.I.D.*

TIAS 9330

60-963 O - 80 - 58 QL 3

EGYPT

Port Said Salines Plant

Agreement signed at Cairo September 28, 1977;
Entered into force September 28, 1977.

A.I.D. PROJECT NUMBER 263-0072

PROJECT
GRANT AGREEMENT
AMONG
THE ARAB REPUBLIC OF EGYPT,
EL NASR SALINES COMPANY
AND THE
UNITED STATES OF AMERICA
FOR
PORT SAID SALINES PLANT

SEPTEMBER 28, 1977

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[1] Not printed herein. For text, see TIAS 8830; 29 UST 501.

A.I.D. Project No. 263-0072

Project Grant Agreement Dated September 28, 1977 Among Arab Republic of Egypt ("Grantee"), El Nasr Salines Company ("Company") and the United States of America, acting through the Agency for International Development ("A.I.D.")

ARTICLE 1. The Agreement.

The purpose of this Agreement is to set out the understandings of the Parties named above ("Parties") with respect to the undertaking by the Grantee of the Project described below, and with respect to the financing of the Project by the Parties.

ARTICLE 2: The Project.

SECTION 2.1. Definition of Project. The Project, which is further described in Annex 1, will consist of reconstructing the Port Said Salines Plant located at Port Said, Egypt. The Project will provide for an increase in production of salt for the domestic market with attendant foreign exchange savings. A.I.D will provide foreign exchange to be used for procurement of various kinds of equipment required for the salt plant, construction materials, and technical assistance. Annex 1, attached, amplifies the above definition of the Project. Within the limits of the above definition of the Project, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the Parties named in Section 8.2, without formal amendment of this Agreement.

ARTICLE 3: Financing.

SECTION 3.1. The Grant. To assist the Grantee to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to grant the Grantee under the terms of this Agreement not to exceed Thirteen Million United States ("U.S.") Dollars ($13,000,000) ("Grant"). The Grant may be used only to finance foreign exchange costs, as defined in Section 6.1, of goods and services required for the Project.

SECTION 3.2. Grantee Resources for the Project.

(a) The Grantee agrees to provide or cause to be provided for the Project all funds, in addition to the Grant, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by Grantee for the Project will be not less than L.E. 4,000,000, including costs borne on an "in-kind" basis.

SECTION 3.3. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is March 1, 1980, or such other date as the Parties may agree to in

[1] 75 Stat. 424; 22 U.S.C. §2151 note.

writing, is the date by which the Parties estimate that all services financed under the Grant will have been performed and all goods financed under the Grant will have been furnished for the Project as contemplated in this agreement.

(b) Except as A.I.D may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Grant (1) in response to requests received by A.I.D. after August 31, 1979 or (2) for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters are to be received by A.I.D. or any bank described in Section 7.1 no later than six (6) months following the PACD, or such other period as A.I.D agrees to in writing. After such period, A.I.D., giving notice in writing to the Grantee, may at any time or times reduce the amount of the Grant by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

ARTICLE 4: Conditions Precedent to Disbursement.

SECTION 4.1. First Disbursement. Prior to the first disbursement under the Grant, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) A statement of the names of the persons holding or acting in the offices of the Grantee specified in Section 8.2, and of any additional representatives, together with a specimen signature of each person specified in such statement;

(b) Evidence that the Grant proceeds will be made available to the Company on terms and conditions acceptable to A.I.D., in the form of a Loan Agreement conforming to Section 5.2; and

(c) An executed contract acceptable to A.I.D. for consulting engineering services with a firm acceptable to A.I.D.

SECTION 4.2. Additional Disbursement. Prior to disbursement under the Grant, or to issuance by A.I.D. of documentation pursuant to which disbursement will be made, for any purpose other than to finance the services referred to in Section 4.1, the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) A model flow analysis and sedimentation study of the sea water intake location;

(b) A cost comparison between obtaining sea water from the Mediterranean Sea and the building of a pipe line to Lake Mallaha;

(c) An executed agreement between El Nasr Salines and the Suez

Canal Authority for the building of new concentration ponds which defines responsibility between the two Parties.

SECTION 4.3. Notification. When A.I.D. has determined that the conditions precedent specified in Section 4.1 and 4.2 have been met; it will promptly notify the Grantee.

SECTION 4.4. Terminal Date for Conditions Precedent. If all of the conditions specified in Section 4.1 have not been met within 120 days from the date of this Agreement, or such later date as A.I.D may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to Grantee.

ARTICLE 5: Special Covenants.

SECTION 5.1. Project Evaluation. The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter:

(a) evaluation of progress toward attainment of the objectives of the Project;
(b) identification and evaluation of problem areas or constraints which may inhibit such attainment;
(c) assessment of how such information may be used to help overcome such problems; and
(d) evaluation, to the degree feasible, of the overall development impact of the Project.

SECTION 5.2. Loan by Grantee to Company In order to assist the Company in carrying out the Project, the Grantee shall lend to the Company the proceeds of the Grant under a loan agreement ("Loan Agreement") to be entered into between the Grantee and the Company under terms and conditions satisfactory to A.I.D Such terms and conditions shall include, but not be limited to, repayment by the Company within fifteen (15) years, including a five (5) year grace period, and an interest rate of ten percent (10%) per annum.

SECTION 5.3. Use of Existing Stockpiles. Grantee and the Company agree to undertake necessary action to determine the best means of removing and appropriately utilizing the existing stockpiles of salt at Port Said which were harvested prior to 1967

SECTION 5.4. Electricity Supply Grantee and the Company agree to obtain from the Egyptian Electricity Authority (EEA) a written guarantee that Port Said Salines will be provided, prior to plant startup, the full electrical power requirement of 1,000 KW.

SECTION 5.5. Financial Planning. Grantee and the Company covenant as follows with respect to the financial structure of the Company:

(a) Not to take any action or make any investments to increase the

Company's salt production capacity without prior consent and approval of A.I.D.

(b) To employ an independent accountant satisfactory to A.I.D. to translate into English each year through 1980 appropriate sections of the Company's Annual Reports, and to prepare Historical Financial Reports, including balance sheets, income statements and source and application of funds in accordance with accounting practices and principles generally accepted as sound.

(c) To submit to A.I.D. on or before December 31st each year through 1990 a one year and a five-year plan showing sources and application of funds to insure that all debts of the Company will be properly serviced.

(d) Except as A.I.D. may otherwise agree in writing, that the Company will not:

(1) (A) declare any dividend or make any other distribution with respect to its capital except out of accumulated adjusted net earnings; (B) purchase, redeem or otherwise acquire, directly or indirectly for any consideration any such capital, or (3) otherwise reduce its capital or prepare any long-term debt, if, after giving effect to any such action the ratio of current assets to the current liabilities would be less than 1.5:1 (60:40).

(2) Make expenditures, or commitments for expenditures for capital additions in any one year which exceed Egyptian pounds Three Million (L.E. 3,000,000), except those expenditures and commitments required for carrying out the Project.

(3) Maintain a ratio of current assets to current liabilities of less than 1.5:1 (60:40) or to incur or to have outstanding any long-term debt to the extent that the aggregate principal amount of the outstanding long-term debt exceeds 150 percent of the net worth.

(e) Submit to A.I.D. by the end of 1980, a completed market and sales price policy study relating to the salt industry, along with the Company's plans for implementing the recommendation of the study. The salt prices should be set at a level which will allow the Company to generate a reasonable profit on investment after paying all production costs and operating costs and servicing debt.

ARTICLE 6: Procurement Source.

SECTION 6.1. Foreign Exchange Costs. Disbursements pursuant to Section 7.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in the United States (Code 000 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods or services) ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Grant Standard Provisions Annex, Section C.1(b) with respect to marine insurance.

ARTICLE 7· Disbursement.

SECTION 7.1. Disbursement for Foreign Exchange Costs.

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon.

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or, (B) requests for A.I.D to procure commodities or services in Grantee's behalf for the Project; or

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Grantee in connection with Letters of Commitment and Letters of Credit will be financed under the Grant unless Grantee instructs A.I.D to the contrary Such other charges as the Parties may agree to may also be financed under the Grant.

SECTION 7.2. Other Forms of Disbursement. Disbursements of the Grant may also be made through such other means as the Parties may agree to in writing.

ARTICLE 8: Miscellaneous.

SECTION 8.1. Communications. Any notice, request, document, or other communication submitted by any party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following address:

To the Grantee:
Ministry of Economy and Economic Cooperation
8, Adly Street
Cairo, Egypt

To the Company·
2, Avenue Leader Gamal Abd El Nasser
Alexandria, A.R.E.

For Cables:
SOEGSEL, Alexandria

To A.I.D.:
A.I.D.
U.S. Embassy
Cairo, Egypt

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

SECTION 8.2. Representatives. For all purposes relevant to this Agreement, the Grantee will be represented by the individual holding or acting in the office of Minister of Economy and Economic Cooperation and the First Undersecretary of State for Economy and Economic Cooperation, the Company will be represented by the individual holding or acting in the office of Chairman, and A.I.D. will be represented by the individual holding or acting in the office of Director, U.S.A.I.D., Cairo, Egypt, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Grantee and the Company, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

SECTION 8.3. Standard Provisions Annex A "Project Grant Standard Provisions Annex" (Annex 2) [1] is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Grantee, the Company and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

ARAB REPUBLIC OF EGYPT:

By: MAHMOUD SALAH EL DIN HAMED

Name: Dr. Mahmoud Salah el Din Hamed

Title: *Minister of Finance and Acting Minister of Economy and Economic Cooperation*

EL NASR SALINES COMPANY

By: M. K. EL KARAMANI

Name: Dr. Engr. M. K. El Karamani

Title: *Chairman*

UNITED STATES OF AMERICA:

By: H. FREEMAN MATTHEWS, JR.

Name: H. Freeman Matthews, Jr.

Title: *Charge d'Affaires a.i.*

[1] See footnote 1, p. 2231.

ANNEX 1

Project Description

The Project provides for the reconstruction of the El Nasr Salines Company's solar salt plant located at Port Said, Egypt. The new facility will permit the annual production of approximately 165,000 metric tons of high quality salt. The A.I.D assistance will finance the foreign exchange costs of the required salt water pumping station, salt harvesting equipment, salt washing and stockpiling equipment, a salt refinery, materials handling equipment, certain construction materials and U.S. technical services. The estimated foreign exchange cost is $13.0 million. This amount will be provided to the Government of Egypt ("G.O.E.") in the form of a Grant. The GOE will relend the $13.0 million to El Nasr Salines at ten percent (10%) interest for fifteen (15) years, with a five-year grace period on the repayment of principal.

The Egyptian pound costs of the Project will be financed by the El Nasr Salines Company These costs include all civil works and plant construction and are estimated at about L.E. 4.0 million. El Nasr has already constructed certain of the required civil works, including a new laboratory/administration building, a garage, and a guest house.

PROJECT FINANCIAL PLAN

(Source and Application of Funding—$ Millions)

As of September, 1977 Project No. 263-0072

	Amount for a Fully Funded Project				
	A.I.D.				
Projects Inputs	Loan	Grant	Borrower/ Grantee	Other	Total
Salt Production Equipment		8.115	.0358		8.151
U.S. Construction Materials		1.322	.0143		1.336
Engineering, Procurement and Management		1.835	.0386		1.874
Civil Works			3.679		3.679
Plant Construction			1.028		1.028
Subtotal		11.272	4.796		16.068
Contingencies 15%		1.690	.719		2.409
Total		$12.962	$5.515		$18.477

EGYPT

Family Planning

Agreement signed at Cairo September 30, 1977;
Entered into force September 30, 1977.

A.I.D. Project Number 263-0029

PROJECT
GRANT AGREEMENT
BETWEEN
THE ARAB REPUBLIC OF EGYPT,
THE UNITED STATES OF AMERICA
AND THE
MINISTRY OF HEALTH
FOR
FAMILY PLANNING PROJECT

Dated: SEPTEMBER 30, 1977

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[1] Not printed herein. For text, see TIAS 8830; 29 UST 501.

A.I.D. Project No. 263-0029

Project Grant Agreement

Dated. SEPTEMBER 30, 1977

Among

THE ARAB REPUBLIC OF EGYPT ("Grantee"),
The Ministry of Health

And

THE UNITED STATES OF AMERICA, acting through the Agency for International Development ("A.I.D.").

ARTICLE 1. The Agreement.

The purpose of this Agreement is to set out the understandings of the Parties named above ("Parties") with respect to the undertaking by the Grantee of the Project described herein, and with respect to the financing of the Project by the Parties.

ARTICLE 2: The Project.

SECTION 2.1. Definition of Project. The Project which is further described in Annex 1, will consist of assisting the Grantee to strengthen its family planning delivery systems in order to deliver services effectively to increasing numbers of Egyptians by financing technical assistance, training, engineering and construction services, commodities and operational support for:

(a) Increasing the supply of contraceptives available in Egypt and improving the capability of physicians in surgical procedures relating to fertility and infertility;

(b) Support for family planning staffing and operations of the Ministry of Health,

(c) Extension of the integrated social services delivery system, which is presently operating in 36 villages in the Menoufia Governorate to all of the villages in the Governorate consistent with the approved MOH Maternal Child Health/Family Planning five year plan 1978–82.

(d) Improvement of the family planning training of medical school graduates, paramedical personnel, nurses and social workers by developing and implementing short-term training courses, renovating the Al Galaa Maternity Hospital, developing a rural field training site integrated with the High Institute of Public Health, and financing long- and short-term participant training; and

(e) Development and implementation of small-scale innovative activities involving transfers of family planning technology.

Annex 1, attached, amplifies the above definition of the Project. Within the limits of the above definition of the Project, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the Parties named in Section 8.2, without formal amendment of this Agreement.

SECTION 2.2. Incremental Nature of Project.

(a) A.I.D.'s contribution to the Project will be provided in increments, the initial one being made available in accordance with Section 3.1 of this Agreement. Subsequent increments will be subject to availability of funds to A.I.D. for this purpose, and to the mutual agreement of the Parties, at the time of a subsequent increment, to proceed.

(b) Within the overall Project Assistance Completion Date stated in this Agreement, A.I.D., based upon consultation with the Grantee, may specify in Project Implementation Letters appropriate time periods for the utilization of funds granted by A.I.D. under an individual increment of assistance.

ARTICLE 3: Financing.

SECTION 3.1. The Grant. To assist the Grantee to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to grant the Grantee under the terms of this Agreement not to exceed Four Million United States Dollars ($4,000,000) and One Hundred Forty Thousand Egyptian Pounds (L.E. 140,000), ("Grant").

The Grant may be used to finance foreign exchange costs, as defined in Section 6.1, and local currency costs, as defined in Section 6.2 of goods and services required for the Project except that, unless the parties otherwise agree in writing, Local Currency Costs financed under the Grant will not exceed the equivalent of One Million Five Hundred and Ninety Thousand U.S. Dollars ($1,590,000) plus the Local Currency portion of the Grant.

SECTION 3.2. Grantee Resources for the Project.

(a) The Grantee agrees to provide or cause to be provided for the Project all funds, in addition to the Grant, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by Grantee for the Project will be not less than Four Million Three Hundred Eighty Eight Thousand Egyptian Pounds (L.E. 4,388,000), including costs borne on an "in-kind" basis.

SECTION 3.3. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is September 30, 1981, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services

[1] 75 Stat. 424, 22 U.S.C. § 2151 note.

financed under the Grant will have been performed and all goods financed under the Grant will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D may otherwise agree in writing, A.I.D will not issue or approve documentation which would authorize disbursement of the Grant for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters are to be received by A.I.D or any bank described in Section 7.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Grantee, may at any time or times reduce the amount of the Grant by all or any part thereof for which requests for disbursements, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

ARTICLE 4: Conditions Precedent to Disbursement.

SECTION 4.1. First Disbursement. The first disbursement under the Grant shall be in the amount of $730,000 for procurement by A.I.D of contraceptives for use in family planning activities by the Population and Family Planning Board. There are no conditions precedent to his disbursement.

SECTION 4.2. Additional Disbursements. (a) Disbursement for Other than Initial Contraceptive Procurement. Prior to any disbursement under the Grant, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, for any purpose other than to finance the procurement referred to in Section 4.1, the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D in form and substance satisfactory to A.I.D..

(1) A statement of the names of the persons holding or acting in the offices of the Grantee specified in Section 8.2, and of any additional representatives, together with a specimen signature of each person specified in such statement;

(2) Evidence of the establishment of a Project Coordination Committee including representatives of the various entities involved in Project Implementation, and the appointment of an Executive Director for the Project, and a statement of the functions of the Committee, showing how it will insure that the Ministry of Health will be fully advised and consulted with respect to all project activities; and

(3) Such other documentation as A.I.D may require.

(b) Disbursement for Innovative Technology Transfer. Prior to disbursement under the Grant, or to issuance by A.I.D of documentation pursuant to which disbursement will be made to finance a par-

ticular activity proposed under the innovative technology transfer component of the Project the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D., showing the approval of the High Committee for Family Planning Services in the Ministry of Health, an identification of the activity, its purposes, the organization in charge of its implementation, and its estimated cost, including both the amounts proposed for A.I.D financing and for financing from other sources.

(c) Disbursement for Raw Materials for Manufacture of Oral Contraceptives. Prior to any disbursement, or the issuance by A.I.D. of any commitment documents, under the Project to finance raw materials for the manufacture of oral contraceptives, the Grantee shall obtain permission from United States companies for Egyptian companies to manufacture oral contraceptives covered by United States patents.

SECTION 4.3. Notification. When A.I.D. has determined that the conditions precedent specified in Sections 4.1 and 4.2 have been met, it will promptly notify the Grantee.

SECTION 4.4. Terminal Date for Conditions Precedent.

If all of the conditions specified in Section 4.1 have not been met within 90 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to Grantee.

ARTICLE 5: Special Covenants.

SECTION 5.1. Project Evaluation. The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter·

(a) evaluation of progress toward attainment of the objectives of the Project;

(b) identification and evaluation of problem areas or constraints which may inhibit such attainment;

(c) assessment of how such information may be used to help overcome such problems; and

(d) evaluation, to the degree feasible, of the overall development impact of the Project.

SECTION 5.2. Family Planning Activities, Ministry of Health. Except as otherwise agreed in writing, the Grantee shall, by September 30, 1980, establish, and assign personnel to, an appropriate number of additional professional and administrative/clerical positions required by Ministry of Health in order to achieve the objectives of the Project.

SECTION. 5.3. Implementation Arrangements. The Ministry of Health will be responsible for the overall coordination and control

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of implementation of the Project in cooperation with other ministries, agencies and institutions. A Project Coordination Committee will be established under the chairmanship of the Senior Advisor of the Ministry of Health for Family Planning and the membership of representatives of all other agencies cooperating in the implementation of the various Project entities and a representative from A.I.D The Project Coordination Committee will be responsible for drafting a plan of action for Project implementation not later than 30 days after the signing of this Agreement. The prepared draft plan of action will be submitted to the MOH High Committee for Family Planning Services for review and final approval not later than 60 days after the signing of this Agreement. The MOH will appoint an Executive Director for the Project who will be responsible to the Project Coordination Committee for reporting on the overall progress in implementation. The Grantee agrees that the components of the Project shall be implemented directly through the entities named in Annex 1, the Population and Family Planning Board, and/or such other entities as may from time to time be agreed by the Project Coordination Committee.

SECTION 5.4. Use of A.I.D Project Funds. None of the A.I.D. funds made available under the Project shall be used to pay for (1) the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions or (2) the performance of involuntary sterilizations as a method of family planning or to coerce or provide any financial incentive to any person to practice sterilizations.

ARTICLE 6: Procurement Source.

SECTION 6.1. Foreign Exchange Costs. Disbursements pursuant to Section 7.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in the United States (Code 000 of the A.I.D Geographic Code Book) as in effect at the time orders are placed or contracts entered into for such goods or services) ("Foreign Exchange Costs"), except as A.I.D may otherwise agree in writing, and except as provided in the Project Grant Standard Provisions Annex, Section C.1(b) with respect to marine insurance.

SECTION 6.2. Local Currency Costs. Disbursements pursuant to Section 7.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D may otherwise agree in writing, their origin in Egypt.

ARTICLE 7· Disbursement.

SECTION 7.1. Disbursement for Foreign Exchange Costs.

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for the Foreign

Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon.

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or, (B) requests for A.I.D. to procure commodities or services in Grantee's behalf for the Project; or,

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Grantee in connection with Letters of Commitment and Letters of Credit will be financed under the Grant unless Grantee instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Grant.

SECTION 7.2. Disbursement for Local Currency Costs.

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for Local Currency Costs required for the project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.

(b) The local currency needed for such disbursements may be obtained by acquisition by A.I.D. with U.S. dollars by purchase or from local currency already owned by the U.S. Government.

The U.S. dollar equivalent of the local currency made available hereunder will be the amount of U.S. dollars required by A.I.D. to obtain the local currency.

SECTION 7.3. Other Forms of Disbursement. Disbursements of the Grant may also be made through such other means as the Parties may agree to in writing.

SECTION 7.4. Emergency Disbursements. After satisfaction of the conditions precedent, in the case of an emergency requirement for services or commodities for the innovative technology transfer component of the Project in which there is not sufficient time for completion of the procedures described in Section 7.1 or Section 7.2, as the case may be, A.I.D. from time to time may disburse funds available from this Grant to pay directly the costs of furnishing such services and commodities for such component of the Project. Upon taking any action pursuant to this Section, A.I.D. shall promptly notify the Grantee of such action, the circumstances requiring such action and the amount of funds involved.

SECTION 7.5. Rate of Exchange. If funds provided under the Grant are introduced into Egypt by A.I.D or any public or private agency for purposes of carrying out obligations of A.I.D hereunder, the Grantee will make such arrangements as may be necessary so that such funds may be converted into currency of Egypt at the highest rate of exchange which, at the time the conversion is made, is not unlawful in Egypt.

ARTICLE 8: Miscellaneous.

SECTION 8.1. Communications. Any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following addresses:

TO THE GRANTEE:

Ministry of Economy and Economic Cooperation
8 Adly Street
Cairo, Egypt

Ministry of Health
Magles El Shaab St.
Cairo, Egypt

To A.I.D

A.I.D
U.S. Embassy
Cairo, Egypt

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

SECTION 8.2. Representatives. For all purposes relevant to this Agreement, the Grantee will be represented by the individuals holding or acting in the offices of Minister of Economy and Economic Cooperation, Minister of Health and First Undersecretary of State for Economy and Economic Cooperation and A.I.D. will be represented by the individual holding or acting in the office of Director, U.S.A.I.D., Cairo, Egypt, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Grantee, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority

SECTION 8.3. Standard Provisions Annex. A "Project Grant

Standard Provisions Annex" (Annex 2)[1] is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Grantee and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

ARAB REPUBLIC OF EGYPT:

By: MAHMOUD SALAH EL-DIN HAMED

Name: Dr. Mahmoud Salah El-Din Hamed

Title: *Minister of Finance and Acting Minister of Economy and Economic Cooperation*

MINISTRY OF HEALTH.

By: IBRAHIM GAMIL BADRAN

Name: Ibrahim Gamil Badran

Title: *Minister*

UNITED STATES OF AMERICA:

By: H. FREEMAN MATTHEWS, JR.

Name: H. Freeman Matthews, Jr.

Title: *Charge d'Affaires a.i.*

ANNEX I

Description of Project

The Family Planning Project will assist Egypt to meet the goal of reducing the rate of population growth in accord with the Government's Population and Family Planning Policy The purpose of this project is to strengthen further the currently functioning nationwide family planning systems in order to deliver such services effectively to increasing numbers of Egyptian couples. Family planning is defined to include service delivery systems, training programs, measurement and analysis activities, and efforts to make people at all levels of society aware, informed and motivated to limit family size.

There are five areas of assistance to which this project will contribute to help meet immediate needs:—

Contraceptive Supplies:

Availability of safe and effective contraceptive supplies and equipment is the first essential requirement for family planning programs.

[1] See footnote 1, p. 2241.

in societies such as Egypt. To assist the GOE insure availability, the project will provide the most effective, approved products of current technology, i.e., I.U.D.'s, orals and condoms. Additionally, the project will provide other conventional contraceptives and surgical equipment related to fertility reduction.

The principal inputs of the GOE will be in-country production of orals and I.U.D 's, distribution of all supplies, and compilation of service statistics. A.I.D will provide condoms, I.U.D. inserters, raw materials and limited equipment for local manufacture of I.U.D.'s and oral contraceptives, surgical supplies, and other contraceptive materials and supplies as may be identified during the course of the project.

Family Planning Administration, Ministry of Health:

The second assistance area is improvement of administrative and management capability of the Ministry of Health in the area of family planning services. The Department of Family Planning currently is responsible for planning, coordinating and supervising the implementation of Ministry of Health sponsored family planning services, training and research.

A.I.D will provide funding for support of consultants and for training of the civil service staff in order to support the newly established managerial system for family planning services.

Integrated Social Services Delivery System.

Another area of assistance is demonstrating governorate-wide the achievement of health, family planning and other social service goals through a system of delivery of integrated and mutually reinforcing social services. The project will support the expansion of a pilot activity using this integrated development approach in two districts of Menoufia Governorate to the entire governorate.

A.I.D will finance the services of the Social Research Center (S.R.C.) of the American University of Cairo in order to enable the Center to consolidate its activities in the present two districts in Menoufia Governorate. After approval of a plan of action in accordance with the procedures established within this Agreement, Project Funds will also be made available for upgrading health, family planning and social welfare services and the development of community action programs in all the rural districts of Menoufia Governorate. The upgrading of services will include training of personnel, the development of outreach programs, and the provision of supplies and equipment for implementation of outreach programs.

The GOE will support this project activity through provision of governorate, district and village infrastructure and manpower, as well as provide operational costs for provision of health, family planning and other social services delivery

This project activity will be guided by an Executive Committee under the Chairmanship of the Governor of Menoufia and will have

membership representing the Ministries of Health and Social Affairs, the High Committee for Family Planning Services, the chairman of the district councils in which the project is implemented, and AUC.

Training:

The fourth area of assistance is directed towards training of the essential manpower needed to deliver a successful family planning program. This training activity will focus on four major components. The first will involve design of training programs for the approximately 3,000 medical school students who graduate each year. The second component will be development of Al-Galaa Maternity Hospital in Cairo into a functioning training center for maternal/child health and family planning and model service delivery. The third component will involve development of a field practice training area linked with the High Institute of Public Health in Alexandria. The field practice area will provide supervised practical experience in the planning and management of health and family planning outreach programs. The Project Coordination Committee will determine the location of the field practice area. The fourth component is training in disciplines related to family planning in the U.S. and other countries according to a plan developed in collaboration with A.I.D. and approved by the High Committee for Family Planning Services of the Ministry of Health.

In support of the above, A.I.D. will provide the following: for training of medical school graduates, A.I.D. will finance the cost of consultants to work with training program design and implementation, and will provide funds for the local cost financing for up to 13 training courses in FY 78.

The first stage in the development of Al-Galaa Maternity Hospital into an adequately functioning training center will be improvement of the existing facility Initially, A.I.D. will finance the costs of architect and engineering services required to help design and supervise the renovation of Al-Galaa Maternity Hospital.

A.I.D. will finance long- and short-term consultants and the equipment and supplies required to support the development of the High Institute of Public Health's field practice area. Funds will also be made available for local cost financing of various training activities and equipment.

In addition to the above, A.I.D. will provide foreign exchange to cover costs related to training of up to 15 long-term and 30 short-term participants in FY 78 and FY 77 project funds.

The GOE will actively support the above training activities through provision of funds, facilities and personnel. The medical school graduates will receive GOE financial support during their training programs. The Al-Galaa Maternity Hospital operating expenses will be borne by the GOE. The development of the High Institute of Public Health's field practice area for field training will involve the use of district and HIPH facilities and staff. These costs are to be

financed by the GOE. In regard to participant training, the relevant institution or organization employing an individual selected for participant training will be expected to maintain the participant's salary and allowances during the training period.

Innovative Activities and Technology Transfer·

The final project assistance area identified in this Agreement covers innovation and technology transfer. The project will make available support for local cost financing of innovative activities that may have immediate family planning impact or may lay the groundwork for subsequent larger investments. Examples of such activities include, but are not limited to, tests of new service delivery systems, workshops with family planning impact, and family planning I. E. & C. activities.

In addition to these low-cost innovative activities, foreign exchange will be made available to fund short-term consultation visits of Egyptians and Americans for direct transfer of modern technology in the population field.

A.I.D will provide foreign exchange in FY 77 for the local cost financing of at least 6 innovative activities per year at up to $50,000 per activity Funds will also be made available to finance the short-term consultation visits for technology transfer activities.

While the innovative activities and technology transfer requirements are not known at this time, it may be said with some certainty that the GOE will finance approximately 25 percent of the cost of each activity undertaken in this project area through provision of counterpart and supporting personnel who will be involved directly in the activities.

Proposals for innovative activities and requests for technology transfer consultation visits may come from institutions or organizations already identified in this project or from other entities as long as the proposal or request relates to and may further the family planning program.

Proposals for innovative activities and technology will be reviewed by A.I.D after being approved by the High Committee for Family Planning Services. Approval of expenditure of project funds for these activities will be granted by the Ministry of Economy and Economic Cooperation.

Project Financial Plan

($ 000 or LE 000)

Project No 263-0029

Project Inputs	Cumulative Obligations/Commitments as of Sep. 30, 1977					Future Years Anticipated				Total		
	AID			GOE		AID		GOE		AID		GOE
	$	$(LC)	LE	LE	$	$(LC)	LE	LE	$	$(LC)	LE	LE
Contraceptive Supplies	1, 193	00	00	1, 000	5, 952	00	00	2, 000	7, 145	00	00	3, 000
Assistance for MOH: Family Planning Administration	00	41	00	18	00	95	00	36	00	136	00	54
Integrated Social Services Delivery System	113	1, 018	00	2, 713	110	2, 752	00	5, 427	223	3, 770	00	8, 140
Training, Including the Renovation of Al Galaa Maternity Hospital	883	180	120	553	1, 081	1, 551	274	1, 105	1, 964	1, 731	394	1, 658
Low Cost Innovation and Population Technology Transfer	221	300	20	104	474	690	50	208	695	990	70	312
Contingency	00	51	00	00	00	295	00	00	00	346	00	00
Total LE			LE140	LE4,383			LE324	LE8,776			LE464	13, 164
Total $	$2, 410	$1, 590			$7, 617	$5, 383			$10, 027	$6, 973		

VENEZUELA

Criminal Investigations

Agreement effected by exchange of letters
Signed at Washington December 6 and 8, 1978;
Entered into force December 8, 1978.

The Venezuelan Ambassador to the Deputy Assistant Attorney General, Criminal Division

EMBAJADA DE VENEZUELA
WASHINGTON, D.C.

6 de diciembre de 1978

No. 1942/N-3

Señor
John C. Keeney
Deputy Attorney General
Department of Justice
Washington, D.C. 20530

Apreciado señor Keeney:

Tengo el honor de referirme al Acuerdo sobre Procedimientos de Asistencia Mutua en la Administración de Justicia en relación al asunto de la compañía "Boeing" firmado en Washington el 31 de mayo de 1977 entre el Ministerio de Justicia de la República de Venezuela y el Departamento de Justicia de los Estados Unidos de América. El Ministerio de Justicia de la República de Venezuela solicita que el antes mencionado acuerdo sea extendido mediante un cambio de cartas entre ambas partes para incluir las actividades presuntamente ilícitas de la compañía "McDonald & Douglas" relacionadas con ventas de aviones a Venezuela.

El Ministerio de Justicia de la República de Venezuela se compromete a un intercambio de información relacionado con la compañía "McDonald & Douglas", según los mismos términos y condiciones señalados en el acuerdo antes mencionado.

Atentamente,

Por el Ministerio de Justicia de
la República de Venezuela

Ignacio Iribarren Borges
Embajador

English Text of the Venezuelan Letter

EMBAJADA DE VENEZUELA
WASHINGTON, D. C.

No. 1942/N-3 December 6, 1978

Mr. John C. Keeney
Deputy Attorney General
Department of Justice
Washington, D.C. 20530

Dear Mr. Keeney:

I have the honor to refer to the Procedures for Mutual Assistance in the Administration of Justice in connection with the "Boeing Company" signed in Washington on May 31, 1977 [1] between the Ministry of Justice of the Republic of Venezuela and the Department of Justice of the United States of America. The Ministry of Justice of the Republic of Venezuela requests that the operation of the aforementioned agreement be extended by an exchange of letters between the parties to include alleged ilicit activities by the "McDonald & Douglas Corporation" in relation with sales of aircrafts to Venezuela.

The Ministry of Justice of the Republic of Venezuela undertakes to exchange information relating to "McDonald & Douglas Corporation" under the same terms and conditions as those contained in the aforementioned agreement.

Please accept the assurances of my highest considerations.

On behalf of the Ministry of Justice of the Republic of Venezuela,

Ignacio Iribarren Borges
Ambassador

[1] TIAS 8623, 28 UST 5219.

The Assistant Attorney General, Criminal Division, to the Venezuelan Ambassador

United States Department of Justice
ASSISTANT ATTORNEY GENERAL
CRIMINAL DIVISION
WASHINGTON, D.C. 20530

DEC 8 1978

His Excellency
Ignacio Iribarren Borges
Ambassador of Venezuela
Embassy of Venezuela
Washington, D.C.

Dear Mr. Ambassador:

This is in response to your letter of December 6, 1978, referring to the Agreement of May 31, 1977, between the Ministry of Justice of the Republic of Venezuela and this Department with respect to the activities of the Boeing Company in your country. In your letter you advised that your Ministry of Justice requests that the above Agreement be extended by an exchange of letters so as to include alleged illicit activities by the McDonnell Douglas Corporation in connection with sales activities in Venezuela.

This letter of reply concerning the proposed extension of the Agreement of May 31, 1977, so as to include the activities of the McDonnell Douglas Corporation, as requested in your above-mentioned letter of December 6, 1978, constitutes an Agreement between the Ministry of Justice of the Republic of Venezuela and the Department of Justice of the United States effective this date.

Please accept assurances of my highest consideration.

Sincerely,

Philip B. Heymann

Philip B. Heymann
Assistant Attorney General
Criminal Division

EGYPT

Agricultural Development Planning

Agreement signed at Cairo September 29, 1977;
Entered into force September 29, 1977.
And amending agreement
Signed at Cairo August 31, 1978;
Entered into force August 31, 1978.

A.I.D. Project No. 263-0041

PROJECT
GRANT AGREEMENT
BETWEEN
THE ARAB REPUBLIC OF EGYPT
AND THE
UNITED STATES OF AMERICA
FOR
AGRICULTURAL DEVELOPMENT SYSTEMS

Dated: September 29, 1977

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[1] Not printed herein. For text, see TIAS 8830; 29 UST 501.

A.I.D. Project No. 263-0041

Project Grant Agreement Dated Sept. 29, 1977 Between the Arab Republic of Egypt ("Grantee") and the United States of America, acting through the Agency for International Development ("A.I.D.").

ARTICLE 1. The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Grantee of the Project described herein, and with respect to the financing of the Project by the Parties.

ARTICLE 2: The Project

SECTION 2.1. Definition of Project. The Project, which is further described in Annex 1, will consist of assisting the Grantee in improving its agricultural developmental planning capability The Project will (1) establish a collaborative assistance relationship between a U.S. educational institution and the Cooperating Country in order to plan and develop activities in agricultural research, training and extension and (2) finance these activities.

SECTION 2.2. Incremental Nature of Project.

(a) A.I.D 's contribution to the Project will be provided in increments, the initial one being made available in accordance with Section 3.1 of this Agreement. Subsequent increments will be subject to availability of funds to A.I.D for this purpose, and to the mutual agreement of the Parties, at the time of a subsequent increment, to proceed.

(b) Within the overall Project Assistance Completion Date stated in this Agreement, A.I.D., based upon consultation with the Grantee, may specify in Project Implementation Letters appropriate time periods for the utilization of funds granted by A.I.D under an individual increment of assistance.

ARTICLE 3: Financing.

SECTION 3.1. The Grant. To assist the Grantee to meet the costs of carrying out the Project, A.I.D, pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to grant the Grantee under the terms of this Agreement not to exceed One Million Two Hundred Thousand United States ("U.S.") Dollars ($1,200,000) and Three Hundred Fifty Thousand Egyptian Pounds (L.E. 350,000) ("Grant").

The Grant may be used to finance foreign exchange costs, as defined in Section 6.1, and local currency costs, as defined in Section 6.2, of goods and services required for the Project, except that, unless the Parties otherwise agree in writing, Local Currency Costs financed under the Grant will not exceed the Egyptian Pound portion of the Grant.

[1] 75 Stat. 424, 22 U.S.C. § 2151 note.

SECTION 3.2. Grantee Resources for the Project.

(a) The Grantee agrees to provide or cause to be provided for the Project all funds, in addition to the Grant, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by Grantee for the Project will not be less than One Million Three Hundred Twenty Thousand Egyptian Pounds (L.E. 1,320,000), including costs borne on an "in-kind" basis, of which Five Hundred Thousand Egyptian Pounds (L.E. 500,000) shall consist of a grant to a Special Fund for use in the Project.

SECTION 3.3. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is September 1, 1983, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Grant will have been performed and all goods financed under the Grant will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Grant for services performed subsequent to the PACD or for goods furnished for the project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters are to be received by A.I.D. or any bank described in Section 7.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Grantee, may at any time or times reduce the amount of the Grant by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

ARTICLE 4: Conditions Precedent to Disbursement.

SECTION 4.1. First Disbursement. Prior to the first disbursement under the Grant, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) A statement of the name of the person holding or acting in the office of the Grantee specified in Section 8.2, and of any additional representatives, together with a specimen signature of each person specified in such statement;

(b) Evidence that the Joint Policy and Planning Board has been established, its membership has been appointed, and that it has been

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given full administrative authority to coordinate and implement the Project, including a description of the Board's overall authorities, and the authorities which the Board will delegate to the Joint Directorate,

(c) Evidence that there has been established (1) a process for screening for selection the Project activities (as defined in Annex 1), and (2) a process for the selection of individuals or institutions to implement Project activities; and

(d) Such other documentation as A.I.D may require.

SECTION 4.2. Additional Disbursement. Prior to disbursement under the Grant, or to issuance by A.I.D of documentation pursuant to which disbursement will be made for any specific activity as defined in Annex 1, the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D in form and substance satisfactory to A.I.D a detailed description of the activity

SECTION 4.3. Notification. When A.I.D has determined that the conditions precedent specified in Sections 4.1 and 4.2 have been met, it will promptly notify the Grantee.

SECTION 4.4. Terminal Date for Conditions Precedent. If all of the conditions specified in Section 4.1 have not been met within 90 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to Grantee.

ARTICLE 5: Special Covenants.

SECTION 5.1. Project Evaluation. The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter:

(a) evaluation of progress toward attainment of the objectives of the Project;

(b) identification and evaluation of problem areas of constraints which may inhibit such attainment;

(c) assessment of how such information may be used to help overcome such problems; and

(d) evaluation, to the degree feasible, of the overall development impact of the Project.

ARTICLE 6: Procurement Source.

SECTION 6.1. Foreign Exchange Costs. Disbursements pursuant to Section 7.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in the United States (Code 000 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods or services) ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Grant Standard Provisions Annex, Section C.1(b) with respect to marine insurance.

SECTION 6.2. Local Currency Costs. Disbursements pursuant to Section 7.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D may otherwise agree in writing, their origin in Egypt ("Local Currency Costs").

ARTICLE 7· Disbursement

SECTION 7.1. Disbursement for Foreign Exchange Costs.

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon.

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or, (B) requests for A.I.D to procure commodities or services in Grantee's behalf for the Project; or,

(2) by requesting A.I.D to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D. committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Grantee in connection with Letters of Commitment and Letters of Credit will be financed under the Grant unless Grantee instructs A.I.D. to the contrary Such other charges as the Parties may agree to may also be financed under the Grant.

SECTION 7.2. Disbursement for Local Currency Costs.

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.

(b) The local currency needed for such disbursements may be obtained from local currency already owned by the U.S. Government.

SECTION 7.3. Other Forms of Disbursement. Disbursements of the Grant may also be made through such other means as the Parties may agree to in writing.

ARTICLE 8.1. Miscellaneous.

SECTION 8.1. Communications. Any notice, request, document, or other communication submitted by either Party to the other

under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following addresses:

To the Grantee.
Ministry of Agriculture
Dokki, Giza
Cairo, Egypt

To A.I.D..
A.I.D
U.S. Embassy
Cairo, Egypt

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice. The Grantee, in addition, will provide the USAID Mission with a copy of each communication sent to A.I.D.

SECTION 8.2. Representatives. For all purposes relevant to this Agreement, the Grantee will be represented by the individual holding or acting in the office of Minister of Agriculture and A.I.D. will be represented by the individual holding or acting in the office of Director, U.S.A.I.D., each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Grantee, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority

SECTION 8.3. Standard Provisions Annex. A "Project Grant Standard Provisions Annex" (Annex 2)[1] is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Grantee and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

ARAB REPUBLIC OF EGYPT		UNITED STATES OF AMERICA	
By:	I. SHOUKRY	By:	DONALD S. BROWN
Name:	Eng. Ibrahim Shoukry	Name:	Donald S. Brown
Title:	*Minister of Agriculture*	Title:	*Director, U.S.A.I.D.*

[1] See footnote 1, p. 2259.

ANNEX 1

Project Description

This project provides for the establishment of an Assistance Relationship with the University of California which will assist the Egyptian Government and AID in creating an improved developmental planning capability within the Ministry of Agriculture and related agencies.

This project will, within its own parameters, create an institutional capability to plan and conduct a broad range of work in agricultural development. Under the general direction of a Joint Policy and Planning Board the needs of the agricultural sector will be identified. The project will then undertake implementation of various activities through regular agencies or institutions charged with a given set of responsibilities or through specially created task forces as may be necessary The planning and implementation of problem solving activities will benefit specific groups and also provide necessary experience and examples in joint participation in building the desired institutional capability The resultant institutional framework and problem solving experience should provide a significant base from which to carry out sustained programs in agricultural development. The agreement with the University of California will also facilitate travel of Egyptians to the U.S. to participate in developing the project activities.

This project vests considerable responsibility in the collaborating U.S. institution and the host government. They will share responsibility for determining the feasibility of project activities and assuring that the benefits of their actions will be transferred to the targeted people and institutions.

The coordination and evaluation of the project will be accomplished by a Joint Policy and Planning Board which will have Egyptian and U.S. university members. AID will review and approve financing for project activities under the Grant, or consider new funding for activities for which funding is not available under the Grant, or recommend alternate funding sources.

The Joint Policy and Planning Board will be made up of about ten persons representing the Egyptian Government and Egyptian institutions and the University of California. It will meet up to four times a year. The members of the Board should be chosen on the basis of their expertise, experience, broad vision, and their interest in agricultural science, development, and policy.

The continuing work of project development and administration will be delegated by the Board to a Joint Directorate headed by two Co-directors, one for the GOE and one for the UC. The Co-directors will be resident in Egypt.

Pursuant to the priorities and actions of the Board, ad hoc expert committees made up of Egyptian and US scientists will be formed to

undertake sub-project development. The charge of such an expert committee would be to identify the problems in a subject or commodity area and to develop a proposal for research, training and/or extension work, including the necessary funding, for consideration by the Board and AID Following sub-project approval the committee may assist in the organization of the sub-project activities.

Similar ad hoc expert committees may be formed for review and evaluation of sub-projects and activities periodically

As the activities increase in number and scope, it may be desirable to form an organization for each sub-project to facilitate the administration and scientific coordination of the work. This could include a sub-project supervisor and a continuing committee of Egyptian and UC scientists.

Activities within the project will include:

1. Sub-projects: Major efforts of technical or capital assistance requiring multi-year assistance, long term advisors, capital inputs, or a combination of assistance designed to have a marked impact on a problem area. These will require specific design and long term budget (sets of objectives, inputs, outputs, etc.) and must be recommended for approval by the project Policy and Planning Board.
2. Joint Research Activities: Research activities or series of such required to enhance the state of knowledge and to enable determination of what should be done with respect to an agricultural development problem. It is anticipated that both Egyptian and U.S. scientists, specialists or research assistants would work on the problem over a series of months, but the dollar financing of goods or services would not exceed a total of U.S. $300,000 per activity, including indirect costs. Justified work could be either in Egypt or in the U.S.
3. Technology Transfer· Short term or series of limited short term consultancies of Egyptian and U.S. scientists for the purpose of addressing a specific agricultural problem. The expectation of the consultancies is that use of existing knowledge and its application would result in problem solutions or recommendations for sets of action required for solutions, i.e., research or lengthy investigations are not anticipated.
4. Feasibility Studies and Sub-project Design Activities: Activities that require joint team efforts of several specialists to determine the economic, technical and social soundness of making major investments to exploit production potentials, commodity utilization and marketing, or to improve institutional capability or address a set of closely related problems. While determination of the feasibility of doing something and the design of the sub-project on what is to be done are conceptually separate activities, a feasibility study in the context of this project can incorporate both feasibility analysis and sub-project design.

5. General Training: Long or short term training of Egyptians which is not an integral part of sub-projects or joint research activities (includes study tours, third country or U.S. training, and attendance at scientific conferences).

With respect to the above problem solving activities, the contractor will serve as a source of assistance and information in response to general or specific requests from the GOE. Such assistance will be provided through written communications, including transmission of publications, assignment of personnel to Egypt for specified tours of duty, or arranging short time work or study tours for Egyptian officials or technologists in the U.S.

AGRICULTURAL DEVELOPMENT SYSTEMS FINANCIAL PLAN COMPONENT REQUIREMENTS (000 $)

Project Inputs	First Year			Future Year Estimates			Totals		
	USAID		GOE LE	USAID		GOE LE	USAID		GOE LE
	US $	US LE ($ eq)		US $	US LE ($ eq)		US $	US LE ($ eq)	
Collaborative Assistance Agreement With US Institution	800	180 (257)	50	1400	400 (572)	200	2200	580 (829)	250
Sub Projects			1050	6055	1100 (1572)	1800	6055	1100 (1572)	2850
Feasibility Studies	70	20 (29)	120	475	67 (96)		545	87 (124)	120
Technology Transfer	30	10 (14)		320	42 (60)		350	52 (74)	
Joint Research	250	125 (179)	100	1400	530 (757)		1650	655 (936)	100
General Training	50	15 (21)		150	35 (50)		200	50 (71)	
Totals	1200	350 (500)	1320	9800	2174 (3106)	2000	11, 000	2524 (3606)	3320

[AMENDING AGREEMENT]

A.I.D. Project Number 263-0041

FIRST AMENDMENT TO GRANT AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE ARAB REPUBLIC OF EGYPT FOR AGRICULTURAL DEVELOPMENT SYSTEMS

Dated: August 31, 1978

First Amendment, dated August 31, 1978, to the Grant Agreement, dated September 29, 1977, between the Arab Republic of Egypt ("Grantee") and the United States of America, acting through the Agency for International Development ("A.I.D "), for Agricultural Development Systems ("Grant Agreement").

SECTION 1. The Grant Agreement is amended as follows:

Section 3.1 is amended by deleting "One Million Two Hundred Thousand United States ("U.S.") Dollars ($1,200,000) and Three Hundred Fifty Thousand Egyptian Pounds (L.E. 350,000)" and substituting therefor "Five Million United States ("U.S.") Dollars ($5,000,000) and Eight Hundred Ninety Thousand Egyptian Pounds (L.E. 890,000)"

SECTION 2. This First Amendment shall enter into force when signed by both parties hereto.

SECTION 3. Except as specifically amended or modified herein, the Grant Agreement shall remain in full force and effect in accordance with all of its terms.

IN WITNESS WHEREOF, the Arab Republic of Egypt and the United States of America, each acting through its respective duly authorized representatives, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

ARAB REPUBLIC OF EGYPT		UNITED STATES OF AMERICA	
By:	MAHMOUD M. DAWOOD	By:	DONALD S. BROWN
Name:	Dr. Mahmoud M. Dawood	Name:	Donald S. Brown
Title:	*Minister of Agriculture*	Title:	*Director, USAID/Cairo*

EGYPT

Rice Research and Training Program

Agreement signed at Cairo September 29, 1977;
Entered into force September 29, 1977.

A.I.D. Project No. 263-0027

PROJECT
GRANT AGREEMENT
BETWEEN
THE ARAB REPUBLIC OF EGYPT
AND THE
UNITED STATES OF AMERICA
FOR
RICE RESEARCH AND TRAINING

Dated: SEPTEMBER 29, 1977

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[1] Not printed herein. For text, see TIAS 8830; 29 UST.

A.I.D. Project No. 263-0027

Project Grant Agreement Dated Sept. 29, 1977 Between the Arab Republic of Egypt ("Grantee") and the United States of America, acting through the Agency for International Development ("A.I.D.")

ARTICLE 1. The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Grantee of the Project described herein, and with respect to the financing of the project by the Parties.

ARTICLE 2: The Project

SECTION 2.1. Definition of Project. The Project, which is further described in Annex 1, will finance technical assistance, commodity procurement and technical training in support of a coordinated rice research and training program. It will also consist of assistance to provide new information and knowledge regarding rice production, processing and storage by increasing research and training capabilities through development of a coordinated rice research and training program.
The Project will consist of six components:

(a) establishment and support of an administrative structure involving a Rice Research Advisory Council, with interministereal representation, to establish linkages between ministries and provide policy guidance regarding rice research, training and production, and a National Rice Research Administration to coordinate and administer the national program of rice research,
(b) development of a commodity oriented team of rice production researchers trained, equipped and motivated to identify and eliminate constraints to rice production on farmer's fields;
(c) development of an extension capability to serve as a line of communication between rice researchers and rice farmers;
(d) development of a rice production mechanization program which will identify appropriate levels and types of mechanization for rice production, develop and test new or modified equipment and provide training in equipment design, operation and utilization,
(e) development of an overall rice seed production and processing program designed to provide improved, high quality seed in sufficient quantities to meet farmers' annual requirements;
(f) development of a milling and processing program to improve and expand research and training for design, operation and management of rice milling and processing activities.

Annex 1, attached, amplifies the above definition of the Project. Within the limits of the above definition of the Project, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the Parties named in Section 8.2, without formal amendment of this Agreement.

SECTION 2.2. Incremental Nature of Project.

(a) A.I.D 's contribution to the Project will be provided in increments, the initial one being made available in accordance with Section 3.1 of this Agreement. Subsequent increments will be subject to availability of funds to A.I.D for this purpose, and to the mutual agreement of the Parties, at the time of a subsequent increment, to proceed.
(b) Within the overall Project Assistance Completion Date stated in this Agreement, A.I.D., based upon consultation with the Grantee, may specify in Project Implementation Letters appropriate time periods for the utilization of funds granted by A.I.D under an individual increment of assistance.

ARTICLE 3: Financing

SECTION 3.1. The Grant. To assist the Grantee to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to grant the Grantee under the terms of this Agreement not to exceed Two Million Three Hundred Sixty Seven Thousand United States ("U.S.") Dollars ($2,367,000) and Five Hundred Twenty Two Thousand Egyptian Pounds (L.E. 522,000) ("Grant").

The Grant may be used to finance foreign exchange costs, as defined in Section 6.1, and local currency costs, as defined in Section 6.2, of goods and services required for the Project, except that, unless the Parties otherwise agree in writing, Local Currency Costs financed under the Grant will not exceed the Egyptian Pound portion of the Grant.

SECTION 3.2. Grantee Resources for the Project.

(a) The Grantee agrees to provide or cause to be provided for the Project all funds, in addition to the Grant, and all other resources required to carry out the Project effectively and in a timely manner.
(b) The resources provided by Grantee for the Project will not be less than Five Hundred and Sixty-Five Thousand Egyptian Pounds (L.E. 565,000), including costs borne on an "in-kind" basis.

SECTION 3.3. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is

[1] 75 Stat. 424, 22 U.S.C. § 2151 note.

September 1, 1983, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Grant will have been performed and all goods financed under the Grant will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Grant for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters are to be received by A.I.D. or any bank described in Section 7.1 no later than nine (9) months following the PACD; or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Grantee, may at any time or times reduce the amount of the Grant by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

ARTICLE 4: Conditions Precedent to Disbursement

SECTION 4.1. First Disbursement. Prior to the first disbursement under the Grant, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D..

(a) A statement of the name of the persons holding or acting in the offices of the Grantee specified in Section 8.2, and of any additional representatives, together with a specimen signature of each person specified in such statement;

(b) An executed contract for technical advisory services for the Project acceptable to A.I.D. with a firm acceptable to A.I.D.;

(c) Evidence of the appointment of a Project Director;

(d) Evidence that a Rice Research Advisory Council has been established and its membership has been appointed;

(e) Evidence that the National Rice Research Administration has been established and is functioning with full and complete administrative authority over the development and implementation of this project under the joint authority of the Ministry of Agriculture and the Ministry of Trade and Supply;

(f) Such other documentation as A.I.D. may require.

SECTION 4.2. Notification. When A.I.D. has determined that the conditions precedent specified in Section 4.1 have been met, it will promptly notify the Grantee.

SECTION 4.3. Terminal Date for Conditions Precedent. If all of the conditions specified in Section 4.1 have not been met within 210 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to Grantee.

ARTICLE 5: Special Covenant

SECTION 5.1. Project Evaluation. The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter·

(a) evaluation of progress toward attainment of the objectives of the Project;
(b) identification and evaluation of problem areas of constraints which may inhibit such attainment;
(c) assessment of how such information may be used to help overcome such problems; and
(d) evaluation, to the degree feasible, of the overall development impact of the Project.

ARTICLE 6: Procurement Source

SECTION 6.1. Foreign Exchange Costs. Disbursements pursuant to Section 7.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in the United States (Code 000 of the A.I.D Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods or services) ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Grant Standard Provisions Annex, Section C.1(b) with respect to marine insurance.

SECTION 6.2. Local Currency Costs. Disbursements pursuant to Section 7.2. will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D may otherwise agree in writing, their origin in Egypt.

ARTICLE 7 Disbursement

SECTION 7.1. Disbursement for Foreign Exchange Costs.

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon.

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or, (B) requests for

A.I.D. to procure commodities or services in Grantee's behalf for the Project; or,

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Grantee in connection with Letters of Commitment and Letters of Credit will be financed under the Grant unless Grantee instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Grant.

SECTION 7.2. Disbursement for Local Currency Costs.

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.

(b) The local currency needed for such disbursements may be obtained from local currency already owned by the U.S. Government.

SECTION 7.3. Other Forms of Disbursement. Disbursements of the Grant may also be made through such other means as the Parties may agree to in writing.

ARTICLE 8: Miscellaneous

SECTION 8.1. Communications. Any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following addresses:

TO THE GRANTEE:

Mail Address: Ministry of Agriculture
Dokki, Giza
Cairo, Egypt

Alternate address for cables:

Ministry of Agriculture
Dokki, Giza
Cairo, Egypt

To A.I.D..

Mail Address: A.I.D.
U.S. Embassy
Cairo, Egypt

TIAS 9335

60-963 O - 80 - 61 QL 3

Alternate address for cables:

A.I.D.
U.S. Embassy
Cairo, Egypt

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

SECTION 8.2. Representatives. For all purposes relevant to this Agreement, the Grantee will be represented by the individual holding or acting in the office of Minister of Agriculture and A.I.D. will be represented by the individual holding or acting in the office of Director, U.S.A.I.D., Cairo, Egypt, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description of Annex 1. The names of the representatives of the Grantee, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

SECTION 8.3. Standard Provisions Annex. A "Project Grant Standard Provisions Annex" (Annex 2)[1] is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Grantee and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

ARAB REPUBLIC OF EGYPT		UNITED STATES OF AMERICA	
By:	I. SHOUKRY	By:	DONALD S. BROWN
Name:	Eng. Ibrahim Shoukry	Name:	Donald S. Brown
Title:	*Minister of Agriculture*	Title:	*Director, U.S.A.I.D.*

ANNEX 1

Project Description

The Rice Research and Training Project is designed to provide new information and knowledge for rice production, processing and storage by increasing research and training capabilities. This will be accomplished by establishing a coordinated rice research training program and developing a cadre of well qualified researchers and training specialists. The knowledgeable, commodity oriented cadre will focus on identifying and eliminating constraints to rice production on

[1] See footnote 1, p. 2272.

farmers' fields and in rice mills. Over 750 work years of on-the-job training will be provided during the project.

Although the project will not attempt to address directly any national goal for increased rice production, it will provide significant knowledge and expertise prerequisite to a substantial increase in rice production.

The Rice Research and Training Project will address six interdisciplinary factors related to rice production and processing:

Administration.

A Rice Research Advisory Council with interministerial representation will be formed to establish linkages between ministries to address the problems and issues of rice production and processing which cut across government ministerial lines, scientific disciplines, and implementation approaches. A National Rice Research Administration will also be established as an organization to coordinate and administer the national program for rice research and training.

Research:

The main thrust of rice production research will be carried out at the Sakha Station, ancillary research, which is site specific, will be carried out at El Sirw Station. A cadre of 25 Egyptian specialists will be selected and trained in breeding, agronomy, biometrics, entomology, pathology, economics, and research station management. The cadre and the technical specialists will design and conduct a research project to eliminate identified constraints.

Extension:

A line of communication between researchers and farmers will be provided by a team of 20 rice production extension specialists (RPES). They will receive practical training in rice production techniques for conducting on-farm trials and demonstrations in the six major rice growing governorates.

Mechanization.

Appropriate levels and types of mechanization for rice production will be identified. A team of 25 will be selected and trained to design, develop, modify and test equipment. Small groups of farmers will be encouraged to purchase cooperatively newly designed and tested equipment which has been manufactured locally.

Seed Production and Processing:

An overall rice seed production and processing program aimed at providing improved, high quality seed to the farmers will be developed to produce seed in sufficient quantities to meet the farmers' annual requirements. A team of 30 will be trained as seed farm managers, farm equipment operators and mechanics for producing the seed. A

seed processing center will be constructed with an annual capacity of 5000 tons of rice seed. A staff of 25 including plant managers and operators, mechanics, and seed analysts will be given on-the-job training.

Milling and Processing:

Research in rice milling and processing will concentrate on increasing efficiency through a greater out-turn of bead rice, controlling insects in stored grain, utilization of rice bran-oil and rice hulls, and reducing broken grains. A team of 30 will be selected and trained to conduct research in design, operation and management of rice milling and processing activities. Some of the team members will in turn train mill managers, operators, and maintenance personnel.

The Project will be implemented by NRRA under authority delegated by the Minister of Agriculture and the Minister of Trade and Supply Technical assistance, commodity support, and training program inputs will be provided under a contract between an institution, university, or foundation and the Government of Egypt. A Project Technical Manager will be provided by the Project Contractor to assist and coordinate all activities of the project in Egypt for the duration of the contract.

A comprehensive evaluation and review of the project's accomplishments will be conducted in October, 1981, to determine the effectiveness and utility of completed activities. The evaluation will also serve as a basis for determining the advisability of future national or regional programs related to rice production. A final project evaluation will begin eight months after conclusion of the project.

RICE RESEARCH AND TRAINING BUDGET COMPONENT REQUIREMENTS

($000's)

Project Inputs	First Year			Future Years Anticipated			Total		
	USAID		GOE	USAID		GOE	USAID		GOE
	US $	LE $US (eq)	LE	US $	LE $US (eq)	LE	US $	LE $US (eq)	LE
Administration	189	23	43	522	85	207	711	108	250
Research	694	551	150	2626	892	1115	3320	1443	1265
Extension	69	33	35	488	94	349	557	127	384
Mechanization	234	32	80	723	145	525	957	177	605
Seed Production & Processing	741	63	90	508	110	995	1249	173	1085
Milling & Processing	440	44	54	961	155	492	1401	199	546
Total			452			3683			4135
Inflation (10%) [1]			45			369			414
Contingency (15%) [1]			68			553			621
Grand Total	2367	746	565	5828	1481	4605	8195	2227	5170

[1] 10% Inflation and +15% Contingency included in USAID figures above [Footnote in the original]

EGYPT

Technology Transfer and Manpower Development

Agreement signed at Cairo August 11, 1977;
Entered into force August 11, 1977.
And amending agreements
Signed at Cairo August 31, 1977;
Entered into force August 31, 1977.
And signed at Cairo May 18, 1978;
Entered into force May 18, 1978.
And signed at Cairo August 15, 1978;
Entered into force August 15, 1978.

PROJECT
GRANT AGREEMENT
BETWEEN
THE ARAB REPUBLIC OF EGYPT
AND THE
UNITED STATES OF AMERICA
FOR
TECHNOLOGY TRANSFER AND
MANPOWER DEVELOPMENT III

Dated. August 11, 1977

A.I.D. Project No. 263-0026

Project Grant Agreement Dated August 11, 1977 Between the Arab Republic of Egypt, Acting Through the Ministry of Economy and Economic Cooperation ("Grantee") And the United States of America, Acting Through the Agency for International Development ("A.I.D.")

ARTICLE 1. The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Grantee of the Project described below, and with respect to the financing of the Project by the Parties.

ARTICLE 2: The Project

SECTION 2.1. Definition of Project. The Project will consist of assisting the Grantee, and such private sector organizations as the Grantee may indicate, in the planning and implementation of development programs and projects and in the effective utilization of foreign assistance. Specifically, the Project will provide assistance to solve immediate technical and planning/managerial problems and to create an appreciation of the need for change and the means for accomplishing it. Such assistance can take the form of.

(a) Advisory services, normally not to exceed six months in duration;

(b) Demonstration and didactic materials required to make full use of technical assistance being received under this Grant, through the Joint Working Groups or through other channels;

(c) Other supplies and equipment needed to relieve critical constraints to the solution of technical and planning/managerial problems, to speed up implementation or make more effective use of foreign assistance programs, to support U.S.-assisted adaptive research and to support or implement the Grantee's high-impact development activities;

(d) Academic or job-related training in the U.S.;

(e) Short-term visits for observation, to attend conferences or establish contacts in the public and private sectors;

(f) Inputs required to strengthen the operations of Grantee organizations concerned with implementation of foreign assistance programs; and

(g) Such other cost items as may be needed.

These items are expected to lead to the solution of technical and planning/managerial problems, an exposure to U.S. concepts and methods, the establishment of long-term institutional and personal relationships, the implementation of Joint Working Group initiatives and accelerated implementation of the A.I.D. development assistance program for Egypt. In general, these signify a broad dissemination of advanced technology.

SECTION 2.2. Incremental Nature of Project.

(a) A.I.D 's contribution to the Project will be provided in increments, the initial one being made available in accordance with Section 3.1 of this Agreement. Subsequent increments will be subject to availability of funds to A.I.D. for this purpose, and to the mutual agreements of the Parties, at the time of a subsequent increment, to proceed.

(b) Within the overall Project Assistance Completion Date stated in this Agreement, A.I.D., based upon consultation with the Grantee, may specify in Project Implementation Letters appropriate time periods for the utilization of funds granted by A.I.D. under an individual increment of assistance.

ARTICLE 3. Financing

SECTION 3.1. The Grant. To assist the Grantee to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to grant the Grantee under the terms of this Agreement not to exceed one million United States ("U.S.") Dollars ($1,000,000) ("Grant").

The Grant may be used only to finance foreign exchange costs, as defined in Section 6.1, of goods and services required for the Project.

SECTION 3.2. Grantee Resources for the Project. The Grantee agrees to provide or cause to be provided for the Project all funds, in addition to the Grant, and all other resources required to carry out the Project effectively and in a timely manner. Without affecting the generality of the foregoing, the Grantee convenants that it will provide on a timely basis all necessary local logistic support as may be required to ensure effective utilization of services and goods financed under the Grant, not otherwise financed by A.I.D. under its Local Cost Project Support grant.

SECTION 3.3. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is May 31, 1980, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Grant will have been performed and all goods financed under the Grant will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D will not issue or approve documentation which would authorize disbursement of the grant for services performed subsequent to the PACD or for goods furnished for the project, as contemplated in this Agreement, subsequent to the PACD

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters are to be received by A.I.D or any bank described in Section 7.1 no later than nine (9) months following the PACD, or such other period

[1] 75 Stat. 424, 22 U.S.C. § 2151 note.

as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Grantee, may at any time or times reduce the amount of the Grant by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

ARTICLE 4: Conditions Precedent to Disbursement

SECTION 4.1. First Disbursement. Prior to the first disbursement under the Grant, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) A statement of the names of the persons holding or acting in the offices of the Grantee specified in Section 8.2, and of any additional representatives, together with a specimen signature of each person specified in such statement; and

(b) Such other documents or information as A.I.D. may reasonably request.

SECTION 4.2. Additional Disbursement. Prior to any disbursement, or the issuance of any commitment documents under the Project to finance a particular activity proposed under the Grant, Grantee shall, except as A.I.D. may otherwise agree in writing, furnish in form and substance satisfactory to A.I.D., an identification of the activity, its purposes, the organization in charge of its implementation, and its estimated cost, including both the amounts proposed for A.I.D. financing and for financing from other sources.

SECTION 4.3. Notification. When A.I.D. has determined that the conditions precedent specified in Section 4.1 have been met, it will promptly notify the Grantee. Written agreement by A.I.D. to fund any particular activity under the Project shall constitute notification that the condition precedent specified in Section 4.2 has been met with respect to disbursement for such activity.

SECTION 4.4. Terminal Date for Conditions Precedent. If all of the conditions specified in Section 4.1 have not been met within 90 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to Grantee.

ARTICLE 5: Special Covenants

SECTION 5.1. Project Evaluation. The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter:

(a) evaluation of progress toward attainment of the objectives of the Project;

(b) identification and evaluation of problem areas of constraints which may inhibit such attainment;

(c) assessment of how such information may be used to help overcome such problems; and

(d) evaluation, to the degree feasible, of the overall development impact of the Project.

SECTION 5.2. Participant Guidelines. The Parties agree to establish guidelines for the programming of participant trainees. Except as the Parties may otherwise agree in writing, no new trainees shall be funded under the Grant after November 30, 1977 unless the guidelines have been established and the trainees and their proposed programs are in conformance with the guidelines.

ARTICLE 6: Procurement Source

SECTION 6.1. Foreign Exchange Costs. Disbursements pursuant to Section 7.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in the United States (Code 000 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods or services) ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Grant Standard Provisions Annex,[1] Section C.1(b) with respect to marine insurance.

ARTICLE 7· Disbursement

SECTION 7.1. Disbursement for Foreign Exchange Costs.

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon.

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or, (B) requests for A.I.D. to procure commodities or services in Grantee's behalf for the Project; or,

(2) by requesting A.I.D to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Grantee in connection with Letters of Commitment and Letters of Credit will be financed under the Grant unless Grantee instructs A.I.D. to the contrary Such other charges as the Parties may agree to may also be financed under the Grant.

[1] Not printed herein. For text, see TIAS 8830; 29 UST 501.

(c) After satisfaction of conditions precedent, in the case of an emergency requirement for services or commodities in which there is not sufficient time for completion of the procedures described in Section 7.1(a), A.I.D. from time to time may disburse funds available from this Grant to pay directly the costs of furnishing such services and commodities in connection with the program. Upon taking any action pursuant to this Section 7.1(c), A.I.D. shall promptly notify the Government of such action, the circumstances requiring such action and the amount of funds involved.

SECTION 7.2. Other Forms of Disbursement. Disbursements of the Grant may also be made through such other means as the Parties may agree to in writing.

ARTICLE 8: Miscellaneous

SECTION 8.1. Communications. Any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following addresses:

TO THE GRANTEE:

Mail Address:	Ministry of Economy and Economic Cooperation 8 Adly Street Cairo, Arab Republic of Egypt
Alternate address for cables:	8 Adly Street Cairo

To A.I.D.:

Mail Address:	USAID/Egypt c/o Embassy of the United States of America 5 Latin America Street Cairo, Arab Republic of Egypt
Alternate address for cables:	A.I.D. U.S. Embassy Cairo

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

SECTION 8.2. Representatives. For all purposes relevant to this Agreement, the Grantee will be represented by the individuals holding or acting in the offices of the Minister of Ecomony and Economic Cooperation and the First Undersecretary of State for Economic Cooperation, and A.I.D. will be represented by the individual holding or acting in the office of the Director, USAID/Egypt, Cairo, Egypt, each of whom, by written notice, may designate additional representatives.

The names of the representatives of the Grantee, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority

SECTION 8.3. Standard Provisions Annex. A "Project Grant Standard Provisions Annex" (Annex 1) [1] is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Grantee and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

THE ARAB REPUBLIC OF EGYPT	UNITED STATES OF AMERICA
By: ALY ELNAZER	By: DONALD S. BROWN
Name:	Name: Donald S. Brown
Title: *Deputy Chairman Investment Authority*	Title: *Director, USAID/Cairo*
First Undersecretary of State for Economic Cooperation	

[AMENDING AGREEMENTS]

A.I.D. Project Number 263-0026

FIRST AMENDMENT TO PROJECT GRANT AGREEMENT BETWEEN THE ARAB REPUBLIC OF EGYPT AND THE UNITED STATES OF AMERICA FOR TECHNOLOGY TRANSFER AND MANPOWER DEVELOPMENT III

Dated. AUGUST 31, 1977

[1] See footnote 1, p. 5.

TIAS 9336

Project Grant Agreement Amendment dated August 31, 1977 between the Arab Republic of Egypt, acting through the Ministry of Economy and Economic Cooperation ("Government") and the Government of the United States of America, acting through the Agency for International Development ("A.I.D.").

SECTION 1. Section 3.1 of the Project Grant Agreement dated August 11, 1977, between the Government and A.I.D. for Technology Transfer and Manpower Development III is hereby amended by deleting "One Million United States ("U.S.") Dollars ($1,000,000)" and substituting "Four Million, Five Hundred Thousand United States ("U.S.") Dollars ($4,500,000)."

SECTION 2. This Project Grant Agreement Amendment shall enter into force when signed by both parties hereto.

SECTION 3. Except as specifically amended hereby, the Project Grant Agreement dated August 11, 1977, between the Government and A.I.D. shall remain in full force and effect.

IN WITNESS WHEREOF, the Government and the United States of America, each acting through its respective duly authorized representatives, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

ARAB REPUBLIC OF EGYPT		UNITED STATES OF AMERICA	
By:	A. G. EL NAZR	By:	DONALD S. BROWN
Name:	A. G. El Nazr	Name:	Donald S. Brown
Title:	*First Undersecretary of State for Economic Cooperation*	Title:	*Director, U.S.A.I.D.*

A.I.D. Project Number 263-0026

SECOND AMENDMENT TO
PROJECT
GRANT AGREEMENT
BETWEEN
THE ARAB REPUBLIC OF EGYPT
AND THE
UNITED STATES OF AMERICA
FOR
TECHNOLOGY TRANSFER AND
MANPOWER DEVELOPMENT III

Dated. MAY 18, 1978

TIAS 9336

Project Grant Agreement Amendment dated May 18, 1978 between the Arab Republic of Egypt, acting through the Ministry of Economy and Economic Cooperation ("Government") and the Government of the United States of America, acting through the Agency for International Development ("A.I.D.").

SECTION 1. Section 3.1 of the Project Grant Agreement dated August 11, 1977, between the Government and A.I.D for Technology Transfer and Manpower Development III, as amended by Section 1 of the First Amendment dated August 31, 1977, is hereby amended by deleting "Four Million Five Hundred Thousand United States ("U.S.") Dollars ($4,500,000)" and substituting "Seven Million Five Hundred Thousand United States ("U.S.") Dollars ($7,500,000)."

SECTION 2. Section 8.2 of the above-cited Project Grant Agreement is hereby amended by deleting "First Undersecretary of State for Economic Cooperation" and substituting "Deputy Chairman of the Investment Authority in Charge of American Aid to Egypt."

SECTION 3. This Project Grant Agreement Amendment shall enter into force when signed by both parties hereto.

SECTION 4. Except as specifically amended hereby, the Project Grant Agreement dated August 11, 1977, between the Government and A.I.D shall remain in full force and effect.

IN WITNESS WHEREOF, the Government and the United States of America, each acting through its respective duly authorized representatives, have caused this Amendment to be signed in their names and delivered as of the day and year first above written.

ARAB REPUBLIC OF EGYPT		UNITED STATES OF AMERICA	
By:	HAMED A. EL SAYEH	By:	DONALD S. BROWN
Name:	Hamed A. El Sayeh	Name:	Donald S. Brown
Title:	*Minister of Economy*	Title:	*Director, USAID/Egypt*

A.I.D. Project Number 263-0026

THIRD AMENDMENT
TO
GRANT AGREEMENT
BETWEEN THE
UNITED STATES OF AMERICA
AND THE
ARAB REPUBLIC OF EGYPT
FOR
TECHNOLOGY TRANSFER AND MANPOWER
DEVELOPMENT III

Dated: AUGUST 15, 1978

TIAS 9336

Third Amendment, dated August 15, 1978 to the Grant Agreement, dated August 11, 1977, as amended on August 31, 1977 and May 18, 1978, between the Arab Republic of Egypt ("Grantee") and the United States of America, acting through the Agency for International Development ("A.I.D."), for Technology Transfer and Manpower Development ("Grant Agreement").

SECTION 1. The Grant Agreement is amended as follows:

Section 3.1 is amended by deleting "Seven Million Five Hundred Thousand United States ("U.S.") Dollars ($7,500,000)" and substituting "Eight Million Five Hundred Thousand United States ("U.S.") Dollars ($8,500,000)"

SECTION 2. This Third Amendment shall enter into force when signed by both parties hereto.

SECTION 3. Except as specifically amended or modified herein, the Grant Agreement shall remain in full force and effect in accordance with all of its terms.

IN WITNESS WHEREOF, the Arab Republic of Egypt and the United States of America, each acting through its respective duly authorized representatives, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

ARAB REPUBLIC OF EGYPT		UNITED STATES OF AMERICA	
By:	HAMED A. EL SAYEH	By:	DONALD S. BROWN
Name:	Hamed A. El-Sayeh	Name:	Donald S. Brown
Title:	*Minister of Economy*	Title:	*Director, USAID/Cairo*

JORDAN

Economic Stability

Agreement signed at Amman December 22, 1977;
Entered into force December 22, 1977.

Grant Agreement Dated: December 22, 1977 Between The Hashemite Kingdom of Jordan ("Grantee") And The United States of America, acting through The Agency for International Development ("A.I.D.")

SECTION 1. The Grant: In accordance with the General Agreement effective July 1, 1957 between the United States of America and the Hashemite Kingdom of Jordan[1] and subject to the terms and conditions of this Agreement, A.I.D. hereby agrees to grant the Grantee pursuant to the Foreign Assistance Act of 1961 as amended,[2] up to Forty Million U.S. Dollars ($40,000,000) as budgetary assistance to support and promote the economic stability of the Grantee.

SECTION 2. Conditions Precedent: Except as A.I.D. may otherwise agree in writing, prior to the disbursement or request therefor, Grantee shall furnish to A.I.D in form and substance satisfactory to A.I.D.:

(a) An opinion satisfactory to A.I.D of Grantee's Minister of Justice or other counsel satisfactory to A.I.D. that this Agreement has been duly authorized or ratified by, and executed on behalf of, Grantee and constitutes a valid and legally binding obligation of Grantee in accordance with its terms; and

(b) The name or names of the person or persons who will act as the representatives of Grantee pursuant to Section 7 hereof together with the evidence of his or their authority and a specimen signature of each person, certified as to its authenticity

SECTION 3. Terminal Date for Conditions Precedent: Except as A.I.D may otherwise agree in writing, if the conditions of Section 2 have not been satisfied within thirty (30) days of the date of this Agreement, A.I.D. at any time thereafter, but prior to the satisfaction of the applicable conditions, may at its option, terminate this Agreement by written notice to Grantee.

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[1] TIAS 3870; 8 UST 1073.
[2] 75 Stat. 424, 22 U.S.C. § 2151 note.

SECTION 4. General Covenants:

(a) Taxation. This Agreement and the amount to be granted hereunder shall be free from any taxation or fees imposed under any laws in effect within Jordan.

(b) Use of Funds: Grantee agrees that the funds provided hereunder shall be used exclusively for non-military items needed to meet development and recurring civilian requirements within the official Jordanian 1978 calendar year budget.

SECTION 5. Disbursements: Upon showing to A.I.D. of satisfaction of the conditions precedent noted hereinabove, A.I.D. will deposit to the account of the Grantee in a to-be-named bank in the United States or Jordan up to Forty Million U.S. Dollars ($40,000,000) in three installments, the first within 30 days of the signing of this agreement and, thereafter, on or about April and July of 1978 in the Third and Fourth quarters of U.S. Fiscal Year 1978, in amounts of Fourteen Million U.S. Dollars ($14,000,000), for the first installment and Thirteen Million U.S. Dollars ($13,000,000) for the two subseqent installments.

SECTION 6. Reports: Grantee shall furnish A.I.D. with such information and reports relating to this grant and such inspection of records or audit as A.I.D. may reasonably request.

SECTION 7 Use of Representatives:

(a) All actions required or permitted to be performed or taken under this Agreement by Grantee or A.I.D. may be performed by their respective duly authorized representatives.

(b) Grantee hereby designates the President of the National Planning Council as its representative with authority to designate in writing other representatives of Grantee in its dealings with A.I.D. (Grantee's representative or representatives designated pursuant to this Section, unless A.I.D. is given written notice otherwise, shall have authority to agree on behalf of Grantee to any modification of this agreement which does not substantially increase Grantee's obligations hereunder). Until receipt by A.I.D. of written notice of revocation by Grantee of the authority of any of its representatives, A.I.D. may accept the signature of such representatives on any instrument as conclusive evidence that any action effected by such instrument is authorized by Grantee.

SECTION. 8. Communications: Any notice, request or other communication or any document given, made or sent pursuant to this Agreement shall be in writing and shall be deemed to have been duly given, made or sent to the party to which it is addressed when it shall be delivered by hand or by mail, or telegram, cable or radiogram to such party at the following address:

To GRANTEE

Mail Address	National Planning Council P.O. Box 555, Amman, Jordan.
Cable Address	NPC, Amman, Jordan

To A.I.D

Mail Address	USAID Mission c/o American Embassy Amman, Jordan.
Cable Address	A.I.D Washington, D.C., USA.

Other addresses may be substituted for the above upon giving of notice as provided herein.

All communications submitted to A.I.D hereunder shall be in English, except as A.I.D may otherwise agree in writing.

THE UNITED STATES OF AMERICA

THOMAS R. PICKERING

By: Thomas R. Pickering
Title: *Ambassador*

THE HASHEMITE KINGDOM OF JORDAN

T. JABER

By:
Title: *President*
National Planning Council

GREECE

Scientific and Technological Cooperation

Memorandum of understanding signed at Athens September 16, 1978;
Entered into force September 16, 1978.

MEMORANDUM OF UNDERSTANDING FOR SCIENTIFIC AND TECHNOLOGICAL COOPERATION BETWEEN THE NATIONAL SCIENCE FOUNDATION OF THE UNITED STATES OF AMERICA AND THE SCIENTIFIC RESEARCH AND TECHNOLOGY AGENCY OF THE HELLENIC REPUBLIC

1. The National Science Foundation (NSF) of the United States of America and the Scientific Research and Technology Agency (YEET) of the Hellenic Republic, recognizing that Scientific and Technological Cooperation will advance the state and promote the applications of science and technology, as well as strengthen the bonds of friendship between the two countries, desire to promote close collaboration between scientific organizations in both countries.

2. This Memorandum of Understanding constitutes an interagency agreement between NSF and YEET. The two Agencies will pursue a program of scientific and technological cooperation to exchange ideas, information, personnel, skills and techniques on problems of mutual interest, and to utilize special scientific facilities available to both Agencies in their respective countries for the purposes of this Memorandum of Understanding.

3. The scope of this program may cover all recognized areas of science and technology, including basic and applied aspects of the engineering sciences, the natural sciences and mathematics, policy sciences, science education and the social sciences; but excluding topics in the clinical sciences, business administration and general education. NSF and YEET will jointly select specific areas and objectives for cooperation within these broad areas. Other specific areas may be added from time to time upon agreement of the two Agencies.

4. To the extent that the two Agencies may agree, this cooperation will include:

4.1 Organizing and holding joint seminars and workshops in both countries on scientific and technological subjects of mutual interest;

4.2 Cooperative research projects in basic and applied science;

4.3 Agreement for the collection, exchange, and dissemination of scientific data, information, and materials;

4.4 Personnel exchanges and scientific visits;

4.5 Exchange of information and experience relating to the management of research programs;

4.6 NSF and YEET staff visits.

Other forms of cooperative activity may be added upon agreement of the two Agencies.

5. Scientific and technological information derived from cooperative activities under this Memorandum of Understanding shall be made available to the world's scientific community through customary channels and in accordance with international scientific procedures.

6. This Article governs the allocation of rights to inventions conceived or first reduced to practice jointly by collaborating participants of both countries during the course of an activity conducted under this Memorandum of Understanding (Joint Subject Inventions) or inventions conceived or first reduced to practice by a visitor participant in a personnel exchange or scientific visit under this Memorandum of Understanding (Exchange Inventions).

6.1 Each Agency shall hold all rights within its own territory to each Joint Subject Invention subject to a license to the other Agency

6.2 The Agency of the host country shall hold all rights to Exchange Inventions within its own territory subject to a license to the Agency of the inventing participant in the exchange or scientific visit. The Agency of the inventing visitor participant shall hold all rights to Exchange Inventions within its own territory subject to a license to the Agency of the host country

6.3 Wherever "license" is used in this Article it shall mean an irrevocable, royalty-free and nonexclusive license to practice the invention.

6.4 Each Agency agrees to cooperate with the other to assure that the other Agency is able to obtain rights under this Article. The Agencies agree to consult regarding questions arising under this Article during the joint meetings provided for under this Memorandum of Understanding whenever such consultation is desirable in the judgment of either Agency

6.5 Rights to inventions under this Memorandum of Understanding in third countries shall be determined by a separate agreement to be negotiated by the two Agencies during their first joint meeting after the implementation of this Memorandum of Understanding.

7 Where particular results derived from any joint activities under this Memorandum of Understanding may be subject to copyright protection, each Agency may in accordance with its own laws and procedures hold or assign copyright in its own country subject to a royalty-free and non-exclusive license to the other Agency to publish,

copy and translate such results. In case one of the Agencies shall obtain copyright rights in third countries it shall notify the other Agency within a reasonable time.

8. Each Agency will share in the effort and the cost of each activity within the program. This provision does not, however, require a precise matching of funds, manpower, or facilities in any single activity. Obligations assumed by the two Agencies are subject to the availability of funds.

9. Each Agency shall designate a program officer who shall be the principal point of contact for the other Agency in the conduct of the business of the program.

10. The program officers of the two Agencies will meet with each other, as often as necessary, in the United States and the Hellenic Republic, for the purpose of maintaining administrative efficiency and jointly considering current and proposed activities in the program.

11. The heads of the two Agencies or their designees shall from time to time, but not less often than every two years, jointly review the progress of cooperation under this Memorandum of Understanding, propose any modifications of the program, and communicate information about new scientific priorities within their respective countries. The first such joint meeting will be held within six months from the date this Memorandum of Understanding enters into force, for the purpose of developing understandings with special reference to:

11.1 Administrative guidelines for management of cooperative activities;

11.2 Identification and selection of specific areas for cooperation,

11.3 Disposition of patent rights in third countries.

12. In accordance with the standard procedures and regulations governing NSF and YEET, each Agency shall make known to the scientific community in its country the opportunities for cooperation made possible by the program.

13. The Agencies will seek to facilitate as necessary, through collaboration with appropriate authorities, all forms of official permission for entry into and exit from their respective national territories of personnel, equipment, and supplies required to carry out any activities approved under this program.

14. This Memorandum of Understanding shall enter into force on the date of signature by the Director of the National Science Foundation and the Head of the Scientific Research and Technology Agency, or their designees, and remain in force for five years unless renewed by mutual consent or unless terminated earlier by either Agency Notice shall be given at least six months prior to the desired termination date by notification in writing from one Agency to the other Agency.

15. The Agencies may, by mutual consent in writing, modify this agreement and any annexes thereto. Expiration, termination, or modification of this Memorandum of Understanding will not by

itself affect any activities within the program which had been approved before such expiration, termination, and modification.

16. This Memorandum of Understanding is subject to the laws and regulations of the United States of America and the Hellenic Republic.

Signed, at Athens, Greece this 16th day of September 1978, in English and Greek, both texts being equally authentic.

FOR THE NATIONAL SCIENCE FOUNDATION OF THE UNITED STATES OF AMERICA

HARVEY AVERCH

[SEAL]

FOR THE SCIENTIFIC RESEARCH AND TECHNOLOGY AGENCY OF THE HELENIC REPUBLIC

G ARGYROPOULOS

ANNEX I

Financial provisions and subsistence and other allowances for support of visiting scientists participating in the program of scientific and technological cooperation between the National Science Foundation of the United States of America and the Scientific Research and Technology Agency of the Hellenic Republic

1. Financial Provisions

1.1 For all activities under this program, excluding NSF and YEET staff visits, each side will support the basic costs of the activity within its own territory This may include, for example, the salaries of its own scientists, technicians, and other support staff, and the cost of domestic travel, supplies, and equipment, including time charges for equipment use. But the basic costs need not be restricted to the items just named.

1.2 When exchange of personnel takes place, the receiving side shall in additional provide, or meet the expense of, the following needs of each foreign visitor· lodging, subsistence, domestic transportation connected with the approved scientific objective of the visitor, and medical and hospital coverage in case of sickness or accident within limits established in paragraph 2.2B of this Annex. The receiving side shall provide subsistence and other allowances at rates established in paragraph 2.2A of this Annex.

1.3 When an exchange of personnel takes place, the sending side shall provide or meet the expenses of the salary and international travel of its own participants.

1.4 For cooperative research projects and joint seminars the sending side shall provide round-trip travel for its own participants to

the airport nearest the place of work or meeting in the receiving country For scientific visits and similar activities, such as delegations, the sending side shall provide round-trip travel for its own participants to the capital of the receiving country, and the receiving side shall provide any further travel within its territory providing such travel is an integral part of the scientific objective of the visit.

2. Subsistence and Other Allowances

The NSF and YEET agree to provide, or meet the expenses of, the following needs of foreign scientists visiting their countries under terms of the program of scientific and technological cooperation established between them.

2.1 Lodging appropriate to the professional level of the visiting scientist and, as far as possible to the needs of his accompanying dependents, and

2.2 Subsistence stipend at the following rates:

	In Greece	In U.S.
A. visits of one month or less, per day·	dr. 900	$25
B. visits longer than one month, per month.		
For the visiting scientist	dr. 22, 000	$600
For the accompanying spouse*	dr. 5, 500	$150
For each accompanying child*	dr. 3, 500	$100

The above sums will be paid to the visiting scientist commencing with his first day in the receiving country under the terms of this cooperative program.**

The following minimum sickness and accident coverage shall be provided for each visiting scientist and eligible dependent* by the receiving side:

Medical Expense Accident and Sickness	dr. 110, 000	$3, 000
Preparation and Transportation of Remains	dr. 110, 000	$3, 000

*For dependents remaining with the foreign visitor in the receiving country for a period of five months or more.

**These subsistence rates are subject to periodic revision based on changes in the official exchange rate between the drachma and the dollar and adjustment for inflation.

ΠΡΩΤΟΚΟΛΛΟΝ ΣΥΜΦΩΝΙΑΣ
ΓΙΑ ΕΠΙΣΤΗΜΟΝΙΚΗ ΚΑΙ ΤΕΧΝΟΛΟΓΙΚΗ ΣΥΝΕΡΓΑΣΙΑ
ΜΕΤΑΞΥ
ΤΗΣ ΥΠΗΡΕΣΙΑΣ ΕΠΙΣΤΗΜΟΝΙΚΗΣ ΕΡΕΥΝΗΣ ΚΑΙ ΤΕΧΝΟΛΟΓΙΑΣ
ΤΗΣ ΕΛΛΗΝΙΚΗΣ ΔΗΜΟΚΡΑΤΙΑΣ
ΚΑΙ
ΤΟΥ ΕΘΝΙΚΟΥ ΙΔΡΥΜΑΤΟΣ ΕΠΙΣΤΗΜΩΝ
(NATIONAL SCIENCE FOUNDATION)
ΤΩΝ ΗΝΩΜΕΝΩΝ ΠΟΛΙΤΕΙΩΝ ΤΗΣ ΑΜΕΡΙΚΗΣ

1. Ἡ Ὑπηρεσια Ἐπιστημονικῆς Ἐρεύνης καί Τεχνολογίας (YEET) τῆς Ἑλληνικῆς Δημοκρατίας καί τό Ἐθνικόν Ἵδρυμα Ἐπιστημῶν (NSF) τῶν Ἡνωμένων Πολιτειῶν τῆς Ἀμερικῆς, ἀναγνωρίζοντας ὅτι ἡ Ἐπιστημονική καί Τεχνολογικη Συνεργασια θά συντελέσει στήν προαγωγή τῆς ἐπιστήμης καί τῆς τεχνολογιας και τῶν ἐφαρμογῶν τους, και ὅτι ἐπισης θά ἐνισχυσει τούς φιλικους δεσμούς μεταξύ τῶν δύο χωρῶν, ἐπιθυμοῦν νά προωθήσουν τήν στενή συνεργασία μεταξύ ἐπιστημονικῶν ὀργανισμῶν στίς δύο χῶρες.

2. Τό παρόν Πρωτοκολλον ἀποτελεῖ συμφωνία συνεργασιας μεταξύ τῶν δύο Ὑπηρεσιῶν, δηλαδή τῆς YEET καί τῆς NSF. Οἱ δύο υπηρεσίες θά ἐπιδιώξουν πρόγραμμα ἐπιστημονικῆς και τεχνολογικῆς συνεργασίας μέ σκοπό τήν ἀνταλλαγή ἰδεῶν, πληροφοριῶν, προσωπικοῦ, εἰδικοτήτων και τεχνικῶν μεθόδων σέ προβλήματα ἀμοιβαίου ἐνδιαφέροντος καί τή χρησιμοποίηση, γιά τούς σκοπούς τοῦ παρόντος πρωτοκόλλου, εἰδικῶν ἐπιστημονικῶν ἐγκαταστάσεων πού διατίθενται ἀπο τις δύο Ὑπηρεσιες στίς ἀντίστοιχες χῶρες.

3. Στό πρόγραμμα τῆς συνεργασίας περιλαμβάνονται ὅλες οἱ περιοχές ἐπιστημης και τεχνολογίας, ὅπως π.χ. οἱ βασικές καί ἐφαρμοσμένες μορφές τῶν τεχνικῶν ἐπιστημῶν, τῶν φυσικῶν ἐπιστημῶν καί τῶν μαθηματικῶν, οἱ ἐπιστῆμες προγραμματισμοῦ καί πολιτικῆς, ἡ ἐκπαίδευση ἐπιστημόνων, καί οἱ κοινωνικές ἐπιστῆμες, ἐκτός ἀπό θέματα που ἀναφέρονται σέ κλινικές ἐπιστῆμες, διοικηση ἐπιχειρήσεων καί γενική ἐκπαίδευση. Ἡ YEET καί ἡ NSF θά ἐπιλέξουν ἀπό κοινοῦ συγκεκριμένα θέματα καί στόχους γιά συνεργασία στό πλαισιο τῶν ἀνωτέρω γενικῶν περιοχῶν. Ἄλλα συγκεκριμένα θέματα μποροῦν

να προστίθενται κατα καιρους μετα από κοινή συμφωνια των δύο Υπηρεσιών.

4. Η συνεργασια των δύο Υπηρεσιών θά περιλαμβανει, μετά από κοινή συμφωνια:

4.1. Τήν οργανωση καί διενέργεια κοινών σεμιναρίων και συσκέψεων στίς δύο χώρες σέ επιστημονικά καί τεχνολογικά θέματα αμοιβαίου ενδιαφέροντος,

4.2. Κοινά ερευνητικα προγράμματα συνεργασίας σέ θέματα βασικών και εφαρμοσμένων επιστημών.

4.3. Συμφωνία για τή συλλογή, ανταλλαγή καί διάδοση επιστημονικών δεδομένων, πληροφοριών καί ύλικών.

4.4. Ανταλλαγές προσωπικού καί επιστημονικές επισκέψεις.

4.5. Ανταλλαγή πληροφοριών καί εμπειριας σχετικά μέ τή διαχείριση επιστημονικών προγραμμάτων.

4.6. Αμοιβαίες επισκέψεις στελεχών τής YEET καί τής NSF.

Άλλες μορφές συνεργασιας μπορούν να προστεθούν μετά από κοινή συμφωνια των δύο Υπηρεσιών.

5. Οί επιστημονικές καί τεχνολογικές πληροφοριες πού θά προέλθουν από τις δραστηριότητες στό πλαισιο τού παροντος Πρωτοκόλλου Συμφωνίας θά είναι προσιτές στή διεθνή επιστημονική κοινότητα σύμφωνα μέ τίς συνήθεις διεθνείς επιστημονικές διαδικασίες.

6. Τά σημεία τού Άρθρου 6 διέπουν τήν κατανομή των δικαιωματων επί εφευρέσεων πού γινονται ή πού γιά πρώτη φορά εφαρμόζονται στήν πράξη από συνεργαζόμενους επιστήμονες καί των δύο χωρών κατά τη διαρκεια δραστηριοτητων τους στό πλαίσιο τής Συμφωνίας (Εφευρέσεις Κοινού θέματος) ή επι εφευρεσεων που γινονται ή πού γιά πρώτη φορά εφαρμόζονται στήν πράξη απο επισκέπτη που συμμετέχει σέ ανταλλαγή προσωπικού ή επιστημονικη επίσκεψη στό πλαίσιο τής Συμφωνιας (Εφευρέσεις Ανταλλαγής).

6.1. Καθεμια από τις δύο Υπηρεσίες διατηρεί όλα τα δικαιώματα

μέσα στήν έθνική της έπικράτεια γιά κάθε Ἐφεύρεση Κοινοῦ Θέματος, παρέχοντας ἄδεια χρησιμοποιήσεως τῆς ἐφευρέσεως πρός τήν ἄλλη Ὑπηρεσία.

6.2. Στήν περίπτωση Ἐφευρέσεων Ἀνταλλαγῆς, ἡ Ὑπηρεσία τῆς φιλοξενούσης χώρας διατηρεῖ ὅλα τά δικαιώματα μέσα στήν δική της έθνική έπικράτεια, παρέχοντας ἄδεια χρησιμοποιήσεως πρός τήν Ὑπηρεσία τῆς χώρας τοῦ ἐφευρέτου πού μετέσχε στήν ἀνταλλαγή ἤ ἐπιστημονική ἐπισκεψη. Ἡ Ὑπηρεσία τοῦ ἐφευρέτου-ἐπισκέπτου διατηρεῖ ὅλα τά δικαιώματα γιά τίς Ἐφευρέσεις Ἀνταλλαγῆς μέσα στήν δική της έθνική ἐπικράτεια, παρέχοντας ἄδεια χρησιμοποιήσεως τῆς ἐφευρέσεως πρός τήν Ὑπηρεσία τῆς φιλοξενούσης χώρας.

6.3. Ὅπου ἀναφέρεται στό παρόν Ἄρθρο ὁ ὅρος "ἄδεια χρησιμοποιήσεως" ἐννοεῖται ως ἄδεια ἀνέκκλητη, χωρίς καταβολή δικαιωμάτων, και μή ἀποκλειστική.

6.4. Καθεμιά Ὑπηρεσία συμφωνεῖ ὅτι θά συνεργάζεται μέ τήν ἄλλη για τή διασφάλιση τῶν δικαιωματων τους, ὅπως ὁρίζονται στό παρόν Ἄρθρο. Οἱ Ὑπηρεσιες συμφωνοῦν νά διαβουλεύονται σχετικα μέ τυχόν προβλήματα που θά προκύπτουν κατά τήν ἐφαρμογή τοῦ παρόντος Ἄρθρου, κατά τίς κοινές συσκέψεις πού προβλέπονται ἀπό τή Συμφωνια, ὅσες φορές οἱ διαβουλευσεις αὐτές εἶναι ἐπιθυμητές κατα τήν κρίση καθεμιᾶς Ὑπηρεσίας.

6.5. Τυχόν παραχώρηση δικαιωμάτων πρός τρίτες χῶρες γιά ἐφευρέσεις πού θά προκύψουν κατά τήν ἐφαρμογή τῆς Συμφωνίας θά ἀποτελέσει ἀντικείμενο χωριστῆς συμφωνίας πού θά διαπραγματευθοῦν οἱ δύο Ὑπηρεσίες κατά τήν πρώτη τους κοινή συσκεψη πού προβλέπεται ἀπό τό παρόν Πρωτόκολλον.

7. Ὅταν συγκεκριμένα ἀποτελέσματα που προῆλθαν ἀπό κοινές δραστηριότητες στά πλαίσια τῆς Συμφωνίας ὑπόκεινται σέ προστασία πνευματικῆς ἰδιοκτησίας, καθεμιά Ὑπηρεσία ἔχει τό δικαίωμα, σύμφωνα μέ τούς ἐθνικούς της

νόμους καί διαδικασιες, νά διατηρήσει ή νά παραχωρήσει τό δικαίωμα πνευματικής ίδιοκτησίας στήν έθνική της επικρατεια, παρέχοντας άδεια μή αποκλειστική καί χωρις καταβολή δικαιωμάτων πρός τήν άλλη Υπηρεσια για δημοσιευση, αναπαραγωγή καί μεταφραση τών έν λόγω αποτελεσμάτων. Στην περίπτωση πού μία από τίς Υπηρεσίες θά επιτύχει δικαιώματα πνευματικής ίδιοκτησιας σέ τρίτες χώρες, θά είδοποιήσει τήν άλλη Υπηρεσια μέσα σέ εύλογο χρονικό διάστημα.

8. Και οί δύο Υπηρεσίες θά συμμετέχουν στήν προσπάθεια καί στην κάλυψη τοῦ κόστους κάθε δραστηριότητας τοῦ προγράμματος. Αύτή ή διαταξη, ὅμως, δέν απαιτεῖ ἰσομερῆ κατανομή κεφαλαιων, ανθρωπίνου δυναμικοῦ ή εγκαταστασεων σέ κάθε συγκεκριμένη δραστηριότητα. Υποχρεωσεις πού αναλαμβανονται απο τις δύο Υπηρεσιες θά πραγματοποιοῦνται εφ'ὅσον διατίθενται τα απαραίτητα κεφάλαια.

9. Καθεμια Υπηρεσία θά καθορίσει ἕνα υπεύθυνο στέλεχός της γιά τό πρόγραμμα συνεργασιας πού θά είναι ὁ συνδεσμος μέ τήν άλλη Υπηρεσία για ὅλα τα θέματα πού αφοροῦν τήν εφαρμογή τοῦ προγραμματος.

10. Τά ὑπεύθυνα στελέχη τῶν δύο Υπηρεσιῶν θά συναντῶνται ὅσο συχνά εἶναι απαραίτητο, στην Ἑλλάδα και τις Ἡνωμένες Πολιτεῖες, μέ σκοπό νά ἐξασφαλίζουν την αποτελεσματική διοίκηση τοῦ προγραμματος καί νά ἐξετάζουν από κοινοῦ τις τρέχουσες καί προτεινόμενες δραστηριότητες τοῦ προγραμματος.

11. Οἱ επικεφαλῆς τῶν δύο Υπηρεσιῶν ή οἱ εκπρόσωποί τους θά συνέρχονται κατα καιρους, τό αργότερο κάθε δύο ἔτη, για τήν ανασκόπηση τῆς προόδου τῆς συνεργασίας στα πλαίσια τῆς παρούσης Συμφωνίας, για τήν πρόταση τυχον τροποποιησεων τοῦ προγραμματος καί για τήν αμοιβαία ενημέρωση σχετικα μέ νεες επιστημονικές προτεραιότητες στίς δύο χώρες. Ἡ πρώτη κοινη συσκεψη θά πραγματοποιηθεῖ μέσα σέ ἕξη μῆνες από την ἰσχύ τῆς παρούσης Συμφωνιας για να συζητηθοῦν καί νά συμφωνηθοῦν τά ακόλουθα ειδικώτερα θέματα:

11.1. Διοικητικές κατευθυντήριες γραμμές γιά τή διαχείριση τῶν δραστηριοτήτων τοῦ προγράμματος.

11.2. Ἐντοπισμός καί ἐπιλογή συγκεκριμένων περιοχῶν συνεργασίας.

11.3. Παραχώρηση δικαιωμάτων εὑρεσιτεχνίας πρός τρίτες χῶρες.

12. Σύμφωνα μέ τίς ἰσχυουσες διαδικασιες καί κανονισμούς τῆς YEET καί τῆς NSF, καθεμια Ὑπηρεσια θά ἀνακοινωνει στόν ἐπιστημονικό κόσμο τῆς χωρας της τίς ευκαιριες συνεργασίας πού παρέχονται ἀπό τό πρόγραμμα.

13. Οἱ δύο Ὑπηρεσίες θά διευκολυνουν ὅποτε εἶναι ἀναγκαῖο μέσω συνεργασιας με τίς ἀρμόδιες αρχές, τήν ἐξασφάλιση ἀδειῶν εἰσόδου καί ἐξόδου στα αντιστοιχα ἐθνικα ἐδάφη τοῦ προσωπικοῦ, ἐξοπλισμοῦ καί ὑλικῶν πού ἀπαιτοῦνται γιά τήν πραγματοποιηση ὁποιωνδήποτε δραστηριοτήτων πού ἔχουν ἐγκριθεῖ στα πλαισια τοῦ προγράμματος συνεργασίας.

14. Τό παρόν Πρωτόκολλον Συμφωνίας τίθεται σέ ἰσχύ κατά τήν ἡμερομηνίαν υπογραφῆς του ἀπό τον Προϊστάμενο τῆς Ὑπηρεσίας Ἐπιστημονικῆς Ἐρευνης καί Τεχνολογιας (YEET) καί τόν Διευθυντή τοῦ Ἐθνικοῦ Ἱδρύματος Ἐπιστημῶν (NSF) ἤ τούς ἐκπροσώπους τους, καί θά παραμείνει σέ ἰσχύ ἐπί πενταετία, ἐκτός ἄν ἀνανεωθεῖ διά κοινῆς συμφωνίας ἤ ἄν τερματισθεῖ νωρίτερα ἀπό καθεμια Ὑπηρεσία. Ἡ εἰδοποίηση γιά τόν τερματισμό πρέπει να εἶναι ἔγγραφη καί να ἐπιδοθεῖ πρός τήν ἄλλη Ὑπηρεσία τούλάχιστον ἕξι μῆνες πριν ἀπό τήν ἐπιθυμητή ἡμερομηνία τερματισμοῦ.

15. Οἱ δύο Ὑπηρεσίες μποροῦν μέ ἀμοιβαία ἔγγραφη συμφωνία νά τροποποιησουν τήν παρούσα συμφωνία ἤ τυχόν παραρτήματά της. Ἡ λήξη, τερματισμός ἤ τροποποίηση τοῦ παρόντος Πρωτοκόλλου Συμφωνίας δέν θά ἐπηρεάσουν ἀφ' ἑαυτῶν οποιεσδήποτε δραστηριότητες τοῦ προγράμματος πού εἶχαν ἐγκριθεῖ πριν ἀπό τήν λήξη, τερματισμό ἤ τροποποίηση τῆς Συμφωνίας.

16. Τό παρόν Πρωτόκολλον Συμφωνίας υπόκειται στούς νόμους καί κανονισμούς τῶν Ἡνωμένων Πολιτειῶν τῆς Ἀμερικῆς καί τῆς Ἑλληνικῆς Δημοκρατίας.

Ὑπεγράφη στην Ἀθήνα στίς 16 Σεπτεμβρίου 1978, σέ δύο κείμενα, ἕνα στην Ἑλληνική καί ἕνα στην Ἀγγλική γλῶσσα, πού ἰσχύουν ἐξ ἴσου.

ΓΙΑ ΤΗΝ
ΥΠΗΡΕΣΙΑ ΕΠΙΣΤΗΜΟΝΙΚΗΣ ΕΡΕΥΝΗΣ ΚΑΙ
ΤΕΧΝΟΛΟΓΙΑΣ ΤΗΣ
ΕΛΛΗΝΙΚΗΣ ΔΗΜΟΚΡΑΤΙΑΣ

ΓΙΑ ΤΟ
ΕΘΝΙΚΟ ΙΔΡΥΜΑ ΕΠΙΣΤΗΜΩΝ
ΤΩΝ
ΗΝΩΜΕΝΩΝ ΠΟΛΙΤΕΙΩΝ ΤΗΣ ΑΜΕΡΙΚΗΣ

[SEAL]

Παραρτημα I

ΟΙΚΟΝΟΜΙΚΕΣ ΔΙΑΤΑΞΕΙΣ ΚΑΙ ΕΠΙΔΟΜΑΤΑ ΔΙΑΒΙΩΣΕΩΣ ΓΙΑ ΤΟΥΣ
ΕΠΙΣΚΕΠΤΕΣ ΕΠΙΣΤΗΜΟΝΕΣ ΠΟΥ ΣΥΜΜΕΤΕΧΟΥΝ ΣΤΟ ΠΡΟΓΡΑΜΜΑ
ΕΠΙΣΤΗΜΟΝΙΚΗΣ ΚΑΙ ΤΕΧΝΟΛΟΓΙΚΗΣ ΣΥΝΕΡΓΑΣΙΑΣ
ΜΕΤΑΞΥ
ΤΗΣ ΥΠΗΡΕΣΙΑΣ ΕΠΙΣΤΗΜΟΝΙΚΗΣ ΕΡΕΥΝΗΣ ΚΑΙ ΤΕΧΝΟΛΟΓΙΑΣ
ΤΗΣ ΕΛΛΗΝΙΚΗΣ ΔΗΜΟΚΡΑΤΙΑΣ
ΚΑΙ
ΤΟΥ ΕΘΝΙΚΟΥ ΙΔΡΥΜΑΤΟΣ ΕΠΙΣΤΗΜΩΝ
ΤΩΝ ΗΝΩΜΕΝΩΝ ΠΟΛΙΤΕΙΩΝ ΤΗΣ ΑΜΕΡΙΚΗΣ

1. Οἰκονομικές Διατάξεις

1.1 Για ὅλες τίς δραστηριότητες στά πλαίσια τοῦ προγράμματος, ἐκτός ἀπό τίς ἐπισκέψεις στελεχῶν τῆς ΥΕΕΤ καί τῆς NSF, καθεμιά Ὑπηρεσία θά καλύπτει τίς βασικές δαπάνες τῆς δραστηριότητας μέσα στήν δική της ἐδαφική περιοχή. Οἱ ἐν λόγω δαπάνες, μπορεῖ νά περιλαμβάνουν, ἐνδεικτικά ἀλλά ὄχι περιοριστικά, τους μισθους τῶν ἐπιστημόνων, τεχνικῶν καί ἄλλου βοηθητικοῦ προσωπικοῦ και τίς δαπάνες ταξιδιῶν ἐσωτερικοῦ, ὑλικῶν καί ἐξοπλισμοῦ περιλαμβανομένων καί τελῶν χρονοχρεώσεως γιά τήν χρήση ἐξοπλισμοῦ.

1.2 Ὅσακις λαμβάνει χώρα ἀνταλλαγή προσωπικοῦ, ἡ φιλοξενοῦσα πλευρά θά παρασχει ἤ θά καλύψει τις δαπάνες γιά τίς ἀκόλουθες ἀνάγκες κάθε ἀλλοδαποῦ ἐπισκέπτου: κατοικία, διατροφή, ἐσωτερική μετακίνηση σχετική μέ τόν ἐγκεκριμένο ἐπιστημονικό σκοπό τοῦ ἐπισκέπτου καί ἰατρική καί νοσοκομιακή κάλυψη σέ περίπτωση ἀσθένειας ἤ ἀτυχήματος μέσα στά ὅρια πού καθορίζονται στήν παράγραφο 2.2 τοῦ παρόντος παραρτήματος. Ἡ φιλοξενοῦσα πλευρά θά διαθέτει ἐπιδόματα διατροφῆς καί ἄλλες ἀποζημιώσεις μέσα στά ὅρια πού καθορίζονται στήν παράγραφο 2.2 τοῦ παραρτήματος.

1.3 Στίς περιπτωσεις ἀνταλλαγῶν προσωπικοῦ, ἡ ἀποστέλλουσα πλευρά διαθέτει ἤ θά καλυπτει τίς δαπανες μισθοῦ καί διεθνοῦς ταξιδίου τῶν δικῶν της συμμετεχόντων.

1.4 Στις περιπτώσεις κοινών έρευνητικών προγραμμάτων καί σεμιναρίων, η αποστέλλουσα πλευρά καλύπτει για τούς δικούς της συμμετέχοντες τά έξοδα τοῦ ταξιδιοῦ μετ'επιστροφῆς μέχρι τό πλησιέστερο αεροδρόμιο τοῦ τόπου έργασιας ἤ συναντήσεως στήν φιλοξενοῦσα χώρα. Γιά επιστημονικές επισκέψεις και παρεμπρεπεῖς δραστηριότητες, ὅπως αντιπροσωπεῖες, ἡ αποστέλλουσα πλευρά καλυπτει για τούς δικούς της συμμετέχοντες τά έξοδα τοῦ ταξιδιοῦ μετ'επιστροφῆς μέχρι τήν πρωτευουσα τῆς άλλης χώρας καί ἡ φιλοξενοῦσα πλευρά καλυπτει τή δαπάνη γιά οποιαδήποτε περαιτέρω ταξίδια μέσα στήν εδαφική της περιοχή, μέ τήν προϋπόθεση ὅτι τα ταξίδια αὐτά αποτελοῦν αναπόσπαστο μέρος τοῦ επιστημονικοῦ αντικειμένου τῆς επισκέψεως.

2. <u>Δαπανες διαβιωσεως και άλλα 'Επιδόματα</u>

'Η YEET και ἡ NSF συμφωνοῦν ὅτι θά καλύψουν ἤ θά καταβάλλουν τίς δαπανες για τις ακόλουθες ανάγκες αλλοδαπῶν επιστημόνων πού επισκέπτονται τις χῶρες τους στα πλαίσια τοῦ προγραμματος επιστημονικῆς καί τεχνολογικῆς συνεργασίας πού καθιερώθηκε μεταξύ τους:

2.1 Κατοικια, ανάλογη προς τό επαγγελματικό επίπεδο τοῦ επισκέπτου επιστημονα καί κατα τό δυνατόν ανάλογη πρός τίς ανάγκες τῶν μελῶν τῆς οικογενειας του πού τόν συνοδεύουν, συν

2.2 Δαπανες διαβιωσεως ὡς ἑξῆς:

	Στήν 'Ελλάδα		Στίς Η.Π.Α.	
Α. 'Επισκέψεις διαρκείας μέχρις ενος μηνός, την ημέρα	Δρχ.	900	$	25
Β. 'Επισκέψεις διαρκειας άνω τοῦ ενός μηνός, τόν μῆνα Για τόν επισκέπτη επιστήμονα	"	22.000	$	600'

	Στήν Ἑλλάδα	Στίς Η.Π.Α.
Γιά τόν ἤ την σύζυγο*	Δρχ. 5.500	$ 150
Για κάθε παιδί*	" 3.500	$ 100

Τά ανωτέρω ποσά θά καταβάλλονται στόν επισκέπτη επιστήμονα από τήν πρωτη ημέρα παραμονής του στην φιλοξενούσα χώρα στά πλαίσια τοῦ παρόντος προγράμματος συνεργασίας.**

Τά ἀκόλουθα κατώτατα ὅρια καλύψεως σέ περίπτωση ἀσθενείας καί ἀτυχήματος θά διατίθενται ἀπό τήν φιλοξενοῦσα πλευρα γιά κάθε επισκέπτη επιστήμονα καί τα δικαιούμενα* μέλη οἰκογενειας:

Ἰατρικές Δαπάνες Ἀτυχήματος και ἀσθενείας	Δρχ.110.000	$ 3.000
Προετοιμασία καί μετακομιδή σέ περιπτωση θανάτου	" 110.000	$ 3.000

16.9.78 9/16/78

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* Για μέλη οἰκογενειας που παραμένουν μέ τόν επισκέπτη επιστήμονα στην φιλοξενοῦσα χώρα για διάστημα πέντε μηνῶν ἤ περισσότερο.

** Τά ποσά δαπανῶν διαβιωσεως υπόκεινται σέ περιοδική ἀναθεώρηση ανάλογα μέ τυχόν ἀλλαγές στή συναλλαγματική σχέση μεταξύ δραχμῆς και δολλαριου καί ἀναπροσαρμογή λόγω πληθωρισμοῦ.

/μμπ.

REPUBLIC OF CHINA

Trade in Textiles and Textile Products

Agreement effected by exchange of notes
Signed at Washington June 8, 1978;
Entered into force June 8, 1978;
Effective January 1, 1978.
And amending agreements
Effected by exchange of letters
Signed at Washington July 25 and 28, 1978;
Entered into force July 28, 1978.
And exchange of notes
Signed at Washington November 1, 1978;
Entered into force November 1, 1978.
And exchange of notes
Signed at Washington December 28, 1978;
Entered into force December 28, 1978.

60-963 O - 80 - 63 QL 3

The Secretary of State to the Chinese Ambassador

June 8, 1978

Excellency:

I have the honor to refer to the Arrangement Regarding International Trade in Textiles (hereinafter referred to as the Arrangement), done at Geneva on December 20, 1973, and extended by protocol opened for signature at Geneva on December 15, 1977.[1]

I have also the honor to refer to discussions between representatives of the Government of the Republic of China and the Government of the United States of America in Washington from November 14 to November 22, 1977, in Taipei from January 23 to January 28, 1978, and in Washington from February 21 to February 24, 1978, concerning exports to the United States of America of cotton, wool and man-made fiber textiles and textile products from the Republic of China. As a result of these discussions, and in conformity with Article 4 of the Arrangement, I have the honor to propose, on behalf of the Government of the United States of America, the following Agreement relating to trade in cotton, wool and man-made fiber textiles and textile products between the Republic of China and the United States of America:

His Excellency

James C. H. Shen,

Chinese Ambassador.

[1] TIAS 7840, 8939; 25 UST 1001, 29 UST 2287.

1. The term of this Agreement will be the five-year period from January 1, 1978 through December 31, 1982. Each "Agreement Year" shall be a calendar year, with the first Agreement Year commencing on January 1, 1978 and ending on December 31, 1978.

2. Textiles and textile products covered by this Agreement shall be classified in three groups, as follows:

Group	Definition
I	Yarns, fabrics, made-up goods and miscellaneous textile products of cotton and man-made fibers. (Categories 300-320, 360-369, 600-627, 665-669).
II	Apparel of cotton and man-made fibers. (Categories 330-359, 630-659).
III	Wool textiles and textile products. (Categories 400-469).

The determination of whether a textile or textile product is of cotton, wool, or man-made fiber shall be made in accordance with the terms of paragraph 9. The Categories referred to in the above definitions of groups are those summarized in Annex A.

3. (a) The system of Categories and the rates of conversion into square yards equivalent listed in Annex A shall apply in implementing this Agreement except as set out in subparagraph 3 (b).

(b) For purposes of this Agreement, and in recognition of the patterns of trade of the Republic of China with the United States of America, the groups of Categories below are merged and treated as single Categories and Subcategories as indicated, with Specific Limits for Categories and Sub-limits for Subcategories

as set out in Annex B, except that for the purpose of calculating permissible adjustments in the first agreement year under paragraphs 7 and 8, and of establishing limits for subsequent agreement years, the Specific Limit for man-made fiber sweaters (merged category 645/646) for the first agreement year shall be deemed to be 4,027,573 dozens:

Categories Merged	Designation in Agreement	Subcategories
333, 334, 335	333/334/335	333/334; 335
338, 339	338/339	None
347, 348	347/348	347; 348
445, 446	445/446	None
633, 634, 635	633/634/635	633/634; 635
643, 644	643/644	643; 644
645, 646	645/646	None

For purposes of computing charges to Aggregate, Group and Specific Limits and Sub-limits for the Categories and Subcategories cited above, rates of conversion for individual Categories set out in Annex A shall be applied, except that the rate of conversion for Subcategory 333/334 will be 39.5 square yards equivalent per dozen and that the rate of conversion for Subcategory 633/634 will be 40.6 square yards equivalent per dozen.

4. Commencing with the first Agreement Year, and during the subsequent term of this Agreement, the Government of the Republic of China shall limit annual exports from the Republic of China to the United States of America of cotton, wool, and man-made fiber textiles and textile products to the Aggregate,

Group and Specific Limits and Sub-limits set out in Annex B, as such Limits may be adjusted in accordance with paragraphs 6, 7, and 8. The limits set out in Annex B do not include any adjustments permitted under paragraphs 6, 7, or 8.

5. (a) Categories not subject to Specific Limits are subject to Consultation Levels and to the Aggregate and applicable Group Limits. Except as specified in Annex C, Consultation Levels for each Agreement Year for Categories not subject to a Specific Limit shall be 1,000,000 square yards equivalent for Categories in Group I, 700,000 square yards equivalent for Categories in Group II, and 100,000 square yards equivalent for Categories in Group III.

(b) In the event the Government of the Republic of China wishes to permit exports to the United States in any category in excess of the applicable consultation level during any agreement year, the Government of the Republic of China shall request consultations with the Government of the United States of America on this question and the Government of the United States of America shall enter into such consultations. Until agreement on a different level of exports is reached, the Government of the Republic of China shall limit exports to the United States in the category in question to the applicable consultation level.

6. During any Agreement Year, and within the Aggregate Limit for such Agreement Year, the Group Limits set out in Annex B applicable to such Agreement Year may be exceeded by not more than 15 percent in the case of Group I, by not more than 7 percent in the case of Group II, and by not more than

3 percent in the case of Group III. Adjustments made pursuant to this paragraph are in addition to those pursuant to paragraph 8.

7. (a) During any Agreement Year, and within the Aggregate and applicable Group Limits for such Agreement Year, as they may be adjusted pursuant to paragraphs 6 and 8, any Specific Limit or Sub-limit set out in Annex B may be exceeded by not more than:

10 percent if included in Group I,

6 percent if applicable to Group II Categories or Subcategories 340, 341, 633/634/635, 633/634, 635, 639, 640, 643/644, 643, 644, 645/646, 647 or 648,

7 percent if applicable to any other Group II Categories,

5 percent if included in Group III.

(b) During any Agreement Year, and within the Aggregate and applicable Group Limits for such Agreement Year, as they may be adjusted pursuant to paragraphs 6 and 8, the limit for Category 638 may be exceeded by up to ten percent in addition to the adjustment pursuant to subparagraph 7(a), so long as an equivalent quantity is deducted in the same Agreement Year from the Limit for Category 639. Adjustments made pursuant to this paragraph 7 are in addition to those pursuant to paragraph 8.

8. (a) In any Agreement Year, in addition to any adjustment pursuant to paragraphs 6 and 7, exports may exceed by a maximum of 11 percent the Aggregate Limit and any Group or Specific Limit or Sub-limit by allocating to such Limit for that Agreement Year an unused portion of the corresponding Limit for the previous Agreement

Year ("Carryover") or a portion of the corresponding Limit for the succeeding Agreement Year ("Carry Forward") subject to the following conditions:

(i) Carryover may be utilized as available up to 11 percent of the receiving Agreement Year's applicable Limits, provided, however, that no Carryover shall be available for application during the first Agreement Year;

(ii) The combination of Carryover and Carry Forward shall not exceed 11 percent of the receiving Agreement Year's applicable Limit in any Agreement Year;

(iii) Carry Forward may be utilized up to 7.15 percent of the receiving Agreement Year's applicable Limit and shall be charged against the immediately following Agreement Year's corresponding Limits;

(iv) Carryover of Shortfall (as defined in Subparagraph 8(b)) shall not be applied to any Specific Limits until the Governments of the Republic of China and the United States of America have agreed upon the amounts involved.

(b) For purposes of this Agreement, a Shortfall occurs when exports of textiles or textile products of the Republic of China to the United States of America during an Agreement Year are below the Aggregate Limit and any applicable Group Limit, Specific Limit or Sublimit. In the Agreement Year following the Shortfall, such exports from the Republic of China to the United States of America may be permitted to exceed the Aggregate, Group, and Specific Limits and Sub-limits, subject to conditions of subparagraph 8(a), by Carryover of Shortfalls in the following manner:

(i) The Carryover shall not exceed the amount of Shortfall in either the Aggregate Limit or any applicable Group or Specific Limit or Sub-limit;

(ii) In the case of Shortfall in a Category or Sub-category subject to a Specific Limit or Sub-limit, the Shortfall shall be used in the Category or Sub-category in which the Shortfall occurred; and

(iii) In the case of Shortfalls not attributable to Categories or Sub-categories subject to Specific Limits or Sub-limits, the Carryover shall be used in the same Group in which the Shortfall occurred.

(c) The Limits referred to in Sub-paragraph 8(a) and (b) are without any adjustment under this paragraph or paragraphs 6 or 7.

(d) The total adjustment under this paragraph shall be in addition to adjustments to the Limits permitted by paragraphs 6 and 7.

(e) The total adjustment permissible under this paragraph for the first Agreement Year shall be 7.15 percent, consisting solely of carry forward.

9. (a) Tops, yarns, piece goods, made-up articles, garments and other textile manufactured products, all being products which derive their chief characteristics from their textile components, of cotton, wool, or man-made fibers, or blends thereof, in which any or all of those fibers represent either the chief value of the fibers or 50 percent or more by weight (or 17 percent or more by weight of wool) of the product, are subject to this Agreement.

(b) For the purposes of this Agreement, textile products shall be classified as cotton, wool or man-made fiber textiles if wholly or in chief value of any of these fibers. Any products covered by sub-paragraph 9(a) but not in chief value of cotton, wool or man-made fiber shall be classified as:

(i) Cotton textiles if containing 50 percent or more by weight of cotton, or if the cotton component exceeds by weight the wool and/or the man-made fiber component;

(ii) Wool textiles if not cotton, and wool equals or exceeds 17 percent by weight of all component fibers; and

(iii) Man-made fiber textiles if neither of the foregoing applies.

10. Mutually satisfactory administrative arrangements or adjustments may be made to resolve minor problems arising in the implementation of this Agreement, including differences in points of procedure or operation.

11. (a) The Government of the United States of America shall promptly supply the Government of the Republic of China with data on monthly imports of cotton, man-made fiber and wool textiles and textile products into the United States of America from the Republic of China.

(b) The Government of the Republic of China shall promptly supply the Government of the United States of America with data on monthly exports of cotton, man-made fiber and wool textiles and textile products from the Republic of China to the United States of America.

(c) Each Government agrees to supply promptly any other available statistical data necessary to the implementation of this Agreement requested by the other Government.

12. The Government of the Republic of China shall use its best efforts to space exports from the Republic of China to the United States of America within each Category or Sub-category evenly throughout each Agreement Year, taking into consideration normal seasonal factors.

13. If the Government of the Republic of China considers that, as a result of limitations specified in this Agreement, it is being placed in an inequitable position in relation to a third country, the Government of the Republic of China may request consultations with the Government of the United States of America with a view to taking appropriate remedial action such as reasonable modification of this Agreement.

14. For the duration of this Agreement, the Government of the United States of America shall not invoke the procedures of Article 3 of the Arrangement to request restraint on the export of cotton, wool and man-made fiber textiles and textile products from the Republic of China to the United States. Each Government reserves its rights under the Arrangement with respect to textiles and textile products not subject to this Agreement.

15. The Government of the Republic of China shall administer its export control system under this Agreement. The Government of the United States of America may assist the Government of the Republic of China in implementing the limitation provisions of this Agreement by controlling imports of textiles and textile products covered by

this Agreement.

16. In conformity with Article 12, paragraph (3) of the Arrangement, this Agreement shall not apply to exports of handloom fabrics of the cottage industry of the Republic of China, or handmade cottage industry products made of such handloom fabrics in the Republic of China, or to folklore handicraft textile products traditional to the Republic of China, provided that such products are properly certified under arrangements established between the two Governments pursuant to paragraphs 10 or 18.

17. Exports of cotton, wool and man-made fiber textiles and textile products in shipments individually valued at less than $250.00 shall not be charged to the Limits of this Agreement provided that such are properly certified.

18. The visa and certification system established by letters dated August 16, 1972, September 20, 1972, and March 22, 1973, between the Government of the United States of America and the Government of the Republic of China will remain in force subject to paragraph 10.

19. During the first Agreement Year, each Government shall maintain records on imports or exports, as appropriate, of cotton suits, the component parts of which were charged to two or more of Categories 333, 334, 335, 342, 347, and 348. The Government of the United States of America will inform the Government of the Republic of China prior to the end of the first Agreement Year whether or not separate male and female cotton suit categories will be established for 1979. If the Government of the United States of America establishes cotton suit

categories, the Government of the Republic of China agrees to consult promptly with the Government of the United States of America for the purpose of establishing levels for these categories.

20. (a) The Government of the United States of America and the Government of the Republic of China agree to consult, upon the request of either Government, on any question arising in the implementation of this Agreement.

(b) The Government of the Republic of China agrees to consult with the Government of the United States of America if the trade patterns in any of the Merged Categories change significantly. Changes in trade patterns within Subcategories include changes regarding knit and woven construction. Both Governments will consider sympathetically any proposals concerning the mergers made during consultations for subsequent agreement years.

(c) The two Governments agree to undertake a major review of this Agreement within six months after the end of the second Agreement Year.

21. The Government of the United States of America and the Government of the Republic of China may at any time propose revisions in the terms of this Agreement. Each Government agrees to consult promptly with the other Government about such proposals with a view to making such revisions to this Agreement, or taking such other appropriate action as may be mutually agreed upon.

22. Either Government may terminate this Agreement, effective at the end of an Agreement Year, by written

notice to the other Government, to be given at least 90 days prior to the end of such Agreement Year.

If the foregoing conforms with the understanding of the Government of the Republic of China this note and Your Excellency's note of confirmation on behalf of the Government of the Republic of China shall constitute an Agreement between our two Governments.

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

For the Secretary of State:

Robert Hormats

ANNEX A

Category	Description	Conversion Factor	Unit of Measure
	YARN		
	-- Cotton		
300	Carded	4.6	Lb.
301	Combed	4.6	Lb.
	-- Wool		
400	Tops and yarn	2.0	Lb.
	-- Man-made fiber		
600	Textured	3.5	Lb.
601	Cont. cellulosic	5.2	Lb.
602	Cont. noncellulosic	11.6	Lb.
603	Spun cellulosic	3.4	Lb.
604	Spun noncellulosic	4.1	Lb.
605	Other yarns	3.5	Lb.
	FABRIC		
	-- Cotton		
310	Ginghams	1.0	SYD
311	Velveteens	1.0	SYD
312	Corduroy	1.0	SYD
313	Sheeting	1.0	SYD
314	Broadcloth	1.0	SYD
315	Printcloths	1.0	SYD
316	Shirtings	1.0	SYD
317	Twills and Sateens	1.0	SYD
318	Yarn-dyed	1.0	SYD
319	Duck	1.0	SYD
320	Other fabrics, n.k.	1.0	SYD
	-- Wool		
410	Woolens and worsted	1.0	SYD

411	Tapestries and upholstery	1.0	SYD
425	Knit	2.0	Lb.
429	Other Fabrics	1.0	SYD
-- Man-made fiber			
610	Cont. cellulosic, n.k.	1.0	SYD
611	Spun cellulosic, n.k.	1.0	SYD
612	Cont. noncellulosic, n.k.	1.0	SYD
613	Spun noncellulosic, n.k.	1.0	SYD
614	Other fabrics, n.k.	1.0	SYD
625	Knit	7.8	Lb.
626	Pile and tufted	1.0	SYD
627	Specialty	7.8	Lb.
	APPAREL		
-- Cotton			
330	Handkerchiefs	1.7	Dz.
331	Gloves	3.5	DPR
332	Hosiery	4.6	DPR
333	Suit-type coats, M and B	36.2	Dz.
334	Other coats, M and B	41.3	Dz.
335	Coats, W, G and I	41.3	Dz.
336	Dresses (inc. uniforms)	45.3	Dz.
337	Playsuits, sunsuits, washsuits, creepers	25.0	Dz.
338	Knit shirts, (inc. T-shirts, other and sweatshirts) M and B	7.2	Dz.
339	Knit shirts and blouses (inc. T-shirts, other & sweatshirts) W, G and I	7.2	Dz.

340	Shirts, n.k.	24.0	Dz.
341	Blouses, n.k.	14.5	Dz.
342	Skirts	17.8	Dz.
345	Sweaters	36.8	Dz.
347	Trousers, slacks, and shorts (outer) M and B	17.8	Dz.
348	Trousers, slacks and shorts (outer) W, G and I	17.8	Dz.
349	Brassieres, etc.	4.8	Dz.
350	Dressing gowns, inc. bathrobes, and beach robes, lounging gowns house coats, and dusters	51.0	Dz.
351	Pajamas and other nightwear	52.0	Dz.
352	Underwear (inc. union suits)	11.0	Dz.
359	Other apparel	4.6	Lb.
-- Wool			
431	Gloves	2.1	DPR
432	Hosiery	2.8	DPR
433	Suit-type coats, M and B	3.0	No.
434	Other coats, M and B	4.5	No.
435	Coats, W, G and I	4.5	No.
436	Dresses	4.1	No.
438	Knit shirts and blouses	15.0	Dz.
440	Shirts and blouses, n.k.	24.0	Dz.
442	Skirts	1.5	No.

443	Suits, M and B	4.5	No.
444	Suits, W, G and I	4.5	No.
445	Sweaters, M and B	14.88	Dz.
446	Sweaters, W, G and I	14.88	Dz.
447	Trousers, slacks, and shorts (outer) M and B	1.5	No.
448	Trousers, slacks and shorts (outer) W, G and I	1.5	No.
459	Other wool apparel	2.0	Lb.
-- Man-made fiber			
630	Handkerchiefs	1.7	Dz.
631	Gloves	3.5	DPR
632	Hosiery	4.6	DPR
633	Suit-type coats, M and B	36.2	Dz.
634	Other coats, M and B	41.3	Dz.
635	Coats, W, G and I	41.3	Dz.
636	Dresses	45.3	Dz.
637	Playsuits, sunsuits, washsuits, etc.	21.3	Dz.
638	Knit shirts, (inc. T-shirts), M and B	18.0	Dz.
639	Knit shirts and blouses (inc. T-shirts), W, G and I	15.0	Dz.
640	Shirts, n.k.	24.0	Dz.
641	Blouses, n.k.	14.5	Dz.
642	Skirts	17.8	Dz.
643	Suits, M and B	4.5	No.
644	Suits, W, G and I	4.5	No.

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645	Sweaters, M and B	36.8	Dz.
646	Sweaters W, G and I	36.8	Dz.
647	Trousers, slacks, and shorts (outer), M and B	17.8	Dz.
648	Trousers, slacks and shorts (outer), W, G and I	17.8	Dz.
649	Brassieres, Etc.	4.8	Dz.
650	Dressing gowns, inc. bath and beach robes	51.0	Dz.
651	Pajamas and other nightwear	52.0	Dz.
652	Underwear	16.0	Dz.
659	Other apparel	7.8	Lb.
	MADE-UPS AND MISC.		
-- Cotton			
360	Pillowcases	1.1	No.
361	Sheets	6.2	No.
362	Bedspreads and quilts	6.9	No.
363	Terry and other pile towels	0.5	No.
369	Other cotton manufactures	4.6	Lb.
-- Wool			
464	Blankets and auto robes	1.3	Lb.
465	Floor covering	0.1	SFT
469	Other wool manufactures	2.0	Lb.
-- Man-made fiber			
665	Floor coverings	0.1	SFT
666	Other furnishings	7.8	Lb.
669	Other man-made manufactures	7.8	Lb.

ANNEX B

AGGREGATE, GROUP, SPECIFIC LIMITS AND SUB-LIMITS

Category Description	Units	1st Year	2nd Year	3rd Year	4th Year	5th Year
Aggregate	SYE	758,944,836	804,481,526	852,750,418	903,915,443	958,150,369
Group I	SYE	165,867,488	175,874,557	186,482,599	197,727,680	209,648,026
313 Sheeting	Syd.	38,815,413	41,144,338	43,612,998	46,229,778	49,003,565
Group II	SYE	588,075,642	623,555,246	661,165,579	701,034,500	743,297,548
333/4/5 Coats	Doz.	89,547	94,920	100,615	106,652	113,051
333/4 M&B Coats	Doz.	46,897	49,711	52,693	55,855	59,206
335 WG&I Coats	Doz.	56,082	59,447	63,014	66,795	70,802
338/9 Knit shirts & blouses	Doz.	436,558	462,751	490,517	519,948	551,144
340 Woven shirts	Doz.	583,998	601,518	619,563	638,150	657,295
341 Woven blouses	Doz	338,293	348,442	358,895	369,662	380,752
347/8 Slacks	Doz.	740,892	785,346	832,466	882,414	935,359
347 M&B	Doz.	363,876	385,709	408,851	433,382	459,385
348 WG&I	Doz.	562,239	595,973	631,732	669,636	709,814
633/4/5 Coats	Doz.	1,286,289	1,324,878	1,377,873	1,432,988	1,490,308
633/4 M&B	Doz.	848,329	873,779	908,730	945,079	982,883
635 WG&I	Doz.	630,904	649,831	675,824	702,857	730,971
638 M&B Knit shirts	Doz.	1,352,206	1,433,338	1,519,339	1,610,499	1,707,129
639 WG&I Knit shirts & blouses	Doz.	5,033,179	5,033,179	5,033,179	5,033,179	5,033,179
Group II						
640 Woven shirts	Doz.	2,919,380	3,006,961	3,097,170	3,190,085	3,285,788
641 Woven blouses	Doz.	584,997	620,097	657,303	696,741	738,545

ANNEX B

643/4 Suits	No	1,546,451	1,592,845	1,640,630	1,689,849	1,740,544
643 M&B	No	817,685	842,216	867,482	893,506	920,312
644 WG&I	No	883,411	909,913	937,211	965,327	994,287
645/6 Sweaters	Doz	3,785,919	--Subject to consultation prior to applicable agreement year--			
647 M&B Slacks	Doz	1,711,202	1,762,538	1,815,414	1,869,877	1,925,973
648 WG&I Slacks	Doz.	2,882,549	2,940,200	2,999,004	3,058,984	3,120,164
Group III	SYE	5,001,706	5,051,723	5,102,240	5,153,263	5,204,795
434 M&B Other Coats	No	355,556	359,112	362,703	366,330	369,993
440 Woven shirts	Doz.	12,924	13,053	13,184	13,316	13,449
445/6 Sweaters	Doz	121,356	122,570	123,795	125,033	126,284

ANNEX C

Designated Consultation Levels (In Square Yards Equivalent)

Category	Description	Level
310	Gingham	1,500,000
314	Poplin & Broadcloth	1,500,000
315	Printcloth	2,099,995
317	Twill and sateen	4,165,065
318	Yarn-dyed, n.e.s	4,000,000
319	Duck	2,100,000
320	Other fabric	18,000,000
331	Gloves	1,500,000
336	Dresses	1,150,000
337	Playsuits	2,000,000
345	Sweaters	1,150,000
350	Dressing gowns	1,600,000
351	Nightwear	4,500,000
352	Underwear	1,250,000
359	Other apparel	4,500,000
360	Pillowcases	2,000,000
361	Sheets	2,000,000
363	Terry & other pile towels	1,500,000
369	Other manufactures	4,500,000
400	Tops & Yarn	250,000
410	Woolen and worsted fabric	800,000
435	WG&I coats	520,000
438	Knit shirts & blouses	250,000
448	WG&I slacks	200,000
459	Other apparel	2,000,000
600	Textured yarn	30,000,000
605	Other yarn	1,500,000
610	Woven fabric of continuous cellulosic yarn	1,500,000
612	Woven fabric of continuous non-cellulosic yarn	1,500,000
613	Woven fabric of spun non-cellulosic yarn	3,800,000
614	Other woven fabrics	3,000,000
614sub.	Impression fabric	100,000
625	Knit fabric	6,000,000
627	Specialty fabric	67,370,308
627sub.	Impression fabric	100,000
631	Gloves	7,382,500
632	Hosiery	2,000,000
636	Dresses	14,000,000
637	Playsuits	3,000,000
642	Skirts	2,250,000
650	Dressing gowns	2,000,000
651	Nightwear	15,000,000
652	Underwear	1,800,000
659	Other apparel	52,000,000
659sub.	Knit headwear	900,000
666	Other furnishings	14,000,000
669	Other manufactures	10,000,000
669sub.	Fish netting	635,000

The Chinese Ambassador to the Secretary of State

June 8, 1978

Excellency:

I have the honor to acknowledge receipt of Your Excellency's note of today's date, containing a proposed agreement on the exports of cotton, wool, and man-made fiber textiles from the Republic of China to the United States of America, to replace and supersede, effective January 1, 1978, the existing Cotton Textile and Wool and Man-Made Fiber Textile Agreements signed on May 21, 1975, as amended.[1]

I wish to confirm, pursuant to instructions, that the Government of the Republic of China accepts the proposed agreement contained in your note mentioned above and agrees that your note and this note of confirmation shall constitute an Agreement between our two Governmnets.

I renew to Your Excellency the assurances of my highest consideration.

James C. H. Shen
Ambassador of the
Republic of China

The Honorable Cyrus R. Vance
Secretary of State
Department of State
Washington, D. C.

[1] TIAS 8033, 8218, 8636, 8894, 26 UST 281, 3858, 28 UST 5338, 29 UST 1506.

[AMENDING AGREEMENTS]

The Chinese Economic Counselor to the Department of State Textiles Division

EMBASSY OF THE REPUBLIC OF CHINA
OFFICE OF ECONOMIC COUNSELOR
4301 CONNECTICUT AVE., N.W., SUITE 420
WASHINGTON, D. C. 20008

REFERENCE No. 671148

July 25, 1978

CABLE ADDRESS: SINOECON
TELEPHONE: (202) 555 6400
TELEX: 440292

Mrs. Ann Berry
Textile Division
Room 3333
Department of State
Washington, D. C. 20520

Dear Ann:

I have been requested by authorities in my Government to request the favorable consideration of the Government of the United States to raise the designated consultation level of Category 315 - Printcloth from 2,099,995 square yards, as specified in Annex C of the Agreement between our two Governments dated June 8, 1978, to that of 4,600,000 square yards.

The reason for the above increase is because there is a possible overshipment, the exact amount is to be determined during consultation in Taipei next week, thus night cause the restraint ceiling to be reached long before the desirable date.

Your favorable consideration to the above request will be very much appreciated.

With best personal regards.

Sincerely yours,

T. W. Hu
Economic Counselor

cc: Mr. Arthur Garel, USDC
BOFT/Taipei

The Deputy Assistant Secretary of State for Economic and Business Affairs to the Chinese Economic Counselor

July 28, 1978

Mr. T. W. Hu
Economic Counselor
Embassy of the Republic of China
Office of Economic Counselor
4301 Connecticut Ave. N.W.
Suite 420
Washington, D.C. 20520

Dear Mr. Hu:

I refer to your letter of July 25, 1978 to Mrs. Ann Berry proposing that the designated consultation level for category 315 (print cloth) be changed to 4,600,000 square yards under the terms of our bilateral textile agreement. My Government agrees to your proposal as set out in your letter.

Sincerely,

Robert Hormats

Robert Hormats
Deputy Assistant Secretary
for Economic and Business Affairs

The Secretary of State to the Chinese Ambassador

November 1, 1978

Excellency:

I have the honor to refer to the Arrangement Regarding International Trade in Textiles, with Annexes (hereinafter referred to as the Arrangement), done at Geneva on December 20, 1973, and extended by protocol done at Geneva on December 14, 1977, and to the agreement of June 8, 1978 (the "Agreement"), between the Government of the Republic of China and the Government of the United States of America, concerning trade in cotton, wool and man-made fiber textiles and textile products.

I have also the honor to refer to discussions between representatives of the Government of the Republic of China and the Government of the United States of America in Taipei from July 31 through August 4, 1978, concerning exports to the United States of America of cotton, wool and man-made fiber textiles and textile products from the Republic of China. As a result of these discussions, I have the honor to propose, on behalf of the Government of the United States of America, that the Agreement be amended as follows:

1. Category 331, Cotton Gloves and Mittens, shall be subject to a Specific Limit. Annex B of the Agreement is amended by the insertion of the following Category, Description, Units and Specific Limits immediately following the heading "Group II":

His Excellency

James C. H. Shen,

Chinese Ambassador.

"Category	Units Dozen Pair
331 Cotton Gloves and Mittens	
1st year	428,571
2nd year	441,428
3rd year	454,671
4th year	468,311
5th year	482,360".

Subparagraph 7(a) of the Agreement is amended by inclusion of Category 331 in the group of Categories which may be exceeded by not more than 6 percent.

2. Annex B of the Agreement is further amended to provide that the Specific Limit for the second Agreement Year for Category 645/646, MMF Sweaters, shall be 3,785,919 dozens. During the second Agreement Year, the Specific Limit for Category 645/646 may be exceeded, pursuant to paragraph 7 of the Agreement, by 3 percent, and pursuant to the Carry Forward provisions of paragraph 8 of the Agreement, by 5.65 percent; all other provisions of paragraphs 7 and 8 of the Agreement remain unchanged by this paragraph. Computation of adjustments pursuant to this paragraph and paragraphs 7 and 8 of the Agreement shall be based on a Specific Limit of 4,027,573 dozens for Category 645/646 for the Second Agreement Year.

3. Annex B of the Agreement is amended to provide that the Specific Limit for Category 639, MMF Knit Shirts and Blouses, WG&I, for the first Agreement Year shall be 4,605,431 dozens.

4. During the first Agreement Year, the maximum permissible level of exports to the United States of America for Category 638, MMF Knit Shirts, M&B, shall be 1,900,000 dozen, including (a) all adjustments to the Specific Limit for Category 638 permitted under the Agreement, and (b) charges of 31,760 dozens for shipments of Mens and Boys MMF Knit Shirts during 1977.

5. Pursuant to Paragraph 5 of the Agreement, the Government of the United States of America agrees that exports in the following categories may exceed the Consultation Levels stated in the Agreement by the following amounts during the first Agreement Year.

Category	Amount in Excess of Stated Consultation Level (SYE)
317 Twill and Sateen	2,834,935
320 Other Fabric	2,000,000
659 Other Apparel	2,600,000
669 Sub, Fish Netting	145,000

The Consultation Levels for Subcategory 669 Sub, Fish Netting, for the second and succeeding Agreement Years shall be established during consultations prior to the end of the first Agreement Year.

If the foregoing conforms with the understanding of the Government of the Republic of China, this note and Your Excellency's note of confirmation on behalf of the Government of the Republic of China shall constitute an amendment to the Agreement.

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

For the Secretary of State:

William Barraclough

The Chinese Ambassador to the Secretary of State

Embassy of the Republic of China
2311 Massachusetts Avenue, N.W.
Washington, D.C. 20008

November 1, 1978

Excellency:

I have the honor to acknowledge receipt of Your Excellency's note of today's date, containing a proposed amendment to the agreement on the exports of cotton, wool, and man-made fiber textiles from the Republic of China to the United States of America, signed June 8, 1978 between our two Governments.

I wish to confirm, pursuant to instructions, that the Government of the Republic of China accepts the proposed amendment as contained in your note mentioned above and agrees that your note and this note of confirmation shall constitute a part of the Agreement between our two Governments.

I renew to Your Excellency the assurances of my highest consideration.

James C. H. Shen
Ambassador of the
Republic of China

The Honorable Cyrus R. Vance
Secretary of State
Department of State
Washington, D. C.

TIAS 9339

The Secretary of State to the Chinese Ambassador

December 28, 1978

Excellency:

I have the honor to refer to the Arrangement Regarding International Trade in Textiles, with Annexes (hereinafter referred to as the Arrangement), done at Geneva on December 20, 1973, and extended by protocol done at Geneva on December 14, 1977, and to the agreement of June 8, 1978 with Annexes, as amended (the "Agreement"), between the Government of the Republic of China and the Government of the United States of America, concerning trade in cotton, wool and man-made fiber textiles and textile products.

I have also the honor to refer to discussions between representatives of the Government of the Republic of China and the Government of the United States of America in Washington November 6 and 7, 1978, concerning exports to the United States of America of cotton, wool and man-made fiber textiles and textile products from the Republic of China. As a result of these discussions, I have the honor to propose, on behalf of the Government of the United States of America, that the Agreement be amended as follows:

1. Pursuant to paragraph 5 of the Agreement, the Government of the United States of America agrees that exports in the following Categories may exceed the consultation levels stated in Annex C or paragraph 5 of the Agreement by the following amounts during the first Agreement Year:

His Excellency
James C. H. Shen,
Chinese Ambassador.

Category	Amount in Excess of Stated Consultation Level (SYE)
369	1,125,000
602	1,000,000
669	5,000,000

2. Pursuant to paragraph 5 of the Agreement, the Government of the United States of America agrees that exports in the following Categories may exceed the consultation levels stated in Annex C or paragraph 5 of the Agreement by the following amounts during the second Agreement Year:

Category	Amount in Excess Of Stated Consultation Level (SYE)
315	2,500,005
317	2,834,935
318	1,000,000
320	7,000,000
669 sub	151,248
336	287,500
337	500,000
350	400,000
351	700,000
636	2,000,000
637	300,000
642	562,500
650	500,000
652	450,000
659	16,250,000
442	50,000
459	500,000

If the foregoing conforms with the understanding of the Government of the Republic of China, this note and Your Excellency's note of confirmation on behalf of the Government of the Republic of China shall constitute an amendment to the Agreement.

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

For the Secretary of State:

William Barraclough

The Chinese Ambassador to the Secretary of State

Embassy of the Republic of China
2311 Massachusetts Avenue, N.W.
Washington, D.C. 20008

December 28, 1978

Excellency·

I have the honor to acknowledge receipt of Your Excellency's note of today's date, containing a proposed amendment to the agreement on the exports of cotton, wool, and man-made fiber textiles from the Republic of China to the United States of America, signed June 8, 1978 between our two Governments.

I wish to confirm, pursuant to instructions, that the Government of the Republic of China accepts the proposed amendment as contained in your note mentioned above and agrees that your note and this note of confirmation shall constitute a part of the Agreement between our two Governments.

I renew to Your Excellency the assurances of my highest consideration.

James C. H. Chen
Ambassador of the
Republic of China

The Honorable
Cyrus R. Vance
Secretary of State

TIAS 9339

UNION OF SOVIET SOCIALIST REPUBLICS

Privileges and Immunities

Agreement effected by exchange of notes
Dated at Washington December 14, 1978;
Entered into force December 14, 1978;
Effective December 29, 1978.
With agreed minute.

60-963 O - 80 - 65 QL 3

The Department of State to the Soviet Embassy

The Department of State draws the attention of the Embassy of the Union of Soviet Socialist Republics to recent discussions between representatives of the Department of State and the Embassy concerning the continued application of the Agreement effected by an exchange of notes at Moscow dated October 17, 1967, and March 1, 1968,[1] whereby, on the basis of reciprocity, members of the administrative and technical and service staffs of the Embassy of the Union of Soviet Socialist Republics in the United States, and members of the administrative and technical and service staffs of the Embassy of the United States in the Union of Soviet Socialist Republics, are accorded the privileges and immunities of members of the diplomatic staffs of their respective embassies.

During the recent exchange of views, Soviet and American representatives considered the implications of the enactment by the United States of the Diplomatic Relations Act, effective December 29, 1978.[2] In accordance with this Act, the United States, on the basis of reciprocity, may accord more favorable privileges and immunities than are provided under the Vienna Convention.[3]

It is understood that the Soviet Union may also accord more favorable privileges and immunities on the basis of reciprocity in accordance with its "Statute on Diplomatic and Consular Missions of Foreign States on the Territory

[1] TIAS 8115, 26 UST 1330.
[2] 92 Stat. 808, 22 U.S.C. § 254a note.
[3] Done Apr. 18, 1961. TIAS 7502; 23 UST 3227.

of the Union of Soviet Socialist Republics," approved by an Edict of the Presidium of the Supreme Soviet of the USSR on May 23, 1966.

On the basis of the exchange of views, both sides are convinced that the reciprocal arrangement for privileges and immunities of members of the Soviet and American Embassies has been mutually beneficial and that the continuation of such an arrangement would be in the interests of both Governments. Accordingly, it is proposed on the basis of reciprocity, that all members of the Soviet Embassy in the United States and all members of the American Embassy in the Soviet Union, and the members of their families, be accorded the privileges and immunities of diplomatic agents, as specified in the 1961 Vienna Convention on Diplomatic Relations. These privileges and immunities would extend to members of Embassy staffs and of their families who are nationals of the sending state.

If the foregoing is acceptable, it is proposed that the Embassy's reply to that effect, together with this note, shall constitute an agreement to be effective December 29, 1978, which shall supersede the Agreement effected by the aforementioned exchange of notes in 1967 and 1968.

Department of State,

Washington, December 14, 1978.

The Soviet Embassy to the Department of State

ПОСОЛЬСТВО
СОЮЗА СОВЕТСКИХ
СОЦИАЛИСТИЧЕСКИХ РЕСПУБЛИК

№ 87

Посольство Союза Советских Социалистических Республик, ссылаясь на ноту Государственного Департамента от " 14 " декабря 1978 года, подтверждает достигнутую между советской и американской сторонами договоренность о том, что привилегии и иммунитеты, предоставляемые членам дипломатического персонала на основе взаимности в соответствии с "Положением о дипломатических и консульских представительствах иностранных государств на территории Союза Советских Социалистических Республик", утвержденным Указом Президиума Верховного Совета СССР 23 мая 1966 года, распространяются на граждан США - сотрудников административно-технического и обслуживающего персонала Посольства США в СССР и членов их семей.

В соответствии с указанной договоренностью американская сторона, согласно упомянутой выше ноте Государственного Департамента, на основе взаимности распространяет привилегии и иммунитеты, предоставляемые членам дипломатического персонала, на граждан СССР - сотрудников административно-технического и обслуживающего персонала Посольства СССР в США, а также на членов их семей.

ГОСУДАРСТВЕННЫЙ ДЕПАРТАМЕНТ
СОЕДИНЕННЫХ ШТАТОВ АМЕРИКИ
г.Вашингтон

Уас

TIAS 9340

Настоящая нота Посольства СССР и соответствующая нота Государственного Департамента США составляют соглашение между сторонами по этому вопросу, которое вступит в силу 29 декабря 1978 года и заменит существующую договоренность от 1967-1968 годов.

" 14 " декабря 1978 года, г.Вашингтон

TRANSLATION

EMBASSY OF THE UNION OF
SOVIET SOCIALIST REPUBLICS

No. 87

The Embassy of the Union of Soviet Socialist Republics, referring to the Note of the Department of State of December 14, 1978, confirms the understanding reached by the Soviet and American sides to the effect that privileges and immunities accorded to members of diplomatic staffs on the basis of reciprocity in accordance with the "Statute on Diplomatic and Consular Missions of Foreign States on the Territory of the Union of Soviet Socialist Republics," approved by an Edict of the Presidium of the Supreme Soviet of the USSR on May 23, 1966, are extended to US citizens who are members of the administrative-technical and service staffs of the United States Embassy in the Soviet Union and to members of their families.

In accordance with this understanding, the American side, in the abovementioned Note of the Department of State, extends on the basis of reciprocity, privileges and immunities accorded to diplomatic staffs to Soviet citizens who are members of the administrative-technical and service staffs of the Soviet Embassy in the United States, and also to members of their families.

The present Note of the Embassy of the Union of Soviet Socialist Republics and the corresponding Note of the Department of State constitute an agreement between the sides on this question, which shall come into force on December 29, 1978, and which shall supersede the existing agreement of 1967-1968.

14 December 1978, Washington, D.C.

Department of State of the
United States of America
Washington, D.C.

[Initialed]

TIAS 9340

AGREED MINUTE TO EXCHANGE OF NOTES BETWEEN
THE UNITED STATES DEPARTMENT OF STATE AND
THE EMBASSY OF THE UNION OF SOVIET SOCIALIST REPUBLICS
IN THE UNITED STATES OF AMERICA

The following understandings were reached in the course of discussions concerning the exchange of notes on diplomatic privileges and immunities.

1. In the event of any legal proceeding in the receiving State with respect to any member of a diplomatic mission or consular establishment of the sending State, or a member of the family of any such official, the Ministry of Foreign Affairs in the Soviet Union and the Department of State in the United States shall, when the proceeding is brought to their attention and after consultation with the sending State, without delay certify to the court or other appropriate authority the status of the individual and the scope of immunity resulting from that status so that the dismissal of any such proceeding as required by immunity may be effected with or through their assistance. In this regard, the practice of the Department of State will be the same as before the enactment of the Diplomatic Relations Act.

2. The Department of State, with the cooperation of the municipal authorities of the District of Columbia, shall endeavor to the fullest to secure better parking conditions than those which now exist for members of the staff of the Soviet Embassy in Washington. For these purposes, all possible efforts will be made in order to attempt to provide for the Embassy's use sufficient parking spaces in the area of the Embassy for the parking of automobiles and for creation of appropriate conditions necessary for adhering to

parking regulations. At the same time, both sides will make every effort to resolve other questions which might arise in connection with the use of means of transport by members of their diplomatic and consular representations in the United States of America and in the Union of Soviet Socialist Republics, respectively.

3. The Department of State will use its good offices to avoid unjustified increases in insurance premiums in connection with the introduction of compulsory automobile and transport insurance for diplomatic and consular missions of the Union of Soviet Socialist Republics in the United States of America and their members. The same approach will be taken by the Soviet side in connection with the automobile and transport insurance of diplomatic and consular missions of the United States of America in the Union of Soviet Socialist Republics, and their members.

4. Nothing in the present exchange of notes is intended to detract from the rights, obligations, privileges and immunities of the Parties under any other Agreement. In this regard, the two sides noted in particular:

(a) Articles 21, 22, 23 and 26 of the 1964 Consular Convention,[1] relating to exemptions from taxes and customs duties;

(b) Articles 22(2) and 29 of the 1961 Vienna Convention on Diplomatic Relations, relating to the duty of the receiving State to protect the premises of a diplomatic mission and its personnel. (The two sides acknowledged that a similar duty exists with respect to consular establishments and their personnel.)

December 14, 1978

[1] TIAS 6503; 19 UST 5031.

СОГЛАСОВАННЫЙ ПРОТОКОЛ К ОБМЕНУ НОТАМИ
МЕЖДУ ПОСОЛЬСТВОМ СОЮЗА СОВЕТСКИХ СОЦИАЛИСТИЧЕСКИХ РЕСПУБЛИК
В СОЕДИНЕННЫХ ШТАТАХ АМЕРИКИ И
ГОСУДАРСТВЕННЫМ ДЕПАРТАМЕНТОМ СОЕДИНЕННЫХ ШТАТОВ

В ходе обсуждения, касающегося настоящего обмена нотами о дипломатических привилегиях и иммунитетах, было достигнуто следующее понимание:

I. В случае любого юридического разбирательства в государстве пребывания в отношении любого члена дипломатического представительства или консульского учреждения аккредитующего государства или члена семьи любого такого сотрудника Министерство иностранных дел на территории Советского Союза и Государственный Департамент на территории Соединенных Штатов будут, когда о таком разбирательстве им станет известно и после консультации с аккредитующим государством, без промедления подтверждать суду или другому соответствующему органу власти статус этого лица и объем иммунитета, вытекающий из этого статуса, с тем, чтобы в соответствии с предоставленным иммунитетом любое такое разбирательство могло быть прекращено с их содействием или через их содействие. В этом отношении практика Государственного Департамента будет такой же, как и до вступления в силу Закона о дипломатических сношениях.

2. Государственный Департамент в сотрудничестве с местными властями Округа Колумбия будет оказывать максимальное содействие для обеспечения лучших условий, чем те, которые сложились в настоящее время для стоянок автомашин сотрудников советского Посольства. В этих целях будут предприняты все возможные усилия с тем, чтобы добиваться выделения достаточного количества мест в

районе Посольства для стоянок автотранспортных средств Посольства и создания надлежащих условий, необходимых для соблюдения правил стоянки автомашин. Одновременно обе стороны будут прилагать все усилия, направленные на решение других вопросов, которые могут возникать в связи с использованием автотранспортных средств соответственно в США и СССР сотрудниками их дипломатических и консульских представительств.

3. Государственный Департамент будет оказывать свое посредничество с тем, чтобы не допускать необоснованного увеличения страховых премий в связи с введением обязательного страхования автотранспортных средств дипломатических и консульских представительств СССР в США и их сотрудников. Такой же подход будет осуществляться советской стороной в отношении страхования автотранспорта дипломатических и консульских представительств США в СССР и их сотрудников.

4. Ничто в настоящем обмене нотами не направлено на изъятие прав, обязательств, привилегий и иммунитетов сторон по любому другому соглашению. В этом отношении обе стороны в частности отмечают:

а/ статьи 21, 22, 23 и 26 Консульской конвенции 1964 года, относящиеся к освобождению от уплаты налогов и таможенных сборов;

б/ статьи 22 (2), 29 Венской конвенции о дипломатических сношениях 1961 года, относящиеся к обязанности государства пребывания защищать помещения дипломатического представительства и его персонал. (Обе стороны признали, что подобная обязанность существует в отношении консульских учреждений и их персонала).

" 14 " декабря 1978 года

Gro

SOMALIA

Agricultural Commodities

Agreement amending the agreement of March 20, 1978.
Effected by exchange of letters
Signed at Mogadiscio July 18 and August 10, 1978;
Entered into force August 10, 1978.

The Representative of the Agency for International Development to the Somali Minister of Finance

UNITED STATES OF AMERICA
AGENCY FOR INTERNATIONAL DEVELOPMENT
ECONOMIC DEVELOPMENT OFFICE SOMALIA

UNITED STATES ADDRESS
MOGADISCIO
DEPARTMENT OF STATE
WASHINGTON, D.C. 20520

INTERNATIONAL ADDRESS
USAID/SOMALIA
C/O AMERICAN EMBASSY
OR VIALIDO NO
MOGADISCIO, SOMALIA

JULY 18, 1978

His Excellency MOHAMED YUSUF WEIRAH
Minister of Finance
Mogadiscio, Somalia

EXCELLENCY:

I have the honor to refer to PL 480 Title I Agricultural Sales Agreement signed by representatives of our two governments on March 20, 1978[1] and propose the agreement be amended as follows:

(A) In Part II—Commodity Table

Under appropriate table columns delete "corn/sorghums" and "20,000" and add "soybean/cottonseed oil" and "2,750".

(B) In III—Usual Marketing Table

Under appropriate columns delete "corn/sorghums" and "35,-

[1] TIAS 9222; *ante*, p. 827.

000" and add "edible vegetable oils and/or oil-bearing seeds (oil equivalent basis)", and "5,500"

(C) In IV—Export Limitations. Para B

Delete "corn/sorghums—corn, sorghums, barley, oats, and rye, including mixed feed containing such grains" and add "for soybean/cottonseed oil—all edible vegetable oils, including soybean oil, sesame oil, sunflower oil, cottonseed oil, rapeseed oil, and any edible oil-bearing seeds from which edible oils are produced"

All other terms and conditions of the March 20, 1978 Title I Agreement remain the same. It is proposed that this note and your reply concurring therein constitute an agreement between our two governments effective the date of your note in reply

Sincerely Yours,

CHARLES P CAMPBELL

Charles P Campbell
A.I.D. Representative

The Somali Acting Director General, Ministry of Finance, to the Resident Representative of the Agency for International Development

Jamhuuriyadda Dim. Soomaaliya
WASAARADDA MAALIYADDA
Ministry of Finance

جمهورية الصومال الديمقراطية
وزارة المالية [1]

10 AGO. 1978

Summad AG/X/30-03061
Taariikh

الرقم
التاريخ

The
Resident Representative
United States
Agency for International Development
=Mogadishu=

-^-^-^-^-^-^-

Dear Sir,

We are pleased to refer to PL 480 title I Agricultural Sales Agreement Signed on March 20, 1978, between our two governments.

We are also happy to give our agreement to the amendments as proposed in your letter dated July 18, 1978 Substituting Corn/ Sorghums for edible vegetable oils. As agreed, all other terms and conditions of the March 20, 1978 Title I Agreement remain the same.

Sincerely Yours

Ahmed Mohamed Nur
Acting Director General
Ministry of Finance

Jamhuuriyadda Dimoqraadiga Soomaaliya Wasaaradda Maaliya

AUG 1 0 REC'D

[1] In translation reads: "Somali Democratic Republic Ministry of Finance".

INDONESIA

Provincial Area Development Program

Agreement signed at Jakarta April 12, 1978;
Entered into force April 12, 1978.

A.I.D. LOAN NO. 497-T-047

PROJECT NO. 497-0264

PROJECT

LOAN AGREEMENT

BETWEEN

THE REPUBLIC OF INDONESIA

and the

UNITED STATES OF AMERICA

for

PROVINCIAL AREA DEVELOPMENT PROGRAM I

DATED: April 12, 1978

TIAS 9342

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Annex 1 - Amplified Description of the Project

Annex 2 - Project Loan Standard Provisions Annex [1]

[1] Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

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PROJECT LOAN AGREEMENT

Dated April 12, 1978

Between THE REPUBLIC OF INDONESIA ("Borrower")

And THE UNITED STATES OF AMERICA, acting through the Agency for International Development ("A.I.D ").

Article 1. The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Borrower of the Project described below, and with respect to the financing of the Project by the Parties.

Article 2: The Project

SECTION 2.1. Definition of Project. The Project, which is further described in Annex 1, will consist of assistance to the Borrower to enable provincial and lower levels of government in Central Java and Aceh Provinces to improve their capability for the identification, planning, implementation, management, and evaluation of rural/area development projects and activities.

Within the limits of the above definition of the Project, elements of the amplified description stated in Annex 1 may be changed by written agreement of authorized representatives of the Parties named in Section 9.2, without formal amendment of this Agreement.

Article 3: Financing

SECTION 3.1. The Loan. To assist the Borrower to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to lend the Borrower under the terms of this Agreement not to exceed Six Million United States ("U.S.") Dollars ($6,000,000) ("Loan"). The aggregate amount of disbursements under the Loan is referred to as "Principal."

The Loan may be used to finance foreign exchange costs, as defined in Section 7.1, and local currency costs, as defined in Section 7.2, of goods and services required for the Project.

SECTION 3.2. Borrower Resources for the Project.

(a) The Borrower agrees to provide or cause to be provided for the Project all funds, in addition to the Loan, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by Borrower for the Project will be not less than the equivalent of U.S. $3,610,000 including costs borne on an "in-kind" basis.

[1] 75 Stat. 424; 22 U.S.C. § 2151 note.

SECTION 3.3. Project Assistance Completion Date.

(a) The Project Assistance Completion Date (PACD), which is April 12, 1983, or such other date as the Parties agree to in writing, is the date by which the Parties estimate that all portions of the Project financed jointly by them on a Fixed Amount Reimbursement (FAR) basis will have been completed, that all services financed under the Loan other than on a FAR basis will have been performed, and that all goods financed under the Loan other than on a FAR basis will have been furnished for the Project, as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Loan for FAR portions of the Project completed subsequent to the PACD, or, in the case of portions of the Project financed under the Loan other than on a FAR basis, for services performed subsequent to the PACD or goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D , giving notice in writing to the Borrower,

may at any time or times reduce the amount of the Loan by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4: Loan Terms

SECTION 4.1. Interest. The Borrower will pay to A.I.D. interest which will accrue at the rate of two percent (2%) per annum for ten (10) years following the date of the first disbursement hereunder and at the rate of three percent (3%) per annum thereafter on the outstanding balance of Principal and on any due and unpaid interest. Interest on the outstanding balance will accrue from the date (as defined in Section 8.5) of each respective disbursement, and will be payable semiannually. The first payment of interest will be due and payable no later than six (6) months after the first disbursement hereunder, on a date to be specified by A.I.D.

SECTION 4.2. Repayment. The Borrower will repay to A.I.D. the Principal within forty (40) years from the date of the first disbursement of the Loan in sixty-one (61) approximately equal semiannual installments of Principal and interest. The first installment of Principal will be payable nine and one-half (9½) years after the date on which

the first interest payment is due in accordance with Section 4.1. A.I.D. will provide the Borrower with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

SECTION 4.3. Application, Currency, and Place of Payment. All payments of interest and Principal hereunder will be made in U.S. Dollars and will be applied first to the payment of interest due and then to the repayment of Principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D.C. 20523, U.S.A., and will be deemed made when received by the Office of Financial Management.

SECTION 4.4. Prepayment. Upon payment of all interest and any refunds then due, the Borrower may prepay, without penalty, all or any part of the Principal. Unless A.I.D. otherwise agrees in writing, any such prepayment will be applied to the installments of Principal in the inverse order of their maturity.

SECTION 4.5. Renegotiation of Terms.

(a) The Borrower and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of Indonesia, which enable the Borrower to repay the Loan on a shorter schedule.

(b) Any request by either Party to the other to so negotiate will be made pursuant to Section 9.2, and will give the name and address of the person or persons who will represent the requesting Party in such negotiations.

(c) Within thirty (30) days after delivery of a request to negotiate, the requested Party will communicate to the other, pursuant to Section 9.2, the name and address of the person or persons who will represent the requested Party in such negotiations.

(d) The representatives of the Parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested Party's communication under subsection (c) The negotiations will take place at a location mutually agreed upon by the representatives of the Parties, provided that, in the absence of mutual agreement, the negotiations will take place at the office of Borrower's Minister of Finance in Indonesia.

SECTION 4.6. Termination on Full Payment. Upon payment in full of the Principal and any accrued interest, this Agreement and all obligations of the Borrower and A.I.D. under it will cease.

Article 5· Conditions Precedent to Disbursement

SECTION 5.1. First Disbursement. Prior to the first disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.

(a) An opinion of the Minister of Justice of the Borrower that this Agreement has been duly authorized and/or ratified by, and executed on behalf of, the Borrower, and that it constitutes a valid and legally binding obligation of the Borrower in accordance with all of its terms;

(b) A statement of the name of the person holding or acting in the office of the Borrower specified in Section 9.2 and of any additional representatives, together with a specimen signature of each person specified in such statement;

(c) A letter setting forth detailed instructions and guidelines from the Ministry of Home Affairs to the Regional Government which will provide standard operating procedures for planning, implementing and monitoring the overall Program; and

(d) A schedule for the evaluation program referred to in Section 6.1

SECTION 5.2. Disbursement for Annual Programs. Except as the Parties may otherwise agree in writing, prior to disbursement under the Loan or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made for any activity in an annual provincial program, the Borrower and A.I.D. shall review and approve in writing the provincial annual program which shall include the annual objectives, approach, plans, listing of activities, cost estimates, implementation schedules, operations, and other relevant information such as disbursement procedures for each of the activities.

SECTION 5.3. Notification. When A.I.D. has determined that the conditions precedent specified in Sections 5.1 and 5.2 have been met, it will promptly notify the Borrower.

SECTION 5.4. Terminal Dates for Conditions Precedent. If all of the conditions specified in Section 5.1 have not been met within 90 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to Borrower.

Article 6: Special Covenants

SECTION 6.1. Project Evaluation. The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter: (a) evaluation of progress toward attainment of the objectives of the Project; (b) identification and evaluation of problem areas or constraints which may inhibit such attainment; (c) assessment of how such information may be used to help overcome such problems; and (d) evaluation, to the degree feasible, of the overall development impact of the Project.

Article 7 Procurement Source

SECTION 7.1. Foreign Exchange Costs. Disbursements pursuant to Section 8.1 will be used exclusively to finance the cost of goods and services required for the Project having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Loan Standard Provisions Annex, Section C.1(b) with respect to marine insurance.

SECTION 7.2. Local Currency Costs. Disbursements pursuant to Section 8.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in Indonesia ("Local Currency Costs"). To the extent provided for under this Agreement, "Local Currency Costs" may also include the provision of local currency resources required for the Project.

Article 8: Disbursements

SECTION 8.1. Disbursement for Foreign Exchange Costs.

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or (B) requests for A.I.D. to procure commodities or services in Borrower's behalf for the Project; or

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank

or banks for payments made by them to contractors or suppliers, under Letter of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Borrower in connection with Letters of Commitment and Letters of Credit will be financed under the Loan unless the Borrower instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Loan.

SECTION 8.2. Disbursement for Local Currency Costs. After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs. These disbursements may be made by A.I.D..

(1) In U.S. dollars equivalent to the local currency cost, or

(2) In local currency acquired by A.I.D. by purchase or from local currency already owned by the U.S. Government.

SECTION 8.3. Other Forms of Disbursement. Disbursements of the Loan may also be made through such other means as the Parties may agree to in writing.

SECTION 8.4. Rate of Exchange. If funds provided under the Loan are introduced into Indonesia by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D. hereunder, the Borrower will make such arrangements as may be necessary so that such funds may be converted into currency of Indonesia at the highest rate of exchange which, at the time the conversion is made, is not unlawful in Indonesia.

SECTION 8.5. Date of Disbursement. Disbursements by A.I.D. will be deemed to occur (a) on the date on which A.I.D. makes a disbursement to the Borrower or its designee, or to a bank, contractor or supplier pursuant to a Letter of Commitment, contract, or purchase order; or (b) on the date on which A.I.D. disburses to the Borrower or its designee local currency acquired in accordance with Section 8.2.

Article 9. Miscellaneous

SECTION 9.1. Communications. Any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable and will be deemed duly given or sent when delivered to such party at the following address:

To the Borrower:

Mail Address: Departemen Luar Negeri
Jalan Pejambon No. 6
Jakarta Pusat, Indonesia

Alternate address for telegrams: DEPLU Jakarta

To A.I.D.

Mail Address: United States Agency for International Development
American Embassy
Jakarta, Indonesia

Alternate address for telegrams: USAID AMEMB Jakarta

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

SECTION 9.2. Representatives. For all purposes relevant to this Agreement, the Borrower will be represented by the individual holding or acting in the Office of Chairman or Vice Chairman, National Development Planning Agency ("BAPPENAS") and A.I.D. will be represented by the individual holding or acting in the office of Director, United States A.I.D. Mission to Indonesia, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the

amplified description in Annex 1. The names of the representatives of the Borrower, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority

SECTION 9.3. Standard Provisions Annex. A "Project Loan Standard Provisions Annex" (Annex 2) [1] is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Borrower and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

REPUBLIC OF INDONESIA

By: Mochtar Kusumaatmadja
Prof. Dr. Mochtar Kusumaatmadja
Minister of Foreign Affairs

UNITED STATES OF AMERICA

By: Edward E. Masters
Edward E. Masters
Ambassador

[1] See footnote 1, p. 2357.

ANNEX 1

AMPLIFIED DESCRIPTION OF THE PROJECT

I. Project Purpose

The Provincial Area Development Program (PDP) I is a local government program which seeks to: (i) improve the capabilities of local government within the Provinces of Central Java and Aceh to undertake rural development activities which impact on the productive capacity of the rural poor; (ii) improve the capabilities of key central government agencies to support local government rural development activities which impact on the income of the rural poor; and (iii) increase the incomes of the rural poor within the project areas.

Central Java is one of Indonesia's most densely populated provinces, giving rise to serious underemployment among landless laborers and a scarcity of opportunities to generate new sources of income that can be retained by its rural and poor population. Within the selected Kabupaten of Demak, Kudus, Jepara, Pati and Rembang there are additional problems resulting from serious flooding in the rainy season, severe droughts in the dry season, and generally low productivity of land in a number of locations. Consequently, the Central Java Program will focus attention on the problems of the landless and near landless as well as those with more moderate-sized holdings but situated on lands plagued with frequent natural disasters

or low productivity. More specifically, it seeks to do this primarily by improving the capability of the province and its associated local levels of government to plan and manage: (i) specially designed agricultural activities which address the problems of land scarcity and unproductiveness of particular areas to allow for broader based participation by the rural poor; (ii) the promotion of additional employment opportunities through rural industry expansion; (iii) rural credit schemes which are targetted on the rural poor; and (iv) improved mechanisms for the identification and implementation of kecamatan-level development activities impacting on the poor.

Aceh, on the other hand, is one of Indonesia's least populated provinces with relatively abundant agricultural resources and land availability yet agriculture in Aceh is characterized by low productivity. For the most part, farmers continue to use traditional agricultural practices and they remain poor. Within the selected Kabupaten of Aceh Besar and Aceh Barat, most of the rural populace are farmers who cultivate rice with very low yields per hectare and who do not exploit secondary food crops and other agricultural opportunities. Infrastructure, institutions and programs required to deliver necessary services to these farmers to improve their earning capacities remain scattered and are not fully effective. Consequently, in Aceh the program will

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focus primarily on improving technical and planning agencies of the regional government; upgrading agricultural support services and infrastructure facilities; introducing modern agricultural techniques, inputs and technologies; diversifying agriculturally productive activities; and promoting rural handicraft and processing industries.

II. Project Outputs, Inputs and Financial Plan

PDP I will help to finance activities which primarily are: (i) targetted on increasing the incomes of the rural poor as directly and immediately as possible; (ii) relatively small-scale, of a pilot nature, and capable of execution within a reasonable time frame; (iii) technically, economically, financially, socially, environmentally and administratively sound, (iv) capable of replication; (v) focussed spatially to maximize the likelihood of beneficial linkages between activities under auspices of the PDP as well as other governmental efforts undertaken (e.g., an INPRES road), to the extent possible; and (vi) within the framework, or major objectives, of the individual provincial programs described above.

Loan funds will be utilized primarily for commodities and activity execution while grant assistance will be utilized to finance technical advisory services and training, as specified in the companion Project Agreement No. 77-13 dated September 29, 1977. On page 7 is the PDP I Financial Plan

for both loan and grant elements. Although the maximum A.I.D. and the minimum Borrower contributions specified in Article 3 of this Loan Agreement remain fixed, changes in amounts of funds allocated to individual project inputs may be made during implementation of the project without formal change of this Amplified Description of the Project.

It is agreed that in event any of the grant funds planned for funding a portion of the project should not be made available to A.I.D., Borrower would not be responsible for providing such funds for the Project. Under such circumstances it is agreed between Borrower and A.I.D. that the scope of the overall project would be reduced to correlate with the reduction of available funds.

Financial mechanisms to be applied for the A.I.D. local currency contributions for subproject implementation may include Fixed Amount Reimbursement (FAR), including the possibility of utilizing FAR with advances, and direct disbursement of local currency. The most appropriate mechanisms for each activity as well as the amount of the A.I.D. and Borrower contribution will be decided at the joint review of provincial plans and agreed to in writing.

III. Project Direction and Organization

The Provincial Area Development Program will be under the overall direction and guidance of the national level Steering and Technical Committees representing primarily the Ministry of Home Affairs, BAPPENAS, and the Ministry of Public Works and Electric Power established by the Ministry of Home Affairs Decree No. 309 of 1976, and the Ministry of Finance. The Directorate-General for General Administration and Regional Autonomy (PUOD) of the Ministry of Home Affairs will be responsible for overall execution of PDP I for the central government. The operating level PDP I project management unit will be located within PUOD's Directorate for Regional Development. In the Provinces of Central Java and Aceh, the governors and their provincial planning boards (Bappeda) will be the primary counterpart responsible for guiding, directing and coordinating the participating technical service agencies and kabupatens.

IV. Implementation Plan

The Program will function within the context of the Government budget cycle for planning, preparation of annual budgets and implementation. It is anticipated that four full years of programming, implementation, monitoring and evaluation will prove sufficient for making the substantive improvements in local government administration sought and therefore PDP I will

be most concerned with Indonesian fiscal years (IFY) 1978/79, 1979/80, 1980/81, and 1981/82, although preliminary activities (particularly technical assistance and training) may take place during IFY 1977/78.

Implementation will follow along the lines of the major, nationally financed rural development/local government programs (INPRES) with annual instructions/guidelines being sent to the provinces and kabupaten; annual programs being developed at these local levels; a joint national Steering/Technical Committee and USAID review following submission of these provincial plans; and actual execution being a responsibility of the appropriate technical agency in the field.

PROJECT FINANCIAL PLAN
(Source and Application of Funding - $ Thousands)

Project Inputs	A.I.D. Loan	A.I.D. Grant: FY 1977 obligation	A.I.D. Grant: Future yrs anticipated	Borrower/ Grantee	Total
1. National level support					
a. Technical assistance		135	135	117	387
b. Training		36	36		72
2. Central Java Program					
a. Technical assistance		373	372	324	1069
b. Training		53	53		106
c. Commodities	150			21	171
d. Subproject activity financing	2850			1810	4660
3. Aceh Program					
a. Technical assistance		292	293	249	834
b. Training		111	111		222
c. Commodities	359			60	419
d. Subproject activity financing	2641			1719	4360
4. Totals	6000	1000	1000	4300	12300

INDONESIA

Sumatra Agricultural Research

Agreement signed at Jakarta April 12, 1978;
Entered into force April 12, 1978.

A.I.D. LOAN NO. 497-T-048

PROJECT NO. 497-263

PROJECT

LOAN AGREEMENT

BETWEEN

THE REPUBLIC OF INDONESIA

and the

UNITED STATES OF AMERICA

for

SUMATRA AGRICULTURAL RESEARCH

DATED: April 12, 1978

TIAS 9343

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Annex 1 Description of Project

Annex 2 Project Loan Standard Provisions Annex [1]

[1] Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

PROJECT LOAN AGREEMENT

Dated. April 12, 1978

Between THE REPUBLIC OF INDONESIA ("Borrower")

And THE UNITED STATES OF AMERICA, acting through the Agency for International Development ("A.I.D.").

Article 1: The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Borrower of the Project described below, and with respect to the financing of the Project by the Parties.

Article 2: The Project

SECTION 2.1. Definition of Project. The Project, which is further described in Annex 1, will consist of expanding and improving a network of agricultural research stations for food crops in the provinces of Sumatra, Indonesia. Annex 1, attached, amplifies the above definition of the Project.

Within the limits of the above definition of the Project, elements of the amplified description stated in Annex 1 may

be changed by written agreement of the authorized representatives of the Parties named in Section 9.2, without formal amendment of this Agreement.

Article 3. Financing

SECTION 3.1. The Loan. To assist the Borrower to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to lend the Borrower under the terms of this Agreement not to exceed Seven Million United States ("U.S.") Dollars ($7,000,000) ("Loan"). The aggregate amount of disbursements under the Loan is referred to as "Principal".

The Loan may be used to finance foreign exchange costs, as defined in Section 7.1, and local currency costs, as defined in Section 7.2, of goods and services required for the Project.

SECTION 3.2. Borrower Resources for the Project

(a) The Borrower agrees to provide or cause to be provided for the Project all funds, in addition to the Loan, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by Borrower for the Project

[1] 75 Stat. 424, 22 U.S.C. § 2151 note.

will be not less than the equivalent of U.S. $7,300,000 including costs borne on an "in-kind" basis.

SECTION 3.3. Project Assistance Completion Date

(a) The Project Assistance Completion Date (PACD), which is April 12, 1984 or such other date as the Parties agree to in writing, is the date by which the Parties estimate that all portions of the Project financed jointly by them on a Fixed Amount Reimbursement (FAR) basis will have been completed, that all services financed under the Loan other than on a FAR basis will have been performed, and that all goods financed under the Loan other than on a FAR basis will have been furnished for the Project, as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Loan for FAR portions of the Project completed subsequent to the PACD, or, in the case of portions of the Project financed under the Loan other than on a FAR basis, for services performed subsequent to the PACD or goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project

Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Borrower, may at any time or times reduce the amount of the Loan by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4: Loan Terms

SECTION 4.1. Interest. The Borrower will pay to A.I.D. interest which will accrue at the rate of two percent (2%) per annum for ten (10) years following the date of the first disbursement hereunder and at the rate of three percent (3%) per annum thereafter on the outstanding balance of Principal and on any due and unpaid interest. Interest on the outstanding balance will accrue from the date (as defined in Section 8.5) of each respective disbursement, and will be payable semiannually The first payment of interest will be due and payable no later than six (6) months after the first disbursement hereunder, on a date to be specified by A.I.D.

SECTION 4.2. Repayment. The Borrower will repay to A.I.D. the Principal within forty (40) years from the date

of the first disbursement of the Loan in sixty-one (61) approximately equal semiannual installments of Principal and interest. The first installment of Principal will be payable nine and one-half (9-1/2) years after the date on which the first interest payment is due in accordance with Section 4.1. A.I.D. will provide the Borrower with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

SECTION 4.3. Application, Currency, and Place of Payment. All payments of interest and Principal hereunder will be made in U.S. Dollars and will be applied first to the payment of interest due and then to the repayment of Principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D.C. 20523, U.S.A., and will be deemed made when received by the Office of Financial Management.

SECTION 4.4. Prepayment. Upon payment of all interest and any refunds then due, the Borrower may prepay, without penalty, all or any part of the Principal. Unless A.I.D. otherwise agrees in writing, any such prepayment will be applied to the installments of Principal in the inverse order of their maturity.

SECTION 4.5. Renegotiation of Terms. (a) The Borrower and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of Indonesia, which enable the Borrower to repay the Loan on a shorter schedule.

(b) Any request by either Party to the other to so negotiate will be made pursuant to Section 9.2, and will give the name and address of the person or persons who will represent the requesting Party in such negotiations.

(c) Within thirty (30) days after delivery of a request to negotiate, the requested Party will communicate to the other, pursuant to Section 9.2, the name and address of the person or persons who will represent the requested Party in such negotiations.

(d) The representatives of the Parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested Party's communication under subsection (c). The negotiations will take place at a location mutually agreed upon by the representatives of the Parties, provided that, in the absence of mutual agreement, the negotiations will take place at the office of Borrower's Minister of Finance in Indonesia.

SECTION 4.6. Termination on Full Payment. Upon payment in full of the Principal and any accrued interest, this Agreement and all obligations of the Borrower and A.I.D. under it will cease.

Article 5: Conditions Precedent to Disbursement

SECTION 5.1. First Disbursement. Prior to the first disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) An opinion of the Minister of Justice of the Borrower that this Agreement has been duly authorized and/or ratified by, and executed on behalf of, the Borrower, and that it constitutes a valid and legally binding obligation of the Borrower in accordance with all of its terms;

(b) A statement of the name of the person holding or acting in the office of the Borrower specified in Section 9.2, and of any additional representatives, together with a specimen signature of each person specified in such statement; and

(c) A schedule for the evaluation program referred to in Section 6.1.

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SECTION 5.2. Disbursement for Training. Prior to disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made for training, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D. prior to commencement of each individual training activity:

(a) For long term training a cost estimate for the training and a certification by the Central Research Institute for Agriculture (CRIA) of the Agency for Agricultural Research and Development, Department of Agriculture, that the training requested is in accord with the Project Plans previously approved by A.I.D. and that the participants meet the selection criteria previously agreed to by Borrower and A.I.D.;

(b) For short term training, a description of the training course, names of the participants and a cost estimate for the training.

SECTION 5.3. Disbursement for Commodities. Prior to disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made for imported commodities, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D. prior to procurement of

such commodities a certification that the commodities are appropriate for the Project and in accord with the Project Plans previously approved by A.I.D.

SECTION 5.4. Disbursement for Construction. Prior to disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made for construction, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D. prior to commencement of such construction activity:

(a) A detailed cost estimate for each construction activity to be approved by A.I.D.

(b) A certification that the construction activity is in accord with the Project Plans previously approved by the Borrower and A.I.D. and that the preliminary specifications are appropriate for the particular construction activity.

(c) Detailed plans and specifications for each construction activity for approval by the Borrower and A.I.D. and for compliance with Section C.3 of the Standard Provisions Annex of this Agreement.

(d) Evidence that adequate amount of land has been or will be provided for use by CRIA for each substation site.

SECTION 5.5. Notification. When A.I.D. has determined that the conditions precedent specified in Section 5.1, 5.2, 5.3 and 5.4 have been met, it will promptly notify the Borrower.

SECTION 5.6. Terminal Dates for Conditions Precedent. If all of the conditions specified in Section 5.1 have not been met within 90 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to Borrower

Article 6: Special Covenants

SECTION 6.1. Project Evaluation. The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter: (a) evaluation of progress toward attainment of the objectives of the Project; (b) identification and evaluation of problem areas or constraints which may inhibit such attainment; (c) assessment of how such information may be used to help overcome such problems; and (d) evaluation, to the degree feasible, of the overall development impact of the Project.

SECTION 6.2. Project Implementation. Borrower covenants and agrees to carry out the Project in accordance with the Project Plans previously approved by the Borrower and A.I.D. and shall not pursue any activities under the Project at major variance with such plans without the prior written concurrence of A.I.D.

Article 7. Procurement Source

SECTION 7.1. Foreign Exchange Costs. Disbursements pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Loan Standard Provisions Annex, Section C.1 (b) with respect to marine insurance.

SECTION 7.2. Local Currency Costs. Disbursements pursuant to Section 8.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in Indonesia ("Local Currency Costs").

To the extent provided for under this Agreement, "Local Currency Costs" may also include the provision of local currency resources required for the Project.

Article 8. Disbursements

SECTION 8.1. Disbursement for Foreign Exchange Costs

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or (B) requests for A.I.D. to procure commodities or services in Borrower's behalf for the Project; or

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D , committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letter of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors

or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Borrower in connection with Letters of Commitment and Letters of Credit will be financed under the Loan unless the Borrower instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Loan.

SECTION 8.2. Disbursement for Local Currency Costs

After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for Local Currency Costs required for the Project in accordance with the terms of this Agreement by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs. These disbursements may be made by A.I.D.:

(1) In U.S. Dollars equivalent to the Local Currency Cost, or

(2) In local currency acquired by A.I.D. by purchase or from local currency already owned by the U.S. Government.

SECTION 8.3. Other Forms of Disbursement. Disbursements of the Loan may also be made through such other means as the Parties may agree to in writing.

SECTION 8.4. Rate of Exchange. If funds provided under the Loan are introduced into Indonesia by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D. hereunder, the Borrower will make such arrangements as may be necessary so that such funds may be converted into currency of Indonesia at the highest rate of exchange which, at the time the conversion is made, is not unlawful in Indonesia.

SECTION 8.5. Date of Disbursement. Disbursements by A.I.D. will be deemed to occur (a) on the date on which A.I.D. makes a disbursement to the Borrower or its designee, or to a bank, contractor or supplier pursuant to a Letter of Commitment, contract, or purchase order; (b) on the date on which A.I.D. disburses to the Borrower or its designee local currency acquired in accordance with Section 8.2 (b).

Article 9. Miscellaneous

SECTION 9.1. Communications. Any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following address.

To the Borrower:

Mail Address: Departement Luar Negeri
Jl. Pejambon No. 2
Jakarta Pusat
Indonesia

Alternate address for telegrams: DEPLU Jakarta

To A.I.D.:

Mail Address: United States Agency
for International Development
American Embassy
Jakarta, Indonesia

Alternate address for telegrams: USAID AMEMB Jakarta

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

SECTION 9.2. Representatives. For all purposes relevant to this Agreement, the Borrower will be represented by the individual holding or acting in the office of Chairman or Vice Chairman, National Development Planning Agency ("BAPPENAS") and A.I.D. will be represented by the individual holding or acting in the office of Director, USAID Mission to Indonesia, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Borrower, with specimen signatures,

will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority

SECTION 9.3. Standard Provisions Annex. A "Project Loan Standard Provisions Annex" (Annex 2)[1] is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Borrower and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

REPUBLIC OF INDONESIA

By: Mochtar Kusumaatmadja
Prof. Dr. Mochtar Kusumaatmadja
Minister for Foreign Affairs

UNITED STATES OF AMERICA

By: Edward E. Masters
Edward E. Masters
Ambassador

[1] See footnote 1, p. 2382.

ANNEX 1

AMPLIFIED DESCRIPTION OF THE PROJECT

1. Purpose: To expand and improve agricultural research to address agro-climatic factors peculiar to Sumatra.

2. Targets: The project will further strengthen national agricultural research capability by increasing the network of regional research stations designed to address particular agro-climatic factors peculiar to the varied conditions in the Provinces of Sumatra. Working through the established structure of the Central Research Institute for Agriculture (CRIA), research findings will be transferred to the farmer through Subject Matter Specialists in cooperation with the regional extension service and the information centers. The project will receive the following support over a six (6) year period: (a) constructing and equipping research facilities at approximately nine (9) representative sites; (b) training of Indonesian researchers; and (c) technical assistance.

3. Project Management: CRIA will have overall responsibility for general guidance and implementation with the assistance of the technical assistance advisory team being financed by an A.I.D. grant. The Public Works Office in each province will aid in the contracting and supervision of

design and construction of the physical facilities in the province, and will be responsible for ensuring that the buildings are designed and built according to specifications.

4. Project Duration: April, 1978 through April, 1984.

5. Financing: USAID loan of $7,000,000 and grant of $2,500,000 to assist the GOI in carrying out the project. GOI contribution is to be at least $7,500,000, making a total project cost a minimum of $17,000,000. Since the contingency and inflation allowances included in the Project Financial Plan (page 3) have not been allocated to individual inputs, change up to 40% may be made to line item amounts without formal revision of the Financial Plan, provided the total A.I.D. contribution is not increased or the Borrower's contribution decreased.

6. Implementation and Reimbursement: CRIA monitors the project in cooperation with A.I.D. to insure compliance with jointly approved project descriptions, plans specifications and cost estimates. A host country contract between CRIA and a U.S. consulting firm provides technical assistance, and manages commodity orders and out-of-country training. Disbursements for foreign exchange costs are by letter of commitment. Fixed Amount Reimbursement (FAR) may be used for local currency costs.

ATTACHMENT 1

ANNEX 1

PROJECT FINANCIAL PLAN
(thousands U.S. $)

As of April 12, 1978

	AID				Borrower/Grantee		
	Grant	Loan		Total	Grant	Loan	Total
	FX	FX	LC	AID			All Costs
INPUTS							
Technical Assistance	1,728				150		1,878
Construction		255	1,600			3,965	5,820
Farm Development						545	545
Vehicles		410					410
Field Equipment		675					675
Misc. Station Development		1,235				405	1,640
Training (long term)		685				325	1,010
Training (short term)		130				40	170
Total	1,728	3,390	1,600		150	5,280	12,148
Contingency (10%)	172	340	160		15	520	1,207
Inflation (30%)	600	1,000	510		35	1,500	3,645
Grand Total	2,500	4,730	2,270		200	7,300	17,000

PHILIPPINES

Economic and Social Improvements

Agreement signed at Manila April 19, 1978;
Entered into force April 19, 1978.

Date: April 19, 1978

A.I.D. Project Number 492-0295

PROJECT

GRANT AGREEMENT

BETWEEN

THE REPUBLIC OF THE PHILIPPINES

AND THE

UNITED STATES OF AMERICA

FOR

ECONOMIC AND SOCIAL IMPACT

ANALYSIS/WOMEN IN DEVELOPMENT

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[1] Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

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Project Grant Agreement

Dated April 19, 1978

Between

The Republic of the Philippines ("Grantee")

And

The United States of America, acting through the Agency for International Development ("A.I.D.")

Article 1: The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Grantee of the Project described herein, and with respect to the financing of the Project by the Parties.

Article 2. The Project

SECTION 2.1. Definition of the Project. The Project, which is further described in Annex 1, will consist of a series of studies, experiments, field tests, and training workshops aimed at developing, testing, and institutionalizing various methodologies and indicators for defining and measuring economic progress, social change, and the impact of development projects, including effects on Filipino women. The Project will be implemented in terms of four components. These are:

(a) MACRO Component - Developing Systematic Means for Measuring and Monitoring Progress Towards Development Goals;

(b) MICRO Component - Developing the Methodologies for Measuring and Analyzing Project Progress and Impact;

(c) REGION VI Component - Institutionalizing the Use of Project Progress and Impact Indicators; and

(d) WID Component - Women in Development Studies.

The purpose of the Project is to help improve the measurement of economic progress, social change, and the impact of development projects, including the effects on women in their dual roles as agents and beneficiaries of development. Its goal is to help improve the economic and social well-being of the Philippine population, particularly the rural poor. Annex 1, attached, amplifies the above definition of the Project. Within the limits of the above definition of the Project, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the Parties named in Section 8.2 without formal amendment of this Agreement.

SECTION 2.2. Incremental Nature of Project

(a) A.I.D.'s contribution to the Project will be provided in increments, the initial one being made available in accordance with Section 3.1 of this Agreement. Subsequent increments will be subject to availability of funds to A.I.D. for this purpose, and

to the mutual agreement of the Parties, at the time of a subsequent increment, to proceed.

(b) Within the overall Project Assistance Completion Date stated in this Agreement, A. I. D., based upon consultation with the Grantee, may specify in Project Implementation Letters appropriate time periods for the utilization of funds granted by A. I. D. under an individual increment of assistance.

Article 3. Financing

SECTION 3. 1. The Grant. To assist the Grantee to meet the costs of carrying out the Project, A. I. D., pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to grant the Grantee under the terms of this Agreement not to exceed One Million United States ("U. S. ") Dollars ($1, 000, 000) ("Grant"). The Grant may be used to finance foreign exchange costs, as defined in Section 6. 1 and local currency costs, as defined in Section 6. 2, of goods and services required for the Project.

SECTION 3. 2. Grantee Resources for the Project

(a) The Grantee agrees to provide or cause to be provided for the Project all funds in addition to the Grant, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by Grantee for the Project through December 31, 1978 will not be less than the equivalent of U. S. $465, 000, including costs borne on an "in-kind" basis.

[1] 75 Stat. 424, 22 U.S.C. § 2151 note.

(c) The Grantee's contribution to subsequent years of Project operation will be subject to availability of funds for this purpose and mutual agreement to proceed.

SECTION 3.3. Project Assistance Completion Date

(a) The "Project Assistance Completion Date" (PACD), which is December 31, 1981, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Grant will have been performed and all goods financed under the Grant will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Grant for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters are to be received by A.I.D. or any bank described in Section 7.1, not later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Grantee, may at any time or times reduce the amount of the Grant by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in

Project Implementation Letters, were not received before the expiration of said period.

Article 4: Conditions Precedent to Disbursement

SECTION 4.1. First Disbursement. Prior to the first disbursement under the Grant, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.

(a) A statement of the name of the person holding or acting in the office of the Grantee specified in Section 8.2 and of any additional representatives, together with a specimen signature of each person specified in such statement;

(b) An implementation plan for the overall implementation of the Project;

(c) The evaluation program referred to in Section 5.1,

(d) Evidence that a Joint Project Advisory Committee has been organized;

(e) Evidence that the Philippine Institute for Development Studies (PIDS) has been designated as the Overall Coordinator for the Project together with a statement of its responsibilities and powers with respect to the overall management and coordination of the Project;

(f) A written statement that a Project Management Team has been organized within PIDS consisting of one Project Director, two Assistant Directors, and necessary technical and administrative support staff;

(g) A copy of individual Memoranda of Agreement or similar agreements signed between the PIDS and the NEDA, University of the Philippines School of Economics (UPSE), Regional Development Council (RDC) of Region VI, and the Institute of Philippine Culture (IPC), which such agreements shall designate the NEDA Statistical Coordination Office (NEDA/SCO) as the Coordinator for the MACRO Component of the Project; the UPSE as the Coordinator for the MICRO Component; the RDC of Region VI as the Coordinator for the REGION VI Component; and the IPC as the Coordinator for the WID Component; and

(h) A written statement that initial staff needed to begin implementation of the Project have been identified and designated by the individual Coordinators of each Project component.

SECTION 4.2. Disbursement for Individual Components

Prior to disbursement under the Grant, or to issuance by A.I.D. of documentation pursuant to which disbursement will be made, for purposes of financing any individual component of the Project, the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D. a detailed implementation plan for the individual component.

SECTION 4.3. Notification. When A.I.D. has determined that the conditions precedent specified in Section 4.1 and 4.2 have been met, it will promptly notify the Grantee.

SECTION 4.4. Terminal Dates for Conditions Precedent

(a) If all of the conditions specified in Section 4.1 have not been met within 90 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to Grantee.

(b) If all of the conditions specified in Section 4.2 have not been met within 120 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may cancel the then undisbursed balance of the Grant, to the extent not irrevocably committed to third parties, and may terminate this Agreement by written notice to the Grantee.

Article 5. Special Covenants

SECTION 5.1. Project Evaluation. The Parties agree to establish an evaluation program as an integral part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter: (a) evaluation of progress toward attainment of the objectives of the Project; (b) identification and evaluation of problem areas or constraints which may inhibit such attainment; (c) assessment of how such information may be used to help overcome such

problems, in this or other projects, and (d) evaluation, to the degree feasible, of the overall development impact of the Project.

SECTION 5.2. Continuation of Project Activities. The Grantee will take steps to ensure that the various methodologies and indicators developed under this Project for measuring economic progress, social change, and the impact of development projects, are used regularly in the development planning, monitoring, and evaluation activities of its various agencies. Towards this end, the Grantee agrees to exert its best efforts to progressively absorb during the implementation of this Project, the contractual technical staff of the Project into the regular personnel complement of NEDA and other agencies, subject to civil service and other applicable administrative rules and regulations of the Grantee and its agencies.

Article 6: Procurement Source

SECTION 6.1. Foreign Exchange Costs. Disbursements pursuant to Section 7.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in the United States (Code 000 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods or services) ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Grant Standard Provisions Annex, Section C.1 (b) with respect to marine insurance.

SECTION 6.2. Local Currency Costs. Disbursements pursuant to Section 7.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in the Republic of the Philippines ("Local Currency Costs"). To the extent provided for under this Agreement, "Local Currency Costs" may also include the provision of local currency resources required for the Project.

Article 7. Disbursement

SECTION 7.1. Disbursement for Foreign Exchange Costs

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for the Foreign Excnange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters,

(A) requests for reimbursement for such goods or services, or,

(B) requests for A.I.D. to procure commodities or services in Grantee's behalf for the Project; or

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under

Letters of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A. I. D. to pay such contractors or suppliers, through Letters of Credit or otherwise, for such goods or services.

(b) Banking charges incurred by Grantee in connection with Letters of Commitment and Letters of Credit will be financed under the Grant unless Grantee instructs A. I. D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Grant.

SECTION 7. 2. Disbursement for Local Currency Costs

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A. I. D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.

(b) The local currency needed for such disbursements may be obtained:

(1) by acquisition by A. I. D. with U. S. Dollars by purchase; or

(2) by A. I. D. (A) requesting the Grantee to make available the local currency for such costs, and (B) thereafter making available to the Grantee, through the opening or amend-

ment by A. I. D. of Special Letters of Credit in favor of the Grantee or its designee, an amount of U. S. Dollars equivalent to the amount of local currency made available by the Grantee, which dollars will be utilized for procurement from the United States under appropriate procedures prescribed in Project Implementation Letters.

The U. S. dollar equivalent of the local currency made available hereunder will be, in the case of subsection (b) (1) above, the amount of U. S. dollars required by A. I. D. to obtain the local currency, and in the case of subsection (b) (2) above, an amount calculated at the rate of exchange specified in the applicable Special Letter of Credit Implementation Memorandum hereunder as of the date of the opening or amendment of the applicable Special Letter of Credit.

SECTION 7 3. Other Forms of Disbursement. Disbursements of the Grant may also be made through such other means as the Parties may agree to in writing.

SECTION 7. 4. Rate of Exchange. Except as may be more specifically provided under Section 7 2., if funds provided under the Grant are introduced into the Republic of the Philippines by A. I. D. or any public or private agency for purposes of carrying out obligations of A. I. D. hereunder, the Grantee will make such arrangements as may be necessary so that such funds may be converted into currency of the Republic of the Philippines at the

highest rate of exchange which, at the time the conversion is made, is not unlawful in the Republic of the Philippines.

Article 8: Miscellaneous

SECTION 8.1. Communications. Any notice, request, document or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following addresses:

To the Grantee:

Mail Address National Economic and Development Authority
P.O. Box 1116, Manila

Alternate address for cables: NEDAPHIL

To A.I.D.:

Mail Address United States Agency for International Development
c/o The American Embassy
Manila

Alternate address for cables: USAID/AMEMB MANILA

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

SECTION 8.2. Representatives. For all purposes relevant to this Agreement, the Grantee will be represented by the individual holding or acting in the Office of the Director General, National Economic and Development Authority and A.I.D. will be represented by the individual holding or acting in the office of the Director of the United States A.I.D. Mission to the Philippines, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Grantee, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

SECTION 8.3. Standard Provisions Annex. A "Project Grant Standard Provisions Annex" (Annex 2)[1] is attached to and forms part of this Agreement.

[1] See footnote 1, p. 2405.

IN WITNESS WHEREOF, the Grantee and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

UNITED STATES OF AMERICA

By: PETER M. CODY
Peter M. Cody
Title: Director
U.S. Agency for International Development

REPUBLIC OF THE PHILIPPINES

By: GERARDO P. SICAT
Gerardo P. Sicat
Title: Secretary of Economic Planning
(Director-General)
National Economic and Development Authority

ANNEX 1

DESCRIPTION OF THE PROJECT

The goal of the Economic and Social Impact Analysis/Women in Development Project is to help improve the economic and social well-being of the Philippine population, particularly the rural poor who constitute the bulk of the population. The strategy for achieving this goal is to strengthen the planning and evaluation capabilities of the Government of the Philippines (GOP) through the development and testing of more effective systems and methodologies for measuring and monitoring progress towards the GOP's major development goals, and for assessing and analyzing the contributions of individual development projects towards the achievement of these goals.

The purpose of the Project is to help improve the measurement of economic progress, social change, and the impact of development projects, including the effects on women in their dual role as agents and beneficiaries of development. The project purpose shall be considered to have been achieved if the following conditions are present at the end of CY 1981:

1. The National Economic and Development Authority (NEDA) has in operation a system of macro-level indicators for measuring and monitoring progress towards national and regional development goals; and

2. NEDA and the GOP's line agencies regularly and systematically use tested methodologies, including valid indicators, for measuring, monitoring, and analyzing project progress and impact.

The Project has been conceived and will be implemented in terms of four components. The first component, which has been labeled the MACRO Component, is concerned with the creation and institutionalization of a system of macro-level indicators for measuring national and regional progress towards development goals. The second, or MICRO Component, aims to develop and test various methodologies, including indicators, for measuring and analyzing the progress and impact of development projects. The third, or REGION VI Component, is a limited effort at the regional level to promote and systematize the use of progress and impact measurement and analysis systems in selected projects in Region VI, which consists mainly of the four provinces located on Panay Island. The

fourth, or WID Component, is a special effort to develop indicators for measuring the degree to which women participate in and are benefited by development. The measurement of women's role in development will not, however, be limited to the fourth component. It is also an integral part of the first three components.

The Project will be implemented by various Philippine institutions with the assistance of AID-financed U. S. and local consultants (see Table 1 for the U. S. and local consultant requirements of the Project). After the Project Agreement is signed, NEDA will enter into an agreement with the Philippine Institute for Development Studies (PIDS) to serve as Overall Coordinator for the Project. The agreement between NEDA and PIDS will be subject to the written concurrence of USAID. PIDS will then enter into individual agreements with the following institutions to serve as Coordinators for the various components of the Project: (1) NEDA Statistical Coordination Office (NEDA/SCO) - MACRO Component; (2) University of the Philippines School of Economics (UPSE) - MICRO Component; (3) Regional Development Council (RDC) of Region VI - REGION VI Component; and (4) Institute of Philippine Culture (IPC) - WID Component. The individual agreements entered into by PIDS shall be subject to the written concurrence of NEDA and USAID.

A Joint Project Advisory Committee will be established by NEDA and USAID to provide policy guidance to the PIDS in the implementation of this Project. The Committee will be co-chaired by the NEDA Director-General and the USAID Director. The Committee will include as members on NEDA's side the Deputy Directors-General of the Statistical Coordination Office, Programs and Projects Office, and Policy and Planning Office, or their authorized representatives. USAID members will include the Program Economist, the Program Officer, and the Assistant Directors for Agriculture, Human Resources Development, Local Development, Regional Development, and Capital Development, or their authorized representatives.

PIDS will be responsible to the NEDA for the overall management and coordination of the Project. The major functions of PIDS as Overall Coordinator will be to: (1) plan and manage on a continuing basis the various activities of the component Coordinators; and (2) serve as the conduit through which project funds needed to defray the local costs of the Project are disbursed to the component Coordinators. In support of these functions, PIDS will develop a detailed overall implementation plan based on implementation plans to be prepared under its guidance by the component Coordinators. These plans will include financial plans showing on a quarterly basis the estimated costs and sources of financing of the proposed

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Table 1

ECONOMIC AND SOCIAL IMPACT ANALYSIS/WOMEN IN DEVELOPMENT PROJECT

Consultant Requirements FY 1978 81 1/
(in man months)

	Total FY 1978-81		1978		1979		1980		1981	
	US	Local	US	Local	US	Local	US	Local	US	Local
I MACRO Component (PASA contracts with the US Bureau of Census and the HEW Department; contract with the Institute for Social Research University of Michigan; Local contracts with the DAP, UPSE, UP Social Research Laboratory UP Statistical Center and other institutions)	24	96	6	24	8	24	6	24	4	24
1 Audit of existing statistical system	2	8	2	8						
2 Development of conceptual and statistical framework for the ESIA Indicator System	6	40	2	10	4	12		12		6
3 Improvement/design of surveys	16	48	2	6	4	12	6	12	4	18
II MICRO Component (Contracts with US firms/institutions such as the Development Alternatives Inc Harvard Institute for International Development Yale Economic Growth Center Contracts with local firms/institutions such as the Social Research Associates, DAP, UPSRL Institute of Agricultural Development Administration etc)	63	200	25	75	7	25	7	25	24	75
1 Design of project analytical frameworks	2	76	2	54		22				
2 Design and implementation of project data collection systems	30	24	23	21	7	3	-	-	-	-
3 Impact measurement and data analyses	28	76	-	-			7	25	21	51
4 Development of manuals and training of GOP project planners	3	24			-	-			3	24
III REGION VI Component (Local contract with the Philippine Business for Social Progress DAP, or a comparable local institution)	-	144	-	48	-	48	-	48	-	-
1 Training of project planners from regional offices and local governments in Region VI	-	50	-	40		6	-	4	-	-
2 Conduct of baseline midline and impact studies and supplementary surveys		36		8	-	14	-	14	-	-
3 Analysis of indicators usage	-	58	-	-	-	28		30	-	-
IV TOTAL CONSULTANT REQUIREMENTS	87	440	31	147	15	97	13	97	28	99

1/ See Tables 1 4 of Attachment 1 for annual funding estimates for US and local consultant services. The full amount of the cost of consultant requirements is expected to be provided by A.I.D The consultant requirements for the WID component are expected to be *MINIMAL*. [Footnote in the original]

activities. The financial plans will also specify the arrangements for peso cost sharing between the NEDA and USAID. PIDS will also design and implement, subject to AID's approval, a reporting system for financial and other data generated under the Project and needed for effective management, and provide for the exchange of information across the various components.

The component Coordinators will be responsible to the PIDS for implementation and management of the research, survey, training and other activities to be undertaken under their respective components. Their functions will include: (1) formulation, under the guidance of PIDS, of detailed implementation plans including financial arrangements; (2) implementation, management, and coordination of the research, survey, training, and other activities to be undertaken under their respective components; (3) drafting of scopes of work and contracting of services of U. S. and local consultants needed to assist them in carrying out selected activities (the contracting process will be in accordance with AID procedures on host country contracting); (4) serving as liaison between PIDS and the agencies and institutions that will be implementing various research, survey, training, and other activities to be undertaken under their respective components; and (5) complying with the management, financial and other reporting requirements established by PIDS.

In support of the Project A. I. D. intends to provide, subject to the availability of funds for the purpose, in accordance with A. I. D. allotment procedures, $2,500,000 in grant funds over the period U.S.G. FY 1978-1980. Of this amount, $1,000,000 is obligated under this Agreement for CY 1978, the first operational year of the Project. The GOP, through the NEDA, intends to provide the equivalent of U. S. $1,944,000 in cash and in kind over the period CY 1978-1981, of which $465,000 will be provided in CY 1978.

Approximately $125,000 of the A. I. D. grant obligated under this Agreement is earmarked for the procurement of audio-visual equipment from the U. S. This equipment will be installed in a monitoring facility to be established within the NEDA for regularly reporting and disseminating the results of the survey, research, and other impact assessment activities which will be undertaken under the Project.

The expected outputs of the Project will consist of a series of studies, experiments, field tests, and training workshops aimed at developing, testing and institutionalizing various methodologies and indicators for defining and measuring economic progress, social change, and the impact of development projects, including

effects on Filipino women. The magnitude of these outputs is specified in the following general description of the various project components.

1. MACRO Component - Developing Systematic Means for Measuring and Monitoring Progress Towards Development Goals

This component is aimed at the development and institutionalization of a system of macro indicators, hereafter referred to as the ESIA Indicator System, for measuring and monitoring the degree of achievement of the economic and social development goals expressed in the GOP's Development Plans. To achieve this purpose, the NEDA/SCO with the assistance of U.S. and local consultants, will develop the conceptual and statistical framework for the proposed ESIA Indicator System; conduct a comprehensive audit of the existing statistical system; redesign existing surveys; and design new surveys and other statistical studies.

A Social Accounts Unit within the NEDA/SCO will be established to develop, maintain and administer the proposed system. At full strength, this unit will consist of about 46 persons, including 38 technical personnel. Around 29 technical personnel of the Social Accounts Unit will undergo short-term training in various aspects of indicator development and social accounting operations.

The total cost of the MACRO Component has been preliminarily estimated at $1,265,000 over the period CY 1978-81 (see Table 2 of Attachment 1). The foreign exchange cost will include: (a) approximately 24 man-months of U.S. consultant services; and (b) short-term training in the U.S. of about 29 technical personnel of the NEDA/SCO.

AID assistance provided under this component is intended to finance the full amount of its foreign exchange cost and approximately $401,000 of its local currency cost. The balance of the local cost will be provided by the NEDA.

The major outputs of the MACRO Component will include:

(a) A series of studies developing the conceptual framework for the ESIA Indicator System, and assessing the existing statistical system relative to its data needs.

(b) A statistical base to support the ESIA Indicator System. This will include the improvement of existing surveys such as the Integrated Survey of Households and the Family Income and Expenditure Survey; the conduct of new surveys such as a national health and nutrition survey; and the maximum utilization of administrative/regulatory data being collected by GOP agencies.

(c) The establishment of a Social Accounts Unit within the Statistical Coordination Office of NEDA and some 29 personnel trained in various aspects of indicator system operation and social accounting.

2. MICRO Component - Developing the Methodologies for Measuring and Analyzing Project Progress and Impact

This component will involve the design and implementation of progress and impact measurement systems for at least 18 GOP development projects covering a broad range of sectors. About 7 of the selected projects will be studied intensively. For each of these projects, quantitative analytical models relating project inputs to outputs and outputs to the expected impact on various development goals will be formulated. In obtaining the data needed to test the models, various data collection options ranging from low-cost qualitative systems to high-cost quantitative systems will be examined and used.

Extensive analysis will be conducted on the remaining 11 projects. In this analysis, there will be no attempt to design analytical models or to experiment with different data collection systems. Instead, the intended impact of projects will be carefully specified based on a priori judgments of how they will contribute to the achievement of the various development goals. The best, low-cost, state-of-the-art data collection and analysis system will then be selected and applied to measure impact.

The experience gained from the foregoing analyses will be evaluated and documented in order to develop a series of manuals which will provide guidance on the design of similar impact information systems for other development projects. In order to promote the extensive use of these tested systems, short-term training programs based on these manuals will be organized by the UPSE or a comparable training institution, for an estimated 114 GOP project planners and evaluators.

The various activities to be carried out under this component will be managed and coordinated by the UPSE through a group of NEDA-based coordinators (1 per intensive project and 1 for 2 extensive projects), and project-based monitors (2 per intensive project and 1 per extensive project). To strengthen the capabilities of the NEDA to undertake impact assessment activities, about six of the NEDA-based project coordinators will participate in advanced short-term courses in survey design and project evaluation in the U. S.

The total cost of the MICRO Component has been preliminarily estimated at $1,800,000 over the period CY 1978-81, of which about $515,000 will be in foreign exchange (see Table 3 of Attachment 1). The foreign exchange costs will include: (a) approximately 63 man-months of U. S.

consultant services; and (b) short-term training in the U.S. of about six NEDA-based project coordinators.

A.I.D. assistance provided under this component is intended to finance the full amount of its foreign exchange cost and approximately $461,000 of its local currency cost. The balance of the local cost will be provided by the NEDA.

The major outputs of the MICRO Component will include:

(a) A series of studies on the measurement of progress and impact for at least 18 development projects. This will include intensive studies of the impact of seven development projects, and evaluative studies of the effectiveness of alternative data collection options;

(b) A series of manuals on the design and implementation of project progress and impact measurement and analysis systems; and

(c) Approximately 120 personnel of GOP agencies trained in project monitoring and evaluation.

3. REGION VI Component - Institutionalizing the Use of Project Progress and Impact Indicators

This component will examine the administrative and other feasibility issues involved in promoting the extensive use of project progress and impact measurement systems at the regional level. Region VI, which consists of the four provinces of Panay Island - Aklan, Antique, Capiz, Iloilo - and the province of Negros Occidental, has been selected as the study area for this purpose.

Under the REGION VI Component, the Regional Development Council (RDC) of Region VI will provide short-term training for about 70 project planners from different regional agencies and provincial governments involving the design of low-cost impact measurement systems for selected projects in Region VI. The planners will then implement the systems with continuing technical assistance from the RDC. Regular evaluation workshops will be conducted by the RDC to pinpoint problems and ensure continuity in carrying out the various impact measurement studies. The experience gained with the extensive use of impact measurement systems at the regional level will also be documented and feasibility issues identified for future use.

The total cost of the REGION VI Component has been preliminarily estimated at $627,000 over the period CY 1978-80 (see Table 4 of Attachment 1). No foreign exchange cost will be involved. AID assistance provided under this component will be used to finance approximately $264,000 of the total cost. The balance will be provided by the NEDA.

The major outputs of the REGION VI Component will include:

(a) An estimated 70 people from different regional agencies and local governments in Region VI trained in designing and implementing project progress and impact measurement systems; and

(b) Some 25 project progress and impact measurement systems designed and implemented;

(c) At least 1 study identifying and documenting the feasibility issues involved in implementing on a broad scale at regional level the use of indicators for more effective project planning and implementation.

4. WID Component - Women in Development Studies

The WID Component will consist of a series of surveys and studies aimed at measuring the degree and extent of the participation of Filipino women in development. Women's participation will be measured in two ways: as contributors to and beneficiaries of development.

The research studies are expected to result in the development of indicators that can be used to measure the degree and extent of women's participation. The approach will be two-pronged: (1) a small pilot survey will be conducted in order to test and refine experimental WID-related indicators, following which the refined indicators will be measured on a broader scale through a larger survey in selected areas; and (2) special studies will be undertaken to fill gaps in the existing knowledge of women's activities.

The experimental WID indicators will relate to household and market productivity of women, their participation in decision-making processes, and their access to and use of various community services. Special studies will cover: (1) the attitudinal and behavioral aspects of women's participation, such as perceived quality of life and attitudes toward working wives; (2) a special study of market activities where large numbers of women are employed, such as teaching, domestic help, farm work, etc., and (3) an in-depth study of existing women's organizations, particularly grass-roots organizations.

The total cost of the WID Component has been preliminarily estimated at $400,000 over the period CY 1978-1979 (see Table 5 of Attachment 1). No foreign exchange cost will be involved. A.I.D. assistance provided under this component will be used to finance approximately $360,000 of the total cost. The balance will be provided by NEDA.

The major outputs of the WID Component will include:

(a) Two surveys directly aimed at developing and testing indicators of women's participation in development; and

(b) Four intensive studies on selected aspects of women's participation in development.

ANNEX I
Attachment 1

FINANCIAL PLAN

1. General

Table 1 shows the current estimates of the annual costs and sources of financing for the Project as a whole. It is based on Tables 2-5 which show the current estimates of the annual costs and sources of financing for each of the Project components. Tables 1-5 may be updated from time to time as necessary by written agreement of the NEDA Director-General and the USAID Director.

Within the overall annual budget ceilings (foreign exchange plus local currency costs) established in Table 1, Project resources, both cash and non-cash, may be transferred by the PIDS from one component to another with the written concurrence of the NEDA Director-General and the USAID Director, or their designees. Within the annual budget ceilings established in Tables 2-5 for each component, transfer of resources from one cost category to another may be made by the Coordinators with the written concurrence of the PIDS Project Director and the USAID Project Officer.

2. Foreign Exchange Costs

All foreign exchange costs of the Project shall be borne by A.I.D. Section 6.1 of the Agreement specifies the source and origin requirement for goods and services which will be paid in foreign exchange. Payments for goods and services eligible under Section 6.1 shall be in accordance with procedures described in Project Implementation Letters.

3. Local Currency Costs

An initial advance of A.I.D. funds may be made to PIDS to finance local currency expenditures estimated for the period June to September, 1978. An initial advance shall only be made upon satisfactory completion of all conditions precedent stipulated in Section 4.1 of the Agreement. The estimated

expenditure level for the period June to September, 1978 shall be contained in the Project implementation plan to be furnished to and approved by A. I. D. under Section 4. 1(b) of the Agreement.

Subsequent advances may be made by A. I. D. to PIDS on a quarterly basis and shall be contingent upon the timely submission of financial and performance reports. The format and content of these reports shall be described in Project Implementation Letters to be issued under the Agreement. The Letters will also describe procedures, including the appropriate documentation, for requesting and liquidating any A. I. D. advances.

4. PIDS Project Accounts

The PIDS shall establish project accounts to which cash and non-cash resources contributed by both NEDA and A. I. D. will be credited and from which local currency expenditures of the Project will be paid. A. I. D. contributions and related expenditures shall retain their identity in these accounts. For each operational year, NEDA and A. I. D. contributions to the PIDS project accounts shall be at the respective levels shown in the current version of Table 1. (The current version of Table 1 is defined as the most recent updated version of Table 1 on which both NEDA and A. I. D. have written agreement.) To the extent practical, project expenditures from NEDA and A. I. D. resources should maintain approximately the same relationship as the respective contributions. Any unexpended balances of NEDA or A. I. D. contributions remaining at the end of an operational year may be carried forward for funding project activities in the succeeding year. The PIDS project accounts shall be subject to the records, inspection, and audit requirements of Section B. 5 of Annex 2 of this Agreement. The PIDS project accounting system shall be structured so that the local currency costs of the Project can be identified at the component (budget line item) level.

5. Coordinator Project Accounts

Each of the four Coordinators of the Project shall establish similar project sub-accounts to which resources contributed by NEDA and A. I. D. through the PIDS will be credited and from which local currency expenditures of the individual component will be paid. The project sub-accounts shall be subject to the same procedures and requirements set forth above.

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Table 1

ECONOMIC AND SOCIAL IMPACT ANALYSIS/WOMEN IN DEVELOPMENT PROJECT

ILLUSTRATIVE SUMMARY COST ESTIMATE AND FINANCIAL PLAN CY 1978 81
($000)

		TOTAL, CY 1978-81			CY 1978			CY 1979			CY 1980			CY 1981		
		AID		GOP	AID		GOP	AID		GOP	AID		GOP	AID		GOP
		FX	LC	LC	FX	LC	LC	FX	LC	LC	FX	LC	LC	FX	LC	LC
1	Project Personnel	-	614	690	-	155	155	-	280	169	-	179	198	-	-	168
	Administrative		8	88		4	23	-	4	23		-	23		-	19
	Technical		606	602		151	132	-	276	146		179	175			149
2	Consultancy Services	517	159	-	218	56	-	198	64	-	101	39	-	-	-	-
	US Consultants (87 mm)	517	-		218			198	-	-	101	-	-	-		
	Local Consultants (440 mm)		159		-	56	-	-	64	-		39		-		-
3	Training	178	57	137	48	28	32	74	15	27	56	14	19		-	59
	US Training (35 participants)	178	-	66	48	-	17	74		17	56	-	19		-	13
	Local Training (185 participants)		57	71		28	15	-	15	10	-	14	-	-	-	46
4	Data Collection and Processing	-	380	600	-	131	69	-	176	141		73	141	-	-	249
5	Local Travel and Allowances		55	71	-	23	18	-	32	19	-	-	18	-	-	16
6	Equipment Supplies, Rent Printing and Sundry		121	304	-	48	163	-	73	26	-	-	26	-	-	89
7	Contingency	55	100	54	24	39	8	21	44	12	10	17	10	-	-	24
	TOTAL -ALL COMPONENTS	750	1 486	1 856	290	480	445	293	684	394	167	322	412	-	-	605
8	Other Equipment	125	-	-	125	-	-	-	-	-	-	-	-	-	-	-
9	PIDS Project Management Team	-	74	88	-	40	20	-	23	11	-	11	23	-	-	34
10	Project Evaluation	50	15	-	50	15	-	-	-	-	-	-	-	-	-	
	OVERALL TOTAL	925	1 575	1,944	465	535	465	293	707	405	167	333	435	-	-	639

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Table 2

MACRO COMPONENT MEASUREMENT AND MONITORING OF PROGRESS TOWARDS DEVELOPMENT GOALS

ILLUSTRATIVE SUMMARY COST ESTIMATE AND FINANCIAL PLAN, CY 1978 81
($000)

	TOTAL CY 1978-81			CY 1978			CY 1979			CY 1980			CY 1981		
	AID		GOP	AID		GOP	AID		GOP	AID		GOP	AID		GOP
	FX	LC	LC	FX	LC	LC	FX	LC	LC	FX	LC	LC	FX	LC	LC
1 SCO/NEDA Project Personnel	-	255	209	-	77	21	-	111	31	-	67	60	-	-	97
Administrative			61	-	-	15	-	-	15			15			16
Technical		255	148	-	77	6	-	111	16	-	67	45		-	81
2 Consultancy Services	72	24	-	18	6	-	33	11	-	21	7	-	-	-	-
US Consultants (24 mm)	72	-		18	-	-	33	-	-	21	-	-	-	-	-
Local Consultants (96 mm)		24		-	6	-	-	11	-	-	7	-	-	-	-
3 Training	148	-	54	38	-	13	64	-	13	46	-	15	-	-	13
US Training (29 participants)	148	-	54	38	-	13	64	-	13	46	-	15	-	-	13
Local Training	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Data Buildup	-	100	200	-	-	19	-	60	56	-	40	61	-	-	64
Improvement of Surveys	-	-	101	-	-	19	-	-	23	-	-	28	-	-	31
Initiation of New Stat Activities	-	100	99	-	-	-	-	60	33	-	40	33	-	-	33
5 Local Travel and Allowances	-	-	6	-	-	1	-	-	2	-	-	2	-	-	1
6 Equipment, Supplies, Rent, Printing, and Sundry		-	138		-	82	-	-	17	-	-	17	-	-	22
SUB-Total	220	379	607	56	83	136	97	182	119	67	114	155	-	-	197
7 Contingency	15	22	22	4	6	3	8	9	5	3	7	5	-	-	9
TOTAL	235	401	629	60	89	139	105	191	124	70	121	160	-	-	206

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Table 3

MICRO COMPONENT METHODOLOGIES FOR MEASURING AND ANALYZING PROJECT PROGRESS AND IMPACT

ILLUSTRATIVE SUMMARY COST ESTIMATE AND FINANCIAL PLAN CY 1978-81
($000)

	TOTAL CY 1978-81			CY 1978			CY 1979			CY 1980			CY 1981		
	AID		GOP	AID		GOP	AID		GOP	AID		GOP	AID		GOP
	FX	LC	LC	FX	LC	LC	FX	LC	LC	FX	LC	LC	FX	LC	LC
1 Project Personnel	-	250	144	-	31	20	-	119	24	-	100	29	-		71
Administrative (2 persons)			12			3			3			3			3
Technical		250	132		31	17		119	21		100	26			68
UISE sub coordinating team (3 persons)			(49)			(17)			(10)			(10)			(12)
Project Coordinators (12 persons)		(81)	(27)		(10)			(38)	(4)		(33)	(5)			(18)
Project based Monitors (25 persons)		(169)	(56)		(21)			(81)	(7)		(67)	(11)			(38)
2 Consultancy Services	445	75	-	200	30	-	165	33	-	80	12	-	-	-	-
US Consultants (63 mm)	445			20			165			80			-		
Local Consultants (200 mm)		75			30			33			12	-			
3 Training	30	-	83	10	-	19	10	-	14	10	-	4	-	-	46
U S Training (6 participants)	30		12	10		4	11		4	10		4			
Local Training*			71			15			10						46
4 Data Collection and Processing	-	110	370	-	80	45	-	30	60	-	-	80	-	-	185
Surveys		110	290		80	35		30	45		-	65			145
Computer Time			80			10			15			15			40
5 Local Travel and Allowances			60			15			15			15			15
6 Equipment, Supplies, Rent Printing and Sundry			138		-	57	-		7			7			67
SUB TOTAL	475	435	795	210	141	156	175	182	120	90	112	135	-	-	384
7 Contingency	40	26	29	20	11	-	13	9	6	7	6	4	-	-	15
TOTAL	515	461	824	230	152	160	188	191	126	97	118	139	-	-	399

*Local training costs shown for FY 78 and FY 79 will cover the costs of training personnel of projects to be studied under the MICAG Component in data collection, processing, and reporting. Costs shown for FY 81 will cover the costs of training 115 project planners from GOP [illegible] in the design and implementation of impact measurement methodology as will be developed and tested under the MICAG Component.

[Footnote in the original.]

Table 4

REGION VI COMPONENT - INSTITUTIONALIZING THE USE OF PROJECT PROGRESS AND IMPACT MEASUREMENT SYSTEMS

ILLUSTRATIVE SUMMARY COST ESTIMATE AND FINANCIAL PLAN, FY 1978-80
($000 in Local Currency Costs)

		TOTAL CY 1978-80		CY 1978		CY 1979		CY 1980	
		AID	GOP	AID	GOP	AID	GOP	AID	GOP
1	Project Personnel	36	327	12	109	12	109	12	109
	Administrative (7 persons)	-	15	-	5	-	5	-	5
	Technical	36	312	12	104	12	104	12	104
	RDC Region VI sub-coordinating team (11 persons)	(36)	(21)	(12)	(7)	(12)	(7)	(12)	(7)
	Project evaluators (70 persons)	-	(291)	-	(97)	-	(97)	-	(97)
2	Local Consultants (144 mm)	60	-	20	-	20	-	20	-
3	Local Training (70 participants)	57	-	28	-	15	-	14	-
4	Data Collection and Processing	96	-	24	-	39	-	33	-
5.	Local Travel and Allowances	-	5	-	2	-	2	-	1
6	Equipment, supplies, rent, printing & sundry	-	28	-	24	-	2	-	2
	SUB-TOTAL	249	360	84	135	86	113	79	112
7	Contingency	15	3	7	1	4	1	4	1
	TOTAL	264	363	91	136	90	114	83	113

April 1978

Table 5

WID COMPONENT - WOMEN IN DEVELOPMENT STUDIES

ILLUSTRATIVE SUMMARY COST ESTIMATE AND FINANCIAL PLAN, CY 1978-79*
($000 in Local Currency Costs)

	TOTAL CY 1978-79		CY 1978		CY 1979	
	AID	GOP	AID	GOP	AID	GOP
1 Project Personnel	73	10	35	5	38	5
Administrative	8	-	4	-	4	-
Technical **	65	10	31	5	34	5
2 Data Collection and Processing	74	30	27	5	47	25
3 Local Travel and Allowances	55	-	23	-	32	-
4 Equipment, supplies, rent, printing, and sundry	121	-	48	-	73	-
SUB-TOTAL	323	40	133	10	190	-
5 Contingency	37	-	15	-	22	-
TOTAL	360	40	148	10	212	30

*Covers the costs of the pilot and macro surveys and four (4) special WID studies

**Includes $2 000 for consultation meetings with WID research authorities

[Footnotes in the original.]

EL SALVADOR

Basic and Occupational Skill Training Program

Agreement signed at San Salvador May 3, 1978;
Entered into force May 3, 1978.

A.I.D. Loan Number 519-V-020

PROJECT

LOAN AGREEMENT

BETWEEN

EL SALVADOR

and the

UNITED STATES OF AMERICA

for

BASIC AND OCCUPATIONAL SKILL

TRAINING PROGRAM

Dated: May 3, 1978

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Project Description

ANNEX I

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Project Loan Agreement, dated May 3, 1978 (the "Agreement"), between the Republic of El Salvador ("Borrower") and the United States of America, acting through the Agency for International Development ("A.I.D.").

Article 1: The Agreement.

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Borrower of the Project described below, and with respect to the financing of the Project by the Parties.

Article 2: The Project.

SECTION 2.1. Definition of Project. The Project, which is further described in Annex 1, will consist of an expanded and more effective basic and occupational skills training program reaching larger numbers of urban and rural poor and the development of an improved guidance system to assist those trained to be meaningfully employed. The Project will be carried out by the Division of Adult and Permanent Education ("DAPE") of the Borrower's Ministry of Education and will involve five basic components: Program Planning, Curriculum Development, Personnel Training, Delivery of Skills Training and Guidance Services. Annex 1 attached amplifies the above definition of the Project.

Within the limits of the above definition of the Project, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the Parties named in Section 9.3, without formal amendment of this Agreement.

Article 3: Financing.

SECTION 3.1. The Loan. To assist the Borrower to meet the costs of carrying out the Project, A.I.D., in furtherance of the Alliance for Progress and pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to lend the Borrower under the terms of this Agreement not to exceed three million three hundred and fifty thousand United States ("U.S.") dollars ($3,350,000) ("Loan"). The aggregate amount of disbursement under the Loan is referred to as "Principal."

[1] 75 Stat. 424, 22 U.S.C. § 2151 note.

The Loan may be used to finance foreign exchange costs, as defined in Section 7.1, and local currency costs, as defined in Section 7.2, of goods and services required for the Project.

SECTION 3.2. Borrower Resources for the Project.

(a) The Borrower agrees to provide or cause to be provided for the Project all funds, in addition to the Loan, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by Borrower for the Project will be not less than the equivalent of U.S.$4,330,000 including costs borne on an "in-kind" basis.

SECTION 3.3. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is September 1, 1982, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Loan will have been performed and all goods financed under the Loan will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Loan for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Borrower, may at any time or times reduce the amount of the Loan by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4: Loan Terms.

SECTION 4.1. Interest. The Borrower will pay to A.I.D. interest which will accrue at the rate of two percent (2%) per annum for ten (10) years following the date of the first disbursement hereunder and at the rate of three percent (3%) per annum thereafter on the outstanding

balance of Principal and on any due and unpaid interest. Interest on the outstanding balance will accrue from the date (as defined in Section 8.5) of each respective disbursement, and will be payable semiannually. The first payment of interest will be due and payable no later than six (6) months after the first disbursement hereunder, on a date to be specified by A.I.D.

SECTION 4.2. Repayment. The Borrower will repay to A.I.D. the Principal within twenty (20) years from the date of the first disbursement of the Loan in twenty-one (21) approximately equal semiannual installments of Principal and interest. The first installment of Principal will be payable nine and one-half (9-1/2) years after the date on which the first interest payment is due in accordance with Section 4.1. A.I.D. will provide the Borrower with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

SECTION 4.3. Application, Currency, and Place of Payment. All payments of interest and Principal hereunder will be made in U.S. Dollars and will be applied first to the payment of interest due and then to the repayment of Principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D. C. 20523, U.S.A., and will be deemed made when received by the Office of Financial Management.

SECTION 4.4. Prepayment. Upon payment of all interest and any refunds then due, the Borrower may prepay, without penalty, all or any part of the Principal. Unless A.I.D. otherwise agrees in writing, any such prepayment will be applied to the installments of Principal in the inverse order of their maturity.

SECTION 4.5. Renegotiation of Terms.

(a) The Borrower and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of El Salvador, which enable the Borrower to repay the Loan on a shorter schedule.

(b) Any request by either Party to the other to so negotiate will be made pursuant to Section 9.2, and will give the name and address of the person or persons who will represent the requesting Party in such negotiations.

(c) Within thirty (30) days after delivery of a request to negotiate, the requested Party will communicate to the other, pursuant to Section 9.2, the name and address of the person or persons who will represent the requested Party in such negotiations.

(d) The representatives of the Parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested Party's communication under sub-section (c) The negotiations will take place at a location mutually agreed upon by the representatives of the Parties, provided that, in the absence of mutual agreement, the negotiations will take place at the office of Borrower's Minister of Education in El Salvador.

SECTION 4.6. Termination on Full Payment. Upon payment in full of the Principal and any accrued interest, this Agreement and all obligations of the Borrower and A.I.D. under it will cease.

Article 5: Conditions Precedent to Disbursement.

SECTION 5.1. First Disbursement. Prior to the first disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D..

(a) An opinion of the Attorney General of El Salvador or other counsel acceptable to A.I.D. to the effect that the Loan Agreement has been duly authorized and/or ratified by, and executed on behalf of, the Borrower, and that it constitutes a valid and legally binding obligation of the Borrower in accordance with all of its terms;

(b) A statement of the name of the person holding or acting in the office of the Borrower specified in Section 9.3, and of any additional representatives, together with a specimen signature of each person specified in such statement;

(c) Evidence of restructuring of the DAPE to facilitate the effective delivery and administrative support of the Project;

(d) A staffing plan providing for hiring of appropriate technical and administrative personnel required by the new DAPE organizational structure;

(e) Evidence of the creation of a system of functioning local Education/Trade Councils;

(f) A Project Implementation Plan, by Project component, including a schedule of Borrower's counterpart budgetary allocations.

SECTION 5.2. Additional Disbursement. Prior to disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, for the purposes indicated below, the

Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D..

(a) For participant training: a time phased implementation plan for such activities as contemplated under the Project.

(b) For renovation of facilities: a time phased implementation plan for such renovations, which shall include a schedule and budget for maintenance and repair of such facilities.

(c) For vehicles and equipment: a time phased implementation plan for allocating such vehicles and equipment, which shall include a schedule and budget for their maintenance and repair.

SECTION 5.3. Notification. When A.I.D. has determined that the conditions precedent specified in Section 5.1 and 5.2 have been met, it will promptly notify the Borrower.

SECTION 5.4. Terminal Dates for Conditions Precedent.

(a) If all of the conditions specified in Section 5.1 have not been met within 180 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to Borrower.

(b) If all of the conditions specified in Section 5.2 have not been met within 240 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may cancel the then undisbursed balance of the Loan, to the extent not irrevocably committed to third parties, and may terminate this Agreement by written notice to the Borrower. In the event of such termination, the Borrower will repay immediately the Principal then outstanding and any accrued interest; on receipt of such payments in full, this Agreement and all obligations of the Parties hereunder will terminate.

Article 6: Special Covenants.

SECTION 6.1. Project Evaluation. The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter: (a) evaluation of progress toward attainment of the objectives of the Project; (b) identification and evaluation of problem areas or constraints which may inhibit such attainment; (c) assessment of how such information may be used to help overcome such problems; and (d) evaluation, to the degree feasible, of the overall development impact of the Project.

SECTION 6.2. Additional Covenants. Borrower hereby covenants and warrants that, except as A.I.D. may otherwise agree in writing:

(a) Restructuring of the DAPE and the hiring of appropriate technical and administrative personnel will be implemented in a timely fashion, in accordance with documentation submitted in satisfaction of the conditions precedent set forth in Section 5.1 (c) and (d)

(b) The system of local Education/Trade Councils referred to in Section 5.1 (e) will be adequately supported and continually encouraged to enable it to effectively participate in the Project.

(c) The Project will be executed in accordance with all Project Implementation Plans submitted and approved by A.I.D. pursuant to Article 5.

(d) Budgetary allocations adequate to meet the recurring operating costs of the DAPE will continue to be provided subsequent to Project completion.

(e) Facilities built and equipment and materials procured under the Project will continue to be adequately maintained subsequent to Project completion.

Article 7· Procurement Source.

SECTION 7.1. Foreign Exchange Costs. Disbursements pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Loan Standard Provisions Annex,[1] Section C.1 (b) with respect to marine insurance.

SECTION 7.2 Local Currency Costs. Disbursements pursuant to Section 8.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in the Central American Common Market.

Article 8: Disbursements.

SECTION 8.1. Disbursement for Foreign Exchange Costs.

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for the Foreign Exchange

[1] Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or (B) requests for A.I.D. to procure commodities or services in Borrower's behalf for the Project; or

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letter of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Borrower in connection with Letters of Commitment and Letters of Credit will be financed under the Loan unless the Borrower instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Loan.

SECTION 8.2. Disbursement for Local Currency Costs.

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.

(b) The local currency needed for such disbursement hereunder may be obtained:

(1) by acquisition by A.I.D. with U.S. dollars by purchase; or

(2) by A.I.D. (A) requesting the Borrower to make available the local currency for such costs, and (B) thereafter making available to the Borrower through the opening or amendment by A.I.D. of Special Letters of Credit in favor of the Borrower or its designee an amount of U.S. Dollars equivalent to the amount of local currency made available by the Borrower, which dollars will be utilized for procurement from the United States under Appropriate procedures described in Project Implementation Letters.

The U. S. dollar equivalent of the local currency made available hereunder will be, in the case of subsection (b) (1) above, the amount

of U.S. dollars required by A.I.D. to obtain the local currency, and in the case of subsection (b) (2) above, an amount calculated at the rate of exchange specified in the applicable Special Letter of Credit Implementation Memorandum hereunder as of the date of the opening or amendment of the applicable Special Letter of Credit.

SECTION 8.3. Other Forms of Disbursement. Disbursements of the Loan may also be made through such other means as the Parties may agree to in writing.

SECTION 8.4. Rate of Exchange. Except as may be more specifically provided under Section 8.2, if funds provided under the Loan are introduced into El Salvador by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D. hereunder, the Borrower will make such arrangements as may be necessary so that such funds may be converted into currency of El Salvador at the highest rate of exchange which, at the time the conversion is made, is not unlawful in El Salvador.

SECTION 8.5. Date of Disbursement. Disbursements by A.I.D. will be deemed to occur (a) on the date on which A.I.D. makes a disbursement to the Borrower or its designee, or to a bank, contractor or supplier pursuant to a Letter of Commitment, contract, or purchase order; (b) on the date on which A.I.D. disburses to the Borrower or its designee local currency acquired in accordance with Section 8.2 (b) (1), or (c) if local currency is obtained in accordance with Section 8.2 (b) (2), on the date on which A.I.D. opens or amends the Special Letter of Credit there referred to.

Article 9: Miscellaneous.

SECTION 9.1. Investment Guaranty Project Approval. Construction work to be financed under this Agreement is agreed to be a project approved by El Salvador pursuant to the agreement between it and the United States of America on the subject of investment guaranties, and no further approval by El Salvador will be required to permit the United States to issue investment guaranties under that agreement covering a contractor's investment in that project.

SECTION 9.2. Communications. Any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following address:

To the Borrower:

Mail Address:

Ministry of Education
San Salvador, El Salvador, C. A.

Alternate address for telegrams:

MINIEDUCACION
San Salvador, El Salvador, C. A.

To A.I.D..

Mail Address:

Director, USAID/Mission to El Salvador
American Embassy,
San Salvador, El Salvador, C. A.

Alternate address for telegrams:

USAID
American Embassy
San Salvador, El Salvador, C. A.

All such communications will be in English and Spanish, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice. The Borrower, in addition will provide the USAID Mission with a copy of each communication sent to A.I.D.

SECTION 9.3. Representatives. For all purposes relevant to this Agreement, the Borrower will be represented by the individual holding or acting in the office of the Minister of Education and A.I.D. will be represented by the individual holding or acting in the office of Mission Director, USAID Mission to El Salvador, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Borrower, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

SECTION 9.4. Standard Provisions Annex. A "Project Loan Standard Provisions Annex" (Annex II)[1] is attached to and forms part of this Agreement.

SECTION 9.5. Language of Agreement. This Agreement is prepared in both English and Spanish. In the event of ambiguity or conflict between the two versions, the English language version will control.

[1] See footnote 1, p. 2444.

IN WITNESS WHEREOF, the Borrower and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

EL SALVADOR

By: _____
Dr. Carlos Antonio Herrera Rebollo

Title: Minister of Education

UNITED STATES OF AMERICA

By: _____
Dr. Abelardo L. Valdez

Title: Assistant Administrator for Latin America and the Caribbean

Project Description

Annex I

A. Purpose - The specific purpose of the Basic and Occupational Skills Training Project (the Project) is to further develop and expand a viable system of basic and occupational skills training.

B. Description - The Project consists of assistance to the Division of Adult and Permanent Education (DAPE) of the Ministry of Education to carry out a training program which will serve larger numbers of urban and rural poor, and to improve DAPE's guidance system which will assist those trained to be meaningfully employed. The Project will achieve those objectives by focusing on five (5) components:

(i) The Program Planning component addresses the need to determine which basic and occupational skills are demanded at any given time by communities and small-scale enterprises;

(ii) The Curriculum Development component focuses on the need for continually developing adequate courses given the skills demanded;

(iii) The Personnel Training component addresses the need for continually upgrading and adjusting both staff and teacher skills required for administering and delivering the expanded training program;

(iv) The Delivery of Adult Occupational Skills component focuses on the need to improve the facilities and equipment necessary for delivering the basic and occupational skills training curriculum which has been and will continue to be developed.

(v) The Guidance Service component addresses the need to provide not only initial occupational counseling to applicants but also some job placement assistance and follow-up.

To provide adequate support to the activities included in each of the five (5) components described above, DAPE's existing support service capability requires strengthening. This will be done by creating an Administrative Unit composed of three (3) offices including General Services, Materials Development, and Finance.

C. AID and GOES Commitments - AID will provide both loan and grant funds in support of the Project. AID loan funds will be used to cover:

(i) The procurement of forty-two (42) person months of technical assistance to assist the DAPE in the area of curriculum development;

(ii) The construction/renovation of twenty-seven (27) standardized workshops in eighteen (18) locations throughout the country;

(iii) The costs of certain tools and equipment, including teaching "modules", to strengthen DAPE's delivery of skills training;

(iv) The costs associated with participant training (excluding international travel) in the U.S. and third countries; and

(v) The purchase of certain audio-visual equipment and vehicles for use in the delivery of basic and occupational skills training.

Subject to the availability of funds, AID will provide grant funds to purchase an additional one hundred (100) person months of technical assistance in various fields in support of the five (5) components of the Project.

The GOES will execute a reorganization of the DAPE in a manner satisfactory to both AID and the Borrower. This reorganization must include the creation of a Project Technical Unit composed of the Offices of Planning, Curriculum Development, Guidance, Professional Development, and Supervision; and an Administrative Unit composed of the Offices of Materials Development, General Services, and Finance.

In addition to these commitments involving the reorganization of DAPE, the GOES will provide budgetary support to the DAPE to cover:

(i) The personnel costs of DAPE's expanded operations including the costs of about twenty-two (22) professional and semi-professional positions (13 for the Urban Technical Unit and 9 for the Administrative Unit) at the central level and about eighty (80) instructors and five (5) principals;

(ii) The operational expenses associated with DAPE's urban training activities;

(iii) Certain equipment, special services, and supplies to support DAPE operations; and

(iv) Some renovation costs as well as the maintenance of facilities and the equipment and vehicles attached to them.

D. Summary Financial Plan By Component -

(in U.S. $000 or equivalent)

	AID Grant	AID Loan	GOES	TOTAL
PROGRAM PLANNING	60.0	—	136.8	196.8
Technical Assistance (12 pm)	60.0	—	—	60.0
Local Personnel	—	—	68.8	68.8
Commodities and Materials	—	—	36.0	36.0
Other Costs	—	—	32.0	32.0
CURRICULUM DEVELOPMENT	40.0	312.4	1,083.4	1,435.8
Technical Assistance (26 pm)	40.0	210.0	—	250.0
Local Personnel	—	—	401.2	401.2
Commodities and Materials	—	102.4	130.0	232.4
Other Costs	—	—	552.2	552.2
PERSONNEL TRAINING	90.0	188.0	70.4	348.4
Technicl Assistance (18 pm)	90.0	—	—	90.0
Local Personnel	—	—	26.0	26.0
Participant Training (26 pm)	—	188.0	14.4	202.4
In-Service Training	—	—	20.0	20.0
Other Costs	—	—	10.0	10.0
DELIVERY OF SKILLS TRAINING	40.0	2,225.3	1,729.1	3,994.4
Technical Assistance (24 pm)	40.0	—	—	40.0
Local Personnel	—	—	539.1	539.1
Commodities and Materials	—	1,495.3	480.0	1,975.3
Renovation	—	730.0	155.0	885.0
Other Costs	—	—	555.0	555.0
GUIDANCE SERVICE	30.0	—	140.0	170.0
Technical Assistance (6 pm)	30.0	—	—	30.0
Local Personnel	—	—	91.2	91.2
Commodities	—	—	—	—
Other Costs	—	—	48.8	48.8
Sub-Total	260.0	2,725.7	3,159.7	6,145.4
ADMINISTRATIVE SUPPORT	240.0	—	276.2	516.2
Technical Assistance (48 pm)	240.0	—	—	240.0
Local Personnel	—	—	198.5	198.5
Commodities and Materials	—	—	57.7	57.7
Other Costs	—	—	20.0	20.0
Sub-Total	500.0	2,725.7	3,435.9	6,661.6
INFLATION AND CONTINGENCY	—	624.3	894.1	1,518.4
TOTAL	500.0	3,350.0	4,330.0	8,180.0

Préstamo A.I.D. No. 519-V-020

TRADUCCION NO OFFICIAL

ALIANZA PARA EL PROGRESO

CONTRATO DE PRESTAMO

ENTRE

LA REPUBLICA DE EL SALVADOR

Y

LOS ESTADOS UNIDOS DE AMERICA

PARA EL PROGRAMA DE HABILITACION

DE MANO DE OBRA

FECHA: 3 de mayo de 1978

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Reseña del Proyecto

Anexo I

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CONVENIO (CONTRATO) DE PRESTAMO fechado el 3 de mayo de 1978, entre la República de El Salvador ("Prestatario") y los Estados Unidos de América actuando por medio de la AGENCIA PARA EL DESARROLLO INTERNACIONAL ("A.I.D.").

Artículo 1. El Convenio.

El propósito de este Convenio es establecer los acuerdos entre las Partes arriba mencionadas ("Partes") con respecto al compromiso del Prestatario, en la ejecución del Proyecto descrito más abajo y con respecto al financiamiento del Proyecto por ambas Partes.

Artículo 2: El Proyecto.

SECCION 2.1. Definición del Proyecto. El Proyecto, el cuál se describe en detalle en el Anexo I, consistirá en una expansión y mayor efectividad del Programa de Habilitación de mano de obra, destinado a incorporar mayor número de personas de escasos recursos económicos de los sectores rurales y urbanos; y el desarrollo de un sistema mejorado de orientación para asistir a las personas que reciban adiestramiento, a fin de que puedan obtener un empleo apropiado. El Proyecto lo llevará a cabo la Dirección de Educación de Adultos y Permanente (DEAP) del Ministerio de Educación del Prestatario y consistirá de cinco componentes básicos: Planeamiento del Programa, Desarrollo de Cursos, Desarrollo de Personal, Sistema de Entrega del Adiestramiento y Servicios de Orientación. El Anexo I, que acompaña al presente Convenio amplía la definción del Proyecto.

Dentro de lo definido, los elementos de la descripción más detallada indicados en el Anexo I pueden se cambiados mediante un acuerdo por escrito de los representantes autorizados de las Partes nombradas en la Sección 9.3., sin una enmienda formal de este Convenio.

Artículo 3: Financiación.

SECCION 3.1. El Préstamo. Para asistir al Prestatario en el financiamiento de los costos para la realización del Proyecto, A.I.D., de conformidad con la Alianza para el Progreso y de conformidad con el Acta de Asistencia al Exterior de 1961, y sus enmiendas, conviene en otorgar un préstamo al Prestatario, de acuerdo a los términos de este Convenio, que no excederá de tres millones trescientos cincuenta mil dólares de los Estados Unidos de América ("EE.UU.") ($3,350,000)("Préstamo"). El monto total de los desembolsos bajo el Préstamo se denominará en adelante el "Capital".

El Préstamo puede ser utilizado para financiar costos en moneda extranjera, de acuerdo a la definición de la Sección 7.1, y costos en moneda local, de acuerdo a la definición en la Sección 7.2, de bienes y servicios requeridos para el Proyecto.

SECCION 3.2. Recursos del Prestatario para el Proyecto.

(a) El Prestatario conviene en proporcionar o hacer que se proporcione para el Proyecto, todos los fondos, además del Préstamo, y todos los otros recursos requeridos para llevar a cabo el Proyecto en forma efectiva y oportuna.

(b) Los recursos suministrados por el Prestatario para el Proyecto no deberán ser menor al equivalente en dólares de los EE.UU. de $4,330,000, incluyendo costos sufragados en "especie"

SECCION 3.3. Fecha de Terminación de Asistencia al Proyecto.

(a) La "Fecha de Terminación de Asistencia al Proyecto" (FTAP), es el 1° de septiembre de 1982, u otra fecha en que las Partes podrán convenir por escrito, es la fecha en que las Partes estiman que todos los servicios financiados bajo el Préstamo habrán sido realizados y todos los bienes financiados bajo el Préstamo habrán sido proporcionados para el Proyecto de acuerdo a lo establecido en este Convenio.

(b) A menos que A.I.D. acuerde lo contrario por escrito, A.I.D. no emitirá o aprobará ninguna documentación que autorice desembolsos del Préstamo para servicios realizados después de la FTAP o para bienes suministrados para el Proyecto, de acuerdo a lo establecido en el Convenio, después de la FTAP.

(c) Las solicitudes de desembolsos, acompañadas de los documentos justificativos necesarios prescritos en las Cartas de Implementación del Proyecto, deberán ser recibidas por A.I.D. o por cualquier banco descrito en la Sección 8.1 dentro de los nueve (9) meses después de la FTAP, o de otro período acordado por A.I.D. por escrito. Después de tal período, A.I.D., por medio de notificación por escrito al Prestatario, puede en cualquier momento o momentos, reducir el monto del Préstamo por un monto parcial o total para el cuál no se han recibido solicitudes de desembolsos, acompañados de los documentos justificativos necesarios prescritos en las Cartas de Implementación del Proyecto, antes de la expiración de dicho período.

Artículo 4: Términos del Préstamo.

SECCION 4.1. Intereses. El Prestatario pagará a A.I.D. los intereses devengados a razón del dos por ciento (2%) anual, por diez años, a partir de la fecha del primer desembolso en virtud de este Convenio y

posteriormente a razón del tres por ciento (3%) anual sobre saldo pendiente del Capital y sobre cualquier interés vencido y no pagado. El interés sobre el saldo pendiente se devengará a partir de la fecha de cada desembolso (de acuerdo a la Sección 8.5), y serán pagados semestralmente. El primer pago de intereses vencerá y deberá ser pagado no más tarde de los seis (6) meses después de efectuado el primer desembolso, en fecha a ser especificada por A.I.D.

SECCION 4.2. Amortización. El Prestatario pagará a A.I.D. el Capital dentro de los veinte (20) años a partir de la fecha del primer desembolso del Préstamo en veinte y una (21) cuotas semestrales aproximadamente iguales del Capital e intereses. La primera cuota del Capital deberá ser pagada nueve años y medio (9-1/2) después de la fecha del primer pago de intereses devengados de conformidad con la Sección 4.1. A.I.D. pondrá a disposición del Prestatario un cuadro de amortización de acuerdo con esta Sección después del último desembolso del Préstamo.

SECCION 4.3. Aplicación, Moneda, y Lugar de Pago. Todos los pagos de intereses y del Capital del presente Convenio serán hechos en dólares Estadounidenses y serán aplicados en primer lugar al pago de intereses devengados y después a la amortización del Capital. Salvo que A.I.D. especifique de otra forma por escrito, todos los pagos serán hechos al Controller, Office of Financial Management, Agency for International Development, Washington, D.C. 20523, U.S.A., y serán considerados hechos una vez recibidos por la Oficina de Administración Financiera.

SECCION 4.4. Pagos Anticipados. Estando al día en todos los pagos de intereses y reembolsos adecuados y vencidos, el Prestatario podrá pagar por adelantado, sin recargos, todo o parte del Capital. A menos que A.I.D. acuerde lo contrario por escrito, cualquiera de tales pagos anticipados será aplicado a las cuotas del Capital en el orden inverso a su vencimiento.

SECCION 4.5. Renegociación de los Términos del Préstamo.

(a) El Prestatario y A.I.D. acuerdan negociar, en el momento o momentos en que cualquiera de las Partes lo solicite, una aceleración del reembolso del Préstamo en el caso de haber una mejora significativa y continuada de la situación económica y financiera interna y externa y en las perspectivas del Gobierno de El Salvador, que permita al Prestatario reembolsar el Préstamo en un período mas corto.

(b) Cualquier solicitud de cualquiera de las Partes a la otra para esta negociación será efectuada de conformidad con la Sección 9.2 y dará el nombre y dirección de la persona o personas que representará(n) a la Parte solicitante en tales negociaciones.

(c) Dentro de los treinta (30) días siguientes a la entrega de una solicitud para negociar, la Parte que recibe la solicitud comunicará a la otra, de conformidad con la Sección 9.2, el nombre y dirección de la persona o personas que representará(n) en tales negociaciones a la Parte que recibió la solicitud.

(d) Los representantes de las Partes se reunirán para llevar a cabo las negociaciones, no más tarde de los treinta (30 días después de la entrega de la comunicación enviada por la Parte que recibió la solicitud, bajo la subsección (c) Las negociaciones se llevarán a cabo en un local acordado mútuamente por los representantes de las Partes, toda vez que, en caso de no existir acuerdo mútuo, las negociaciones tendrán lugar en la oficina del Sr. Ministro de Educación del Prestatario en El Salvador.

SECCION 4.6. Cancelación Mediante Pago Total. Después del pago total del Capital y de cualquier interés vencido, este Convenio y todas las obligaciones del Prestatario y de A.I.D. emergentes del mismo, se darán por terminados.

Artículo 5: Condiciones Previas al Desembolso.

SECCION 5.1. Primer Desembolso. Antes del primer desembolso bajo el Préstamo, o la emisión por A.I.D. de cualquier documentación en base a la cuál se efectuarán desembolsos, el Prestatario deberá salvo manifestación contraria por escrito de las Partes, proveer a A.I.D., en forma y contenido satisfactoria a A.I.D..

(a) Un dictamen del Fiscal General de El Salvador o de representante legal, aceptable para A.I.D., de que este Convenio ha sido debidamente autorizado y/o ratificado por, y ejecutado en representación de, el Prestatario, y que constituye una obligación válida y legal del Prestatario de conformidad con todos sus términos;

(b) El nombre de la persona en funciones o interinando en la oficina del Prestatario especificado en la Seccion 9.3, y de cualquier representante adicional, juntamente con un espécimen de la firma de cada persona especificada como representante;

(c) Evidencia de la reestructuración del DEAP para facilitar la distribución efectiva y el soporte administrativo del proyecto.

(d) Un plan del personal que suministre el empleo del personal técnico y administrativo apropiado requerido por la nueva estructura organizacional del DEAP;

(e) Evidencia de la creación de un sistema de concejos locales de Educación/Comercio en funcionamiento;

(f) Un plan de implementación del proyecto, por componente del proyecto, incluyendo un calendario del prestatario mostrando las distribuciones presupuestarias de contrapartida.

SECCION 5.2. Desembolso Adicional. Antes del desembolso bajo el Préstamo, o de la emisión por A.I.D. de cualquier documentación en base a la cual se efectuarán desembolsos, para los propósitos que abajo se indican, el Prestatario deberá, a menos que las Partes acuerden lo contrario por escrito, proveer a A.I.D., en forma y contenido satisfactorios a A.I.D..

(a) Para adiestramiento de participantes: un plan de implementación con un calendario de la ejecución de dichas actividades como se contempla bajo este proyecto.

(b) Para la renovación de facilidades: un plan de implementación con un calendario de la ejecución de dichas renovaciones, que deberá incluir un calendario y el presupuesto para el mantenimiento y reparación de dichas facilidades.

(c) Para vehículos y equipo: un plan de implementación con un calendario para la asignación de dichos vehículos y equipo, que deberá incluir un calendario y el presupuesto para su mantenimiento y reparación.

SECCION 5.3. Notificación. Cuando A.I.D. haya determinado que las condiciones previas especificadas en la Sección 5.1 y 5.2 han sido cumplidas, notificará inmediatamente al Prestatario.

SECCION 5.4 Fechas Límites para las Condiciones Previas.

(a) Si todas las condiciones especificadas en la Sección 5.1 no han sido cumplidas dentro de 180 días a partir de la fecha de este Convenio, o en una fecha posterior que A.I.D. haya acordado por escrito, A.I.D., a su opción, podrá terminar este Convenio mediante notificación escrita al Prestatario.

(b) Si todas las condiciones especificadas en la Sección 5.2. no han sido cumplidas dentro de 240 días a partir de la fecha de este Convenio, o en una fecha posterior que A.I.D. haya acordado por escrito, A.I.D. tendrá la opción de cancelar el saldo no desembolsado, a ese momento, del Préstamo, toda vez que no haya sido comprometido en forma irrevocable a terceras partes, y puede terminar este Convenio mediante notificación escrita al Prestatario. En el caso de tal terminación, el Prestatario reembolsará inmediatamente el Capital pendiente en ese momento, y cualquier interés vencido; una vez recibida la totalidad de

dichos pagos, este Convenio y todas las obligaciones de las Partes a este Convenio, quedarán cancelados.

Artículo 6: Estipulaciones Especiales.

SECCION 6.1. Evaluación del Proyecto. Las partes acuerdan establecer un programa de evaluación como parte del Proyecto. Salvo que las Partes manifiesten lo contrario por escrito, el programa incluirá, durante la implementación del Proyecto y en una oportunidad u oportunidades posterior(es): (a) la evaluación del progreso para el logro de los objetivos del Proyecto; (b) identificación y evaluación de áreas de problemas o impedimentos que puedan inhibir dichos logros; (c) evaluación de la forma en que se pueden utilizar tales informaciones para ayudar a solucionar tales problemas; y (d) evaluación, hasta donde sea posible, del impacto general del Proyecto sobre el desarrollo.

SECCION 6.2. Estipulaciones Adicionales. El prestatario por medio del presente conviene y garantiza que, excepto que la A.I.D. convenga de otra manera por escrito:

(a) la reestructuración del DEAP y el empleo del personal técnico y administrativo apropiado en un tiempo adecuado, de acuerdo con la documentación sometida para el cumplimiento de las condiciones previas de acuerdo a la Sección 5.1(c) y (d)

(b) El sistema de los consejos locales de educación/comercio referidos en la Sección 5.1(e) deberá tener el apoyo adecuado y deberá ser estimulado continuamente para que puedan participar efectivamente en el proyecto.

(c) El proyecto será ejecutado de acuerdo con todos los Planes de Implementación del Proyecto y deberán ser aprobados por la A.I.D. conforme a lo estipulado en el Artículo 5.

(d) Se continuará suministrando las asignaciones adecuadas del presupuesto posteriormente a la terminación del proyecto para poder cubrir los costos de operación recurrentes del DEAP

(e) Las facilidades que se construyan y el equipo y materiales que se compren bajo este proyecto deberán ser continua y adecuadamente mantenidos despúes de la terminación del proyecto.

Artículo 7· Fuentes de Adquisiciones.

SECCION 7.1. Costos en Moneda Extranjera. Los desembolsos efectuados de conformidad a la Sección 8.1 serán utilizados exclusivamente para financiar los costos de bienes y servicios necesarios para el Proyecto,

que tengan su fuente y origen en países incluidos en el Código 941 del Libro de Código Geográfico de A.I.D. en vigencia en el momento que se formulan los pedidos o se celebren los contratos para la adquisición de tales bienes o servicios ("Costos en Moneda Extranjera"), a menos que A.I.D. acuerde lo contrario por escrito, y con excepción de lo previsto en el Anexo de Reglas Especiales del Préstamo para el Proyecto, Sección C.1(b) con respecto a seguro marítimo.

SECCION 7.2. Costos en Moneda Local. Los desembolsos efectuados de conformidad con la Sección 8.2 serán utilizados exclusivamente para financiar los costos de bienes y servicios necesarios para el Proyecto, que tengan su fuente y, a menos que A.I.D. acuerde lo contrario por escrito, su origen en los países del Mercado Común Centroamericano.

Artículo 8: Desembolsos.

SECCION 8.1. Desembolsos para Costos en Moneda Extranjera.

(a) Después de cumplir con las condiciones previas, el Prestatario puede obtener desembolsos de fondos bajo el Préstamo para los Costos de conformidad con los términos de este Convenio, por medio de algunos de los siguientes métodos que pueden elegirse por mutuo acuerdo:

(1) presentando a A.I.D., con los documentos justificativos necesarios prescritos en Cartas de Implementación del Proyecto, (A) solicitudes para reembolsos por tales bienes y servicios, o (B) solicitudes para que A.I.D., adquiera bienes o servicios por parte del Prestatario para el Proyecto; o

(2) solicitando que A.I.D. emita Cartas de Compromiso por montos específicos (A) a uno o más bancos de los Estados Unidos, satisfactorios a A.I.D., comprometiendo a A.I.D. a reembolsar a tales bancos por pagos efectuados por ellos a contratistas o proveedores, bajo Cartas de Crédito o por medios similares, por tales bienes o servicios, o (B) directamente a uno o más contratistas o proveedores, comprometiendo a A.I.D. a pagar a tales contratistas o proveedores por tales bienes o servicios.

(b) Los gastos bancarios incurridos por el Prestatario en relación con las Cartas de Compromiso y Cartas de Crédito serán financiados bajo el Préstamo a menos que el Prestatario indique a A.I.D. lo contrario. Otros gastos acordados por las Partes también pueden ser financiados bajo el Préstamo.

SECCION 8.2. Desembolso para Costos en Moneda Local.

(a) Después de cumplir con las condiciones previas, el Prestatario puede obtener desembolsos de fondos bajo el Préstamo para Costos

en Moneda Local necesarios para el Proyecto, de conformidad con los términos de este Contrato, mediante la presentación a A.I.D. de solicitudes para financiar tales costos con los documentos justificativos necesarios prescritos en Cartas de Implementación.

(b) La moneda local necesaria para tales desembolsos puede ser obtenida en la siguiente forma:

(1) mediante compra por A.I.D. de moneda local con dólares estadounidenses; o

(2) por A.I.D. (A) que puede pedir que el Prestatario facilite la moneda local para tales costos, y (B) facilitando posteriormente al Prestatario, mediante la apertura o enmienda por A.I.D. de Cartas de Crédito Especiales a favor del Prestatario o de su representante, un monto de dólares estadounidenses equivalente al monto en moneda local entregado por el Prestatario. Tales dólares serán utilizados para adquisiciones de los Estados Unidos de acuerdo a procedimientos adecuados descritos en las Cartas de Implementación del Proyecto.

El equivalente en dólares de la moneda local facilitada en virtud del presente Convenio será, en el caso de la subsección (b) (1) mencionada arriba, el monto de dólares de los Estados Unidos requerido por A.I.D. para obtener la moneda local, y en el caso de la subsección (b) (2) mencionada arriba, un monto calculado al tipo de cambio especificado en el Memorandum de Implementación de Cartas de Crédito Especiales aplicables en virtud de este Convenio a la fecha de apertura o enmienda de la Carta de Crédito Especial.

SECCION 8.3. Otras Formas de Desembolso. Los desembolsos del Préstamo también pueden efectuarse por otros medios acordados por escrito por las Partes.

SECCION 8.4. Tipo de Cambio. A menos que sea establecido en forma más específica bajo la Sección 8.2, si los fondos proveídos bajo el Préstamo son introducidos a El Salvador por A.I.D. o por cualquier agencia pública o privada con el fin de cumplir con las obligaciones de A.I.D. emergentes de este Convenio, el Prestatario hará los trámites que sean necesarios para que tales fondos puedan ser convertidos a la moneda de El Salvador al tipo de cambio más alto que, en el momento en que se efectúa la conversión, no sea ilegal en El Salvador.

SECCION 8.5. Fecha de Desembolso. Los desembolsos de A.I.D. serán considerados como realizados (a) en la fecha en que A.I.D. efectua un desembolso al Prestatario o a su representante, o a un banco, contratista o proveedor de conformidad con una Carta de Compromiso, contrato, u orden de compra; (b) en la fecha en que A.I.D. desembolsa al Prestatario o a su representante la moneda local adquirida de conformidad con la

Sección 8.2(b)(1); o (c) si la moneda local es obtenida de acuerdo a la Sección 8.2(b)(2), en la fecha en que A.I.D. abre o enmienda la Carta de Crédito Especial pertinente.

Artículo 9: Misceláneas.

SECCION 9.1. Aprobación de Proyecto de Garantía de Inversión. Se acuerda que el trabajo de construcción a ser financiado bajo este Convenio es un proyecto aprobado por El Salvador de conformidad con el convenio entre El Salvador y los Estados Unidos de América referente a garantías de inversiones, y que no se necesitará ninguna aprobación adicional de El Salvador para permitir a los Estados Unidos a emitir garantías de inversiones bajo el convenio que cubre la inversión del contratista en ese proyecto.

SECCION 9.2. Comunicaciones. Cualquier notificación, pedido, documento, u otra comunicación enviada por cualquiera de las Partes a la otra bajo este Convenio, será por escrito o por telegrama o cable, y será considerada como debidamente dada o enviada cuando sea entregada a tal parte, en la siguiente dirección:

Al Prestatario:

Dirección Postal:

Señor Ministro
Ministerio de Educación
San Salvaor, El Salvador, C. A.

Dirección Cablegráfica:

MINIEDUCACION
San Salvador, El Salvador, C. A.

A A.I.D.:

Dirección Postal:

Director de la Misión de USAID
Embajada Americana
San Salvador, El Salvador, C. A.

Dirección Cablegráfica:

USAID
American Embassy
San Salvador, El Salvador, C. A.

Todas las comunicaciones serán en el idioma Inglés y Castellano, a menos que las Partes acuerden lo contrario por escrito. Las direcciones mencionadas precedentemente podrán ser sustituidas por otras después de la debida notificación. El Prestatario deberá suministrar a la Misión de USAID una copia de cada comunicación enviada a A.I.D.

SECCION 9.3 Representantes. Para todos los fines relacionados con este Convenio, el Prestatario estará representado por la persona en funciones o interinando en la sede del Ministerio de Educación y la A.I.D. estará representada por la persona en funciones de Director de la Oficina de USAID para El Salvador. Tales personas, mediante notificación por escrito, pueden designar representantes adicionales para cualquier propósito, con excepción del de ejercer la función establecida en la Sección 2.1. para revisar elementos de la descripción ampliada en el Anexo I. Los nombres de los representantes del Prestatario, con el espécimen de sus firmas, deberán ser entregados a A.I.D., que puede aceptar como debidamente autorizado, cualquier instrumento firmado por tales representantes, en la implementación de este Convenio, hasta recibir aviso por escrito de la revocación de la autoridad de dichos representantes.

SECCION 9.4. Anexo de Estipulaciones Standard. Un "Anexo de Estipulaciones Standard de Préstamo para el Proyecto" (Anexo II) acompaña a, y forma parte de este Convenio.

SECCION 9.5. Diferencias de Interpretación. Este Convenio está preparado tanto en Inglés como en Castellano. En caso de ambiguedad o conflicto entre las dos versiones, la versión en Inglés será usada para resolver diferencias de interpretación.

EN FE DE LO CUAL, el Prestatario y los Estados Unidos de América, mediante sus representantes debidamente autorizados, celebran este Convenio a ser firmado en su nombre, en el día, mes y año mencionados en primer lugar.

EL SALVADOR

Por: _____
Dr. Carlos Antonio Herrera Rebollo

Cargo: Ministro de Educación

ESTADOS UNIDOS DE AMERICA

Por: _____
Dr. Abelardo L. Valdez

Cargo: Administrador Asistente para Asuntos Latinoamericanos y del Caribe

Reseña del Proyecto

Anexo I

A. Propósito - El propósito específico del Proyecto de Habilitación de Mano de Obra (el Proyecto) es desarrollar y expandir más ampliamente un sistema viable de adiestramiento para la habilitación de mano de obra.

B. Descripción - El Proyecto consiste de asistencia a la División de Educación de Adultos y Permanente (DEAP) del Ministerio de Educación para llevar a cabo un programa de adiestramiento, el cual servirá a mayores números de personas pobres urbanas y rurales, y mejorará el sistema de orientación de DEAP, el cual ayudará a aquellos que sean adiestrados para que puedan obtener un empleo significante. El Proyecto alcanzará estos objectivos concentrándose en cinco (5) componentes:

(i) El Planeamiento del Programa, el cual enfoca la necesidad de determinar que destrezas de nivel de entrada son requeridas, en cualquier tiempo determinado, por las comunidades y pequeñas empresas;

(ii) El Desarrollo de Cursos, el cual enfoca la necesidad de un desarrollo contínuo y adecuado de cursos para responder a la demanda de habilidades;

(iii) El Desarrollo de Personal, el cual enfoca la necesidad de mejorar contínuamente la calidad del personal administrativo y docente como sea requerido para la administración y entrega del programa de adiestramiento expandido;

(iv) El Sistema de Entrega del Adiestramiento, el cual enfoca la necesidad de adecuar las instalaciones, equipo y materiales, a los cursos que han sido y seguirán siendo desarrollados;

(v) El Servicio de Orientación, el cual enfoca la necesidad de proveer orientación ocupacional, no sólo a nivel de entrada, sino también asistencia en la obtención de empleo y de orientación posterior.

Para proporcionar un apoyo adecuado a las actividades incluidas en cada uno de los cinco (5) componentes arriba indicados, la capacidad actual de administración y de servicios de apoyo de DEAP necesita ser reforzada. Esto se hará mediante la creación de una Unidad Administrativa compuesta por tres (3) oficinas, incluyendo Servicios Generales, Desarrollo de Materiales, y Finanzas.

C. Compromisos de AID y GOES - AID proporcionará fondos, tanto de préstamos como de donación en apoyo al Proyecto. Los fondos de préstamo de AID se utilizarán para cubrir:

(i) La obtención de cuarenta y dos (42) meses-hombre de asistencia técnica para ayudar a DEAP en el área de desarrollo del currículo;

(ii) La construccion/renovación de veintisiete (27) talleres estandarizados en dieciocho (18) sitios en todo el país;

(iii) Los costos de materiales, herramientas y equipo, incluyendo "módulos" para reforzar la entrega de cursos de adiestramiento de DEAP;

(iv) Los costos asociados con el adiestramiento de becarios en los Estados Unidos y otros países (excluyendo viajes internacionales); y

(v) La compra de equipo audio-visual y vehículos para usarse en la entrega del adiestramiento para la habilitación de mano de obra.

Sujeto a la disponibilidad de fondos, AID proporcionará fondos de donativo para la obtención de cien (100) meses-hombre de asistencia técnica adicional en varios campos, en apoyo de los cinco (5) componentes del Proyecto.

El GOES realizará una reorganización técnica de DEAP de una manera satisfactoria a ambos A.I.D. y el Prestatario. Esta reorganización debe incluir la creación de una Unidad Técnica del proyecto, compuesta por las Oficinas de Planificación, Desarrollo del Currículo, Orientación, Desarrollo Profesional, y Supervisión; y una Unidad Administrativa compuesta por las Oficinas de Desarrollo de Materiales, Servicios Generales, y de Finanzas.

Además de estos compromisos involucrando la reorganización de DEAP, el GOES proporcionará apoyo presupuestario a DEAP para cubrir:

(i) Los costos de personal de las operaciones expandidas de DEAP incluyendo veintidos (22) posiciones para profesionales y semi-profesionales (13 para la Unidad Técnica y 9 para la Unidad Administrativa) a nivel central y alrededor de ochenta (80) instructores y cinco (5) directores;

(ii) Los gastos operacionales asociados con las actividades de adiestramiento urbano de DEAP;

(iii) Cierto equipo, servicios especiales, y suministros para apoyar las operaciones de DEAP; y

(iv) Algunos costos de renovación como también el mantenimiento de instalaciones y de equipo y vehículos asignados a ellos.

D. Resumen Del Plan Financiero Por Componentes de Costo -

(En U.S. $000 o su equivalente)

	AID Donativo	AID Préstamo	GOES	TOTAL
PLANIFICACION DEL PROGRAMA	60.0	—	136.8	196.8
Asistencia Técnica (12 pm)	60.0	—	—	60.0
Personal Local	—	—	68.8	68.8
Materiales y Suministros	—	—	36.0	36.0
Otros Costos	—	—	32.0	32.0
DESARROLLO DEL CURRICULO	40.0	312.4	1,083.4	1,435.8
Asistencia Técnica (26 pm)	40.0	210.0	—	250.0
Personal Local	—	—	401.2	401.2
Materiales y Suministros	—	102.4	130.0	323.4
Otros Costos	—	—	552.2	348.4
ADIESTRAMIENTO DE PERSONAL	90.0	188.0	70.4	348.8
Asistencia Técnica	90.0	—	—	90.0
Personal Local	—	—	26.0	26.0
Adiestramiento de Participantes	—	188.0	14.4	202.4
Fondos para Adiestramiento en Servicio	—	—	20.0	20.0
Otros Costos	—	—	10.0	10.0
ENTREGA DE ADIESTRAMIENTO	40.0	2,225.3	1,729.1	3,994.4
Asistencia Técnica (24 pm)	40.0	—	—	40.0
Personal Local	—	—	539.1	539.1
Materiales y Suministros	—	1,495.3	480.0	1,975.3
Renovación	—	730.0	155.0	885.0
Otros Costos	—	—	555.0	555.0
SERVICIO DE ORIENTACION	30.0	—	140.0	170.0
Asistencia Técnica (6 pm)	30.0	—	—	30.0
Personal Local	—	—	91.2	91.2
Suministros	—	—	—	—
Otros Costos	—	—	—	—
Sub-Total	260.0	2,725.7	3,159.7	6,145.4
APOYO ADMINISTRATIVO	240.0	—	276.2	516.2
Asistencia Técnica (48 pm)	240.0	—	—	240.0
Personal Local	—	—	198.5	198.5
Materiales y Suministros	—	—	57.7	57.7
Otros Costos	—	—	20.0	20.0
Sub-Total	500.0	2,725.7	3,435.9	6,661.6
INFLACION E IMPREVISTOS		624.3	894.1	1,518.4
TOTAL	500.0	3,350.0	4,330.0	8,180.0

MULTILATERAL

Privileges and Immunities: Arbitration Tribunal

Agreement signed at Bern December 6, 1978;
Entered into force December 6, 1978.

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AGREEMENT

BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND
THE GOVERNMENT OF THE FRENCH REPUBLIC,
OF THE ONE PART,

AND THE GOVERNMENT OF THE SWISS CONFEDERATION,
OF THE OTHER PART,

REGARDING

THE STATUS, PRIVILEGES AND IMMUNITIES IN SWITZERLAND
OF THE TRIBUNAL OF ARBITRATION ESTABLISHED PURSUANT TO
THE COMPROMIS SIGNED AT WASHINGTON

JULY 11, 1978[1]

BETWEEN THE UNITED STATES OF AMERICA AND FRANCE,
AND OF PERSONS PARTICIPATING IN THE WORK OF THE TRIBUNAL

The Government of the United States of America and the Government of the French Republic, of the one part, the Government of the Swiss Confederation, of the other part;

Considering the establishment at Geneva, with the agreement of the Swiss authorities, of the seat of the Tribunal of Arbitration set up by the Government of the United States and the Government of France to rule on various matters relating to measures adopted by the two governments and bearing on the air traffic between the two countries;

Desiring to fix the status, privileges and immunities of the Tribunal of Arbitration and the persons participating in its work;

Have agreed as follows:

[1] TIAS 9274, *ante*, p. 1659.

Article 1: Use of Terms

For the purposes of this Agreement:

a) The expression "Members of the Tribunal" means the President of the Tribunal of Arbitration and the remaining Arbitrators, as well as any expert or experts appointed by the Tribunal;

b) The expression "Members of the administrative and technical staff of the Tribunal" means the staff of the Tribunal employed on administrative and technical duties for the purposes of the arbitration;

c) The expression "Persons participating in the arbitral procedure" means the persons comprising the two categories defined in paragraphs a) and b) of this Article;

d) The expression "Private staff" means persons employed exclusively in the private service of Members of the Tribunal.

Article 2: General Facilities

The Swiss Government shall accord to the Tribunal of Arbitration the facilities required for the performance of its functions.

Article 3: Premises and Accomodation

The Swiss Government shall assist the Tribunal of Arbitration, if it so requests, in procuring the necessary premises and obtaining suitable accomodation for its Members.

Article 4: Exemption of the Premises of the Tribunal of Arbitration from Taxation

1. To the extent compatible with the nature and duration of the functions of the Tribunal of Arbitration, the Tribunal and its Members acting on its behalf shall be exempt from all national, regional or municipal dues and taxes in respect of the premises occupied by the Tribunal, other than such as represent payment for specific services rendered.

2. The exemption from taxation referred to in this Article shall not apply to such dues and taxes payable under Swiss law by persons contracting with the Tribunal of Arbitration or with a Member thereof.

Article 5: Inviolability of the Premises

1. The premises where the Tribunal of Arbitration is established in accordance with the present Agreement shall be inviolable for the purposes of the arbitration. The agents of the Swiss Government may not enter the said premises, except with the consent of the President of the Tribunal of Arbitration. Such consent may be assumed in case of fire or other disaster that seriously endangers public safety, and only in the event that it has not been possible to obtain the express consent of the President of the Tribunal of Arbitration.

2. The Swiss Government is under a special duty to take all appropriate steps to protect the premises of the Tribunal of Arbitration against any intrusion or damage and to prevent any disturbance of the peace of the Tribunal or impairment of its dignity.

3. The premises of the Tribunal of Arbitration, their furnishings, other property used in the operation of the Tribunal of Arbitration and its means of transport shall be immune from search, requisition, attachment or execution.

Article 6: Inviolability of Archives and Documents

The archives and documents of the Tribunal of Arbitration shall be inviolable at all times and wherever they may be. They should, when necessary, bear visible external marks of identification.

Article 7: Freedom of Movement

Subject to its laws and regulations concerning zones entry into which is prohibited or regulated for reasons of na-

tional security, the Swiss Government shall ensure to all Members of the Tribunal of Arbitration such freedom of movement and travel in its territory as is necessary for the performance of the functions of the Tribunal of Arbitration.

Article 8: Freedom of Communication

1. The Swiss Government shall permit and protect free communication on the part of the Tribunal of Arbitration for all official purposes, and notably with the Governments of the Parties to the Arbitration.

2. The official correspondence of the Tribunal of Arbitration shall be inviolable. Official correspondence means all correspondence relating to the Tribunal of Arbitration and its functions.

Article 9: Personal Inviolability

The persons of the Members of the Tribunal of Arbitration shall be inviolable. They shall not be liable to any form of arrest or detention. The Swiss Authorities shall treat them with due respect and shall take all appropriate steps to prevent any attack on their persons, freedom or dignity.

Article 10: Inviolability of the Private Accommodation

1. The private accommodation of the Members of the Tribunal of Arbitration shall enjoy the same inviolability and protection as the premises of the Tribunal.

2. Their papers, their correspondence and, except as provided in paragraph 4 of Article 11, their property shall likewise enjoy inviolability.

Article 11: Immunity from Jurisdiction

1. The Members of the Tribunal of Arbitration shall enjoy immunity from the criminal jurisdiction of Switzerland.

2. They shall also enjoy immunity from the civil and administrative jurisdiction of Switzerland, except in the case of:

a) a real action relating to private immovable property situated in the territory of Switzerland, unless the person concerned holds it on behalf of the Tribunal of Arbitration;

b) an action relating to succession in which the person concerned is involved as executor, administrator, heir or legatee as a private person and not on behalf of the Tribunal of Arbitration;

c) an action relating to any professional or commercial activity exercises by the person concerned in Switzerland outside his official functions;

d) an action for damages arising out of an accident caused by a vehicle used outside the official functions of the person concerned.

3. The Members of the Tribunal of Arbitration are not obliged to give evidence as witnesses.

4. No measures of execution may be taken in respect of a Member of the Tribunal of Arbitration except in the cases coming under sub-paragraphs a), b), c), and d) of paragraph 2 of this Article and provided that the measures concerned can be taken without infringing the inviolability of this person or his accommodation.

5. The immunity from jurisdiction of the Members of the Tribunal of Arbitration does not exempt them from the jurisdiction of the State of which they are nationals or permanent residents.

Article 12: Exemption from Social Security Legislation

1. The Members of the Tribunal of Arbitration shall be exempt from social security provisions in force in Switzerland.

2. The exemption provided for in paragraph 1 of this Article shall also apply to persons who are in the sole private employ of a Member of the Tribunal of Arbitration, on condition that they are not nationals of or permanently resident in Switzerland.

3. Members of the Tribunal of Arbitration who employ persons to whom the exemption provided for in paragraph 2 of this Article does not apply shall observe the obligations which the social security provisions of Switzerland impose upon employers.

4. The provisions of these Articles shall not affect bilateral or multilateral agreements concerning social security concluded previously and shall not prevent the conclusion of such agreements in the future.

Article 13: Exemption from Dues and Taxes

The Members of the Tribunal of Arbitration shall be exempt from all dues and taxes, personal or real, national, regional or municipal, except:

a) indirect taxes of a kind which are normally incorporated in the price of goods or services;

b) dues and taxes on private immovable property situated in the territory of Switzerland, unless the person concerned holds it on behalf of the Tribunal of Arbitration;

c) estate, succession or inheritance duties levied by Switzerland subject to the provisions of Article 23;

d) dues and taxes on private income having its source in Switzerland and capital taxes on investments made in commercial untertakings in Switzerland;

e) charges levied for specific services rendered;

f) registration, court or record fees, mortgage dues and stamp duty, subject to the provisions of Article 4.

Article 14: Exemption from Personal Services

Switzerland shall exempt the Members of the Tribunal of Arbitration from all personal services, from all public service of any kind whatsoever, and from military obligations such as those connected with requisitioning, military contributions and billeting.

Article 15: Exemption from Customs Duties and Inspection

1. Within the limits of such laws and regulations as it may adopt, Switzerland shall permit entry of, and grant exemption from all customs duties, taxes, and related charges other than charges for storage, cartage and similar services, on:

a) articles for the official use of the Tribunal of Arbitration;

b) articles for the personal use of the Members of the Tribunal of Arbitration.

2. The personal baggage of the Members of the Tribunal of Arbitration shall be exempt from inspection, unless there are serious grounds for presuming that it contains articles not covered by the exemptions mentioned in paragraph 1 of this Article, or articles the import or export of which is prohibited by the law or controlled by the quarantine regulations of Switzerland. In such cases, inspection shall be conducted only in the presence of the person concerned or of his authorized representative.

Article 16: Administrative and Technical Staff

Members of the administrative and technical staff of the Tribunal of Arbitration shall enjoy the privileges and immunities specified in Articles 9 to 14, except that the immunity from civil and administrative jurisdiction of Switzerland specified in paragraphe 2 of Article 11 shall not extend to acts performed outside the course of their duties. They shall also enjoy the privileges

mentioned in paragraph 1 of Article 15 in respect of articles imported at the time of their first entry into Switzerland.

Article 17: Private Staff

Private staff shall be exempt from dues and taxes on the emoluments they receive by reason of their employment. In all other respects, they may enjoy privileges and immunities only to the extent permitted by Switzerland. However, Switzerland shall exercise its jurisdiction over those persons in such a manner as not to interfere unduly with the performance of the functions of the Tribunal of Arbitration.

Article 18: Members of the Family

1. Members of the families of Members of the Tribunal of Arbitration shall, if they accompany such Members of the Tribunal, enjoy the privileges and immunities specified in Articles 9 to 15 provided that they are not nationals of or permanently resident in Switzerland.

2. Members of the families of members of the administrative and technical staff of the Tribunal of Arbitration shall, if they accompany such persons, enjoy the privileges and immunities specified in Article 16 provided that they are not nationals of or permanently resident in Switzerland.

Article 19: Swiss Nationals and Persons Permanently Resident in Switzerland

1. The persons participating in the arbitral procedure as well as the Registrar of the Tribunal of Arbitration who are nationals of or permanently resident in Switzerland shall enjoy only immunity from jurisdiction and inviolability in respect of official acts performed in the exercise of their functions.

2. Private staff who are nationals of or permanently resident in Switzerland shall enjoy privileges and immunities only to the extent granted to them by Switzerland. However, Switzerland shall exercise its jurisdiction over those persons in such a manner as not to interfere unduly with the performance of the functions of the Tribunal of Arbitration.

Article 20. Waiver of Immunity

1. The Tribunal of Arbitration may waive the immunity from jurisdiction of its Members or other persons enjoying immunity under Articles 16 to 19 Immunity shall be waived in any case where such immunity would impede the course of justice and waiver would not prejudice the purpose for which immunity is accorded.

2. Waiver must always be express.

3. The initiation of proceedings by any of the persons referred to in paragraph 1 of this Article shall preclude him from invoking immunity from jurisdiction in respect of any counter-claim directly connected with the principal claim.

4. Waiver of immunity from jurisdiction in respect of civil or administrative proceedings shall not be held to imply waiver of immunity in respect of the execution of the judgment, for which a separate waiver shall be necessary.

Article 21. Duration of Privileges and Immunities

1. Every person participating in the arbitral procedure shall enjoy the privileges and immunities to which he is entitled from the moment he enters Swiss territory for the purpose of performing his functions in the arbitration or, if he is already in its territory, from the moment when his appointment is notified to the Federal Political Department or such other Swiss authority as may be agreed.

2. When the functions of a person participating in the arbitral procedure have come to an end, his privileges and immunities shall normally cease at the moment when he leaves Swiss territory, or on the expiry of a reasonable period in which to do so, but shall subsist until that time, even in case of armed conflict. However, in respect of acts performed by such a person in the exercise of his functions, immunity shall continue to subsist.

3. In the event of the death of a person participating in the arbitral procedure, the members of his family shall continue to enjoy the privileges and immunities to which they are entitled until the expiry of a reasonable period in which to leave Swiss territory.

Article 22: Property of a Person Participating in the Arbitral Procedure or of a Member of his Family in the Event of Death

1. In the event of the death of a person participating in the arbitral procedure or of a member of his family accompanying him, if the deceased was not a national of or permanently resident in Switzerland, Switzerland shall permit the withdrawal of the movable property of the deceased, with the exception of any property acquired in the country the export of which was prohibited at the time of his death.

2. Estate, succession and inheritance duties shall not be levied on movable property which is in Switzerland solely because of the presence there of the deceased as a person participating in the arbitral procedure or a member of the family of such a person.

Article 23: Facilities to Leave the Territory of Switzerland and to Remove the Archives of the Tribunal of Arbitration

1. Switzerland shall, even in case of armed conflict, grant facilities to enable persons enjoying privileges and immunities, other than Swiss nationals, and members of the family

of such persons, irrespective of their nationality, to leave at the earliest possible moment. In particular it must, in case of need, place at their disposal the necessary means of transport for themselves and their property.

2. Switzerland shall grant the Tribunal of Arbitration facilities for removing its archives from Swiss territory.

Article 24: Consequences of the Cessation of the Functions of the Tribunal of Arbitration

When the functions of the Tribunal of Arbitration come to an end, Switzerland shall respect and protect its premises so long as they are assigned to it, as well as the property and archives of the Tribunal of Arbitration. The Tribunal of Arbitration must withdraw its property and archives within a reasonable period of time.

Article 25: Respect for Swiss Laws and Regulations and Use of the Premises of the Tribunal of Arbitration

1. Without prejudice to their privileges and immunities, it is the duty of all persons enjoying those privileges and immunities under the present Agreement to respect the laws and regulations of Switzerland. They also have duty not to interfere in the internal affairs of Switzerland.

2. The premises of the Tribunal of Arbitration must not be used in any manner incompatible with the functions of the Tribunal as envisaged in this Agreement or in other rules of general international law.

Article 26: Professional or Commercial Activity

The Members of the Tribunal of Arbitration shall not practice for personal profit any professional or commercial activity in Switzerland outside the exercise of their functions as Members of the Tribunal of Arbitration.

Article 27: Missions Appointed by the United States and by France for the Purposes of the Arbitration

The Missions appointed by the United States and by France for the purposes of the Arbitration, including the Agents, counsel and advisers, shall be accorded the status, privileges and immunities which are accorded to the Tribunal of Arbitration and to its Members by Articles 2 to 26 of this Agreement. Members of the administrative and technical staff of each mission shall be accorded the status, privileges and immunities which are accorded to the members of the administrative and technical staff of the Tribunal of Arbitration by those Articles.

Article 28: Evidence Before the Tribunal of Arbitration

Witnesses called upon by the Tribunal of Arbitration by the United States and by France to take part in the proceedings of the Tribunal shall enjoy immunity from legal process in respect of oral or written statements made, or documents or other evidence submitted, by them before or to the Tribunal.

Article 29: Nothing in this Agreement shall prejudice the status, privileges and immunities to which any person may be entitled apart from this Agreement.

Article 30: This Agreement shall enter into force on signature, and shall remain in force thereafter for a period of one year, but may be continued in force for a further period of one year by mutual agreement of the three Governments.

Done in triplicate at Berne this 6 day of December, 1978 in the English and French languages.

For the Government of the United States of America: [1]

For the Government of the French Republic: [2]

For the Government of the Swiss Confederation: [3]

[1] Marvin Warner.
[2] C. Lebel.
[3] E. Diez.

A C C O R D

ENTRE LE GOUVERNEMENT DES ETATS-UNIS D'AMERIQUE ET
LE GOUVERNEMENT DE LA REPUBLIQUE FRANCAISE,
D'UNE PART,

ET LE GOUVERNEMENT DE LA CONFEDERATION SUISSE,
D'AUTRE PART,

CONCERNANT

LE STATUT, LES PRIVILEGES ET LES IMMUNITES EN SUISSE
DU TRIBUNAL D'ARBITRAGE CONSTITUE EN VERTU DU
COMPROMIS SIGNE A WASHINGTON LE

11 JUILLET 1978

ENTRE LES ETATS-UNIS D'AMERIQUE ET LA FRANCE
ET DES PERSONNES PARTICIPANT AUX TRAVAUX DU TRIBUNAL

Le Gouvernement des Etats-Unis d'Amérique et le Gouvernement de la République Française, d'une part, le Gouvernement de la Confédération suisse, d'autre part,

Considérant l'établissement à Genève, avec l'accord des autorités suisses, du siège du Tribunal d'arbitrage désigné par le Gouvernement des Etats-Unis d'Amérique et le Gouvernement de la République française pour statuer sur différentes questions liées à des mesures prises par les deux Gouvernements et intéressant le trafic aérien entre les deux pays,

Désireux de fixer le statut, les privilèges et les immunités du Tribunal d'arbitrage et des personnes participant à ses travaux,

Sont convenus de ce qui suit:

Article 1er: Terminologie

Aux fins du présent Accord:

a) L'expression "Membres du Tribunal arbitral" s'entend du Président du Tribunal, des autres arbitres et des experts nommés par le Tribunal;

b) L'expression "Personnel administratif et technique du Tribunal arbitral" s'entend du personnel recruté par le Tribunal arbitral pour effectuer des tâches administratives ou techniques aux fins de l'arbitrage;

c) L'expression "Personnes participant à la procédure arbitrale" s'entend des personnes composant les deux catégories mentionnées aux alinéas a) et b) du présent article;

d) L'expression "Personnes au service privé" s'entend des personnes employées exclusivement au service privé des membres du Tribunal.

Article 2: Facilités en général

Le Gouvernement suisse accorde au Tribunal arbitral les facilités requises pour l'accomplissement de ses fonctions.

Article 3: Locaux et logements

Le Gouvernement suisse aide le Tribunal arbitral, s'il le demande, à se procurer les locaux qui lui sont nécessaires et à obtenir des logements convenables pour ses membres.

Article 4: Exemption fiscale des locaux du Tribunal arbitral

1. Dans la mesure compatible avec la nature et la durée des fonctions du Tribunal arbitral, celui-ci et ses membres agissant pour son compte sont exempts de tous impôts et taxes nationaux, régionaux ou communaux, au titre des locaux occupés par le Tribunal arbitral, pourvu qu'il ne s'agisse pas d'impôts ou taxes perçus en rémunération de services particuliers rendus.

2. L'exemption fiscale prévue dans le présent article ne s'applique pas à ces impôts et taxes lorsque, d'après la législation suisse, ils sont à la charge de la personne qui traite avec le Tribunal arbitral ou avec un membre de celui-ci.

Article 5. Inviolabilité des locaux

1. Les locaux où le Tribunal arbitral est installé conformément au présent Accord sont inviolables aux fins de l'arbitrage. Il n'est pas permis aux agents du Gouvernement suisse d'y pénétrer, sauf avec le consentement du Président du Tribunal arbitral. Ce consentement peut être présumé acquis en cas d'incendie ou autre sinistre qui menace gravement la sécurité publique, et seulement dans le cas où il n'aura pas été possible d'obtenir le consentement exprès du Président du Tribunal arbitral.

2. Le Gouvernement suisse a l'obligation spéciale de prendre toutes mesures appropriées afin d'empêcher que les locaux du Tribunal arbitral ne soient envahis ou endommagés, la paix du Tribunal arbitral troublée ou sa dignité amoindrie.

3. Les locaux du Tribunal arbitral, leur ameublement, les autres biens servant au fonctionnement du Tribunal arbitral et ses moyens de transport ne peuvent faire l'objet d'aucune perquisition, réquisition, saisie ni mesure d'exécution.

Article 6 Inviolabilité des archives et des documents

Les archives et documents du Tribunal arbitral sont inviolables à tout moment et en quelque lieu qu'ils se trouvent. Ils devraient, toutes les fois que cela est nécessaire, porter des marques extérieures visibles d'identification.

Article 7 Liberté de mouvement

Sous réserve de ses lois et règlements relatifs aux zones dont l'accès est interdit ou réglementé pour des raisons de sécurité nationale, le Gouvernement suisse assure à tous les

membres du Tribunal arbitral la liberté de déplacement et de circulation sur son territoire dans la mesure nécessaire à l'accomplissement des fonctions du Tribunal arbitral.

Article 8. Liberté de communication

1. Le Gouvernement suisse permet et protège la libre communication du Tribunal arbitral pour toutes fins officielles et notamment avec les Gouvernements des parties à l'arbitrage.

2. La correspondance officielle du Tribunal arbitral est inviolable. L'expression "correspondance officielle" s'entend de toute la correspondance relative au Tribunal arbitral et à ses fonctions.

Article 9: Inviolabilité de la personne

La personne des membres du Tribunal arbitral est inviolable. Ils ne peuvent être soumis à aucune forme d'arrestation ou de détention. Les autorités suisses les traitent avec le respect qui leur est dû et prennent toutes mesures appropriées pour empêcher toute atteinte à leur personne, leur liberté et leur dignité.

Article 10: Inviolabilité du logement privé

1. Le logement privé des membres du Tribunal arbitral jouit de la même inviolabilité et de la même protection que les locaux du Tribunal arbitral.

2. Leurs documents, leur correspondance et, sous réserve du paragraphe 4 de l'article 11, leurs biens jouissent également de l'inviolabilité.

Article 11: Immunité de juridiction

1. Les membres du Tribunal arbitral jouissent de l'immunité de la juridiction pénale de la Suisse.

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2. Ils jouissent également de l'immunité de la juridiction civile et administrative de la Suisse, sauf s'il s'agit.

a) d'une action réelle concernant un immeuble privé situé sur le territoire suisse, à moins que la personne intéressée ne le possède pour le compte du Tribunal arbitral;

b) d'une action concernant une succession dans laquelle la personne intéressée figure comme exécuteur testamentaire, administrateur, héritier ou légataire, à titre privé et non pas au nom du Tribunal arbitral,

c) d'une action concernant une activité professionnelle ou commerciale, quelle qu'elle soit, exercée par la personne intéressée en Suisse en dehors de ses fonctions officielles,

d) d'une action en réparation pour dommage résultant d'un accident occasionné par un véhicule utilisé en dehors des fonctions officielles de la personne intéressée.

3. Les membres du Tribunal arbitral ne sont pas obligés de donner leur témoignage.

4. Aucune mesure d'exécution ne peut être prise à l'égard d'un membre du Tribunal arbitral, sauf dans les cas prévus aux alinéas a,b,c et d du paragraphe 2 du présent article, et pourvu que l'exécution puisse se faire sans qu'il soit porté atteinte à l'inviolabilité de sa personne ou de son logement.

5. L'immunité de juridiction des membres du Tribunal arbitral ne saurait les exempter de la juridiction de l'Etat dont ils sont ressortissants ou résidents permanents.

Article 12: Exemption des dispositions de sécurité sociale

1. Les membres du Tribunal arbitral sont exempts des dispositions de sécurité sociale en vigueur en Suisse.

2. L'exemption prévue au paragraphe 1 du présent article s'applique également aux personnes qui sont au service privé exclusif d'un membre du Tribunal arbitral, à condition qu'elles ne soient pas ressortissantes suisses ou n'aient pas leur résidence permanente en Suisse.

3. Les membres du Tribunal arbitral qui ont à leur service des personnes auxquelles l'exemption prévue au paragraphe 2 du présent article ne s'applique pas, doivent observer les obligations que les dispositions de sécurité sociale de la Suisse imposent à l'employeur.

4. Les dispositions du présent article n'affectent pas les accords bilatéraux ou multilatéraux relatifs à la sécurité sociale qui ont été conclus antérieurement et elles n'empêchent pas la conclusion ultérieure de tels accords.

Article 13. Exemption des impôts et taxes

Les membres du Tribunal arbitral sont exempts de tous impôts et taxes, personnels ou réels, nationaux, régionaux ou communaux, à l'exception:

a) des impôts indirects d'une nature telle qu'ils sont normalement incorporés dans le prix des marchandises ou des services;

b) des impôts et taxes sur les biens immeubles privés situés sur le territoire suisse, à moins que la personne intéressée ne les possède pour le compte du Tribunal arbitral;

c) des droits de succession perçus par la Suisse, sous réserve des dispositions de l'article 23;

d) des impôts et taxes sur les revenus privés qui ont leur source en Suisse et des impôts sur le capital prélevés sur les investissements effectués dans des entreprises commerciales situées en Suisse,

e) des impôts et taxes perçus en rémunération de services particuliers rendus,

f) des droits d'enregistrement, de greffe, d'hypothèque et de timbre, sous réserve des dispositions de l'article 4.

Article 14 Exemption des prestations personnelles

La Suisse doit exempter les membres du Tribunal arbitral de toute prestation personnelle, de tout service public de quelque nature qu'il soit et des charges militaires telles que les réquisitions, contributions et logements militaires.

Article 15. Exemptions douanières

1. Dans les limites des dispositions législatives et réglementaires qu'elle peut adopter, la Suisse autorise l'entrée et accorde l'exemption de droits de douane, taxes et redevances connexes autres que frais d'entreposage, de transport et frais afférents à des services analogues, en ce qui concerne.

a) les objets destinés à l'usage officiel du Tribunal arbitral;

b) les objets destinés à l'usage personnel des membres du Tribunal arbitral.

2. Les membres du Tribunal arbitral sont exempts de l'inspection de leur bagage personnel, à moins qu'il n'existe des motifs sérieux de croire qu'il contient des objets ne bénéficiant pas des exemptions mentionnées au paragraphe 1 du présent article, ou des objets dont l'importation ou l'exportation est interdite par la législation ou soumise aux règlements de quarantaine de la Suisse En pareil cas, l'inspection ne doit se faire qu'en présence de la personne intéressée ou de son représentant autorisé.

Article 16 Personnel administratif et technique

Les membres du personnel administratif et technique du Tribunal arbitral bénéficient des privilèges et immunités mentionnés dans les articles 9 à 14, sauf que l'immunité de la juridiction civile et administrative de la Suisse mentionnée au paragraphe 2 de l'article 11 ne s'applique pas aux actes accomplis en dehors de l'exercice de leurs fonctions. Ils bénéficient aussi des privilèges mentionnés au paragraphe 1 de l'article 15 pour ce qui est des objets importés lors de leur première entrée dans le territoire suisse.

Article 17: Personnes au service privé

Les personnes au service privé des membres du Tribunal arbitral sont exemptes des impôts et taxes sur les salaires qu'elles reçoivent du fait de leurs services. A tous autres égards, elles ne bénéficient de privilèges et immunités que dans la mesure admise par la Suisse. Toutefois, la Suisse doit exercer sa juridiction sur ces personnes de façon à ne pas entraver d'une manière excessive l'accomplissement des fonctions du Tribunal arbitral.

Article 18. Membres de la famille

1. Les membres des familles des membres du Tribunal arbitral bénéficient des privilèges et immunités mentionnés dans les articles 9 à 15 s'ils accompagnent ces membres du Tribunal arbitral et pourvu qu'ils ne soient pas ressortissants suisses ou n'aient pas en Suisse leur résidence permanente.

2. Les membres des familles des membres du personnel administratif et technique du Tribunal arbitral bénéficient des privilèges et immunités mentionnés dans l'article 16 s'ils accompagnent ces personnes et pourvu qu'ils ne soient pas ressortissants suisses ou n'aient pas en Suisse leur résidence permanente.

Article 19· Ressortissants suisses et personnes ayant en Suisse leur résidence permanente

1. Les personnes participant à la procédure arbitrale ainsi que le greffier, s'ils sont ressortissants suisses ou ont en Suisse leur résidence permanente, ne bénéficient que de l'immunité de juridiction et de l'inviolabilité pour les actes officiels accomplis dans l'exercice de leurs fonctions.

2. Les personnes au service privé qui sont ressortissants suisses ou ont en Suisse leur résidence permanente ne bénéficient de privilèges et immunités que dans la mesure où la Suisse le leur reconnaît. Toutefois, la Suisse doit exercer sa juridiction sur ces personnes de façon à ne pas entraver d'une manière excessive l'accomplissement des fonctions du Tribunal arbitral.

Article 20· Renonciation à l'immunité

1. Le Tribunal arbitral peut renoncer à l'immunité de juridiction de ses membres et de toutes autres personnes qui bénéficient de l'immunité en vertu des articles 16 à 19. La renonciation a lieu dans tous les cas où cette immunité empêcherait le cours de la justice et où cela ne porterait pas préjudice au but dans lequel l'immunité a été accordée.

2. La renonciation doit toujours être expresse.

3. Si l'une des personnes visées au paragraphe 1 du présent article engage une procédure, elle n'est plus recevable à invoquer l'immunité de juridiction à l'égard de toute demande reconventionnelle directement liée à la demande principale.

4. La renonciation à l'immunité de juridiction pour une action civile ou administrative n'est pas censée impliquer la renonciation à l'immunité quant aux mesures d'exécution de jugement, pour lesquelles une renonciation distincte est nécessaire.

Article 21. Durée des privilèges et immunités

1. Toute personne participant à la procédure arbitrale bénéficie des privilèges et immunités auxquels elle a droit dès qu'elle entre sur le territoire suisse pour exercer ses fonctions dans le Tribunal arbitral ou, si elle se trouve déjà sur ce territoire, dès que sa nomination a été notifiée au Département politique fédéral ou à telle autre autorité suisse dont il aura été convenu.

2. Lorsque les fonctions d'une personne participant à la procédure arbitrale prennent fin, ses privilèges et immunités cessent normalement au moment où elle quitte le territoire suisse ou à l'expiration d'un délai raisonnable qui lui aura été accordé à cette fin, mais ils subsistent jusqu'à ce moment, même en cas de conflit armé. Toutefois, l'immunité subsiste en ce qui concerne les actes accomplis par cette personne dans l'exercice de ses fonctions.

3. En cas de décès d'une personne participant à la procédure arbitrale, les membres de sa famille continuent de jouir des privilèges et immunités dont ils bénéficient, jusqu'à l'expiration d'un délai raisonnable leur permettant de quitter le territoire suisse.

Article 22: Biens d'une personne participant à la procédure arbitrale ou d'un membre de sa famille en cas de décès

1. En cas de décès d'une personne participant à la procédure arbitrale ou d'un membre de sa famille qui l'accompagnait, si le défunt n'était pas ressortissant suisse ou n'avait pas en Suisse sa résidence permanente, la Suisse permet le retrait des biens meubles du défunt, à l'exception de ceux qui auraient été acquis en Suisse et qui feraient l'objet d'une prohibition d'exportation au moment du décès.

2. Il ne sera pas prélevé de droits de succession sur les biens meubles qui se trouvent en Suisse uniquement à cause de la présence dans cet Etat du défunt en tant que personne participant à la procédure arbitrale ou de la famille d'une personne participant à la procédure arbitrale.

Article 23: Facilités pour le départ du territoire suisse et pour le retrait des archives du Tribunal arbitral

1. La Suisse doit, même en cas de conflit armé, accorder des facilités pour permettre aux personnes bénéficiant des privilèges et immunités, autres que les ressortissants suisses, ainsi qu'aux membres de la famille de ces personnes, quelle que soit leur nationalité, de quitter son territoire dans les meilleurs délais. Elle doit en particulier, si besoin est, mettre à leur disposition les moyens de transport nécessaires pour eux-mêmes et pour leurs biens.

2. La Suisse doit accorder au Tribunal arbitral des facilités pour retirer du territoire suisse ses archives.

Article 24· Conséquences de la fin des fonctions du Tribunal arbitral

Lorsque les fonctions du Tribunal arbitral prennent fin, la Suisse doit respecter et protéger les locaux du Tribunal arbitral tant qu'ils sont affectés à celui-ci, ainsi que les biens et archives du Tribunal arbitral. Le Tribunal arbitral doit retirer ces biens et ces archives dans un délai raisonnable

Article 25 Respect des lois et règlements suisses et utilisation des locaux du Tribunal arbitral

1. Sans préjudice de leurs privilèges et immunités, toutes les personnes qui bénéficient de ces privilèges et immunités en vertu du présent accord ont le devoir de respecter les lois et règlements suisses. Elles ont également le

devoir de ne pas s'immiscer dans les affaires intérieures de la Suisse.

2. Les locaux du Tribunal arbitral ne seront pas utilisés d'une manière incompatible avec les fonctions du Tribunal arbitral telles qu'elles sont conçues dans le présent Accord ou dans d'autres règles du droit international général.

Article 26: Activité professionnelle ou commerciale

Les membres du Tribunal arbitral n'exerceront pas en Suisse, en dehors de l'exercice de leurs fonctions de membres du Tribunal arbitral, une activité professionnelle ou commerciale en vue d'un gain personnel.

Article 27: Missions nommées par les Etats-Unis d'Amérique et la France aux fins de l'arbitrage

Les Missions nommées par les Etats-Unis d'Amérique et la France aux fins de l'arbitrage, y compris les agents, conseils et experts, bénéficient du statut, des privilèges et des immunités qui sont accordés aux membres du Tribunal arbitral par les articles 2 à 26 du présent Accord. Les membres du personnel administratif et technique de chaque mission bénéficient du statut, des privilèges et immunités qui sont acordés aux membres du personnel administratif et technique du Tribunal arbitral par ces articles.

Article 28: Dépositions devant le Tribunal arbitral

Les témoins appelés par le Tribunal arbitral, les Etats-Unis d'Amérique ou la France à prendre part à la procédure arbitrale bénéficient de l'immunité de juridiction pour les déclarations orales ou écrites faites devant le Tribunal arbitral et pour les pièces ou dépositions présentées au Tribunal.

Article 29. Aucune disposition du présent Accord ne porte atteinte au statut, aux privilèges et aux immunités dont jouit une personne indépendamment du présent Accord.

Article 30: Le présent Accord entre en vigueur à la date de sa signature. Il restera en vigueur une année, à moins que les parties ne conviennent de le maintenir en force pour une nouvelle période d'une année.

Ainsi fait, en trois exemplaires, en anglais et en français, à Berne le 6 décembre 1978.

Pour le Gouvernement des Etats-Unis d'Amérique:

Pour le Gouvernement de la République française:

Pour le Gouvernement de la Confédération suisse:

NEPAL

Criminal Investigations

Agreement signed at Washington January 5, 1979;
Entered into force January 5, 1979.

AGREEMENT ON PROCEDURES FOR MUTUAL ASSISTANCE BETWEEN THE UNITED STATES DEPARTMENT OF JUSTICE AND THE MINISTRY OF LAW AND JUSTICE OF NEPAL IN CONNECTION WITH MATTERS RELATING TO THE BOEING COMPANY

The United States Department of Justice and the Ministry of Law and Justice of Nepal, hereinafter referred to as "the parties", confirm the following procedures in regard to mutual assistance to be rendered to agencies with law enforcement responsibilities in their respective countries with respect to alleged illicit acts pertaining to the sales activities in Nepal of the Boeing Company:

1. Unless otherwise agreed, all requests for assistance shall be communicated between the parties through the diplomatic channel.

2. Upon request, the parties shall use their best efforts to make available to each other relevant and material information, such as statements, depositions, documents, business records, correspondence or other materials, available to them concerning alleged illicit acts pertaining to the sales activities in Nepal of the Boeing Company.

3. Such information shall be used exclusively for purposes of investigation conducted by agencies with law enforcement responsibilities and in ensuing criminal, civil and administrative proceedings, hereinafter referred to as "legal proceedings".

4. Except as provided in paragraph 5, all such information made available by the parties pursuant to this agreement, and all correspondence between the parties relating to such information and to the implementation of this agreement, shall be kept confidential and shall not be disclosed to third parties or to government agencies having no law enforcement responsibilities. Disclosure to other agencies having law enforcement responsibilities shall be conditioned on the recipient agency's acceptance of the terms set forth herein.

In the event of breach of confidentiality, the other party may discontinue cooperation under this agreement.

5. Information made available pursuant to this agreement may be used freely in ensuing legal proceedings in the requesting state in which an agency having law enforcement responsibilities is a party, and the parties shall use their best efforts to furnish the information for purposes of such legal proceedings in such form as to render it admissible pursuant to the rules of evidence in existence in the requesting state, including, but not limited to, certifications, authentications, and such other assistance as may be necessary to provide the foundation for the admissibility of evidence.

6. The parties shall give advance notice and afford an opportunity for consultation prior to the use, within the meaning of paragraph 5, of any information made available pursuant to this agreement.

7. Upon request, a requested party shall render, in accordance with the practice and procedure of the requested state, assistance to the law enforcement agencies of the requesting state, such as locating witnesses, interviewing of witnesses, taking of testimony or statements or the production of documents or other materials. Representatives of the requesting state may participate in the execution of the request if the competent authority of the requested state consents.

The requesting party shall not pursue its request for an interview or for the production of documents and other materials if the requested party considers that it would interfere with an ongoing investigation or proceeding being conducted by the authorities of the requested state.

8. The parties shall use their best efforts to assist in the expeditious execution of letters rogatory (letters of commission) issued by the tribunals of their respective countries. To the extent authorized by the competent court of the requested state, representatives of the requesting state may participate in the execution of the letter rogatory.

9 The assistance to be rendered to a requesting state shall not be required to extend to such acts by the authorities of the requested state as might result in the immunization of any person from prosecution in the requested state.

10. All actions to be taken by the authorities of a requested state will be performed subject to all limitations imposed by its domestic law. Execution of a request for assistance may be postponed, denied, or made subject to special conditions, if execution would interfere with an ongoing investigation or legal proceeding in the requested state.

11. Nothing contained herein shall limit the rights of the parties to utilize for any purpose information which is obtained by the parties independent of this agreement.

12. The mutual assistance to be rendered by the parties pursuant to this agreement is designed solely for the benefit of their respective agencies having law enforcement responsibilities and is not intended or designed to benefit third parties or to affect the admissibility of evidence under the laws of either the United States or of Nepal.

13. An extension of this agreement to similar cases where investigations are conducted or contemplated by both the United States Department of Justice and by the Ministry of

Law and Justice of Nepal could be accomplished by an exchange of letters between the parties.

14. This agreement shall enter into force on the date of signature by both parties.

Done at Washington, D.C. this 5th day of January, 1979, in two originals.

For the United States Department of Justice:

PHILIP B. HEYMANN
Assistant Attorney General
Criminal Division

For the Ministry of Law and Justice of Nepal:

RAMANAND PRASAD SINGH
Attorney General

NETHERLANDS

Criminal Investigations

Agreement signed at Washington March 21, 1979;
Entered into force March 21, 1979.

AGREEMENT ON PROCEDURES FOR MUTUAL ASSISTANCE BETWEEN THE UNITED STATES DEPARTMENT OF JUSTICE AND THE MINISTRY OF JUSTICE OF THE KINGDOM OF THE NETHERLANDS IN CONNECTION WITH MATTERS RELATING TO THE MCDONNELL DOUGLAS CORPORATION

The United States Department of Justice and the Ministry of Justice of the Kingdom of the Netherlands, hereinafter referred to as "the parties", confirm the following procedures in regard to mutual assistance to be rendered to agencies with law enforcement responsibilities in their respective countries with respect to alleged illicit acts pertaining to the activities of the McDonnell Douglas Corporation and its subsidiaries or affiliates affecting KLM Airlines and/or the Kingdom of the Netherlands:

1. All requests for assistance shall be communicated between the parties through the diplomatic channel, unless otherwise agreed.

2. Upon request, the parties shall use their best efforts to make available to each other relevant and material information, such as statements, depositions, documents, business records, correspondence or other materials, available to them concerning alleged illicit acts pertaining to the activities of the McDonnell Douglas Corporation and its subsidiaries or affiliates affecting KLM Airlines and/or the Kingdom of the Netherlands.

3. Such information shall be used exclusively for the purposes of investigation conducted by agencies with law enforcement responsibilities and in ensuing criminal, civil and administrative proceedings, hereinafter referred to as "legal proceedings."

4. Except as provided in paragraph 5, all such information made available by the parties pursuant to these procedures, and all correspondence between the parties relating to such information and to the implementation of these procedures, shall be kept confidential and shall not be disclosed to third parties or to government agencies having no law enforcement responsibilities. Disclosure to other agencies having

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law enforcement responsibilities shall be conditioned on the recipient agency's acceptance of the terms set forth herein.

In the event of breach of confidentiality the other party may discontinue cooperation under these procedures.

5. Information made available pursuant to these procedures may be used freely in ensuing legal proceedings in the requesting state in which an agency having law enforcement responsibilities is a party, and the parties shall use their best efforts to furnish the information for purposes of such legal proceedings in such form as to render it admissible pursuant to the rules of evidence in existence in the requesting state, including, but not limited to, certifications, authentications, and such other assistance as may be necessary to provide the foundation for the admissibility of evidence.

6. The parties shall give advance notice and afford an opportunity for consultation prior to the use, within the meaning of paragraph 5, of any information made available pursuant to these procedures.

7 Upon request, a requested party shall render, in accordance with the practice and procedure of the requested state, assistance to the law enforcement agencies of the requesting state, such as locating witnesses, interviewing witnesses, taking testimony or statements, or securing the production of documents or other materials. Representatives of the requesting state may participate in the execution of the request if the requesting state consents.

The requesting party shall not pursue its request for an interview or for the production of documents and other materials if the requested party considers that it would interfere with an ongoing investigation or proceeding being conducted by the authorities of the requested state.

8. The parties shall use their best efforts to assist in the expeditious execution of letters rogatory issued by the judicial authorities in connection with any legal proceedings which may ensue in their respective countries.

9. The assistance to be rendered to a requesting state shall not be required to extend to such acts as might result in the immunization of any person from prosecution in the requested state.

10. All assistance by a requested state will be performed subject to all limitations imposed by its domestic law. Execution of a request for assistance may be postponed, denied, or made subject to conditions to be agreed upon, if execution would interfere with an ongoing investigation or legal proceeding in the requested state.

11. Nothing contained herein shall limit the rights of the parties to utilize for any purpose information obtained independently of these procedures.

12. The mutual assistance to be rendered by the parties pursuant to these procedures is designed solely for the benefit of their respective agencies having law enforcement responsibilities, and is not intended to benefit third parties or to affect the admissibility of evidence under the laws of either the United States of America or the Kingdom of the Netherlands.

13. An extension of this Agreement to similar cases where investigations are conducted or contemplated by both the United States Department of Justice and by the Ministry of Justice of the Kingdom of the Netherlands could be accomplished by an exchange of letters between the parties.

14. This Agreement shall enter into force on the date of signature by both parties.

Done at Washington, D.C., this 21st day of March, 1979.

For the Ministry of Justice of the Kingdom of the Netherlands:

Hilbrand P.A. Nawijn
Head of the Section on Legal Assistance in Criminal Matters

For the United States Department of Justice:

Philip B. Heymann
Assistant Attorney General

UNION OF SOVIET SOCIALIST REPUBLICS

Cooperation in Studies of the World Ocean

Agreement amending and extending the agreement of June 19, 1973, as extended.
Effected by exchange of notes
Dated at Moscow December 15, 1978;
Entered into force December 15, 1978.

The American Embassy to the Soviet Ministry of Foreign Affairs

No. 226

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the Union of Soviet Socialist Republics and proposes the following:

With reference to the Agreement between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics on Cooperation in Studies of the World Ocean of June 19, 1973,[1] which expired on June 19, 1978, and was extended by mutual Agreement until December 15, 1978, the Embassy of the United States of America, acting pursuant to Article 8, proposes that the Agreement be extended until December 15, 1981, with the following modifications:

Article 2 to read as follows:

In their studies of the World Ocean, the Parties will direct cooperative efforts to the investigation and solution of important basic and applied research problems. Cooperation will continue to be implemented in the following areas:

a. Large-scale ocean-atmosphere interaction, including laboratory studies, oceanic experiments, and mathematical modelling of the ocean atmosphere system.
b. Ocean currents of planetary scale and other questions of ocean dynamics.
c. Geological, geophysical, and geochemical investigations of the World Ocean, including deep sea drilling for scientific purposes.
d. Biological productivity of the World Ocean, and the biochemistry

[1] TIAS 7651, 9008, 24 UST 1452; 29 UST 3226.

of the functioning of individual organisms and whole biological communities in the World Ocean.

e. Intercalibration and standardization of oceanographic instrumentation and methods.

Other areas of cooperation may be added by mutual agreement.

Article 4 to read as follows:

In furtherance of the aims of this Agreement, the Parties will, as appropriate, encourage, facilatite and monitor the development of cooperation and direct contact between agencies, organizations and firms of the two countries including specifically the coordination of participation by organizations other than the Executive Agents which have an implementing role, and the conclusion, as appropriate, of implementing agreements for carrying out specific projects and programs under this Agreement. The parties will also ensure that, in accordance with agreed cooperative activity, access to technology, institutes, organizations, and scientists and other specialists participating in joint cooperative activity, and to scientific and technical data will be made available on an equal, reciprocal and mutually beneficial basis.

Article 5, paragraph 1, to read as follows:

1. The implementation of this Agreement shall continue to be carried out by a US–USSR Joint Committee on Cooperation in World Ocean Studies. This Joint Committee shall meet, as a rule, once a year, alternately in the United States and the Soviet Union, unless otherwise mutually agreed.

Article 5, paragraph 3, to read as follows:

3. Each Party shall designate its Executive Agent which will be responsible for carrying out this Agreement during the period between meetings of the Joint Committee. The Executive Agents shall maintain contact with each other, including appropriate mid-year reviews; keep each other informed of activities and progress implementing this Agreement; and coordinate and supervise the development and implementation of cooperative activities conducted under this Agreement.

Article 8, paragraph 1, to read as follows:

1. This Agreement shall remain in force until December 15, 1981. It may be modified or extended by mutual agreement of the parties.

If the foregoing is acceptable to the Soviet side, it is proposed that this Note and the Ministry's reply to that effect shall constitute an Agreement between the Parties for this purpose.

EMBASSY OF THE UNITED STATES OF AMERICA,
MOSCOW, *December 15, 1978.*

TIAS 9349

The Soviet Ministry of Foreign Affairs to the American Embassy

МИНИСТЕРСТВО
ИНОСТРАННЫХ ДЕЛ СССР

№ 101/осша

Министерство Иностранных Дел Союза Советских Социалистических Республик подтверждает получение ноты Посольства Соединенных Штатов Америки следующего содержания:

"Посольство Соединенных Штатов Америки свидетельствует свое уважение Министерству Иностранных Дел Союза Советских Социалистических Республик и предлагает следующее.

Ссылаясь на Соглашение между Правительством Соединенных Штатов Америки и Правительством Союза Советских Социалистических Республик о сотрудничестве в области исследования Мирового океана от 19 июня 1973 года, срок действия которого истек 19 июня 1978 года и был продлен по взаимному согласию до 15 декабря 1978 года, Посольство Соединенных Штатов Америки, действуя в соответствии со статьей 8, предлагает продлить Соглашение до 15 декабря 1981 года со следующими изменениями:

Статью 2 изложить следующим образом:

"В своих исследованиях Мирового океана Стороны направят совместные усилия на изучение и решение важных фундаментальных и прикладных исследовательских проблем. Сотрудничество будет продолжено в следующих областях:

ПОСОЛЬСТВУ
СОЕДИНЕННЫХ ШТАТОВ АМЕРИКИ
г.Москва

a) крупномасштабное взаимодействие океана и атмосферы, включая проведение лабораторных исследований, океанических экспериментов и математическое моделирование системы океан-атмосфера;

b) океанские течения планетарных масштабов и другие вопросы динамики океана;

c) геологические, геофизические и геохимические исследования Мирового океана, включая глубоководное бурение в научных целях;

d) биологическая продуктивность Мирового океана и биохимия функционирования отдельных организмов и биологического сообщества Мирового океана в целом;

e) интеркалибрация и стандартизация океанографической аппаратуры и методов.

Другие области сотрудничества могут быть добавлены по взаимному согласию".

Статью 4 изложить следующим образом:

"Исходя из целей настоящего Соглашения, Стороны будут соответствующим образом поощрять, способствовать и направлять развитие сотрудничества и прямых контактов между учреждениями, организациями и фирмами обеих стран, включая, в частности, координацию участия учреждений, помимо Исполнительных организаций, осуществляющих сотрудничество, и заключение, когда это требуется, рабочих соглашений для выполнения конкретных проектов и программ в соответствии с настоящим Соглашением. Стороны будут также обеспечивать, в соответствии с согласованными совместными мероприятиями, доступ к технологии, институтам, учреждениям, ученым и другим специалистам, участвующим в совместных мероприятиях по сотрудничеству, и к научным и техническим данным на основе равенства, взаимности и взаимной выгоды".

Параграф I статьи 5 изложить следующим образом:

"I.Выполнение настоящего Соглашения будет продолжать осуществляться Американо-Советской совместной комиссией по сотрудничеству в области исследования Мирового океана. Эта комиссия будет собираться, как правило, один раз в год, попеременно в Соединенных Штатах Америки и Советском Союзе, если не будет иной договоренности".

Параграф 3 статьи 5 изложить следующим образом:

"3.Каждая Сторона определит свою Исполнительную организацию, ответственную за осуществление настоящего Соглашения в период между заседаниями совместной комиссии. Исполнительные организации будут поддерживать между собой связь, включая проведение соответствующих полугодовых обзоров о деятельности, информировать друг друга о мероприятиях и прогрессе по выполнению настоящего Соглашения и осуществлять общую координацию и наблюдение за выполнением совместных мероприятий, проводимых в соответствии с настоящим Соглашением".

Параграф I статьи 8 изложить следующим образом:

"I.Настоящее Соглашение будет оставаться в силе до I5 декабря I98I года. Оно может быть изменено или продлено по взаимному согласию Сторон."

Если вышеизложенное приемлемо для советской стороны, предлагается считать настоящую ноту и ответную ноту Министерства Соглашением между сторонами по этому вопросу".

Министерство Иностранных Дел Союза Советских Социалистических Республик имеет честь сообщить о согласии советской стороны с предложениями, содержащимися в упомянутой ноте Посольства Соединенных Штатов Америки, а также с тем, чтобы нота Посольства и настоящий ответ на нее считались Соглашением между сторонами по этому вопросу.

Москва, I5 декабря I978 года

TIAS 9349

TRANSLATION

MINISTRY OF FOREIGN AFFAIRS
OF THE USSR

No. 101/dusa

The Ministry of Foreign Affairs of the Union of Soviet Socialist Republics acknowledges the receipt of the note of the Embassy of the United States of America of the following tenor:

[For the English language text, see pp. 2504-2505.]

The Ministry of Foreign Affairs of the Union of Soviet Socialist Republics has the honor to advise that the Soviet side is in agreement with the proposals contained in the aforementioned note of the Embassy of the United States of America and that it agrees that the Embassy's note and this reply to it shall constitute an Agreement between the Parties for this purpose.

Moscow, December 15, 1978

[SEAL]

REPUBLIC OF KOREA

Trade in Textiles and Textile Products

Agreement amending the agreement of December 23, 1977, as amended.
Effected by exchange of notes
Signed at Washington December 28, 1978;
Entered into force December 28, 1978.

The Secretary of State to the Korean Ambassador

DECEMBER 28, 1978

EXCELLENCY:

I have the honor to refer to the agreement of December 23, 1977, relating to trade in cotton, wool and man-made fiber textiles and textile products, with annexes, as amended,[1] between the Government of the Republic of Korea and the Government of the United States (the "Agreement") and to consultations between representatives of the Government of the Republic of Korea and the Government of the United States of America held in Washington from November 16 to November 21, 1978, pursuant to paragraph 6 of the Agreement.

On the basis of these consultations, I have the honor to propose on behalf of the Government of the United States of America that the Agreement be amended as follows:

1) The consultation levels established in Annex C to the Agreement, as amended pursuant to paragraph 2 hereof, shall be applicable during the second Agreement Year.

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[1] TIAS 9039; 29 UST 3835.

2) Annex C is amended by changing the consultation levels for the following categories to the amounts set out below:

Category	Consultation Levels (Square Yards Equivalent)
313	8, 500, 000
314	8, 500, 000
315	7, 000, 000
317	6, 250, 000
320	19, 000, 000
330	2, 900, 000
605	12, 000, 000
613	6, 000, 000
614	3, 000, 000
627	3, 000, 000
359	8, 500, 000
631	1, 806, 300
632	1, 435, 000
648	6, 300, 000
659	42, 000, 000
410	2, 850, 000
435	110, 000
448	137, 000

3) The consultation level for the first Agreement Year for Category 627 shall be 2,000,000 square yards equivalent.

If the foregoing conforms with the understanding of the Government of the Republic of Korea, this note and Your Excellency's note of confirmation on behalf of the Government of the Republic of Korea shall constitute an amendment to the Agreement.

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

For the Secretary of State

WILLIAM BARRACLOUGH

His Excellency
YONG SHIK KIM,
Ambassador of Korea.

The Korean Ambassador to the Secretary of State

EMBASSY OF THE REPUBLIC OF KOREA
WASHINGTON, D. C.

December 28, 1978

KAM 78/257

Excellency:

I have the honor to acknowledge the receipt of your Excellency's note of December 28, 1978, concerning the export of cotton, wool and man-made fiber textiles and textile products from the Republic of Korea to the United States of America.

I have further the honor to inform you that the proposals set forth in your note are acceptable to the Government of the Republic of Korea and to confirm on behalf of the Korean Government that your note and this note in reply thereto shall constitute an amendment correcting the Agreement.

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

Yong Shik Kim
Ambassador

His Excellency
Cyrus R. Vance
Secretary of State
Department of State
Washington, D.C.

TIAS 9350

EGYPT

Exhibition of Nubian Art Treasures

Agreement effected by exchange of notes
Signed at Cairo August 26 and 31 and December 19, 1978;
Entered into force December 19, 1978;
Effective August 31, 1978.

The American Ambassador to the Egyptian Minister of Culture and Information

EMBASSY OF THE
UNITED STATES OF AMERICA

Cairo, August 26, 1978

Excellency:

I have the honor to refer to article II (c) of the Cultural Agreement between the United States of America and the Arab Republic of Egypt, signed on May 21, 1962,[1] which encourages the exchange of art objects and the holding of exhibitions, and to propose the following:

1. Three museums in the United States, namely the Brooklyn Museum, the Seattle Art Museum, Seattle, Washington, and the New Orleans Museum of Art, New Orleans, Louisiana, plan to hold a series of exhibitions entitled "Africa in Antiquity: The Art of Ancient Nubia and The Sudan" The first of these exhibitions will begin in September, 1978.

2. It is envisaged that certain Nubian objects now belonging to the Cairo Museum will be made available by the Cairo Museum for these exhibitions. It is further envisaged that a Technical Agreement will be concluded between the Cairo Museum and the Brooklyn Museum which will, among other things, include a list of the objects to be made available for exhibitions.

3. It is envisaged that the Brooklyn Museum, Brooklyn, New York, will act as agent on behalf of the three participating United States museums where the exhibitions are to be shown.

His Excellency
Abdel Moneim El-Sawi,
Minister of Culture and Information,
Cairo.

[1] TIAS 5072; 13 UST 1253.

4. The Technical Agreement between the Cairo Museum and the Brooklyn Museum, already referred to above, is expected also to include the individual valuations of the items that are to be exhibited and to provide that these valuations are not to be subject to alteration or modification except with the express written consent of the Cairo Museum and the Brooklyn Museum. The Technical Agreement is also expected to set forth financial arrangements and all other necessary details concerning the exhibitions.

5. The Government of the Arab Republic of Egypt will take the necessary measures to authorize a series of exhibitions in the United States of the Nubian objects referred to above.

6. The objects to be exhibited from the Cairo Museum shall be furnished by the Government of the Arab Republic of Egypt, as a loan, solely for the purpose of the exhibitions. The Government of the United States, for its part, undertakes, consistent with the laws of the United States (a) to respect the rights of the Cairo Museum and the Government of the Arab Republic of Egypt in the objects to be exhibited and (b) to protect these objects against any form of sequestration, seizure, or any form of judicial process affecting the rights of the Cairo Museum or the Government of the Arab Republic of Egypt, whether on the part of another government or an individual or an organization. The law enforcement agencies in the United States will be responsible for taking appropriate measures for the physical security and protection of the objects, from the time of their arrival in the United States until the time of their departure from the United States under the Technical Agreement between the Brooklyn Museum and the Cairo Museum. It is understood, however, that the Government of the Arab Republic of Egypt will look exclusively to the insurance referred to in paragraph 8 below to satisfy any financial responsibility arising from loss or damage in connection with the exhibitions in the United States.

7. It is envisaged that the Government of the Arab Republic of Egypt shall not be charged by the Brooklyn Museum or the other participating museums with any expenses or have any financial obligations of any sort toward them in

connection with the exhibitions. The Government of the Arab Republic of Egypt and the Cairo Museum shall not be subject to any customs duties, taxes, or other charges by the Government of the United States in connection with the entry or departure of objects in the exhibitions.

8. The Technical Agreement between the Cairo Museum and the Brooklyn Museum is expected to provide for the insurance of the objects from the time of the departure of the objects from the Cairo Museum to the time of their arrival at the next agreed upon exhibition site outside the United States. Insurance is expected to be provided at no cost to the Government of the Arab Republic of Egypt or the Cairo Museum, and appropriate certification of such coverage is expected to be provided to the Government of the Arab Republic of Egypt by the Brooklyn Museum before removal of the objects from the Cairo Museum.

9. Further particulars relating to the holding of the exhibitions such as those relating to packing, unpacking and transport of the objects to be exhibited, the participation of representatives of the Cairo Museum, the production of any representation or copy of any of the objects to be exhibited, together with any other matters, may be the subject of provisions to be made between the Cairo Museum and the Brooklyn Museum.

If these arrangements and understandings are acceptable to the Government of the Arab Republic of Egypt, I have the honor to propose this note and your Excellency's reply to that effect shall constitute an agreement between the Government of the United States of America and the Government of the Arab Republic of Egypt, which shall enter into force on the date of your Excellency's reply

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

Hermann Fr. Eilts [1]

[1] Hermann Fr. Eilts.

The Egyptian Minister of Information and Culture to the American Ambassador

MINISTRY OF INFORMATION AND CULTURE
OFFICE OF THE MINISTER

August 31, 1978

Excellency:

I have the honor to acknowledge receipt of your Note of August 26, 1978 which reads as follows:

" I have the honor to refer to article II (c) of the Cultural Agreement between the United States of America and the Arab Republic of Egypt, signed on May 21, 1962, which encourages the exchange of art objects and the holding of exhibitions, and to propose the following:

(1) Three museums in the United States, namely the Brooklyn Museum, the Seattle Art Museum, Seattle, Washington, and the New Orleans Museum of Art, New Orleans, Louisiana, plan to hold a series of exhibitions entitled " Africa in Antiquity: The Art of Ancient Nubia and The Sudan". The first of these exhibitions will begin in September, 1978.

(2) It is envisaged that certain Nubian objects now belonging to the Cairo Museum will be made available by the Cairo Museum for these exhibitions. It is further envisaged that a Technical Agreement will be concluded between the Cairo Museum and the Brooklyn Museum which will, among other things, include a list of the objects to be made available for exhibitions.

(3) It is envisaged that the Brooklyn Museum, Brooklyn, New York, will act as agent on behalf of the three participating United States museums where the exhibitions are to be shown.

H.E. Mr. Herman Eilts
U.S.A. Ambassador
American Embassy
Garden City

TIAS 9351

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(4) The Technical Agreement between the Cairo Museum and the Brooklyn Museum, already referred to above, is expected also to include the individual valuations of the items that are to be exhibited and to provide that these valuations are not to be subject to alteration or modification except with the express written consent of the Cairo Museum and the Brooklyn Museum. The Technical Agreement is also expected to set forth financial arrangements and all other necessary details concerning the exhibitions.

(5) The Government of the Arab Republic of Egypt will take the necessary measures to authorize a series of exhibitions in the United States of the Nubian objects referred to above.

(6) The objects to be exhibited from the Cairo Museum shall be furnished by the Government of the Arab Republic of Egypt, as a loan, solely for the purpose of the exhibitions. The Government of the United States, for its part, undertakes, consistent with the laws of the United States (a) to respect the rights of the Cairo Museum and the Government of the Arab Republic of Egypt in the objects to be exhibited and (b) to protect these objects against any form of sequestration, seizure, or any form of judicial process affecting the rights of the Cairo Museum or the Government of the Arab Republic of Egypt, whether on the part of another government or an individual or an organization. The law enforcement agencies in the United States will be responsible for taking appropriate measures for the physical security and protection of the objects, from the time of their arrival in the United States until the time of their departure from the United States

under the Technical Agreement between the Brooklyn Museum and the Cairo Museum. It is understood, however, that the Government of the Arab Republic of Egypt will look exclusively to the insurance referred to in paragraph 8 below to satisfy any financial responsibility arising from loss or damage in connection with the exhibitions in the United States.

(7) It is envisaged that the Government of the Arab Republic of Egypt shall not be charged by the Brooklyn Museum or the other participating museums with any expenses or have any financial obligations of any sort toward them in connection with the exhibitions. The Government of the Arab Republic of Egypt and the Cairo Museum shall not be subject to any customs duties, taxes, or other charges by the Government of the United States in connection with the entry or departure of objects in the exhibitions.

(8) The Technical Agreement between the Cairo Museum and the Brooklyn Museum is expected to provide for the insurance of the objects from the time of the departure of the objects from the Cairo Museum to the time of their arrival at the next agreed upon exhibition site outside the United States. Insurance is expected to be provided at no cost to the Government of the Arab Republic of Egypt or the Cairo Museum, and appropriate certification of such coverage is expected to be provided to the Government of the Arab Republic of Egypt by the Brooklyn Museum before removal of the objects from the Cairo Museum.

(9) Further particulars relating to the holding of the exhibitions such as those relating to packing, unpacking and transport of the objects to be exhibited, the participation of representatives of the Cairo Museum, the production of any representation or copy of any of the objects to be exhibited, together with any other matters, may be the subject of provisions to be made between the Cairo Museum and the Brooklyn Museum.

If these arrangements and understandings are acceptable to the Government of the Arab Republic of Egypt, I have the honor to propose this note and your Excellency's reply to that effect shall constitute an agreement between the Government of the United States of America and the Government of the Arab Republic of Egypt, which shall enter into force on the date of your Excellency's reply."

Accept, Excellency, the assurances of my highest consideration.

Abdel-Moneim El-Sawi
Minister of Information
and Culture

TIAS 9351

The Egyptian Minister of Education, Culture, and Scientific Research to the American Ambassador

MINISTRY OF EDUCATION, CULTURE, AND SCIENTIFIC RESEARCH

Office of the Minister

19/12/1978

Excellency:

I have the honor to refer to your Note of August 26,1978 concerning the exhibition entitled "Africa in Antiquity : The Art of Ancient Nubia and the Sudan". I also have the honor to refer to the reply of the Minister of Culture, dated August 31, 1978 , and wish to confirm that there was omitted by inadvertence from this reply the penultimate paragraph reading "I wish to confirm that the foregoing is acceptable to the Arab Republic of Egypt."

Accept, Excellency, the assurances of my highest consideration.

Hassan M Ismail

Hassan Ismail
Minister of Education,
Culture, and Scientific
Research.

H.E. Hermann Frederick Eilts
U.S.A. Ambassador
American Embassy
Cairo ?

TIAS 9351

CANADA

Telecommunications: Promotion of Safety on the Great Lakes by Means of Radio

Agreement amending the agreement of February 26, 1973.
Effected by exchange of notes
Signed at Ottawa December 29, 1978;
Entered into force December 29, 1978;
Effective February 1, 1979.

The Canadian Acting Secretary of State for External Affairs to the American Ambassador

Department of External Affairs Ministère des Affaires extérieures

Canada

OTTAWA, K1A 0G2

December 23, 1978

No. FLA-1767

Excellency,

I have the honour to refer to the Agreement between Canada and the United States of America for Promotion of Safety on the Great Lakes by means of Radio, 1973, signed at Ottawa on February 26, 1973 [1] and to discussions between interested agencies of our two Governments concerning the amendment of the Technical Regulations annexed to that Agreement.

Further to those discussions I now have the honour to propose that the Technical Regulations be amended as follows:

(a) That Regulations 1 and 2 be deleted and replaced by revised Regulations 1 and 2 relating to VHF radiotelephone stations and installations; and

(b) That a new Regulation 8 be added specifying the connecting and tributary waters to which the Agreement applies, in accordance with the provisions of Article I(d)

His Excellency Thomas O. Enders,
Ambassador of the United States of America,
Ottawa.

[1] TIAS 7837, 25 UST 935.

Regulations 3 to 7 inclusive would remain unchanged.

The proposed amendments are contained in an Annex attached to this Note.

If these proposals are acceptable to the Government of the United States, I have the further honour to propose that this Note, together with its Annex, which are authentic in English and French, and Your Excellency's reply to that effect shall constitute an Agreement between our two Governments to amend the Technical Regulations annexed to the Agreement for Promotion of Safety on the Great Lakes by means of Radio, 1973, which shall enter into force on the date of your reply with effect from February 1, 1979, in accordance with the provisions of paragraph 2 of Article XVIII of the 1973 Agreement.

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

[1]

Acting Secretary of State
for External Affairs

[1] Roméo LeBlanc.

ANNEX

TECHNICAL REGULATIONS

Regulation 1

VHF Radiotelephone Station

1. On every vessel of less than 38 meters (124 feet) in registered length the VHF radiotelephone station shall consist of at least one installation that includes a transmitter and receiver, associated control equipment, and source of electrical energy

2. On every vessel of 38 meters (124 feet) or over in registered length the VHF radiotelephone station shall consist of at least two VHF installations, each of which includes the equipment required by paragraph 1 of this Regulation. The second VHF installation shall be electrically separate and independent of the first installation, except as provided in sub-paragraph 4 (d) of this Regulation.

3. Either Contracting Government may, for the purpose of applying the provisions of paragraphs 1 and 2 to vessels

entitled to fly its own flag or the flag of a non-Contracting Government, substitute 300 gross tons for 38 meters (124 feet) in registered length.

4. The VHF radiotelephone station on every vessel shall meet the following requirements:

(a) every VHF radiotelephone installation, exclusive of its antenna and source of electrical energy, shall be located as high as practicable on the vessel, preferably on the bridge, and shall be suitably protected from the harmful effects of water, temperature, electrical and mechanical noise;

(b) the main operating position of every VHF radiotelephone installation shall be on the bridge, convenient to the conning position. If provision is made for operation at other locations, it shall always be possible to take immediate and complete control of the installation at the bridge operating position;

(c) the antenna for every VHF radiotelephone installation shall be capable of transmitting and receiving vertically polarized signals, and shall be installed as high as practicable on the vessel in such a manner as to provide an essentially omnidirectional radiation pattern;

(d) the source of electrical energy for the VHF radiotelephone station shall be located as high as practicable on the vessel, and if batteries are used to supply that electrical energy, means shall be provided for charging such batteries; on vessels requiring two VHF installations both may be connected to the main source of energy, however, provision shall be made for operation of at least one installation from a separate source of energy located high in the vessel; and

(e) provision shall be made for internally or externally illuminating the operating controls of every VHF radiotelephone installation.

Regulation 2

VHF Radiotelephone Installation

1. Every VHF radiotelephone installation shall comply with appropriate technical characteristics prescribed in the International Radio Regulations.[1]

2. Every VHF radiotelephone installation shall be capable of:

   (a) transmitting and receiving type F3 emission on:

      i) channel 16 - 156.80 MHz - Distress, safety and calling,

[1] TIAS 4893, 5603, 6332, 6590, 7435, 8599; 12 UST 2377, 15 UST 887, 18 UST 2091, 19 UST 6717, 23 UST 1527, 28 UST 3909.

ii) channel 6 - 156.30 MHz - Primary intership,

iii) those of the following ship movement channels appropriate to the area of operation: 11 (156.55 MHz), 12, (156.60 MHz), 13 (156.65 MHz) and 14 (156.70 MHz),

iv) such other frequencies as are required for the vessel's service; and

(b) receiving type F3 emission on a VHF channel used for the transmission of marine navigation warnings for the area of operation.

3. Every VHF radiotelephone transmitter shall be capable of delivering at least 10 watts carrier power to its antenna. In the case of a transmitter operating with 25 kilohertz spacing between adjacent channels, provision shall be made at the main operating position to reduce this power readily to 1 watt or less.

4. Every VHF radiotelephone receiver shall have a sensitivity of at least two microvolts across 50 ohm or equivalent input terminals, for a 20 decibel signal-to-noise ratio.

[Regulations 3, 4, 5, 6 and 7 - No change.]

Regulation 8

Connecting and Tributary Waters Not Included in Definition of Great Lakes

For purposes of the application of the Agreement, the "Great Lakes" as defined in Article I(d) thereof, shall not include any connecting and tributary waters thereof other than: the St. Marys River, the St. Clair River, Lake St. Clair, the Detroit River and the Welland Canal.

French Text of the Canadian Note

Department of External Affairs Ministère des Affaires extérieures

Canada

OTTAWA, K1A 0G2

le 29 décembre 1978

N° FLA-1767

Monsieur l'Ambassadeur,

J'ai l'honneur de me référer à l'Accord entre le Canada et les Etats-Unis d'Amérique visant à assurer la sécurité sur les Grands Lacs par la radio, 1973, signé à Ottawa le 26 février 1973, et aux discussions entre les organismes intéressés de nos deux Gouvernements en ce qui a trait aux modifications à apporter au Règlement technique annexé à cet Accord.

Comme suite à ces discussions, j'ai maintenant l'honneur de proposer que les modifications suivantes soient apportées au Règlement technique:

a) Que les règles 1 et 2 soient supprimées et remplacées par les règles 1 et 2 revisées relatives aux stations et aux installations radiotéléphonique VHF; et

b) Qu'une règle 8 soit ajoutée, spécifiant à quelles eaux reliant les Grands Lacs ou les

Son Excellence Thomas O. Enders
Ambassadeur des Etats Unis d'Amérique
Ottawa

tributaires des Grands Lacs le présent Accord, conformément aux dispositions de l'Article I (d), s'applique.

Les règles 3 à 7 inclusivement demeurent inchangées.

Les modifications proposées sont énoncées dans l'annexe jointe à la présente Note.

Si ces propositions agréent au Gouvernement des Etats-Unis, j'ai de plus l'honneur de proposer que la présente Note et son annexe, qui font également foi en anglais et en français, ainsi que votre réponse à cet effet constituent entre nos deux Gouvernements un Accord portant modification du Règlement technique annexé à l'Accord visant à assurer la sécurité sur les Grands Lacs par la radio, 1973, qui entrera en vigueur à la date de votre réponse et prendra effet le 1er février 1979, conformément aux dispositions du paragraphe 2 de l'Article XVIII de l'Accord de 1973.

Veuillez agréer, Monsieur l'Ambassadeur, l'assurance renouvelée de ma très haute considération.

Le Secrétaire d'Etat suppléant
aux Affaires extérieures,

ANNEXE

REGLEMENT TECHNIQUE

Règle 1

STATION RADIOTELEPHONIQUE VHF

1. A bord de tout navire de moins de 38 mètres (124 pieds) de longueur au registre, la station radiotéléphonique VHF doit comprendre au moins une installation composée d'un émetteur et d'un récepteur, du matériel de commande connexe et d'une source d'énergie électrique.

2. A bord de tout navire de 38 mètres (124 pieds) ou plus de longueur au registre, la station radiotéléphonique VHF doit comprendre au moins deux installations VHF, chacune étant composée du matériel exigé au paragraphe 1 de la présente règle. La seconde installation VHF doit être électriquement séparée et indépendante de la première installation, sauf dans les cas prévus à l'alinéa 4 d) de la présente règle.

3. Tout gouvernement contractant peut, aux fins d'application des dispositions des paragraphes 1 et 2 à bord des navires

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autorisés à battre leur propre pavillon ou le pavillon d'un pays non-contractant, substituer 300 tonnes de jauge brute à 38 mètres (124 pieds) de longueur au registre.

4. Toute station radiotéléphonique VHF de navire doit répondre aux exigences suivantes:

a) toute installation radiotéléphonique VHF, exclusion faite de son antenne et de sa source d'énergie électrique, doit être située aussi haut que possible à bord du navire, de préférence sur la passerelle, et doit être convenablement protégée contre les effets nocifs de l'eau et de la température ainsi que contre les bruits d'origine électrique et mécanique;

b) le poste de travail principal de toute installation radiotéléphonique VHF doit être situé sur la passerelle, près du poste de commandement. Si le poste de travail est situé ailleurs, des dispositions doivent être prise afin de pouvoir commander immédiatement et complètement l'installation depuis le poste de travail de la passerelle;

c) l'antenne de toute installation radiotéléphonique VHF doit pouvoir émettre et recevoir des signaux à

polarisation verticale et doit être installée aussi haut que possible à bord du navire, de manière à offrir un diagramme de rayonnement essentiellement omni-directionnel,

d) la source d'énergie électrique de l'installation radiotéléphonique VHF doit être située aussi haut que possible à bord du navire et si des batteries d'accumulateurs assurent l'alimentation en énergie électrique, il faut prévoir les moyens permettant de charger ces batteries; à bord des navires nécessitant deux installations VHF, chacune d'elles peut être reliée à la source d'énergie principale bien que des dispositions doivent être prises pour qu'au moins une installation puisse être alimentée par une source d'énergie distincte et située dans la partie supérieure du navire;

e) des dispositions doivent être prises afin d'éclairer de l'intérieur ou de l'extérieur les commandes de toute installation radiotéléphonique VHF.

Règle 2

Installation radiotéléphonique VHF

1. Toute installation radiotéléphonique VHF doit être conforme aux caractéristiques techniques pertinentes du Règlement international des radiocommunications.

2. Toute installation radiotéléphonique VHF doit pouvoir:

   a) émettre et recevoir des émissions de type F3 sur

      i) la voie 16 - 156,80 MHz - Détresse, sécurité et appel,

      ii) la voie 6 - 156,30 MHz - Communications entre navires surtout,

      iii) les voies servant à communiquer les mouvements des navires, selon le secteur d'opération, à savoir les voies 11 (156,55 MHz), 12 (156,60 MHz), 13 (156,65 MHz) et 14 (156,70 MHz),

      iv) toute autre fréquence qu'exigent les besoins de service du navire, et

   b) recevoir des émissions de type F3 sur une voie VHF servant à la transmission d'avertissements relatifs à la navigation dans le secteur d'opération visé.

3. Tout émetteur radiotéléphonique VHF doit avoir une puissance porteuse d'au moins 10 watts à l'antenne. Dans le cas des émetteurs exigeant un espacement de 25 kHz entre les voies adjacentes, des dispositions doivent être prises au poste de travail principal afin de réduire rapidement cette puissance à 1 watt ou moins.

4. Tout récepteur radiotéléphonique VHF doit avoir une sensibilité d'au moins 2 microvolts aux bornes d'entrée de 50 ohms ou l'équivalent et ce, pour un rapport signal-bruit de 20 décibels.

[Les règles 3, 4, 5, 6 et 7 n'ont pas été modifiées.]

Règle 8

Eaux de communication et eaux tributaire non incluses dans la définition des Grands lacs

Aux fins de l'application de l'accord, la définition des "Grands lacs" apparaissant à l'article I d) dudit accord ne doit comprendre que les eaux de communication et les eaux tributaires suivantes: la rivière Sainte-Marie, la rivière Sainte-Claire, le lac Sainte-Claire, la rivière Détroit et le canal Welland.

The American Chargé d' Affaires ad interim to the Canadian Secretary of State for External Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

No. 349 Ottawa, December 29, 1978.

Sir:

I have the honor to acknowledge receipt of your Note No. FLA-1767, dated December 29, 1978, concerning the Agreement between Canada and the United States of America for Promotion of Safety on the Great Lakes by Means of Radio, 1973, which reads as follows.

"I have the honour to refer to the Agreement between Canada and the United States of America for Promotion of Safety on the Great Lakes by Means of Radio, 1973, signed at Ottawa on February 26, 1973 and to discussions between interested agencies of our two Governments concerning the amendment of the Technical Regulations annexed to that Agreement.

Further to those discussions I now have the honour to propose that the Technical Regulations be amended as follows

(a) That Regulations 1 and 2 be deleted and replaced by revised Regulations 1 and 2 relating to VHF radiotelephone stations and installations; and

The Honorable
Don Jamieson,
Secretary of State
for External Affairs,
Ottawa.

TIAS 9352

(b) That a new Regulation 8 be added specifying the connecting and tributary waters to which the Agreement applies, in accordance with the provisions of Article I(d).

Regulations 3 to 7 inclusive would remain unchanged.

The proposed amendments are contained in an Annex attached to this Note.

If these proposals are acceptable to the Government of the United States, I have the further honour to propose that this Note, together with its Annex, which are authentic in English and French, and Your Excellency's reply to that effect shall constitute an Agreement between our two Governments to amend the Technical Regulations annexed to the Agreement for Promotion of Safety on the Great Lakes by Means of Radio, 1973, which shall enter into force on the date of your reply with effect from February 1, 1979, in accordance with the provisions of paragraph 2 of Article XVIII of the 1973 Agreement.

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

"ANNEX

TECHNICAL REGULATIONS

REGULATION 1

VHF Radiotelephone Station

1. On every vessel of less than 38 meters (124 feet) in registered length the VHF radiotelephone station shall consist of

at least one installation that includes a transmitter and receiver, associated control equipment, and source of electrical energy

2. On every vessel of 38 meters (124 feet) or over in registered length the VHF radiotelephone station shall consist of at least two VHF installations, each of which includes the equipment required by paragraph 1 of this Regulation. The second VHF installation shall be electrically separate and independent of the first installation, except as provided in sub-paragraph 4 (d) of this Regulation.

3. Either Contracting Government may, for the purpose of applying the provisions of paragraphs 1 and 2 to vessels entitled to fly its own flag or the flag of a non-Contracting Government, substitute 300 gross tons for 38 meters (124 feet) in registered length.

4. The VHF radiotelephone station on every vessel shall meet the following requirements
   (a) every VHF radiotelephone installation, exclusive of its antenna and source of electrical energy, shall be located as high as practicable on the vessel, preferably on the bridge, and shall be suitably protected from the harmful

effects of water, temperature, electrical and mechanical noise;

(b) the main operating position of every VHF radiotelephone installation shall be on the bridge, convenient to the conning position. If provision is made for operation at other locations, it shall always be possible to take immediate and complete control of the installation at the bridge operating position;

(c) the antenna for every VHF radiotelephone installation shall be capable of transmitting and receiving vertically polarized signals, and shall be installed as high as practicable on the vessel in such a manner as to provide an essentially omnidirectional radiation pattern;

(d) the source of electrical energy for the VHF radiotelephone station shall be located as high as practicable on the vessel, and if batteries are used to supply that electrical energy, means shall be provided for charging such batteries; on vessels requiring two VHF installations both may be connected to the main source of energy, however,

provision shall be made for operation of at least one installation from a separate source of energy located high in the vessel, and

(e) provision shall be made for internally or externally illuminating the operating controls of every VHF radiotelephone installation.

REGULATION 2

VHF Radiotelephone Installation

1. Every VHF radiotelephone installation shall comply with appropriate technical characteristics prescribed in the International Radio Regulations.

2. Every VHF radiotelephone installation shall be cabable of:

(a) transmitting and receiving type F3 emission on:

i) channel 16 - 156.80 MHz - Distress, safety and calling,

ii) channel 6 - 156.30 MHz - Primary intership,

iii) those of the following ship movement channels appropriate to the area of operation: 11 (156.55 MHz), 12 (156.60 MHz), 13 (156.65 MHz) and 14 (156.70 MHz),

iv) such other frequencies as are required for the vessel's service; and

(b) receiving type F3 emission on a VHF channel used for the transmission of marine navigation warnings for the area of operation.

3. Every VHF radiotelephone transmitter shall be capable of delivering at least 10 watts carrier power to its antenna. In the case of a transmitter operating with 25 kilohertz spacing between adjacent channels, provision shall be made at the main operating position to reduce this power readily to 1 watt or less.

4. Every VHF radiotelephone receiver shall have a sensitivity of at least two microvolts across 50 ohm or equivalent input terminals, for a 20 decibel signal-to-noise ratio.

/Regulations 3, 4, 5, 6 and 7 - No change./

REGULATION 8

Connecting and Tributary Waters Not Included in Definition of Great Lakes

For purposes of the application of the Agreement, the "Great Lakes" as defined in Article I (d) thereof, shall not include any connecting and tributary waters thereof other than: the St. Marys River, the St. Clair River, Lake St. Clair, the Detroit River and the Welland Canal."

In reply, I have the honor to inform you that the Government of the United States accepts the proposals set forth in your Note and the Annex thereto, and further

agrees that your Note and this Note in reply shall constitute an Agreement between our two Governments to amend the technical regulations annexed to the Agreement for Promotion of Safety on the Great Lakes by Means of Radio, 1973, which shall enter into force on the date of this Note with effect from February 1, 1979, in accordance with the provisions of paragraph 2 of Article XVIII of the 1973 Agreement.

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

R. W. Duemling

Robert W. Duemling
Charge d'Affaires ad interim

PHILIPPINES

Cooperative Marketing

Agreement signed at Manila May 3, 1978;
Entered into force May 3, 1978.

A.I.D. Loan Number 492-T-051

Project Number 492-0300

PROJECT

LOAN AGREEMENT

BETWEEN

THE REPUBLIC OF THE PHILIPPINES

and the

UNITED STATES OF AMERICA

for

COOPERATIVE MARKETING

Dated: May 3, 1978

TIAS 9353

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PROJECT LOAN AGREEMENT

Dated May 3, 1978

Between

The Republic of the Philippines ("Borrower")

And

The United States of America, acting through the Agency for International Development ("A.I.D.")

Article 1. The Agreement.

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Borrower of the Project described below, and with respect to the financing of the Project by the Parties.

Article 2: The Project.

Section 2.1. Definition of Project. The Project, which is further described in Annex I, is an intensive effort to improve and facilitate the development of the cooperative marketing structure in the Philippines by providing about fifteen Area Marketing Cooperatives ("AMC's") access to adequate financing, managerial capabilities and technical expertise to meet the production, supply and marketing needs of their members, who represent about 90,000 small farmers. The A.I.D. Loan will provide local currency for a loan fund to provide loans to AMC's, a guarantee fund to

guarantee portions of such loans and a trust fund to build equity in AMC's and will finance the foreign exchange costs of up to 96 person-months of advisory services and limited commodities required to implement the Project. Annex I, attached, amplifies the above definition of the Project.

Within the limits of the above definition of the Project, elements of the amplified description stated in Annex I may be changed by written agreement of the authorized representatives of the Parties named in Section 9.2, without formal amendment of this Agreement.

Section 2.2. Incremental Nature of Project.

(a) A.I.D.'s contribution to the Project will be provided in increments, the initial one being made available in accordance with Section 3.1 of this Agreement. Subsequent increments will be subject to availability of funds to A.I.D. for this purpose, and to the mutual agreement of the Parties, at the time of a subsequent increment, to proceed.

(b) Within the overall Project Assistance Completion Date stated in this Agreement, A.I.D., based upon consultation with the Borrower, may specify in Project Implementation Letters appropriate time periods for the utilization of funds loaned by A.I.D. under an individual increment of assistance.

Article 3: Financing.

Section 3.1. The Loan. To assist the Borrower to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to lend the Borrower under the terms of this Agreement not to exceed One Million Six Hundred Thousand United

[1] 75 Stat. 424, 22 U.S.C. § 2151 note.

States ("U.S.") Dollars ($1,600,000.00) ("Loan") The aggregate amount of disbursements under the Loan is referred to as "Principal"

The Loan may be used to finance foreign exchange costs, as defined in Section 7.1, and local currency costs, as defined in Section 7.2, of goods and services required for the Project.

Section 3.2. Borrower Resources for the Project.

(a) The Borrower agrees to provide or cause to be provided for the Project all funds, in addition to the Loan, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by Borrower for the Project will be not less than the equivalent of U.S. $3,083,000.00, including costs borne on an "in-kind" basis.

Section 3.3. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is June 30, 1982, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Loan will have been performed and all goods financed under the Loan will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Loan for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Borrower, may at any time or times reduce the amount of the Loan by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4: Loan Terms.

Section 4.1. Interest. The Borrower will pay to A.I.D. interest which will accrue at the rate of two percent (2%) per annum for ten (10) years following the date of the first disbursement hereunder and at the rate of three percent (3%) per annum thereafter on the outstanding balance of Principal and on any due and unpaid interest. Interest on the outstanding balance will accrue from the date (as defined in Section 8.5) of each respective disbursement, and will be payable semiannually. The first payment of interest will be due and payable no later than six (6) months after the first disbursement hereunder, on a date to be specified by A.I.D.

Section 4.2. Repayment. The Borrower will repay to A.I.D. the Principal within twenty (20) years from the date of the first disbursement of the Loan in twenty-one (21) approximately equal semiannual installments of Principal and interest. The first installment of Principal will be payable nine and one-half (9½) years after the date on which the first interest payment is due in

accordance with Section 4.1. A.I.D. will provide the Borrower with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

Section 4.3. Application, Currency, and Place of Payment. All payments of interest and Principal hereunder will be made in U.S. dollars and will be applied first to the payment of interest due and then to the repayment of Principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D.C. 20523, U.S.A., and will be deemed made when received by the Office of Financial Management.

Section 4.4. Prepayment. Upon payment of all interest and any refunds then due, the Borrower may prepay, without penalty, all or any part of the Principal Unless A.I.D. otherwise agrees in writing, any such prepayment will be applied to the installments of Principal in the inverse order of their maturity

Section 4.5. Renegotiation of Terms.

(a) The Borrower and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of the Republic of the Philippines, which enable the Borrower to repay the Loan on a shorter schedule.

(b) Any request by either Party to the other to so negotiate will be made pursuant to Section 9.1, and will give the name and address of the person or persons who will represent the requesting Party in such negotiations

(c) Within thirty (30) days after delivery of a request to negotiate, the requested Party will communicate to the other, pursuant to Section 9.1, the name and address of the person or persons who will represent the requested Party in such negotiations.

(d) The representatives of the Parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested Party's communication under subsection (c). The negotiations will take place at a location mutually agreed upon by the representatives of the Parties, provided that, in the absence of mutual agreement, the negotiations will take place at the office of Borrower's Director-General, National Economic and Development Authority in the Republic of the Philippines.

Section 4.6. Termination on Full Payment. Upon payment in full of the Principal and any accrued interest, this Agreement and all obligations of the Borrower and A.I.D. under it will cease.

Article 5: Conditions Precedent to Disbursement.

Section 5.1. First Disbursement. Prior to the first disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) An opinion of counsel acceptable to A.I.D. that this Agreement has been duly authorized and/or ratified by, and executed on behalf of, the Borrower, and that it constitutes a valid and legally binding obligation of the Borrower in accordance with all of its terms;

(b) A statement of the name of the person holding or acting in the office of the Borrower specified in Section 9.2, and of any additional representatives, together with a specimen signature of each person specified in such statement,

(c) Evidence of the establishment within the Central Bank of the Philippines ("CB") of a cooperative finance group to serve as the primary conduit for extending Project-financed loans through appointed Cooperative Rural Banks ("CRBs") to designated Area Marketing Cooperatives ("AMCs");

(d) Evidence that the Borrower has granted special authority to participating CRBs to exceed the current lending limits, on a case-by-case basis to be determined by the Central Bank, to any one borrower of an amount equal to fifteen percent (15%) of a given CRB's unimpaired capital and surplus when the borrower is determined to be a qualifying AMC under the Project;

(e) Detailed loan procedures governing the lending practices of institutions to be engaged in extending financial assistance to the Cooperative Marketing System of the Philippines ("CMSP") and AMCs targeted for support under the Project;

(f) A loan commitment from an acceptable intermediate lending institution stipulating that institution's willingness to meet the borrowing requirements of the CMSP to be financed from Project Loan funds;

(g) A detailed implementation plan providing for adequate interagency coordination within the Government of the Philippines during Project implementation and for certain critical changes in the organizational structures of, and operations within, the cooperative marketing system; and

(h) The evaluation program referred to in Section 6.1.

Section 5.2. Notification. When A.I.D. has determined that the conditions precedent specified in Section 5.1 have been met, it will promptly notify the Borrower

Section 5.3. Terminal Date for Conditions Precedent. If all of the conditions specified in Section 5.1 have not been met within 120 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to the Borrower

Article 6: Special Covenants.

Section 6.1. Project Evaluation. The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter:

(a) Evaluation of progress toward attainment of the objectives of the Project;

(b) Identification and evaluation of problem areas or constraints which may inhibit such attainment;

(c) Assessment of how such information may be used to help overcome such problems; and

(d) Evaluation, to the degree feasible, of the overall development impact of the Project.

Section 6.2. Authority of the Cooperative Foundation Philippines, Inc. The Borrower covenants and agrees that the Cooperative Foundation Philippines, Inc. shall be granted final authority as to the assignment or removal of any manager of a Project-supported AMC or CRB, regardless of the employer of the manager

Section 6.3. Purchase of FaCoMa Facilities and Equipment. The Borrower covenants and agrees that AMC's selected to participate in the Project shall have the first option to purchase from the Agricultural Credit Administration (ACA) foreclosed FaCoMa facilities and/or equipment which are currently being leased by the AMC, or vacant facilities and/or equipment within the said AMC's geographic area of coverage at a value not to exceed ACA's investment in said facilities and/or equipment.

Article 7. Procurement Source.

Section 7.1 Foreign Exchange Costs. Disbursements pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Loan Standard Provisions Annex, Section C.1(b) with respect to marine insurance.

Section 7.2. Local Currency Costs. Disbursements pursuant to Section 8.2. will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in the Republic of the Philippines ("Local Currency Costs") To the extent provided for under this Agreement, "Local Currency Costs" may also include the provision of local currency resources required for the Project.

Article 8: Disbursements.

Section 8.1. Disbursement for Foreign Exchange Costs.

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or (B) requests for A.I.D. to procure commodities or services in Borrower's behalf for the Project; or

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letter of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Borrower in connection with Letters of Commitment and Letters of Credit will be financed under the Loan unless the Borrower instructs A.I.D. to the contrary Such other charges as the Parties may agree to may also be financed under the Loan.

Section 8.2. Disbursement for Local Currency Costs.

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for Local Currency Costs

required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.

(b) The local currency needed for such disbursement hereunder may be obtained:

(1) by acquisition by A.I.D. with U.S. dollars by purchase or from local currency already owned by the U.S. Government; or

(2) by A.I.D. (A) requesting the Borrower to make available the local currency for such costs, and (B) thereafter making available to the Borrower through the opening or amendment by A.I.D. of Special Letters of Credit in favor of the Borrower or its designee, an amount of U.S. dollars equivalent to the amount of local currency made available by the Borrower, which dollars will be utilized for procurement from the United States under appropriate procedures described in Project Implementation Letters.

The U.S. dollar equivalent of the local currency made available hereunder will be, in the case of subsection (b)(1) above, the amount of U.S. dollars required by A.I.D. to obtain the local currency, and in the case of subsection (b)(2) above, an amount calculated at the rate of exchange specified in the applicable Special Letter of Credit Implementation Memorandum hereunder as of the date of the opening or amendment of the applicable Special Letter of Credit.

Section 8.3. Other Forms of Disbursement. Disbursements of the Loan may also be made through such other means as the Parties may agree to in writing.

Section 8.4. Rate of Exchange. Except as may be more specifically provided under Section 8.2, if funds provided under the Loan are introduced into the Republic of the Philippines by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D. hereunder, the Borrower will make such arrangements as may be necessary so that such funds may be converted into currency of the Republic of the Philippines at the highest rate of exchange which, at the time the conversion is made, is not unlawful in the Republic of the Philippines.

Section 8.5. Date of Disbursement. Disbursements by A.I.D. will be deemed to occur (a) on the date on which A.I.D. makes a disbursement to the Borrower or its designee, or to a bank, contractor or supplier pursuant to a Letter of Commitment, contract, or purchase order; (b) on the date on which A.I.D. disburses to the Borrower or its designee local currency acquired in accordance with Section 8.2(b)(1); or (c) if local currency is obtained in accordance with Section 8.2(b)(2), on the date on which A.I.D. opens or amends the Special Letter of Credit there referred to.

Article 9: Miscellaneous.

Section 9.1. Communications. Except as expressly provided in Section 4.3, any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following address:

To the Borrower:

Mail Address: National Economic and Development Authority
P.O. Box 1116, Manila, Philippines

Alternate address for cables: NEDAPHIL

To A.I.D.

Mail Address: United States Agency for International Development
c/o The American Embassy
Manila, Philippines

Alternate address for cables: USAID/AMEMB MANILA

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

Section 9.2. Representatives. For all purposes relevant to this Agreement, the Borrower will be represented by the individual holding or acting in the office of the Director-General, Natonal Economic and Development Authority and A.I.D. will be represented by the individual holding or acting in the office of the Director, United States A.I.D. Mission to the Philippines, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1. to revise elements of the amplified description in Annex I. The names of the representatives of the Borrower, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such reprsentatives in implementation of this Agreement, until receipt of written notice of revocation of their authority

Section 9.3. Standard Provisions Annex. A "Project Standard Provisions Annex" (Annex II) [1] is attached to and forms part of this Agreement.

[1] See footnote 1, p. 2548.

IN WITNESS WHEREOF, the Borrower and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

REPUBLIC OF THE PHILIPPINES

By: Manuel S. Alba

Title: Acting Director-General
National Economic &
Development Authority

UNITED STATES OF AMERICA

By: Peter M. Cody

Title: Director
U.S. Agency for
International Development

ANNEX I

DESCRIPTION OF PROJECT

This Project will provide financing for an improved cooperative marketing system for essential agricultural commodities (i.e., rice, corn, vegetables, animal products and fish), produced by small farmers in the Philippines. Specifically the Cooperative Marketing Project is aimed at improving a nucleus of Area Marketing Cooperatives (AMCs), which will serve the basic production, supply and marketing needs of some 90,000 small farmers. Four Philippine institutions will be responsible for the overall implementation of the Cooperative Marketing Project. The implementing agencies of the Borrower are: the Central Bank of the Philippines (CB); the Bureau of Cooperatives Development (BCOD); the Cooperative Marketing System of the Philippines (CMSP); and the Cooperative Foundation Philippines, Inc. (CFPI), which shall serve as the Borrower's project management agency A.I.D. and the National Economic and Development Authority (NEDA) will function to monitor project implementation.

Detailed A.I.D. and Borrower financial summaries are presented in Attachments 1 and 2 to this Annex. The anticipated total level of A.I.D. funding is $6,000,000.00 with $1,600,000.00 being obligated herein as a first increment. The additional increment(s), bringing the obligated total A.I.D. Loan to $6,000,000.00, will be provided in accordance with Section 2.2, subject to the same terms and conditions contained in this Agreement. The Borrower's contribution over the life of the Project is anticipated to be not less than the equivalent of $6,668,000.00, with the equivalent of $3,083,000.00 obligated in this

Agreement. Further Borrower increments will be provided at the time of the additional A.I.D. increment(s).

The Project will assist the cooperative institutions to overcome basic deficiencies in availability of financing, technical expertise and managerial capabilities. A wide-range of assistance will be provided, including investments for physical facilities; subordinate, term and seasonal loans for working capital; training for persons in positions of responsibility; and technical support.

The Project will assist in the development of a cooperative finance system which addresses the financial needs of Area Marketing Cooperatives. Under the Project, approximately fifteen AMCs will receive loans through a cooperative finance system. This system will involve the establishment of a special group for cooperative finance under a department of the Central Bank of the Philippines (CB) Loans will be extended through already organized Cooperative Rural Banks (CRBs) to AMCs receiving support under the Project.

A.I.D.'s and Borrower's project assistance will be divided into two major categories, i.e., a Financial Category and a Support Fund Category A.I.D.'s portion of the Financial Category (see Attachment 1) will be deposited in three separate accounts within the Central Bank: a Loan Fund, Guarantee Fund and Trust Fund. The Loan Fund, which will combine A.I.D. and Borrower monies will be the primary source of loans to the AMCs.

A portion of the Financial Category will be used to establish a Guarantee Fund for the cooperative finance system. This fund will guarantee loans made to AMCs. Borrowing AMCs will contribute directly

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in equity to this Guarantee Fund upon receipt of each separate loan until such time as the borrowing AMC has contributed an amount equivalent to 10% of its borrowings. Any default will be charged first against the given AMC's contribution to this fund. As borrowing AMCs contribute to building the Guarantee Fund, corresponding amounts of A.I.D.'s assistance to this fund will be retired and recycled into the Loan Fund.

A.I.D. loan disbursements will also be utilized to expand the equity base of some fifteen AMCs through a special Trust Fund. This Trust Fund will invest, in the form of preferred stock, in borrowing AMCs to a level wherein invested Trust funds together with the AMCs' equity equal at least 50% of the proposed loan(s) to the AMCs. These preferred stock investments will be retired over a period of approximately ten years. Monies returned to the Trust Fund may either be reinvested in other AMCs or transferred to the Loan Fund.

In addition to the Financial Category under the Project, there will be a Support Category Funds in this category will be used to finance technical assistance and commodities.

Specifically, the Project will finance the following goods and services:

A.I.D.

(1) Technical Assistance.

Identification and contracting of all long and short-term expatriate consultants under the Project will be the responsibility of the Borrower

(a) Long-Term Advisors

1. Senior Cooperative Marketing Specialist - 1 person for 36 months

2. Cooperative Finance Specialist - 1 person for 36 months

(b) Short-Term Consultants

Short-term consultants will be employed to assist the efforts of the long-term advisors and to provide technical expertise in certain specialized job areas. A total of 24 months of short-term services will be funded under the Project in the following four technical fields:

1. Cooperative Finance Management Consultant

2. Cooperative Marketing Information Systems Specialist

3. Central Cooperative Marketing and Supply Team

4. Central Cooperative Marketing and Supply Specialist

(2) Commodities.

A number of commodities will be financed under the Project for AMCs, CRBs and implementing agencies. An illustrative list of projected commodity requirements is included as Attachment 3. Where possible, these commodities will be acquired through excess property

(3) Participant Training.

108 months of non-degree participant training relating to this Project for selected cooperative leaders will be financed under the Integrated Agricultural Production and Marketing Project (A.I.D. Project No. 492-0302).

(4) Financial Category

A.I.D. funds will be provided for the purpose of institutionalizing a cooperative finance system. A portion of these funds will be used to establish a Cooperative Finance Guarantee Fund. Loan funds released to the Central Bank will also be used for the purpose of expanding the equity through a Special Trust Fund arrangement in some fifteen Area Marketing Cooperatives and strengthening these AMCs by providing them access to short, medium and long-term financing for working capital, equipment and facility needs. In addition to AMC development, limited loan funds will be provided for the purpose of establishing a central cooperative marketing and supply distribution outlet.

Host Country Contribution.

(1) In-Kind Support.

All implementing agencies will provide non-cash inputs to the Project. The Central Bank of the Philippines (CB) will provide office space and existing staff for the establishment and operation of a cooperative finance section. The Bureau of Cooperatives Development (BCOD) will provide management information services. BCOD will also provide existing central and field level staff assistance and training materials and facilities. The Cooperative Marketing System of the Philippines (CMSP) and the Cooperative Foundation Philippines, Inc. (CFPI) will provide office space and equipment, manpower and other resources. CFPI will also provide office space and secretarial services for A.I.D. loan-financed short-term consultants.

(2) Budgetary Support.

The implementing agencies of the Borrower will provide certain monetary inputs. CB will budget for the costs of six professionals to manage the centrally created Cooperative Finance System. CB will further budget for the training of these individuals as well as for training key AMC and CRB staff members. This training will cover financial record-keeping systems and loan management. The BCOD will provide funds for intensified education and training campaigns as well as for other socio-economic development activities in the some 1,500 Samahang Nayon representing the membership of the fifteen Project-targeted AMCs. The BCOD will also fund the host-country training of some thirty-seven participants.

The number of participants, fields of training and number of months of training for each group follows:

Agency	Field of Training	Participants	Man-Months of Training
AMC	Coop. Management	15	15
CRB	Finance Management	8	8
CMSP	Central Coop. Mktg. & Supply	10	10
CFPI	Market Information System	4	4
	TOTAL	37	37

The BCOD will also provide funding for technical assistance and the conduct of research studies to be performed by CFPI and other professional firms in areas of market analysis, management and finance as well as in other relevant fields to be identified. In

addition to this, the BCOD will provide administrative funds for activities relating to cooperative marketing development and salary assistance to staff members of the National Cooperative Systems. CMSP will provide funding in support of salaries and administration for a central cooperative marketing and supply center CFPI will provide administrative and other budgetary support in areas of marketing information systems development, cooperative auditing systems development and project management and evaluation. NEDA will provide budgetary support for housing, utilities and operational travel for both long and short-term technical assistance provided under the project.

(3) Cooperative Equity.

Project beneficiaries, the members of Samahang Nayon belonging to project targeted AMCs and CRBs, have and will continue to contribute substantially toward the equity growth of a strong cooperative marketing and finance structure. At present this equity investment in the twenty-three AMCs and CRBs identified for program development is equal to some 18% of the projected A.I.D. Loan portion. This amount, already considerable, is expected to more than double within the project life span. (See Attachment 2, item 3)

(4) Loan and Trust Funds.

The Borrower's contribution to the Loan and Trust Funds is shown in item 4 of Attachment 2.

Annex I
Attachment 1

A.I.D. FINANCIAL SUMMARY

Cooperative Marketing Project, No. 492-0300
(Expressed in US $000)

	YR. I	YR. II	YR. III	TOTAL	Percent Grand Total
Support Category:					
1. Technical Assistance Long-Term	94	102	104	300	5.0
2. Technical Assistance Short-Term	66	21	13	100	1.6
3. Commodities	25	42	13	80	1.3
Sub-Total	185	165	130	480	8.0
% Sub-Total	38.5	34.4	27.1	100.0	
Financial Category Loan Funds:					
4. AMC Development Loans	1,167	1,200	633	3,000	50.0
5. Central Coop. Mktg. & Supply Loan	-	675	-	675	11.2
6. AMC Trust Fund	275	412	413	1,100	18.3
7 Guarantee Fund	745	-	-	745	12.5
Sub-Total	2,187	2,287	1,046	5,520	92.0
% Sub-Total	39.6	41.4	19.0	100.0	
GRAND TOTAL	2,372	2,452	1,176	6,000	100.0
% GRAND TOTAL	39.5	40.9	19.6	100.0	

Annex I
Attachment 2

BORROWER FINANCIAL SUMMARY

Cooperative Marketing Project, No. 492-0300
(Expressed in U.S. $000)

	YR. I	YR. II	YR. III	TOTAL	Percent Grand Total
1. In-Kind Support	189	186	188	563	8.4
2. Budgetary Support	474	431	423	1,328	19.9
3. Cooperative Equity	1,387	416	541	2,344	35.2
4. Loan and Trust Funds	1,033	900	500	2,433	36.5
GRAND TOTAL	3,083	1,933	1,652	6,668	100.0
% GRAND TOTAL	46.2	29.0	24.8	100.0	

ITEMIZED BORROWER PROJECT COST ESTIMATES

	Yr. 1 (₱000)	Yr. 2 (₱000)	Yr. 3 (₱000)	TOTAL (₱000)	TOTAL ($000)
1. Bureau of Cooperatives Development (BCOD)					
A. In-kind Assistance:					
1) 75% Salary of 15 CDOs	34	67	101	202	27
2) 50% Salary of 15 MDOs	19	38	53	110	15
3) 100% Salary of 5 Central Office Professionals	60	60	60	180	24
4) Administration	45	45	45	135	18
Sub-Total	158	210	259	627	84
B. Budgetary Support:					
1) Training & Dev. (SN)	1,035	835	735	2,605	348
2) Research & Tech. Asst.	300	300	400	1,000	133
3) MIS	200	200	200	600	80
4) Management Development	150	150	150	450	60
5) International Travel U.S. or 3rd Country Travel	15	15	15	45	6
Sub-Total	1,700	1,500	1,500	4,700	627
C. Loan Funds:					
1) Administered by CB through CFG Loan Fund	3,750	3,750	3,750	11,250	1,500
Sub-Total	3,750	3,750	3,750	11,250	1,500
TOTAL	5,608	5,460	5,509	16,577	2,211

	Yr. 1 (₱000)	Yr. 2 (₱000)	Yr. 3 (₱000)	TOTAL (₱000)	TOTAL ($000)
2. Central Bank of the Philippines (CB)					
A. In-kind Assistance:					
1) Staff Support 6 Professionals 10 Clerical	277	278	278	833	111
2) Office Space	15	15	15	45	6
3) Administration and Contingency	37	38	38	113	15
Sub-Total	329	331	331	991	132
B. Budgetary Support:					
1) In-country Training 7 Central Staff and 15 CRB Staff	37	38	38	113	15
2) International Travel U.S. or 3rd Country Travel	45	-	-	45	6
Sub-Total	82	38	38	158	21
C. CRB Trust Funds:					
1) Administered by CB through DBP	4,000	3,000	-	7,000	933
Sub-Total	4,000	3,000	-	7,000	933
TOTAL	4,411	3,369	369	8,149	1,086
3. Cooperative Foundation Philippines, Inc. (CFPI)					
A. In-kind Assistance:					
1) Salaries, Administration and Contingency	250	250	250	750	100
Sub-Total	250	250	250	750	100
B. Budgetary Support:					
1) Cooperative Training (CETF source)	500	500	500	1,500	200
Sub-Total	500	500	500	1,500	200
TOTAL	750	750	750	2,250	300

	Yr. 1 (₱000)	Yr. 2 (₱000)	Yr. 3 (₱000)	TOTAL (₱000)	TOTAL ($000)
4. Cooperative Marketing System of the Philippines (CMSP)					
A. In-kind Support:					
1) Salaries, Administration and Contingency	187	188	188	563	75
Sub-Total	187	188	188	563	75
B. Budgetary Support:					
1) Source MTAP	1,200	1,200	1,200	3,600	480
Sub-Total	1,200	1,200	1,200	3,600	480
TOTAL	1,387	1,388	1,388	4,163	555
5. National Economic and Development Authority (NEDA)					
A. Budgetary Support:					
1) Technical Assistance Support	270	270	225	765	102
2) Commodity Support	225	150	150	525	70
Sub-Total	495	420	375	1,290	172
TOTAL	495	420	375	1,290	172
6. Project Beneficiaries:					
A. Equity Support:					
1) Current Equity in Targeted AMCs & CRBs	8,005	-	-	8,005	1,067
2) Projected Equity Growth in Project Targeted AMCs & CRBs	2,400	3,120	4,058	9,578	1,277
Sub-Total	10,405	3,120	4,058	17,583	2,344
TOTAL	10,405	3,120	4,058	17,583	2,344
GRAND TOTAL IN-KIND	924	979	1,028	2,931	391
GRAND TOTAL BUDGETARY AND EQUITY	22,132	13,528	11,421	47,081	6,277
GRAND TOTAL ALL SUPPORT	23,056	14,507	12,449	50,012	6,668

Annex I
Attachment 3

ESTIMATED COMMODITY REQUIREMENTS
COOPERATIVE MARKETING PROJECT*

	Commodity	Specification	No.
1.	Jeeps	1/4 ton	48
2.	Trucks	3/4 ton	60
3.	Trucks	2-1/2 ton	15
4.	Trailer	1 ton cap.	30
5.	Scales	Platform (500-kilo)	20
6.	Scales	Platform (250-kilo)	10
7	Fork Lift	5-ton cap.	3
8.	Grain Sacks	Hemp	100,000
9.	Bag Closers	Electric	15
10.	Typewriter	Electric & manual	60
11.	Safe	Floor	15
12.	Desks	Steel	40
13.	File cabinets	Steel	40
14.	Adding Machines	Manual & electric	20
15.	Calculator	Manual & electric	20
16.	Slide Projector	Automatic, Kodak or equivalent	5
17	Radio	Single side band	25

*To be acquired through excess property if available. The above list represents only a tentative listing of the types of commodities to be procured under the project and is not inclusive in nature.
[Footnote in the original.]

PHILIPPINES

Cooperative Water Program

Agreement signed at Manila May 3, 1978;
Entered into force May 3, 1978.

A.I.D. Loan Number 492-U-049

Project Number 492-0291

PROJECT

LOAN AND GRANT AGREEMENT

BETWEEN

THE REPUBLIC OF THE PHILIPPINES

and the

UNITED STATES OF AMERICA

for

BARANGAY WATER

Dated:. May 3, 1978

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[1] Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

LOAN AND GRANT AGREEMENT

Dated May 3, 1978

Between

The Republic of the Philippines ("Cooperating Country")

And

The United States of America, acting through the Agency for International Development ("A.I.D.").

Article 1. The Agreement.

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Cooperating Country of the Project described herein, and with respect to the financing of the Project by the Parties.

Article 2: The Project.

Section 2.1. Definition of Project. The Project, which is further described in Annex I, will consist of the construction or improvement of small community water systems to improve health and increase productivity in the affected area and establish, in the process, the capability of selected local governments to identify, plan, organize and install functional barangay cooperative water systems with their own management and maintenance capacity. Annex I attached, amplifies the definition of the Project contained

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in this Section 2.1. Within the limits of the definition of the Project in this Section 2.1, elements of the amplified description stated in Annex I may be changed by written agreement of the authorized representatives of the Parties named in Section 9.2, without formal amendment of this Agreement. Annex I will identify those elements of the Project for which Grant financing will be employed, and those for which Loan financing will be employed.

Article 3: Financing.

Section 3.1. The Grant; The Loan. To assist the Cooperating Country to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to grant the Cooperating Country under the terms of this agreement not to exceed One Hundred Eighty Four Thousand United States ("U.S.") Dollars ($184,000.00) ("Grant") and to lend the Cooperating Country under the terms of this Agreement not to exceed Three Million U.S. Dollars ($3,000,000.00) ("Loan"). The aggregate amount of disbursements under the Loan is referred to as "Principal". The Loan and the Grant together are referred to as the "Assistance"

The Assistance may be used to finance foreign exchange costs, as defined in Section 7.1, and local currency costs, as defined in Section 7.2, of goods and services required for the Project.

Section 3.2. Cooperating Country Resources for the Project.

(a) The Cooperating Country agreed to provide or cause to be provided for the Project all funds, in addition to the Assistance, and all other resources required to carry out the Project effectively and in a timely manner

[1] 75 Stat. 424, 22 U.S.C. § 2151 note.

(b) The resources provided by the Cooperating Country for the Project will be not less than the equivalent of US$3,179,000.00, including costs borne on an "in-kind" basis.

Section 3.3. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is June 30, 1981, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all portions of the Project financed jointly by them on a Fixed Amount Reimbursement (FAR) basis will have been completed, that all services financed under the Loan other than on a FAR basis will have been performed and that all goods financed under the Loan other than on a FAR basis will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Loan for FAR portions of the Project completed subsequent to the PACD, or, in case of portions of the Project financed under the Loan other than on a FAR basis, for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Cooperating Country, may at any time or times reduce the amount of the Assistance by all or any

part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4: Loan Terms.

Section 4.1. Interest. The Cooperating Country will pay to A.I.D. interest which will accrue at the rate of two percent (2%) per annum for ten years following date of the first disbursement of the Loan hereunder and at the rate of three percent (3%) per annum thereafter on the outstanding balance of Principal and on any due and unpaid interest. Interest on the outstanding balance will accrue from the date (as defined in Section 8.5) of each respective disbursement, and will be computed on the basis of a 365-day year Interest will be payable no later than six (6) months after the first disbursement of the Loan hereunder, on a date to be specified by A.I.D.

Section 4.2. Repayment. The Cooperating Country will repay to A.I.D. the Principal within twenty (20) years from the date of the first disbursement of the Loan in twenty-one (21) approximately equal semi-annual installments of Principal and interest. The first installment of Principal will be payable nine and one-half (9½) years after the date on which the first interest payment is due in accordance with Section 4.1 A.I.D. will provide the Cooperating Country with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

Section 4.3. Application, Currency, and Place of Payment. All payments of interest and Principal hereunder will be made in U.S. dollars and will be applied first to the payment of interest due and then to the repayment of Principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D.C., 20523, U.S.A., and will be deemed made when received by the Office of Financial Management.

Section 4.4. Prepayment. Upon payment of all interest and any refunds then due, the Cooperating Country may prepay, without penalty, all or any part of the Principal. Unless A.I.D. otherwise agrees in writing, any such prepayment will be applied to the installments of Principal in the inverse order of their maturity.

Section 4.5. Renegotiation of Terms.

(a) The Cooperating Country and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of the Republic of the Philippines, which enable the Cooperating Country to repay the Loan on a shorter schedule.

(b) Any request by either Party to the other to so negotiate will be made pursuant to Section 9.1, and will give the name and address of the person or persons who will represent the requesting Party in such negotiations.

(c) Within thirty (30) days after delivery of a request to negotiate, the requested Party will communicate to the other, pursuant to Section 9.1, the name and address of the person or persons who will represent the requested Party in such negotiations.

(d) The representatives of the Parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested Party's communication under Sub-section (c) The negotiations will take place at a location mutually agreed upon by the representatives of the Parties, provided that, in the absence of mutual agreement, the ngotiations will take place at the Office of the Cooperating Country Director-General of the National Economic and Development Authority in the Republic of the Philippines.

Section 4.6. Termination on Full Payment. Upon payment in full of the Principal and any accrued interest, this Agreement and all obligations of the Cooperating Country and A.I.D. relating to the Loan provisions of this Agreement will cease. However, with respect to any obligations arising out of the expenditure of Grant funds, this Agreement will remain in full force and effect.

Article 5: Conditions Precedent to Disbursement.

Section 5.1 First Disbursement. Prior to the first disbursement of the Assistance, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Cooperating Country will, except as A.I.D. may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.

(a) An opinion of counsel acceptable to A.I.D. that this Agreement has been duly authorized and/or ratified by, and executed on behalf of, the Cooperating Country and that it constitutes a valid and legally binding obligation of the Cooperating Country in accordance with all of its terms;

(b) A statement of the names of the persons holding or acting in the office of the Cooperating Country specified in Section 9.2, and a specimen signature of each person specified in such statement;

(c) A copy of a contract with an acceptable local architectural and engineering firm or firms to provide review of plans and specifications for the construction or rehabilitation of water systems and to monitor such construction or rehabilitation in a manner satisfactory to A.I.D.;

(d) The evaluation program referred to in Section 6.1; and

(e) Evidence that recommendations made in the evaluation of the 1977 pilot program, and accepted by the Cooperating Country, will be implemented.

Section 5.2. Notification. When A.I.D. has determined that the conditions precedent specified in Section 5.1 have been met, it will promptly notify the Cooperating Country

Section 5.3. Terminal Date for Conditions Precedent.

If all of the conditions specified in Section 5.1 have not been met within 120 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to the Cooperating Country.

Article 6: Special Covenants.

Section 6.1. Project Evaluation. The Parties agree to establish an evaluation program as an integral part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter· (a) evaluation of progress toward attainment of the objectives of the Project; (b) identification and evaluation of problem areas or constraints which may inhibit such attainment, (c) assessment of how such information may be used to help overcome such problems, in this or other project; and (d) evaluation, to the degree feasible, of the overall development impact of the Project.

Section 6.2. Project Management Staff The Cooperating Country covenants and agrees that a project management staff at the national level will be established with an adequate number of professional and full-time personnel to execute the Project.

Section 6.3. Recertification of Provinces and Rural Service Centers. The Cooperating Country covenants and agrees to conduct annual recertification of participating provinces and Rural Service Centers in order to demonstrate compliance with Project administrative, organizational and technical requirements.

Section 6.4. Environmental Assessment. The Cooperating Country covenants and agrees that an environmental assessment of the Project will be conducted, and will be reviewed for appropriate application in the post-authorization design and implementation stages of the Project.

Section 6.5. Use of Loan Repayments. The Cooperating Country covenants and agrees that funds repaid by Barangay Water Associations to participating local governments on account of loans contracted by the former with the latter, for the construction of water systems, will be used to finance the construction and rehabilitation of other water systems utilizing the criteria and methodology of the Barangay Water Program.

Section 6.6. Condition Precedent to Commencement of Construction of Individual Waterworks Systems. Beginning with subprojects to be constructed after January 1, 1979, and prior to the commencement of construction of any individual waterworks system having an estimated cost (determined at the time of DLGCD final review) exceeding the cost of the peso equivalent of $40,000.00, the Cooperating Country shall, except as A.I.D. may otherwise agree in writing, submit for A.I.D. review and approval, construction plans, costs and specifications which show siting of such system and intended beneficiaries.

Article 7: Procurement Source.

Section 7.1. Foreign Exchange Costs.

(a) Disbursements of Loan funds pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Standard Provisions Annex, Section C.1(b) with respect to marine insurance.

(b) Disbursements of Grant funds pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in the United States (Code 000 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods or services) ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Standard Provisions Annex, Section C.1(b) with respect to marine insurance.

Section 7.2. Local Currency Costs. Disbursements of Loan funds pursuant to Section 8.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in the Republic of the Philippines ("Local Currency Costs"). To the extent provided for under this Agreement, "Local Currency Costs" may also include the provision of local currency resources required for the Project.

Article 8: Disbursements.

Section 8.1. Disbursement for Foreign Exchange Costs. After satisfaction of conditions precedent, the Cooperating Country may obtain disbursements of funds under the Loan or the Grant for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of the Agreement, by such of the following methods as may be mutually agreed upon:

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or service, or, (B) requests for

A.I.D. to procure commodities or services in the Cooperating Country's behalf for the Project; or

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers, through Letters of Credit or otherwise, for such goods or services.

Section 8.2. Disbursement for Local Currency Costs.

(a) After satisfaction of conditions precedent, the Cooperating Country may obtain disbursement of funds under the Loan for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.

(b) The local currency needed for such disbursement hereunder may be obtained:

(1) by acquisition by A.I.D. with U.S. dollars by purchase or from local currency already owned by the U.S. Government; or

(2) by A.I.D. (A) requesting the Cooperating Country to make available the local currency for such costs; and (B) thereafter making available to the Cooperating Country through the opening or amendment by A.I.D. of Special Letters of Credit in favor of the Cooperating Country or its designee, an amount

of U.S. dollars equivalent to the amount of local currency made available by the Cooperating Country, which dollars will be utilized for procurement from the United States under appropriate procedures described in Project Implementation Letters.

The U.S. dollar equivalent of the local currency made available hereunder will be, in the case of subsection (b)(1) above, the amount of U.S. dollars required by A.I.D. to obtain the local currency, and in the case of subsection (b)(2) above, an amount calculated at the rate of exchange specified in the applicable Special Letter of Credit Implementation memorandum hereunder as of the date of the opening or amendment of the applicable Special Letter of Credit.

Section 8.3. Other Forms of Disbursement. Disbursements of the Loan or the Grant may be made through such other means as the Parties may agree to in writing.

Section 8.4. Rate of Exchange. Except as may be more specifically provided under Section 8.2, if funds provided under the Loan are introduced into the Republic of the Philippines by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D. hereunder, the Cooperating Country will make such arrangements as may be necessary so that such funds may be converted into currency of the Republic of the Philippines at the highest rate of exchange which, at the time the conversion is made, is not unlawful in the Republic of the Philippines.

Section 8.5. Date of Disbursement. Disbursements of the Loan by A.I.D. will be deemed to occur (a) on the date on which A.I.D. makes a disbursement to the Cooperating Country or its designee, or to a bank,

contractor or supplier pursuant to a Letter of Commitment or Credit; (b) on the date on which A.I.D. disburses to the Cooperating Country or its designee local currency acquired in accordance with Section 8.2 (b((1); or, (c) if local currency is obtained in accordance with Section 8.2(b)(2), on the date on which A.I.D. opens or amends the Special Letter of Credit there referred to.

Article 9: Miscellaneous.

Section 9.1. Communications. Except as expressly provided in Section 4.3, any notice, request, document or other communication submitted by either Party to the other under this Agreement will be deemed duly given or sent when delivered to such Party at the following address:

To the Cooperating Country:

Mail Address: National Economic and Development Authority
P.O. Box 1116, Manila, Philippines

Alternate address for cables: NEDAPHIL

To A.I.D.·

Mail Address: United States Agency for International Development
c/o The American Embassy
Manila, Philippines

Alternate address for cables: USAID/AMEMB MANILA

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

Section 9.2. Representatives. For all purposes relevant to this Agreement, the Cooperating Country will be represented by the individual holding or acting in the office of the Director-General, National Economic and Development Authority and A.I.D. will be represented by the individual holding or acting in the office of the Director, United States A.I.D. Mission to the Philippines, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex I. The names of the representatives of the Cooperating Country, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority

Section 9.3. Standard Provisions Annex. A "Combined Loan and Grant Standard Provisions Annex" (Annex II)[1] is attached to and forms part of this Agreement.

[1] See footnote 1, p. 2580.

IN WITNESS WHEREOF, the Cooperating Country and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

REPUBLIC OF THE PHILIPPINES

By: Manuel S. Alba

Title: Acting Director-General
National Economic &
Development Authority

UNITED STATES OF AMERICA

By: Peter M. Cody

Title: Director
U.S. Agency for
International Development

ANNEX I

DESCRIPTION OF PROJECT

Community water systems in most of the Philippines are either non-existent, woefully inadequate, or provide water which is considered unsafe for human consumption. Studies indicate that approximately 80% of the population lives outside an organized system altogether. The remaining 20% of the population that does come under the jurisdiction of a water system is in one way or another seriously inconvenienced or beset by a host of problems related to the provision of an adequate quantity and an acceptable quality of potable water.

Most of the water utilities serving provincial communities were constructed in the 1940's. Since that time, the migration from more remote areas and the normal growth in population have increased the size of the barangays many times over. Without exception, the utilities have not been expanded to keep pace with the resultant population growth. These factors, together with the failure to adequately maintain the previously constructed facilities have reduced the capabilities of the utilities to meet the needs of today's consumers.

The Barangay Water Program is a rural program. It aims at providing domestic water to small rural communities ranging from 300-5,000 people in size.

The objective of the program is to improve the general health and productivity in the areas to be serviced by the Project and in so doing improve the quality of life.

A more specific and intermediate objective is to establish the capability of selected local governments to identify, plan, organize, and install functional barangay cooperative water systems with an indigenous maintenance capacity to provide safe, reliable, low-cost water through small systems with appropriate technology and organization.

The Project will be developed through the Local Development Assistance Office (LDAO) of the Department of Local Government and Community Development (DLGCD) working in close cooperation with other pertinent national and international agencies and the respective participating provinces and cities. They have demonstrated both the institutional capacity and the procedural means to execute relatively sophisticated infrastructure projects. It is anticipated that a minor addition of personnel will be required by DLGCD at the national level.

The individual subprojects to be undertaken at the community level will emanate from the Provincial Water Resource Development Plans. The latter will be an integral part of the overall provincial comprehensive development plan. The preparation of such documents will be the responsibility of the various provincial development staff personnel working in coordination with the appropriate local government, collateral agencies at the provincial level, and the respective barangays to be assisted. Identified subprojects that are deemed technically sound, economically feasible, acceptable to the provincial Sangguniang Panlalawigan, and which meet the criteria outlined by DLGCD will be eligible for funding.

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The intent of this Project is to assist local government units in the formation of water associations or cooperatives, with the capacity to deliver safe water; be reliable; service as large a segment of the community as is economically possible; match the growth of the population over the life of the system; maintain rates and charges that are within the financial means of all customers, and at the same time be self-sustaining.

Training will be an essential element of the Project. It will be offered on an on-going basis through DLGCD and A.I.D. for both the participating provinces and the barangay water associations.

Participating provinces and cities will number up to 20 in FY 78; 25 in FY 79; and 30 in FY 80. Approximately 315 local government officials connected with provincial engineering, provincial development planning staffs, and other offices vital to the Project's success will be trained. Provincial Water Resource Inventories and 5-year plans will be prepared.

The participating provinces will also be required to increase both their planning and technical capacity in order to conduct feasibility studies, prepare project designs, train local institutions, implement the construction of the subprojects and levy assistance in the major repair of systems. Additionally, Barangay Water Associations will be organized and trained.

Over the life of the Project, about 200 associations, depending upon the size of projects selected, are expected to be organized and trained.

Annex I
Attachment 1

BARANGAY WATER PROJECT

PROJECT FINANCIAL PLAN
(Source and Application of Funding - $000)

Project No. 492-0291

PROJECT INPUTS	AMOUNT FOR A FULLY FUNDED PROJECT				
	A.I.D.				
	Loan	Grant	Borrower/Grantee	Other	Total
1) Construction of Waterworks Systems (FAR) & Overhead	3,000	-	1,050	-	4,050
2) Technical Assistance & Participant Training		184	-	-	184
3) Budgetary Support Training, Operations, Salaries, Administration and Consulting Services			2,129	-	2,129
TOTALS	3,000	184	3,179	-	6,363

PHILIPPINES

Rural Roads

Agreement signed at Manila May 3, 1978;
Entered into force May 3, 1978.

A.I.D. Loan Number 492-T-050

Project Number 492-0297

PROJECT

LOAN AGREEMENT

BETWEEN

THE REPUBLIC OF THE PHILIPPINES

and the

UNITED STATES OF AMERICA

for

RURAL ROADS II

Dated: May 3, 1978

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[1] Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

PROJECT LOAN AGREEMENT

Dated May 3, 1978

Between

The Republic of the Philippines ("Borrower")

And

The United States of America, acting through the Agency for International Development ("A.I.D.").

Article 1: The Agreement.

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Borrower of the Project described below, and with respect to the financing of the Project by the Parties.

Article 2: The Project.

Section 2.1. Definition of Project. The Project, which is further described in Annex I, with the Department of Local Government and Community Development (DLGCD) as the coordinating and implementing agency on behalf of the Borrower, will consist of improvements to an existing rural roads network and new roads through the construction of approximately 600 kilometers of rural roads and 6,000 linear meters of bridges. It will replace trails and unimproved roads with all-weather secondary roads. The Project thus will provide reliable and all-weather access from rural areas to market centers and will thereby benefit the rural poor by facilitating access to government

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services and by reducing the costs of goods and services essential for rural development. Annex I, attached, amplifies the above definition of the Project.

Within the limits of the above definition of the Project, elements of the amplified description stated in Annex I may be changed by written agreement of the authorized representatives of the Parties named in Section 9.2, without formal amendment of this Agreement.

Section 2.2. Incremental Nature of the Project.

(a) A.I.D.'s contribution to the Project will be provided in increments, the initial one being made available in accordance with Section 3.1 of this Agreement. Subsequent increments will be subject to availability of funds to A.I.D. for this purpose, and to the mutual agreement of the Parties, at the time of a subsequent increment, to proceed.

(b) Within the overall Project Assistance Completion Date stated in this Agreement, A.I.D., based upon consultation with the Borrower, may specify in Project Implementation Letters appropriate time periods for the utilization of funds loaned by A.I.D. under an individual increment of assistance.

Article 3: Financing.

Section 3.1. The Loan. To assist the Borrower to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to lend the Borrower under the terms of this Agreement not to exceed Seven Million United States ("U.S.") Dollars ($7,000,000.00) ("Loan"). The aggregate amount of disbursements under the Loan is referred to as "Principal"

[1] 75 Stat. 424, 22 U.S.C. § 2151 note.

The Loan may be used to finance foreign exchange costs, as defined in Section 7.1, and local currency costs, as defined in Section 7.2, of goods and services required for the Project.

Section 3.2. Borrower Resources for the Project.

(a) The Borrower agrees to provide or cause to be provided for the Project all funds, in addition to the Loan, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by Borrower for the Project will be not less than the equivalent of U.S. $4,145,000.00, including costs borne on an "in-kind" basis.

Section 3.3. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is September 30, 1982, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all portions of the Project financed jointly by them on a Fixed Amount Reimbursement (FAR) basis will have been completed, that all services financed under the Loan other than on a FAR basis will have been performed and that all goods financed under the Loan other than on a FAR basis will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Loan for FAR portions of the Project completed subsequent to the PACD, or, in case of portions of the Project financed under the Loan other than on a FAR basis, for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Borrower, may at any time or times reduce the amount of the Loan by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4: Loan Terms.

Section 4.1. Interest. The Borrower will pay to A.I.D. interest which will accrue at the rate of two percent (2%) per annum for ten (10) years following the date of the first disbursement hereunder and at the rate of three percent (3%) per annum thereafter on the outstanding balance of Principal and on any due and unpaid interest. Interest on the outstanding balance will accrue from the date (as defined in Section 8.5) of each respective disbursement, and will be payable semiannually The first payment of interest will be due and payable no later than six (6) months after the first disbursement hereunder, on a date to be specified by A.I.D.

Section 4.2. Repayment. The Borrower will repay to A.I.D. the Principal within twenty (20) years from the date of the first disbursement of the Loan in twenty-one (21) approximately equal semiannual installments of Principal and interest. The first installment of Principal will be payable nine and one half (9½) years after the date on which the first interest payment is due in accordance with Section 4.1. A.I.D. will provide

the Borrower with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

Section 4.3. Application, Currency, and Place of Payment. All payments of interest and Principal hereunder will be made in U.S. dollars and will be applied first to the payment of interest due and then to the repayment of Principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D.C. 20523, U.S.A., and will be deemed made when received by the Office of Financial Management.

Section 4.4. Prepayment. Upon payment of all interest and any refunds then due, the Borrower may prepay, without penalty, all or any part of the Principal. Unless A.I.D. otherwise agrees in writing, any such prepayment will be applied to the installments of Principal in the inverse order of their maturity.

Section 4.5. Renegotiation of Terms.

(a) The Borrower and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of the Republic of the Philippines, which enable the Borrower to repay the Loan on a shorter schedule.

(b) Any request by either Party to the other to so negotiate will be made pursuant to Section 9.1, and will give the name and address of the person or persons who will represent the requesting Party in such negotiations.

(c) Within thirty (30) days after delivery of a request to negotiate, the requested Party will communicate to the other, pursuant to Section 9.1, the name and address of the person or persons who will represent the requested Party in such negotiations

(d) The representatives of the Parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested Party's communication under subsection (c). The negotiations will take place at a location mutually agreed upon by the representatives of the Parties, provided that, in the absence of mutual agreement, the negotiations will take place at the office of Borrower's Director-General, National Economic and Development Authority in the Republic of the Philippines.

Section 4.6. Termination on Full Payment. Upon payment in full of the Principal and any accrued interest, this Agreement and all obligations of the Borrower and A.I.D. under it will cease.

Article 5: Conditions Precedent to Disbursement.

Section 5.1 First Disbursement. Prior to the first disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D..

(a) An opinion of counsel acceptable to A.I.D. that this Agreement has been duly authorized and/or ratified by, and executed on behalf of, the Borrower, and that it constitutes a valid and legally binding obligation of the Borrower in accordance with all of its terms,

(b) A statement of the name of the person holding or acting in the office of the Borrower specified in Section 9.2, and of any additional representatives, together with a specimen signature of each person specified in such statement;

(c) An implementation plan for the Project;

(d) Assurances that all roads and bridges improved and constructed under this Project will be eligible for classification as provincial roads and, therefore, will be eligible for annual maintenance funds;

(e) A copy of a contract or contracts with an architectural and engineering firm or firms, acceptable to A.I.D., to provide engineering, review and monitoring services; and

(f) The evaluation program referred to in Section 6.1.

Section 5.2. Notification. When A.I.D. has determined that the conditions precedent specified in Section 5.1 have been met, it will promptly notify the Borrower

Section 5.3. Terminal Date for Conditions Precedent. If all of the conditions specified in Section 5.1 have not been met within 120 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to Borrower

Article 6: Special Covenants.

Section 6.1. Project Evaluation. The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter:

(a) Evaluation of progress toward attainment of the objectives of the Project,

(b) Identification and evaluation of problem areas or constraints which may inhibit such attainment;

(c) Assessment of how such information may be used to help overcome such problems, and

(d) Evaluation, to the degree feasible, of the overall development impact of the Project.

Section 6.2. Availability of Funds. The Borrower covenants and agrees that sufficient funds shall be made available for the purpose of promptly reimbursing participating provinces.

Section 6.3. Implementation Arrangements. In general, implementation arrangements established under the Rural Roads I Project, A.I.D. Loan No. 492-T-035 (see especially ARTICLE IV thereof), will continue to be followed for this Project, subject to the issuance of Project Implementation Letters and except as the parties may otherwise agree in writing. In addition, the Borrower covenants and agrees that the annual allocation under the Project for each participating province and the selection of each subproject shall be made in consultation with A.I.D.

Article 7. Procurement Source.

Section 7.1. Foreign Exchange Costs. Disbursements pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such

goods and services ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Loan Standard Provisions Annex, Section C.1(b) with respect to marine insurance.

Section 7.2. Local Currency Costs. Disbursements pursuant to Section 8.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in the Republic of the Philippines ("Local Currency Costs"). To the extent provided for under this Agreement, "Local Currency Costs" may also include the provision of local currency resources required for the Project.

Article 8: Disbursements.

Section 8.1. Disbursement for Foreign Exchange Costs.

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or (B) requests for A.I.D. to procure commodities or services in Borrower's behalf for the Project; or

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D.

committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letter of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Borrower in connection with Letters of Commitment and Letters of Credit will be financed under the Loan unless the Borrower instructs A.I.D. to the contrary Such other charges as the Parties may agree to may also be financed under the Loan.

Section 8.2. Disbursement for Local Currency Costs.

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.

(b) The local currency needed for such disbursement hereunder may be obtained:

(1) by acquisition by A.I.D. with U.S. dollars by purchase or from local currency already owned by the U.S. Government; or

(2) by A.I.D. (A) requesting the Borrower to make available the local currency for such costs, and (B) thereafter making available to the Borrower through the opening or amendment by A.I.D. of Special Letters of Credit in favor of the Borrower or its designee, an amount of U.S. dollars equivalent to the amount of local currency made available by the Borrower, which dollars will be utilized for procurement from the

United States under appropriate procedures described in Project Implementation Letters.

The U.S. dollar equivalent of the local currency made available hereunder will be, in the case of subsection (b)(1) above, the amount of U.S. dollars required by A.I.D. to obtain the local currency, and in the case of subsection (b)(2) above, an amount calculated at the rate of exchange specified in the applicable Special Letter of Credit Implementation Memorandum hereunder as of the date of the opening or amendment of the applicable Special Letter of Credit.

Section 8.3. Other Forms of Disbursement. Disbursements of the Loan may also be made through such other means as the Parties may agree to in writing.

Section 8.4. Rate of Exchange. Except as may be more specifically provided under Section 8.2, if funds provided under the Loan are introduced into the Republic of the Philippines by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D. hereunder, the Borrower will make such arrangements as may be necessary so that such funds may be converted into currency of the Republic of the Philippines at the highest rate of exchange which, at the time the conversion is made, is not unlawful in the Republic of the Philippines.

Section 8.5. Date of Disbursement. Disbursements by A.I.D. will be deemed to occur (a) on the date on which A.I.D. makes a disbursement to the Borrower or its designee, or to a bank, contractor or supplier pursuant to a Letter of Commitment, contract, or purchase order; (b) on the date on which A.I.D. disburses to the Borrower or its designee local currency acquired in accordance with Section 8.2(b)(1); or (c) if local currency

is obtained in accordance with Section 8.2(b)(2), on the date on which A.I.D. opens or amends the Special Letter of Credit there referred to.

Article 9: Miscellaneous.

Section 9.1. Communications. Except as expressly provided in Section 4.3, any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following address:

To the Borrower:

Mail Address: National Economic and Development Authority
P.O. Box 1116, Manila, Philippines

Alternate address for cables: NEDAPHIL

To A.I.D.

Mail Address: United States Agency for International Development
c/o The American Embassy
Manila, Philippines

Alternate address for cables: USAID/AMEMB MANILA

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

Section 9.2. Representatives. For all purposes relevant to this Agreement, the Borrower will be represented by the individual holding or acting in the office of the Director-General, National Economic and Development Authority and A.I.D. will be represented by the individual

holding or acting in the office of the Director, United States A.I.D. Mission to the Philippines, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex I. The names of the representatives of the Borrower, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority

Section 9.3. Standard Provisions Annex. A "Project Loan Standard Provisions Annex" (Annex II)[1] is attached to and forms part of this Agreement.

[1] See footnote 1, p. 2604.

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IN WITNESS WHEREOF, the Borrower and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

REPUBLIC OF THE PHILIPPINES

By: Manuel S. Alba

Title: Acting Director-General
National Economic & Development Authority

UNITED STATES OF AMERICA

By: Peter M. Cody

Title: Director
U.S. Agency for International Development

ANNEX I

DESCRIPTION OF PROJECT

The Rural Road Project II involves the construction and/or improvement of selected roads/bridges that have been identified by local governments as both critical and feasible and meet the criteria for selection under the requirements established by USAID/DLGCD. The Project will include PDAP and non-PDAP provinces as well as selected chartered cities identified as Rural Service Centers in a separate but companion project. All participating local government entities will be required to meet the qualification standards for participation in the Project. Each year of the Project will accommodate new participants, as provinces meet qualification requirements. Approximately 55 provinces will be included in the Project in its final year.

The Loan will provide up to $24 million, obligated incrementally, $7 million in this Agreement, and up to $17 million over the subsequent life of the Project, the latter amount subject to the availability of funds and the continuing agreement of the parties. Similarly, the Borrower's contribution will be provided in increments with the equivalent of $4,145,000.00 being obligated in Section 3.2(b) of this Agreement and further increments, up to a total equivalent of $13,671,200.00 being provided on a commensurate basis, through appropriate amendment of Section 3.2(b), with the A.I.D. increment(s).

The Project will finance the construction of approximately 600 kilometers of all-weather rural roads and 6,000 linear meters of bridges in rural areas. There are specific guidelines, in the DLGCD handbooks on rural road procedures, that determine the eligibility of proposed subprojects for financing under the Project. These guidelines include, but are not limited to:

(1) Construction/improvement be completed solely with local funds;

(2) The subproject must constitute all or part of a continuous road system linking an agricultural or commercial fishing area where small holdings and small investment predominate, with the nearest market or poblacion;

(3) The subproject must link on at least one end to a road of equal or higher quality;

(4) The subproject must meet acceptable, professional engineering standards; and

(5) Economic feasibility and social soundness of subprojects must meet established criteria.

Further, local government entities seeking participation in this Project, and whose subprojects meet the foregoing eligibility requirements, must demonstrate to the satisfaction of A.I.D. that national standards for maintenance are being met on roads within the jurisdiction of the individual entities.

The Project will be financed in accordance with the Fixed Amount Reimbursement procedures. These procedures will be specified in Project Implementation Letters. In addition, the costs of A&E services may be financed under this Loan upon arroval, by A.I.D., of the selection of the contractor(s) and the terms of the contract(s) in accordance with procedures to be specified in Project Implementation Letters.

A summary of the financial inputs of the Borrower and A.I.D. is shown as Attachment 1 to this Annex.

Annex I
Attachment 1

FINANCIAL PLAN [a]

	1978	PROPOSED 1979	PROPOSED 1980	TOTAL
A.I.D.				
Project Inputs (Loan)				
Construction	$6,396,000	$6,746,000	$8,746,000	$21,888,000
A&E Services	600,000	750,000	750,000	2,100,000
Consultant (local)	4,000	4,000	4,000	12,000
Total	$7,000,000	$7,500,000	$9,500,000	$24,000,000
G.O.P.				
DLGCD - PD 144 [b]	(₱47,250,000)	(₱50,580,000)	(₱65,730,000)	(₱163,560,000)
Project Inputs				
Grants in Aid	$945,000	$1,011,600	$1,314,600	$3,271,200
Provincial & City Govts.				
Overhead & all non-direct costs	3,200,000	3,500,000	3,700,000	10,400,000
Total	$ 4,145,000	$ 4,511,600	$ 5,014,600	$13,671,200
GRAND TOTAL	$11,145,000	$12,011,600	$14,514,600	$37,671,200

a/ Adjustments between line items of up to 20% may be made without modification of this financial plan, provided the obligations of the Parties are not increased.

b/ Non-add Funds to be used to reimburse provinces pending A I D. reimbursement of Borrower under FAR procedure.

[Footnotes in the original]

PHILIPPINES

Non-Conventional Energy Development

Agreement signed at Manila May 3, 1978;
Entered into force May 3, 1978.

A.I.D. Loan Number 492-W-052

Project Number 492-0294

PROJECT

LOAN AND GRANT AGREEMENT

BETWEEN

THE REPUBLIC OF THE PHILIPPINES

and the

UNITED STATES OF AMERICA

for

NON-CONVENTIONAL ENERGY DEVELOPMENT

Dated: May 3, 1978

TIAS 9356

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ANNEX I - DESCRIPTION OF PROJECT

[1] Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

LOAN AND GRANT AGREEMENT

Dated May 3, 1978

Between

The Republic of the Philippines ("Cooperating Country")

And

The United States of America, acting through the Agency for International Development ("A.I.D.").

Article 1. The Agreement.

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Cooperating Country of the Project described herein, and with respect to the financing of the Project by the Parties.

Article 2: The Project.

Section 2.1. Definition of Project. The Project, which is further described in Annex I, will consist of nine research/demonstration/pilot subprojects to test the feasibility of exploiting nonconventional energy resources through direct and indirect solar conversion, biomass conversion, and small scale hydroelectric plants; participant training; technical assistance; and other related activities. Annex I, attached, amplifies the definition of the Project contained in this Section 2.1. Within the limits of the definition of the Project in this Section 2.1, elements of the amplified description stated in Annex I may be changed by written

agreement of the authorized representatives of the Parties named in Section 9.2, without formal amendment of this Agreement. Annex I will identify those elements of the Project for which Grant financing will be employed, and those for which Loan financing will be employed.

Article 3: Financing.

Section 3.1. The Grant; The Loan. To assist the Cooperating Country to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended, [1] agrees to grant the Cooperating Country under the terms of this agreement not to exceed One Million Five Hundred Fifty Thousand ($1,550,000.00) United States ("U.S.") dollars ("Grant") and to lend the Cooperating Country under the terms of this agreement not to exceed Seven Million One Hundred Thousand U.S. dollars ($7,100,000.00) ("Loan"). The aggregate amount of disbursements under the Loan is referred to as "Principal" The Loan and the Grant together are referred to as the "Assistance".

The Assistance may be used to finance foreign exchange costs, as defined in Section 7 1, and local currency costs, as defined in Section 7.2, of goods and services required for the Project.

Section 3.2. Cooperating Country Resources for the Project.

(a) The Cooperating Country agrees to provide or cause to be provided for the Project all funds, in addition to the Assistance, and all other resources required to carry out the Project effectively and in a timely manner

(b) . The resources provided by the Cooperating Country for the Project will be not less than the equivalent of U.S. $3,596,000.00 including costs borne on an "in-kind" basis.

[1] 75 Stat. 424, 22 U.S.C. § 2151 note.

Section 3.3. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is April 30, 1983, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Assistance will have been performed and all goods financed under the Assistance will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Assistance for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Cooperating Country, may at any time or times reduce the amount of the Assistance by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4: Loan Terms.

Section 4.1. Interest. The Cooperating Country will pay to A.I.D. interest which will accrue at the rate of two percent (2%) per annum for

ten years following the date of the first disbursement of the Loan hereunder and at the rate of three percent (3%) per annum thereafter on the outstanding balance of Principal and on any due and unpaid interest. Interest on the outstanding balance will accrue from the date (as defined in Section 8.5) of each respective disbursement, and will be computed on the basis of a 365-day year The first payment of interest will be due and payable no later than six (6) months after the first disbursement of the Loan hereunder, on a date to be specified by A.I.D.

Section 4.2. Repayment. The Cooperating Country will repay to A.I.D. the Principal within twenty (20) years from the date of the first disbursement of the Loan in twenty-one (21) approximately equal semi-annual installments of Principal and interest. The first installment of Principal will be payable nine and one-half (9½) years after the date on which the first interest payment is due in accordance with Section 4.1. A.I.D. will provide the Cooperating Country with an amortization scheduled in accordance with this Section after the final disbursement under the Loan.

Section 4.3. Application, Currency, and Place of Payment. All payments of interest and Principal hereunder will be made in U.S. dollars and will be applied first to the payment of interest due and then to the repayment of Principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D.C., 20523, U.S.A., and will be deemed made when received by the Office of Financial Management.

Section 4.4. Prepayment. Upon payment of all interest and any refunds then due, the Cooperating Country may prepay, without penalty, all or any part of the Principal. Unless A.I.D. otherwise agrees in writing, any such

prepayment will be applied to the installments of Principal in the inverse order of their maturity

Section 4.5. Renegotiation of Terms.

(a) The Cooperating Country and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of the Cooperating Country, which enable it to repay the Loan on a shorter schedule.

(b) Any request by either Party to the other to so negotiate will be made pursuant to Section 9.1, and will give the name and address of the person or persons who will represent the requesting Party in such negotiations.

(c) Within thirty (30) days after delivery of a request to negotiate, the requested Party will communicate to the other, pursuant to Section 9.1, the name and address of the person or persons who will represent the requested Party in such negotiations.

(d) The representatives of the Parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested Party's communication under Sub-section (c). The negotiations will take place at a location mutually agreed upon by the representatives of the Parties, provided that, in the absence of mutual agreement, the negotiations will take place at the office of the Director-General of the National Economic and Development Authority in the Republic of the Philippines.

Section 4.6. Termination on Full Payment. Upon payment in full of the Principal and any accrued interest, this Agreement and all obligations of the Cooperating Country and A.I.D. relating to the Loan provisions of this

Agreement will cease. However, with respect to any obligations arising out of the expenditure of Grant funds, this Agreement will remain in full force and effect.

Article 5: Conditions Precedent to Disbursement.

Section 5.1. First Disbursement. Prior to the first disbursement of the Assistance, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Cooperating Country will, except as A.I.D. may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D..

(a) An opinion of counsel acceptable to A.I.D. that this Agreement has been duly authorized and/or ratified by, and executed on behalf of, the Cooperating Country and that it constitutes a valid and legally binding obligation of the Cooperating Country in accordance with all of its terms;

(b) A statement of the names of the persons holding or acting in the office of the Cooperating Country specified in Section 9.2, and a specimen signature of each person specified in such statement; and

(c) The evaluation program referred to in Section 6.1.

Section 5.2. Additional Disbursement. Prior to disbursement of the Assistance, or the issuance by A.I.D. of documentation pursuant to which disbursement will be made, for construction of, or procurement of major equipment for, the dendro-thermal sub-project, the Cooperating Country will, except as A.I.D. may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D. a final feasibility study and detailed design of the sub-project.

Section 5.3. Notification. When A.I.D. has determined that the conditions precedent specified in Section 5.1 and 5.2 have been met, it will promptly notify the Cooperating Country

Section 5.4. Terminal Dates for Conditions Precedent.

(a) If all of the conditions specified in Section 5.1 have not been met within 90 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to the Cooperating Country

(b) If all of the conditions specified in Section 5.2 have not been met within 270 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may cancel the then undisbursed balance of the Assistance, to the extent not irrevocably committed to third parties, and may terminate this Agrement by written notice to the Cooperating Country In the event of such termination, the Cooperating Country will repay immediately the Principal then outstanding and any accrued interest; on receipt of such payments in full, this Agreement and all obligations of the Parties hereunder will terminate, except with respect to any obligations arising out of the expenditure of Grant funds.

Article 6: Special Covenants.

Section 6.1. Project Evaluation. The Parties agree to establish an evaluation program as an integral part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter·

(a) Evaluation of progress toward attainment of the objectives of the Project;

(b) Identification and evaluation of problem areas or constraints which may inhibit such attainment;

(c) Assessment of how such information may be used to help overcome such problems, in this or other project; and

(d) Evaluation, to the degree feasible, of the overall development impact of the Project.

Section 6.2. Training Service Agreement. The Cooperating Country covenants and agrees that each participant who undertakes long-term training under the Grant shall execute an agreement with the Cooperating Country to serve the sponsoring agency or institution for a period equal at least to the period of the length of training received.

Article 7: Procurement Source.

Section 7.1. Foreign Exchange Costs.

(a) Disbursements of Loan funds pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Standard Provisions Annex, Section C.1(b) with respect to marine insurance.

(b) Disbursements of Grant funds pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in the United States (Code 000 of the A.I.D. Geographic Code Book as in effect at the time orders are placed

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or contracts entered into for such services) ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Standard Provisions Annex, Section C.1(b) with respect to marine insurance.

Section 7.2. Local Currency Costs. Disbursements pursuant to Section 8.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in the Republic of the Philippines ("Local Currency Costs"). To the extent provided for under this Agreement, "Local Currency Costs" may also include the provision of local currency resources required for the Project.

Article 8: Disbursements.

Section 8.1. Disbursement for Foreign Exchange Costs. After satisfaction of conditions precedent, the Cooperating Country may obtain disbursements of funds under the Loan or the Grant for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or, (B) requests for A.I.D. to procure commodities or services in the Cooperating Country's behalf for the Project; or

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors

or suppliers, under Letters of Credit or otherwise, for such goods or services, or, (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers, through Letters of Credit or otherwise, for such goods or services.

Section 8.2. Disbursement for Local Currency Costs.

(a) After satisfaction of conditions precedent, the Cooperating Country may obtain disbursement of funds under the Loan or the Grant for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.

(b) The local currency needed for such disbursement hereunder may be obtained:

(1) by acquisition by A.I.D. with U.S. dollars by purchase or from local currency already owned by the U.S. Government; or

(2) by A.I.D. (A) requesting the Cooperating Country to make available the local currency for such costs, and (B) thereafter making available to the Cooperating Country through the opening or amendment by A.I.D. of Special Letters of Credit in favor of the Cooperating Country or its designee, an amount of U.S. dollars equivalent to the amount of local currency made available by the Cooperating Country, which dollars will be utilized for procurement from the United States under appropriate procedures described in Project Implementation Letters.

The U.S. dollar equivalent of the local currency made available hereunder will be, in the case of subsection (b)(1) above, the amount of U.S. dollars required by A.I.D. to obtain the local currency, and in the case of subsection

(b)(2) above, an amount calculated at the rate of exchange specified in the applicable Special Letter of Credit Implementation memorandum hereunder as of the date of the opening or amendment of the applicable Special Letter of Credit.

Section 8.3. Other Forms of Disbursement. Disbursements of the Loan or the Grant may also be made through such other means as the Parties may agree to in writing.

Section 8.4. Rate of Exchange. Except as may be more specifically provided under Section 8.2, if funds provided under the Loan or the Grant are introduced into the Republic of the Philippines by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D. hereunder, the Cooperating Country will make such arrangements as may be necessary so that such funds may be converted into currency of the Republic of the Philippines at the highest rate of exchange which, at the time the conversion is made, is not unlawful in the Republic of the Philippines.

Section 8.5. Date of Disbursement. Disbursements of the Assistance by A.I.D. will be deemed to occur (a) on the date on which A.I.D. makes a disbursement to the Cooperating Country or its designee, or to a bank, contractor or supplier pursuant to a Letter of Commitment or Credit; (b) on the date on which A.I.D. disburses to the Cooperating Country or its designee local currency acquired in accordance with Section 8.2(b)(1); or (c) if local currency is obtained in accordance with Section 8.2(b)(2), on the date on which A.I.D. opens or amends the Special Letter of Credit there referred to.

Article 9: Miscellaneous.

Section 9.1. Communications. Except as expressly provided in Section 4.3, any notice, request, document or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such Party at the following address:

To the Cooperating Country:

Mail Address: National Economic and Development Authority
P.O. Box 1116, Manila, Philippines

Alternate address for cables: NEDAPHIL

To A.I.D.:

Mail Address: United States Agency for International Development
c/o The American Embassy
Manila, Philippines

Alternate address for cables: USAID/AMEMB MANILA

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

Section 9.2. Representatives. For all purposes relevant to this Agreement, the Cooperating Country will be represented by the individual holding or acting in the office of the Director-General, National Economic and Development Authority and A.I.D. will be represented by the individual holding or acting in the office of the Director, United States A.I.D. Mission to the Philippines, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section

2.1 to revise elements of the amplified description in Annex I. The names of the representatives of the Cooperating Country, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority

Section 9.3. Standard Provisions Annex. A "Combined Loan and Grant Standard Provisions Annex" (Annex II) [1] is attached to and forms part of this Agreement.

[1] See footnote 1, p. 2625.

IN WITNESS WHEREOF, the Cooperating Country and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

REPUBLIC OF THE PHILIPPINES

By: Manuel S. Alba

Title: Acting Director-General
National Economic &
Development Authority

UNITED STATES OF AMERICA

By: Peter H. Cody

Title: Director
U.S. Agency for
International Development

ANNEX I

DESCRIPTION OF PROJECT

The $7.1 million A.I.D. loan will be utilized to finance the foreign exchange costs and a portion of the local currency costs of carrying out nine individual subprojects designed to exploit non-conventional, renewable energy resources. Subprojects will focus on direct and indirect solar conversion and small-scale hydropower Specific subprojects to be undertaken and the U.S. and Cooperating Country contributions to each activity are summarized in the table below:

Table A

Project Financing
($000)

Subproject	U.S.	GOP	Total	FX
1. Solar Dryers	$ 591	$ 180	$ 771	$ 528
2. Solar Refrigeration	351	67	418	226
3. Photovoltaics	132	68	200	113
4. Waste-Fired Thermal Plant	244	80	324	187
5. Pyrolysis	186	56	242	99
6. Mini-Hydro Power	542	181	723	472
7 Micro-Hydro Power	474	171	645	347
8. Wind Energy	280	93	374	228
9. Dendro-Thermal Plant & Energy Plantation	2,847	1,620	4,466	2,586
Sub-totals	$5,647	$2,516	$ 8,163	$4,786
Contingencies (10%)	565	252	817	479
Cost Escalation	888	378	1,266	719
Total	$7,100	$3,146	$10,246	$5,984

The $1.55 million grant will be utilized to finance: long and short term participant training and technical assistance; procurement of books, basic research equipment, and other research literature; a survey to determine energy use demands and resources in rural areas of the Philippines; and the dissemination of information through seminars and workshops. U.S. and Cooperating Country contributions to each activity are summarized below:

Table B

Project Financing
($000)

Item	AID	GOP	Total	FX
Project Coordinator	202	40	242	170
Short-Term Consultants	336	60	396	280
Participant Training	279	84	363	279
Energy Survey	120	60	180	100
Solar/Wind Monitoring Equipment	140	56	196	110
Public Information/ Seminars	156	60	216	40
Sub-totals	1,233	360	1,593	979
Inflation 15%	185	54	239	147
Contingencies	132	36	168	98
TOTALS	1,550	450	2,000	1,224

Adjustments of A.I.D. funding levels for individual line items of both loan and grant financed activities of up to 20% is permitted without amendment of Annex I, so long as the total A.I.D. financing in Table A or B is not increased.

The Bureau of Energy Development (BED) of the Department of Energy will be the executing agency for the Cooperating Country. BED will select implementing agencies for individual subprojects. These will likely include BED; other Government agencies such as the National Electrification Administration (NEA), the National Power Corporation (NPC) and the National Irrigation Administration; the University of the Philippines, and other local institutions.

INDONESIA

Rural Electrification

Agreement signed at Jakarta May 6, 1978;
Entered into force May 6, 1978.

A.I.D Loan Number 497-T-052

Project Number 497-0267

PROJECT

LOAN AGREEMENT

BETWEEN

THE REPUBLIC OF INDONESIA

and the

UNITED STATES OF AMERICA

for

RURAL ELECTRIFICATION

Dated. May 6, 1978

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[1] Not printed. The annex is deposited in the archives of the Department of State where it is available for reference.

Project Loan Agreement

Dated May 6, 1978

Between

The Republic of Indonesia ("Borrower")

And

The United States of America, acting through the Agency for International Development ("A.I.D.").

Article 1: The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Borrower of the Project described below, and with respect to the financing of the Project by the Parties.

Article 2: The Project

SECTION 2.1. Definition of Project. The Project, which is further described in Annex 1, will consist of assisting the Borrower in its program to provide electric power to rural residents of Indonesia at a price the large majority thereof can afford; to assist such rural residents in wiring their homes and utilizing the electricity; and to promote the use of electricity in rural areas for productive enterprise such as irrigation, small industry, commercial establishments and for health services such as potable water and clinics.

Within the limits of the above definition of the Project, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the Parties named in Section 9.3, without formal amendment of this Agreement.

Article 3. Financing

SECTION 3.1. The Loan. To assist the Borrower to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to lend the Borrower under the terms of this Agreement not to exceed thirty million United States ("U.S.") dollars ($30,000,000) ("Loan"). The aggregate amount of disbursements under the Loan is referred to as "Principal."

The Loan may be used to finance foreign exchange costs, as defined in Section 7.1, and local currency costs, as defined in Section 7.2, of goods and services required for the Project.

SECTION 3.2. Borrower Resources for the Project.

(a) The Borrower agrees to provide or cause to be provided for the Project all funds, in addition to the Loan, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by Borrower for the Project will be not less than the equivalent of twenty million eight hundred thousand U.S. dollars ($20,800,000) including costs borne on an "in-kind" basis.

[1] 75 Stat. 424, 22 U.S.C. § 2151 note.

SECTION 3.3. Project Assistance Completion Date

(a) The "Project Assistance Completion Date" ("PACD"), which is May 6, 1983, or such other date as the Parties may agree in writing, is the date by which the Parties estimate that all services financed under the Loan will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Loan for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Borrower, may at any time or times reduce the amount of the Loan by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4: Loan Terms

SECTION 4.1. Interest. The Borrower will pay to A.I.D. interest which will accrue at the rate of two percent (2%) per

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annum for ten years following the date of the first disbursement hereunder and at the rate of three percent (3%) per annum thereafter on the outstanding balance of Principal and on any due and unpaid interest. Interest on the outstanding balance will accrue from the date (as defined in Section 8.5) of each respective disbursement, and will be payable semiannually. The first payment of interest will be due and payable no later than six (6) months after the first disbursement hereunder, on a date to be specified by A.I.D.

SECTION 4.2. Repayment. The Borrower will repay to A.I.D. the Principal within thirty (30) years from the date of the first disbursement of the Loan in forty-one (41) approximately equal semiannual installments of Principal and interest. The first installment of Principal will be payable nine and one-half (9-1/2) years after the date on which the first interest payment is due in accordance with Section 4.1. A.I.D. will provide the Borrower with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

SECTION 4.3. Application, Currency, and Place of Payment. All payments of interest and Principal hereunder will be made in U.S. Dollars and will be applied first to the payment of interest due and then to the repayment of Principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D.C., 20523, U.S.A., and

will be deemed made when received by the Office of Financial Management.

SECTION 4.4. Prepayment. Upon payment of all interest and any refunds then due, the Borrower may prepay, without penalty, all or any part of the Principal. Unless A.I.D. otherwise agrees in writing, any such prepayment will be applied to the installments of Principal in the inverse order of their maturity.

SECTION 4.5. Renegotiation of Terms.

(a) The Borrower and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of Indonesia, which enable the Borrower to repay the Loan on a shorter schedule.

(b) Any request by either Party to the other to so negotiate will be made pursuant to Section 9.2, and will give the name and address of the person or persons who will represent the requesting Party in such negotiations.

(c) Within thirty (30) days after delivery of a request to negotiate, the requested Party will communicate to the other, pursuant to Section 9.2, the name and address of the person or persons who will represent the requested Party in such negotiations.

(d) The representatives of the Parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested Party's communication under subsection (c). The negotiations will take place at a location mutually agreed upon by the representatives of the Parties, provided that, in the absence of mutual agreement, the negotiations will take place at the office of Borrower's Minister of Finance in Indonesia.

SECTION 4.6. Termination on Full Payment. Upon payment in full of the Principal and any accrued interest, this Agreement and all obligations of the Borrower and A.I.D. under it will cease.

Article 5. Conditions Precedent to Disbursement

SECTION 5.1. First Disbursement. Prior to the first disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.

(a) An opinion of the Minister of Justice that this Agreement has been duly authorized and/or ratified by, and executed on behalf of, the Borrower, and that it constitutes a valid and legally binding obligation of the Borrower in accordance with all of its terms,

(b) A statement of the names of the persons holding or acting in the office of the Borrower specified in Section 9.3, and a specimen signature of each person specified in such statement.

SECTION 5.2. Additional Conditions Precedent to Disbursement for Perusahaan Umum Listrik Negara (PLN) Subprojects. Prior to disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made for the PLN subprojects, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.

(a) A signed agreement between the Borrower and PLN previously approved by A.I.D. whereby the Borrower agrees either to lend to PLN on the same financial terms and conditions as those set forth herein, with the addition of a reasonable service fee, that amount of loan funds required for PLN to carry out its part of the Project, or, in the alternative, to transfer such loan funds to PLN as an equity contribution;

(b) An implementation plan approved by A.I.D. which will include: (1) a time-phased schedule of proposed Project actions; (2) an organizational plan for the design, construction and operation of the Project; (3) a personnel training plan; and (4) a planned program to promote the use of electricity in the PLN Project service areas;

(c) A schedule of service rates and other costs, previously approved by A.I.D., to be charged by PLN to its customers which

will include but not limited to all construction costs, house wiring loan costs and monthly service rates, and

(d) A schedule for the evaluation program referred to in Section 6.1.

SECTION 5.3. Additional Conditions Precedent to Disbursement for the Cooperative Subprojects. Prior to disbursement under the Loan, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made for the cooperative subprojects, the Borrower will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D

(a) A signed agreement between the Borrower and the Bank Rakyat Indonesia (BRI) previously approved by A.I.D whereby the Borrower agrees to lend to the BRI on the same financial terms and conditions as those set forth herein that amount of loan funds required for DGC and the cooperatives to carry out their part of the Project;

(b) Signed agreements previously approved by A.I.D. between the BRI and the cooperatives whereby the BRI agrees to on-lend to the cooperatives the following designated funds on the same financial terms and conditions as those by which the BRI received such funds with the exception of the addition by BRI of a reasonable service charge:

i. That portion of the A.I.D. loan funds received from the Borrower for the purpose of assisting the cooperatives

in carrying out their part of Project; and

ii. The rupiah funds loaned by the Borrower to BRI for the purpose of assisting the cooperatives in carrying out their part of the Project.

(c) An A.I.D. approved implementation plan including: (1) a time-phased schedule of proposed Project actions; (2) an organizational plan for Project design, construction and operation, (3) a personnel training plan; and (4) a planned program to promote the use of electricity in the DGC Project service area,

(d) Evidence of the organization of three rural electric cooperatives by the DGC pursuant to the laws of Indonesia vested with powers to buy and sell and generate electricity, to borrow and lend money, to buy materials and construct facilities necessary to provide electric service, to insure against liability and to have and hold such other powers and authorities as may be provided for or given to public electric utility companies under the applicable laws of Indonesia,

(e) Evidence that satisfactory arrangements have been made to finance the required generating capacity for locations in the outer islands;

(f) Establishment by Borrower of a Supervisory Group to supervise the rural electric cooperatives through the life of the Project;

(g) Establishment by Borrower of a Project Development Office (PDO) to implement the Project.

(h) A schedule for the evaluation program referred to in Section 6.1.

SECTION 5.4. Notification. When A.I.D. has determined that the conditions precedent specified in Sections 5.1, 5.2 and 5.3 have been met, it will promptly notify the Borrower

SECTION 5.5. Terminal Dates for Conditions Precedent. If all of the conditions specified in Section 5.1 have not been met within 90 days from the date of this Agreement, or such later date as A.I.D may agree to in writing, A.I.D , at its option, may terminate this Agreement by written notice to Borrower,

Article 6 Special Covenants

SECTION 6.1. Project Evaluation. The Parties agree to establish an evaluation program as an integral part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter:

(a) Evaluation of progress toward attainment of the objectives of the Project;

(b) Identification and evaluation of problem areas or constraints which may inhibit such attainment,

(c) Assessment of how such information may be used to help overcome such problems, in this or other projects, and

(d) Evaluation, to the degree feasible, of the overall development impact of the Project.

SECTION 6.2. Project Service Areas. Borrower agrees that Project service areas for both the PLN and cooperative projects shall be selected by a procedure acceptable to A.I.D. and shall be verified as being financially viable, economical, and socially and environmentally feasible pursuant to studies approved by A.I.D.

SECTION 6.3. Environmental Assessment. Borrower agrees that the recommendations and findings of an environmental assessment to be performed by A.I.D. in cooperation with PLN and DGC will be incorporated into the Project design where feasible.

SECTION 6.4. Service Rates. Borrower agrees that PLN will not increase any of the service rates or other charges set forth in the schedule referred to in Section 5.2 (c) without prior consultation between Borrower and A.I.D. on the new rate schedule.

SECTION 6.5 Accounting Records. Borrower agrees that PLN shall keep separate cost accounting records for each of the service areas included in this Project for three years following the PACD.

SECTION 6.6. Power Use. Borrower agrees that PLN and DGC shall take necessary measures to encourage the use of electricity in the Project service areas by reducing connec-

tion charges, by funding a program to finance connection charges and house wiring costs, promoting industrial and agricultural use of electricity in the areas and by such other actions as may be advisable to achieve the aforesaid purpose.

SECTION 6.7. Trained Personnel. Borrower agrees that the DGC shall take steps to assure that the PDO and the cooperative staffs are provided with qualified personnel who are properly trained to implement the Project.

SECTION 6.8. Relending Terms Borrower agrees that none of the agreements referred to in Section 5.3 will be modified in any way without the prior written mutual agreement with A.I.D.

SECTION 6.9. Rights in Land. Borrower agrees that it shall take appropriate action on a timely basis to assure the availability at reasonable cost of all land and rights in land necessary for the construction and operation of the Project.

SECTION 6.10. Banking Services. Borrower agrees that the implementing bank shall provide its banking services for the cooperatives on a timely basis and in a manner not to delay the implementation of the Project.

SECTION 6.11. Supervisory Group. Borrower agrees that the supervisory group referred to in Section 5.3 (f) will

supervise the rural electric cooperatives continually throughout the life of the Project.

SECTION 6.12. Project Development Office. Borrower agrees that the PDO referred to in Section 5.3 (g) will implement the Project throughout its life.

Article 7 Procurement Source

SECTION 7.1. Foreign Exchange Costs. Disbursements pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Loan Standard Provisions Annex, Section C.1 (b) with respect to marine insurance.

SECTION 7.2. Local Currency Costs. Disbursements pursuant to Section 8.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in Indonesia ("Local Currency Costs").

Article 8. Disbursements

SECTION 8.1. Disbursements for Foreign Exchange Costs.

(a) After satisfaction of conditions precedent, the Borrower may obtain disbursments of funds under the Loan for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon.

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or (B) requests for A.I.D to procure commodities or services in Borrower's behalf for the Project, or

(2) by requesting A.I.D to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D , committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers, through Letters of Credit or otherwise, for such goods or services

(b) Banking charges incurred by Borrower in connection with Letters of Commitment and Letters of Credit will be financed under the Loan unless the Borrower instructs A.I.D. to the contrary. Such other charges as the Parties may agree to

may also be financed under the Loan.

SECTION 8.2. Disbursement for Local Currency Costs. After satisfaction of conditions precedent, the Borrower may obtain disbursements of funds under the Loan for Local currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs. These disbursements may be made by A.I.D..

(1) In U.S. dollars equivalent to the local currency cost, or

(2) In local currency acquired by A.I.D. by purchase or from local currency already owned by the U.S. Government.

SECTION 8.3. Other Forms of Disbursement. Disbursements of the Loan may also be made through such other means as the Parties may agree to in writing.

SECTION 8.4. Rate of Exchange. If funds provided under the Loan are introduced into Indonesia by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D., hereunder, the Borrower will make such arrangements as may be necessary so that such funds may be converted into currency of Indonesia at the highest rate of exchange which, at the time the conversion is made, is not unlawful in Indonesia.

SECTION 8.5. Date of Disbursement. Disbursements by A.I.D. will be deemed to occur (a) on the date on which A.I.D. makes a disbursement to the Borrower or its designee, or to a

bank, contractor or supplier pursuant to a Letter of Commitment or of Credit; (b) on the date on which A.I.D. disburses to the Borrower or its designee local currency acquired in accordance with Section 8.2.

Article 9: Miscellaneous

SECTION 9.1. Investment Guaranty Project Approval Construction work to be financed under this Agreement is agreed to be a project approved by Indonesia pursuant to the agreement between it and the United States of America on the subject of investment guaranties, and no further approval by Indonesia will be required to permit the United States to issue investment guaranties under that agreement covering a contractor's investment in that project.

SECTION 9.2. Communications. Any notice, request, document or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following address.

To the Borrower:

Mail Address: Departemen Luar Negeri
Jalan Pejambon No. 6
Jakarta Pusat, Indonesia

Alternate address for cables: DEPLU Jakarta

To A.I.D..

Mail Address. United States Agency for International Development
American Embassy
Jakarta, Indonesia

Alternate address for cables: USAID AMEMB Jakarta

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice. The Borrower, in addition, will provide the USAID Mission with a copy of each communication sent to A.I.D.

SECTION 9.3. Representatives. For all purposes relevant to this Agreement, the Borrower will be represented by the individual holding or acting in the offices of Chairman or Vice Chairman, National Development Planning Agency ("BAPPENAS") and A.I.D. will be represented by the individuals holding or acting in the offices of Mission Director, USAID Mission to Indonesia, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Borrower, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until

receipt of written notice of revocation of their authority.

SECTION 9.4. Standard Provisions Annex. A "Project Loan Standard Provisions Annex" (Annex 2)[1] is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Borrower and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

REPUBLIC OF INDONESIA

By: M. Panggabean
M. Panggabean
Minister for Foreign Affairs, ad interim

UNITED STATES OF AMERICA

By: Edward E. Masters
Edward E. Masters
Ambassador

[1] See footnote 1, p. 2646.

Annex 1

Amplified Description of Rural Electrification Project

1. Purpose: To design, install and begin operations of approximately ten rural electrification systems, seven to be in Central Java under PLN and three to be in the Outer Island Provinces of Lampung, Luwu and East Lombok owned by Rural Electric Cooperatives.

2. Targets: The Project will assist development of the organizations and institutions necessary for a nationwide rural electrification program. It is intended to demonstrate that reliable electric power can be provided to the rural areas of Indonesia at a price which the majority of people can afford. Recipients of the electricity from the systems in this Project are expected to be over half of the families in the areas serviced. The ultimate target of this Project is an improved standard of living and increased productivity of the rural population in the ten service areas and later of the entire nation.

3. Project Management: The PLN systems will be managed by Proyek Induk Jaringan Jawa Tengah. The Cooperative system will be managed by the Project Development Office (PDO) to be formed within the Directorate General of Cooperatives and by the Cooperative staffs and supervised by the Supervisory

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Group to be formed with the representatives of the involved GOI agencies. Technical assistance in management, cooperative organization and training will be provided by the Organization Management and Technical (OMT) team to be financed under the AID grant and assistance in engineering procurement and construction supervision will be provided by the Architectural and Engineering (A&E) team also financed under the AID grant.

4. Project Duration. May 6, 1978 to May 6, 1983

5. Financing: The A.I.D. loan of $30 million will finance the foreign exchange costs and part of the local costs of the distribution systems and house wiring. The A.I.D. grant of $6 million, of which $3 million will be funded in FY 78 and the remainder in subsequent years will finance the technical assistance services of the OMT and A&E teams in addition to part of the costs of training and evaluation of the Project. The costs of a productive uses program will also be covered under the A.I.D. Grant. The foreign exchange costs of generators for the three cooperative projects will be paid from loans and grants from other donors. However, it is understood and agreed by the Parties that in event the costs of generators for the three cooperative projects should not be provided from other donors on a timely basis for Project Implementation: (1) the Government of Indonesia will not be obligated under Section 3.2(a) or any other provision of

the Loan Agreement to provide funds or other resources for the costs of said generators, and (2) the project shall be modified in order to fit the financing of the generators within available funds in the Loan Agreement. In the event a re-scoping of the project should become necessary, each cooperative or PLN system financed as a part of the revised project would be a viable unit. The local costs of all the above will be paid partly from G.O.I. budget funds to PLN and DGC and partly from local currency loans to the cooperatives through the Indonesian banking system. The estimated financial plan is attached. The plan is approximate and revisions of up to 25 percent in any line item can be made without formal revision.

6. Implementation: Implementation will be through the two G.O.I. agencies PLN and DGC as described above. A Grant Agreement will be executed between PLN and DGC on the G.O.I. side and A.I.D. on the U.S side. Contracting for the OMT and A&E will be direct with A.I.D. Procurement under the A.I.D. Loan will be by letter of credit or direct reimbursement.

FINANCIAL PLAN
PLN DISTRIBUTION PROJECTS
($1,000)

	Activity	AID Grant	AID Loan	GOI Budget to PLN	Total
1	Organization Costs	(675)	(125)	(768)	1,568
	OMT Team	600		68	
	PLN			500	
	Training	50	100	150	
	Evaluation	25	25	50	
2.	Engineering and Supervision	(1,400)		(1,361)	2,761
	A&E Firm	1,400		265	
3.	Productive Uses Program	300		52	352
4.	General Plant Costs		2,462	1,050	3,512
5.	Distribution Systems		14,538	7,382	21,920
6.	Generators		None		
7	Housewiring		2,500		2,500
8.	Start-Up Costs			1,050	1,050
9.	Contingencies		375	337	712
		2,375	20,000	12,000	34,375

FINANCIAL PLAN
COOPERATIVE DISTRIBUTION PROJECTS
($1,000)

	AID Grant	AID Loan	DGC Budget and Coop Loans	Total
1. Coop Organization	(1,575)	(125)	(2,101)	3,801
PDO			1,050	
Coop Expenses			750	
OMT Team	1,500		101	
Training	50	100	150	
Evaluation	25	25	50	
2. Engineering & Supervision	(1,850)		(982)	2,832
A&E Firm	1,850		121	
Subcontractor			861	
3. Productive Uses Program	200		32	232
4. General Plant Cost		1,301	573	1,874
5. Distribution Systems		7,199	4,763	11,962
6. Generators		(12,000) (Other Donors)	1,200	13,200
7 Housewiring		1,250		1,250
8. Start-Up Costs			450	450
9. Contingencies		125	599	724
	3,625	10,000	10,700	36,325

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U.S. GOVERNMENT PRINTING OFFICE : 1980 O - 60-963 : QL 3